

GMM PFAUDLER LTD ANNOUNCES THE ACQUISITION OF MAVAG AG

MUMBAI January 10, 2008 – Mr. Tarak Patel, Executive Director of GMM Pfaudler Limited (GMM) - the pioneer and leader in the manufacture and supply of glass lined vessels and reactors in India announced today the 100% acquisition of Mavag AG, Switzerland a leading supplier of highly engineered critical equipment for the pharmaceutical, bio engineering and fine chemical industries through its wholly owned subsidiary GMM Mavag AG, Zurich.

"Mavag products have good brands and great technologies both of which are well recognized in Europe. With the Indian Pharma industry upgrading to meet the stringent requirements of the western world, these technologies and products would be very welcome" said Mr. Ashok Pillai, Chief Operating Officer of GMM Pfaudler Ltd.

"We have a perfect fit between Mavag and GMM with the high Swiss technology and engineering at Mavag complementing the low cost manufacture at GMM. The new products and technologies would be available in the Indian market, while Mavag will be made more competitive in the European and US markets by sourcing key components and assemblies from GMM" said Mr. Tarak Patel.

Mavag AG

Mavag AG with turnover of US\$12.50 million is a leading supplier of highly engineered critical equipment for the pharmaceutical, bio engineering and fine chemical industries. Located in Neunkirch near the tourist city of Schaffhausen about 60 km from Zurich, Mavag AG specializes in drying, filtration and mixing technologies. Mavag AG is recognized as a supplier of high quality sterile equipment for the pharmaceutical and biotechnology industries.

Mavag's top driven spherical dryer, is a state-of-the-art dryer which offer superior drying efficiency as compared to conventional technologies in addition to savings in operating costs.

Mavag's agitated nutsche filter and filter dryers engineered for sterile application or for handling products that require high containment levels are the industry standard in Europe. Mavadisc and Funda Filters are other filtration products in the Mavag portfolio for the pharma and chemical industry.

Mavag's mixing systems include magnetic drive agitators besides specialized agitators suitable for fermentation for Biotech plants.

www.mavag.com

GMM Pfaudler Ltd

GMM's sales for year ending March 2007 were US\$29 million. The acquisition will be funded entirely from GMM's cash reserves.

GMM Pfaudler is the pioneer and leader in the manufacture and supply of glasslined vessels and reactors in India. GMM Pfaudler also manufactures agitated nutsche filters and filter dryers, high efficiency agitators and specialised engineered products and systems in exotic materials of construction. GMM has multiple accreditations including U stamp from ASME, certified for PED and CE marking, China Safety Licensing Office and ISO 9000 2000.

www.gmmpfaudler.com

