

L&T Infra PLR reduced by 75 basis points

Mumbai, January 19, 2009: L&T Infrastructure Finance Company (L&T Infra) has reduced the L&T Infra PLR by 0.75% (75 basis points) from 15.00% to 14.25%. The revised L&T Infra PLR shall be applicable in respect of all existing and new accounts, wherever the applicable interest rates are linked to it as a benchmark.

L&T Infra is a wholly owned subsidiary of USD 7 billion engineering giant Larsen & Toubro. It was set up as an NBFC as a part of L&T's Financial Services Group to finance infrastructure projects and has been in business for two years since it received the necessary RBI approval in January 2007.

As is customary for all significant players in the financial sector, L&T Infra has adopted its own Prime Lending Rate (PLR) called L&T Infra PLR. This reflects its borrowing costs, operating expenses, and margins to cover the portfolio risk.

In keeping with a market responsive approach, L&T Infra proposes to periodically review the market conditions and fix the L&T Infra PLR appropriately.