



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/half year ended Sept 30, 2014, 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 statements 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 78 branches. These concurrent audit reports of the 78 branches reviewed by us cover 71% of the advances portfolio and 80% 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 2014, under section 35 of the Banking Regulation act, 1949 is completed. AFI has suggested an additional provision for divergence in NPA provisions of previous years. Bank yet to make balance provision of Rs.69.82 Crores as suggested by RBI. The balance provision requirement of Rs.69.82 crore is subject to compliance by the Bank pending disposal of Bank's representation to RBI. Had this provision been made in the accounts, profit would have decreased by Rs.69.82 crore and Provisions and contingencies would have been increased by Rs.69.82 crore for the quarter/ half year ended 30th September 2014
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

(C.A.B.Aruna)

PARTNER

M.No: 216454

Station: Kochin

Date: 11th November, 2014

