

Independent Assurance Statement

Introduction

Det Norske Veritas AS (DNV) has been commissioned by the management of Jain Irrigation Systems Limited ('JISL' or 'the Company') to carry out an assurance engagement on the Company's Sustainability Report 2009 -11 (the Report) in its printed format against the Global Reporting Initiative (GRI) 2006 Sustainability Reporting Guidelines Version 3.0 (G3) and AccountAbility's AA1000 Assurance Standard 2008 (AA1000AS (2008)).

DNV is a global provider of sustainability services, with qualified environmental and social assurance specialists working in over 100 countries. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV maintains complete impartiality toward any people interviewed. DNV expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this Assurance Statement.

The intended users of this assurance statement are the readers of Company's Sustainability Report 2009 – 11. The management of Jain Irrigation Systems Limited is responsible for all information provided in the Report as well as the processes for collecting, analyzing and reporting the information. DNV's responsibility regarding this verification is to the Jain Irrigation Systems Limited only and in accordance with the agreed scope of work. The assurance engagement is based on the assumption that the data and information provided to us is complete and true. The site verification was carried out in January 2012 and the final verification of the Report in November 2012.

Scope, boundary and limitations of Assurance

The scope of work agreed upon with the Jain Irrigation Systems Limited includes verification of the following:

- The verification of content of the Company's Sustainability report (2009 -11) i.e. Review of the policies, initiatives, practices and performance described in the Report;
- Evaluation of the AccountAbility principles and specified information, described below, for a Type 2, moderate level of assurance, in accordance with the requirements of AA1000AS (2008) detailed below:
 - Information related to company's sustainability issues, responses, performance data, case studies and underlying systems for the management of such information and data;
 - Information relating to company's materiality assessment and stakeholder engagement processes;
- Confirm that the Report meets the requirements of the GRI G3 for an Application Level A+, as declared by Jain Irrigation Systems Limited.

The reporting boundary is as set out in the Report, i.e. it covers stated business units under Jain Irrigation Systems Limited; no limitations on the scope of the assurance engagement were encountered during the verification process.

Verification Methodology

This assurance engagement was planned and carried out in accordance with the AA1000AS (2008) and the DNV Protocol for Verification of Sustainability Reporting¹. The report has been evaluated against the following criteria:

- Adherence to the principles of *Inclusivity*, *Materiality* and *Responsiveness* as set out in the AA1000AS (2008); the *Reliability* of specified sustainability performance information, as required for a Type 2 and moderate level assurance engagement,
- Adherence to the additional principles of *Completeness* and *Neutrality* as set out in DNV's Protocol, and
- The principles and requirements of the GRI G3 for an application level A +.

As part of the verification we have challenged the sustainability-related statements and claims made in the report and assessed the robustness of the underlying data management system, information flow and controls. For example, we have:

- Examined and reviewed documents, data and other information made available to us by Jain Irrigation Systems Limited.
- Visited the Head-Office and site operations at Jalgaon for verification;
- Conducted interviews with key representatives (including data owners and decision-makers from different divisions and functions) of the company;

¹ www.dnv.com/cr

- Performed sample-based reviews of the mechanisms for implementing the company's own sustainability-related policies, as described in the report, and for determining material issues to be included in the report;
- Performed sample-based audits of the processes for generating, gathering and managing the quantitative and qualitative data included in the report;
- Reviewed the process of acquiring information and economic data from the financial data presented in the certified financial statements.

Opportunities for Improvement

The following is an excerpt from the observations and opportunities reported back to the management of Jain Irrigation Systems Limited. However, these do not affect our conclusions on the report, and they are indeed generally consistent with the management objectives already in place:

- The organization need to set establish long term and mid-term objective and goals (3-5 years) for key material aspects;
- The organization needs to implement formal processes to address potential human right issues across its value chain;
- Implement a systematic quality assurance procedure for data management for sustainability performance monitoring and reporting process.

Conclusions

In our opinion, and based on the scope of this assurance engagement, the Jain Irrigation Systems Limited Sustainability Report 2009 – 11, provides a fair representation of the Company's sustainability policies, objectives, management approach and performance during the reporting period.

Specific evaluation of the information on sustainability performances

We consider the methodology and process for gathering information developed by the company for its sustainability performance reporting is appropriate and the qualitative and quantitative data included in the Report, was found to be identifiable and traceable; the personnel responsible was able to demonstrate the origin and interpretation of the data including its reliability in fair manner. We also assessed the reported progress against the company's commitments as disclosed in its previous Report and observed that the Report presents a fair description of the sustainability activities and the goals achieved. DNV confirms that the GRI Application Level A+ has been attained in reference to the various application levels defined in the GRI G3.0. The core GRI indicators are responded to either fully or partially, or their omission is explained, with due regard to the Materiality principle.

We have evaluated the report's adherence to the following principles on a scale of 'Good', 'Acceptable' and 'Needs Improvement':

AA1000AS (2008) principles

Inclusivity: Acceptable. The company engaged with selected stakeholders during the year, through the channels as listed in the report. The stakeholder engagement process may be further strengthened and structured whereby sustainability inputs from a range of stakeholders are systematically incorporated in developing the sustainability strategy of the Company.

Materiality: Acceptable. The company identifies material issues from the stakeholder's feedback and expectations and the Report has not missed out any significant, known material issues/topics, but the process should be validated with more specific inputs for each business division and location to bring out material issues that reflect short, medium and long term impacts. The relative materiality of issues which have changed in the reporting period with respect to last reporting period needs to be explained to further enhance the clarity;

Responsiveness: Needs Improvement. The Company has responded to key stakeholder concerns through its policies and management systems, and this is reflected in the Report. The monitoring of the performance related to some of the material issues are yet to mature and is not yet reported or only partially reported in the Report and the Report brings out the commitments by the Company with timelines to improve the responsiveness.

In accordance with the AA1000AS (2008) requirements for a Type 2, moderate level assurance engagement, we conclude that the specified sustainability data and information presented in the Report is generally reliable. The Report contains data that is measured and estimated and some of the errors in data compilation, which were attributable to transcription and aggregation, were corrected.

Additional Parameters as per DNV's Protocol

Completeness: Needs Improvement. The boundary of reporting on some of the performance indicators also does not cover the entirety of the Company. The same has been identified and the road map is established to improve the completeness of the Report.

Neutrality: Acceptable. The company has reported sustainability issues, in a fairly balanced manner, in terms of content and tone. However the challenges and limitations may be stated with commitments to future improvements.

DNV's Independence

DNV states its independence and impartiality with regards to this engagement. DNV confirms that throughout the reporting period there were no services provided which could impair our independence and objectivity. DNV also maintained complete impartiality towards people interviewed during the assignment. The lead verifier for this verification was Mr. Karthik Ramaswamy, Senior Assessor, DNV Chennai.

For Det Norske Veritas AS

 <p>Vadakepatth Nandkumar Project Manager, National Head -Sustainability & Business Excellence Services, Det Norske Veritas AS, India.</p>	 <p>Prasun Kundu Reviewer Head- Sustainability & Business Excellence Services – East Service Responsible-Social Accountability & Ethics, Det Norske Veritas AS, India.</p>
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Bangalore, 16th November, 2012



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