SAGAR & ASSOCIATES
CHARTERED ACCOUNTANTS

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To
The Lakshmi Vilas Bank Limited
Karur

Review Report to the Board of Directors of The Lakshmi Vilas Bank Limited

We have reviewed the accompanying statement of unaudited financial results of Lakshmi Vilas Bank Limited for the Quarter/Nine months period ended December 31, 2011. 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.

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" 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 bank personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

In the conduct of our Review, we have relied on the concurrent audit reports received from other firms of auditors of 86 branches. These concurrent audit reports of the 86 branches reviewed by us cover 78.25% of the advances portfolio and 66.60% of the Non-performing Assets of the Bank. Apart from these, in the conduct of our review, we have also relied upon various returns received from the branches of the bank.

Based on our review conducted as above, 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
F.R.NO.003510S

SAGAR & ASSOCIATES ★ Hyderabad ★ Chartered Accountants

(AJAY KUMAR. MISHRA)
PARTNER
M.No. 205468
Place: Karur
Date: 02 February 2012