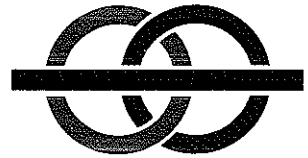


September 1, 2006

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1, G Block,
Bandra – Kurla Complex,
Bandra (E),
Mumbai 400 051



Dear Sir/Madam,

Disclosures pursuant to the Listing Agreement

Pursuant to its obligations under the Listing Agreement, this is to inform you that the Company has secured a contract for Indian Oil Corporation's naphtha cracker project being implemented at its complex at Panipat (Haryana). The contract has come through Indian Oil Tanking Ltd, where Punj Lloyd is the nominated sub-contractor. The order is valued at Rs 349 73 crore on EPC basis and is Punj Lloyd's largest project for its tankage & terminal business.

The contract is for the offsite and storage facilities of its naphtha cracker project and the scope of work includes EPC of storage facilities, including double walled cryogenic storage tanks, storage spheres, mounded bullets, atmospheric tanks, vaporizers, heaters, BOG compressors, pumps and civil work including tank foundations. This is also the first contract for PLL for mounded bullets and Horton spheres.

The project is scheduled to be completed in 24 months with an additional 2 months for commissioning.

A copy of the press release issued in this regard is enclosed herewith for your information and records.

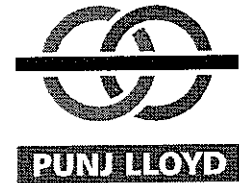
Thanking you,
Yours faithfully

for **PUNJ LLOYD LTD.**

A handwritten signature in black ink, appearing to read 'Dinesh Thairani'.

Dinesh Thairani
Company Secretary

Enclosed: As above



Press Release

for immediate publication

Punj Lloyd bags contract for IOC's naphtha project

Order worth Rs 350 crore

PLL's largest project for tankage and terminal business

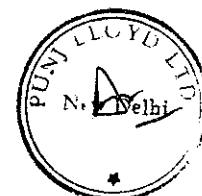
New Delhi, September 1, 2006; Engineering and construction major, Punj Lloyd (PLL) has secured a contract for Indian Oil Corporation's naphtha cracker project being implemented at its complex at Panipat (Haryana). The contract has come through Indian Oil Tanking Ltd, where Punj Lloyd is the nominated sub-contractor. The order is valued at Rs 349.73 crore on EPC basis and is Punj Lloyd's largest project for its tankage & terminal business.

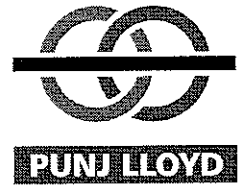
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The award of contract is a reflection of confidence of the Indian oil major in the capabilities of Punj Lloyd in handling such an important task with ease. While Punj Lloyd is known for construction of cryogenic tanks, this project, involving EPC work of double walled cryogenic tanks for storing ethylene at -103.6 deg C and propylene at -46.8 deg C temperature, represents a high end application of cryogenic storage system.

With this win, the order backlog for Punj Lloyd group (including Sembawang Engineers & Constructors, Singapore) is Rs 12,259 crore. This is the total value of unexecuted orders as on July 01, 2006 and new orders received till date. The group is now the second largest engineering and construction major in the country in terms of the order book. Over 60% of Punj Lloyd's order backlog is now represented by projects based outside India.





About Punj Lloyd Limited

Punj Lloyd (BSE SCRIP ID: 532693, NSE SCRIP ID: PUNJLLOYD), is amongst the largest engineering and construction companies in India providing integrated design, engineering, procurement, construction and project management services for energy and infrastructure sector projects with operations spread across many regions in the Middle East, Caspian, Asia Pacific, Africa and South Asia. The Company has acquired a majority stake in SembCorp Engineers & Constructors, a Singapore \$ 1 billion company. Punj Lloyd also entered into a JV with Saudi Prince to form 'Dayim-Punj Lloyd Engineering Limited'. Further information about the Company is available at www.punjllloyd.com.

For more details, please contact:-

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