

Mr.Krishna Ghag  
Company Secretary  
IL&FS Transportation Networks Ltd  
IL&FS Financial Center  
III Floor  
Bandra Kurla Complex  
Mumbai 400051

February 3, 2010

Dear Sir,

**Re: IPO Grading for IL&FS Transportation Networks Limited, in connection with an initial public offering of equity shares of face value of INR 10 each (the “Shares”) along with share premium aggregating INR7,000m**

You have requested the IPO Grading described above from Fitch Ratings India Pvt. Ltd.(“**Fitch India**”). This IPO Grading is a point-in-time assessment and does not constitute a credit rating by Fitch India of IL&FS Transportation Networks Limited or, for the avoidance of doubt, of the Shares. Our procedures for issuing a credit rating differ from the procedures used to issue the IPO Grading. In addition, a point-in-time assessment will not be monitored by Fitch India and therefore will not be updated to reflect changed circumstances or information that may affect the IPO Grading referred to in this letter.

This letter notifies you that, based largely upon our assessment of the fundamental financial strength of IL&FS Transportation Networks Limited, Fitch India assigns an IPO Grading for IL&FS Transportation Networks Limited of ‘4(ind)’, out of a maximum of ‘5(ind)’.

This IPO Grading is based on the information and documents provided to us by you and other parties. Fitch India relies on all these parties for the accuracy of such information and documents. Fitch India did not audit or verify the truth or accuracy of such information and does not take responsibility for the appropriateness of the information provided and used in our analysis. Fitch India provides this IPO Grading “as is” and does not represent, warrant or guarantee (i) the accuracy, correctness, integrity, completeness or timeliness of any part of this IPO Grading, or (ii) that this IPO Grading and the information and analyses contained in, and constituting a part of, this IPO Grading will fulfill any of your or any third party’s particular purposes or needs.

Fitch India is not your advisor, nor is Fitch India providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. This IPO Grading should not be viewed as a replacement for such advice or services. Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between you and us or between us and any third party, including, without limitation, any user of this IPO Grading.

As set out in the Fitch India fee letter, dated 14 October 2009, (i) Fitch India is not responsible for any underwriting, credit, loan, purchase, strategic or investment decision, or damages or other losses resulting from use of this IPO Grading and (ii) none of Fitch India, its officers, employees, affiliated companies and their officers and employees shall have any liability in contract, tort, or otherwise (including, without limitation, for any direct indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits) in relation to the use of this IPO Grading by any third party. The report providing this IPO Grading is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by you and your agents in connection with the sale of the Shares. In providing this IPO Grading, Fitch India is not making any recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan, or security of any issuer. This IPO Grading does not comment on the suitability of the issue process, the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. Any person who uses this IPO Grading does so entirely at its own risk. Investors are advised to obtain individual financial advice based on their risk profile before taking any action based on this IPO Grading.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact either of undersigned on +91 22 4000 1700.

Sincerely,



**Amit Tandon**  
**Managing Director**

  
**Rakesh Valecha**  
**Senior Director**