

# Auditors' Report

The Board of Directors of

CRISIL Limited

1. We have audited the attached Consolidated Balance Sheet of CRISIL Group ('Group'), as at December 31, 2008, and also the Consolidated 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 Group'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 financial statements based on our audit.
2. We conducted our audit in accordance with the 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 certain subsidiaries, whose financial statements reflect total assets of Rs. 1,174,908,570 as at December 31, 2008, the total revenue of Rs. 1,612,044,160 and cash flows amounting to Rs. 127,490,336 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 is based solely on the report of other auditors.
4. As stated in Note 12 of the Notes to the Consolidated Financial Statements, the audited financial statements are not available in respect of two subsidiary companies (of which Gas Strategies Group Limited was subsidiary till December 10, 2008) and one joint venture company, which in aggregate represents, total assets of Rs. 90,353,064 as at December 31, 2008, total revenue of

Rs. 577,152,644 and net cash outflow of Rs. 6,640,107 for the year then ended. Consequently the unaudited financial statements for the year ended December 31, 2008 as certified by Group's management has been used for consolidation and we have relied upon the same.

5. We report that the consolidated financial statements have been prepared by the Group's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated financial statements, Accounting Standard (AS) 27, Financial Reporting of Interests in Joint Ventures issued by the Institute of Chartered Accountants of India.
6. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components and based on unaudited financial statements for the year ended December 31, 2008 of a subsidiary company and a joint venture company, 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, read with the matter stated in paragraph 4 above and Note 12 of the Consolidated Financial Statements of the Group:
  - (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st December 2008;
  - (ii) in the case of the Consolidated Profit and Loss account, of the profit for the year ended on that date; and
  - (iii) in the case of the Consolidated Cash Flow statement, of the cash flows for the year ended on that date.

For S. R. BATLIBOI & Co.  
Chartered Accountants  
per Shrawan Jalan  
Partner  
Membership No.: 102102

Place: Mumbai

Date: February 23, 2009