

Date: 28/07/2006

Mr. Prabhakar M. Rao
New Projects & CDM
GMR Industries Ltd. (Sugar Division)
Bangalore

Phone: +91- 40- 23410191-195

Dear Sir,

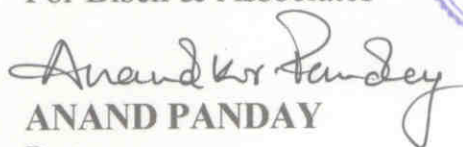
Ref: Equity Internal Rate of Return (IRR) estimation for 16 MW Co-generation project

We have received information regarding 16 MW cogeneration project in your Sugar mill from Detailed Project Report, Tariff policy and Technical inputs from plant on the basis of which IRR estimation has been done.

We have also checked assumptions and information provided for the IRR estimation and has found it to be correct and verifiable. Spreadsheet, related information and our analysis would be made available in treated confidentially

Regards

For Bisen & Associates


ANAND PANDAY
Partner
(Membership No. 403995)

