

## **Punj Lloyd Ltd. to raise US\$ 125 million through Foreign Currency Convertible Bonds**

**New Delhi, March 3, 2006**

Punj Lloyd Limited (*PLL*) has, subject to the approval of its shareholders in the extra-ordinary general meeting of PLL, entered into a Subscription Agreement with Citigroup Global Markets Limited, London , on March 3, 2006, for the issuance of Foreign Currency Convertible Bonds ( **Bonds** ) for U.S.\$125,000,000.

The Bonds will have a tenor of 5 years and one day and a semi-annual coupon of 4.65%. The Bonds will not be convertible before July 1, 2006. The Bonds will be convertible into equity shares at a price of Rs.1362.94, which is a premium of 25% to the BSE closing price of

Rs 1090.35 as on March 2, 2006. The Foreign Currency Convertible Bonds are expected to be listed on the Singapore Stock Exchange. The offering was lead managed by Citigroup. ICICI Bank acted as Sole Financial Advisor to the Company.

The proceeds from this offering will be used primarily to finance our ongoing capital expenditures, repayment of international debt, possible acquisitions outside India, investment in BOT projects and any other use as may be permitted under applicable law or by the regulatory bodies, from time to time.

*This announcement does not contain or constitute an offer or invitation to purchase or subscribe for any securities of Punj Lloyd Limited and should not be relied upon in connection with any decision to purchase or subscribe for any such securities.*

*The information contained herein is restricted and is not for publication, distribution or release in or into the United States of America , Australia , Canada or Japan. This announcement is not an offer of securities for sale or a solicitation of an offer to purchase securities in the United States or any other jurisdiction. The convertible bonds referred to herein (the "Securities") have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States (as such term is defined in Regulation S under the Securities Act) absent registration under the Securities Act or an applicable exemption from such registration. There will be no public offering of the Securities in the United States.*

### **About Punj Lloyd**

Punj Lloyd Limited is an Indian engineering construction company providing turnkey solutions in the global market for onshore and offshore pipelines, cryogenic tanks and terminals, process plants, highways, bridges, railways and

infrastructure services, turnkey solutions for telecom, plant & facility management and power plants. With the single-minded dedication to world standards of quality, safety, health and environment, PLL has developed a client list that is impressive. The company's quality certifications include ISO-9001, ISO-14001, and OHSAS-18001. The spirit of the PLL Quality Commitment underlines the fact that the company is geared towards achieving "maximum possible customer satisfaction, with unerring regularity, on a lasting basis".

The company is currently working on several projects in the Middle East, the Caspian, the Asia Pacific and South Asia.

***For further information, please contact:***

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