

Punj Lloyd Ltd

Corporate Office I, 78 Institutional Area, Sector 32, Gurgaon 122 001, India
T +91 124 2620 123 F +91 124 2620 111
www.punjllloyd.com



September 17, 2007

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai 400 001

Disclosure pursuant to the Listing Agreement

This is in continuation to our letter dated August 2, 2007 forwarding you a press release regarding the signing of MoU for investment by the Company in Pipavav Shipyard Limited ("PSL").

The Company hereby informs you that it has now entered into a Subscription and Shareholders Agreement with PSL for acquisition of 12,93,61,538 equity shares of Rs. 10/- at a price of Rs. 27/- per equity share aggregating to Rs. 349.28 crores, which constitutes 28.84% of the present paid up share capital of PSL and which shall constitute 25.56% of the fully diluted paid up share capital of PSL upon issuance of equity shares by PSL to 2i Capital PCC and Industrial Development Bank of India (IDBI) against in-principle equity commitments made to them.

This is for information and records.

Thanking you,

Yours faithfully,
for **Punj Lloyd Limited**

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

Dinesh Thairani
Company Secretary