

CONFIDENTIAL

Ref.: Tarapur Transformers Ltd \ ND \ 27-01-10 \ 33

Dated: January 27, 2010

Mr. Ajay Parikh,
Manager - Finance,
Tarapur Transformers Limited,
201-204 Vikas Chamber,
Link & Marve Road,
Malad (West),
Mumbai - 400 064

Dear Mr. Parikh,

**Ref: CRISIL IPO Grading for the Initial Public Offer of 85, 00,000 shares of
Tarapur Transformers Limited**

We refer to your request for an IPO Grading and the Grading Agreement for the captioned equity issue.

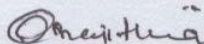
CRISIL has, after due consideration, assigned a **CRISIL IPO Grade "1/5"** (pronounced "one on five") to the captioned equity issue. This grade indicates that the fundamentals of the Issue are below average relative to other listed equity securities in India.

The assigned grade is a one time assessment valid for a period of 60 Calendar days only from the date of this letter. In the event of your company not opening the captioned issue within a period of 60 days from the above date, or in the event of any change in the size/structure of the issue, a fresh letter of revalidation from CRISIL shall be necessary.

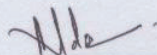
Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,



Chetan Majithia
Head, Equities - CRISIL Research



Niyati Dave
Analyst - CRISIL Research

A CRISIL IPO Grading is a one-time assessment and reflects CRISIL's current opinion on the fundamentals of the graded equity issue in relation to other listed equity securities in India. A CRISIL IPO Grading is neither an audit of the issuer by CRISIL nor is it a credit rating. Every CRISIL IPO Grading is based on the information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the grading is based. A CRISIL IPO Grading is not a recommendation to buy / sell or hold the graded instrument; it does not comment on the issue price, future market price or suitability for a particular investor.

CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of CRISIL IPO Gradings. For information on any IPO grading assigned by CRISIL, please contact 'Client Servicing' at +91-22-3342 3561, or via e-mail: clientservicing@crisil.com.

For more information on CRISIL IPO Gradings, please visit <http://www.crisil.com/ipo-gradings>

CRISIL Limited, a Standard & Poor's company

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