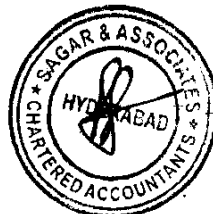




LIMITED REVIEW REPORT

**The Board of Directors,
The Dhanlaxmi Bank Ltd.,
PBNo: 9, Dhanalakshmi Buildings,
Naickanal, Thrissur-680001.**

1. We have reviewed the accompanying statement of unaudited financial results of Dhanlaxmi Bank Limited for the quarter ended June 30, 2013, except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding" which have been traced from disclosures made by the management and have not been audited or reviewed by us. This Statement is the responsibility of the Bank's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the bank personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. In the conduct of our Review, we have relied on the concurrent audit reports received from other firms of auditors of 63 branches. These concurrent audit reports of the 63 branches reviewed by us cover 60% of the advances portfolio and 75% of the Non-performing Assets of the Bank. Apart from these, in the conduct of our review we have relied on the explanations and information collated by the corporate office of the Bank from its various branches.
4. Based on information provided to us by the management, Reserve Bank of India(RBI) Annual Financial inspection(AFI) as on 31 March 2013, under section 35 of the Banking Regulation act, 1949 is completed. AFI has suggested an additional provision of Rs.57.70 Crores, for divergence in NPA provisions of Rs.42.63 Crores and Rs.14.69 Crores for balances in nominal accounts of previous years and Rs.0.38 Crores for divergence in valuation of investment. Had this provision been made in the accounts, profit would have decreased by Rs.57.70 Crores and Provision and contingencies would have increased by Rs.57.70 Crores respectively for the three months period ended 30th June, 2013.



5. Based on our review conducted as above, with the exception of the matter described in the paragraph 4, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of Income recognition, asset classification, provisioning and other related matters.

**FOR SAGAR & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No:003510S**



**(CA.B.Srinivasa Rao)
PARTNER
M.No: 202352
Station: Kochin
Date: 12th August,2013**

