



Auditors' Report on Consolidated Financial Statements

To,

The Board of Directors of Jain Irrigation Systems Limited

We have audited the accompanying consolidated financial statements of Jain Irrigation System Limited ('the company') and its subsidiaries, an associate and a joint venture (the Company, its subsidiaries, associates and joint ventures constitute "the Group") which comprise the consolidated balance sheet as at March 31, 2013, and the consolidated statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements on the basis of separate financial statements and other financial information regarding components that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flow of the Group in accordance with accounting principles generally accepted in India; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An Audit involve performing procedures to obtain audit evidence about the amounts and disclosure in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Opinion

We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standards (AS) 21, "Consolidated financial statements", Accounting Standards (AS) 23, "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard (AS) 27 "Financial Reporting of Interest in Joint Ventures" as notified pursuant to the Companies (Accounting Standards) Rules, 2006 and on the basis of the separate financial statements of Jain Irrigation Systems Limited, its subsidiaries (including subsidiaries of subsidiaries), an associate and a joint venture.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries, an associate and a joint venture as mentioned in the 'Other Matter' paragraph below, the 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, 2013;
- b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the consolidated Cash Flow Statement, of the cash flow for the year ended on that date.

Other Matter

- a) We did not audit the financial statements of any of the subsidiaries, whose financial statements reflect total assets (net) of ₹ 38,529.15 Million as at March 31, 2013, total revenues of ₹ 14,713.73 Million and net cash inflows amounting to ₹ 148.92 Million for the year then ended. These financial statements have been audited by other auditors, whose reports have been furnished to us by the management and our opinion is based solely on the reports of the other auditors.

The financial statement of one of the subsidiary which has been audited by another auditor for the year ended December 31, 2012, has been redrawn by the management of the company, to give effect to significant transactions that have occurred between December 31, 2012 and March 31, 2013 and has been subjected to Limited Review.

- b) We also did not audit the financial statements of an associate, whose aggregate share of net loss amounted to ₹ 6.53 Million, which has been subjected to Agreed upon Procedures by auditors of the said associate.

Our opinion is not qualified in these matters

For Haribhakti & Co.
Chartered Accountants
FRN 103523W
Sd/-
Rakesh Rathi
Partner
Membership No. 45228

Date **May 28, 2013**
Place **Mumbai**