



Auditors' Report on Consolidated Financial Statements

To

The Board of Directors of Jain Irrigation Systems Limited

1. We have audited the attached Consolidated Balance Sheet of Jain Irrigation Systems Limited ("the Company") and its subsidiaries and jointly controlled entity; hereinafter referred to as the "Group" as at March 31, 2012, the Consolidated Statement Profit and Loss account and the Consolidated Cash flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of any of the subsidiaries and the jointly controlled entity. Financial statements of these subsidiaries reflect total assets of ₹ 35,251.07 millions as at March 31, 2012, total revenue of ₹ 18,726.07 millions, net loss of ₹ 210.41 millions and net cash flows amounting to ₹ 496.43 millions for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of other auditors. The financial statement of one of the subsidiaries which has been audited by another auditor for the year ended December 31, 2011, has been redrawn by the management of the Company, to give effect to significant transactions that have occurred between December 31, 2011 and March 31 2012.
4. We report that the consolidated financial statements have been prepared by Company's management in accordance with the requirements of Accounting Standard (AS) 21, "Consolidated Financial Statements" and Accounting Standard (AS) 27, "Financial Reporting of Interests in Joint Ventures" as notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended).
5. Based on our audit and on consideration of reports of other auditors on separate financial statements and other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements, give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2012;
 - (b) in the case of the Consolidated Statement of Profit and Loss account, of the profit of the Group for the year ended on that date; and
 - (c) in the case of the consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.

For Haribhakti & Co.
Chartered Accountants
FRN No.103523W

Sd/-
Rakesh Rathi

Partner

Membership No. 45228

Date **August 14, 2012**
Place **Mumbai**