Secretarial Section
Head Office, 57- V.E. Road,
Thoothukudi – 628 002.
☏: 0461-2325136
e-mail : secretarial@tmbank.in
CIN: L65110TN1921PLC001908

TMB Tamilnad Mercantile Bank Ltd
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Ref.No.TMB.SE.82/2024-25

02.08.2024

The Manager,
National Stock Exchange of India Ltd,
Exchange Plaza, 5th Floor, Plot No. C/1,
'G' Block, Bandra - Kurla Complex,
Bandra (East), Mumbai - 400 051.

The Manager,
Bombay Stock Exchange limited,
Phiroze Jeejeebhoy Towers,
Dalal Street.
Mumbai – 400 001.

Ref: Symbol: TMB / Scrip Code: 543596

Dear Sir / Madam,

Sub: - Outcome of the Board Meeting held on August 02, 2024 - Unaudited Financial Results of the Bank for the quarter ended June 30, 2024

Pursuant to Regulation 30, 33 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, we enclose herewith the Unaudited Financial Results of the Bank for the quarter ended June 30, 2024 along with the Limited Review Report issued by the Joint Central Statutory Auditors of the Bank, which were reviewed and recommended by the Audit Committee of the Board and duly approved by the Board of Directors at their respective meetings held today i.e., August 02, 2024.

The Board meeting commenced at 2.40 p.m. IST and concluded at 4.40 p.m. IST.

Kindly take the information on record.

Yours faithfully,
For Tamilnad Mercantile Bank Limited

SWAPNIL ASHOK YELGAONKAR
Digitally signed by SWAPNIL ASHOK YELGAONKAR
Date: 2024.08.02 16:41:47 +05'30'

Tamilnad Mercantile Bank Ltd TMB Secretarial Section

Swapnil Yelgaonkar
Company Secretary & Compliance Officer
Membership No: ACS 21877

TMB Tamilnad Mercantile Bank Ltd
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TAMILNAD MERCANTILE BANK LIMITED

REGD.OFFICE: 57 V E Road, Tuticorin-628 002 (CIN:L65110TN1921PLC001908)
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UNAUDITED (Reviewed) FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	30.06.2024	31.03.2024	30.06.2023	31.03.2024
	Reviewed	Audited #	Reviewed	Audited
1. Interest earned (a)+(b)+(c)+(d)	**128,115**	**125,371**	**115,589**	**484,791**
(a) Interest/discount on advances/bills	101,348	98,437	88,718	375,762
(b) Income on investments	26,031	26,342	25,337	105,585
(c) Interest on balances with Reserve Bank of India and other inter bank funds	683	528	1,420	3,096
(d) Others	53	64	114	348
2. Other income	23,372	16,390	16,700	64,494
3. TOTAL INCOME (1+2)	**151,487**	**141,761**	**132,289**	**549,285**
4. Interest expended	71,459	68,666	64,181	269,702
5. Operating expenses (i)+(ii)	33,144	36,440	30,117	131,405
(i) Employees cost	17,935	18,910	16,214	68,591
(ii) Other operating expenses	15,209	17,530	13,903	62,814
6. TOTAL EXPENDITURE (4+5) (excluding provisions and contingencies)	**104,603**	**105,106**	**94,298**	**401,107**
7. OPERATING PROFIT (3-6) (Profit before provisions and	**46,884**	**36,655**	**37,991**	**148,178**
8. Provisions (other than tax) and contingencies	8,544	2,354	3,900	8,820
9. Exceptional items	-	-	-	-
10. Profit from Ordinary Activities before tax	**38,340**	**34,301**	**34,091**	**139,358**
11. Tax expense	9,611	8,995	7,968	32,155
12. Net Profit from Ordinary Activities after tax	**28,729**	**25,306**	**26,123**	**107,203**
13. Extraordinary items (net of tax expense)	-	-	-	-
14. Net Profit for the period (12-13)	**28,729**	**25,306**	**26,123**	**107,203**
15. Paid-up Equity Share Capital (Face value 10/- per Equity Share)	15,835	15,835	15,835	15,835
16. Reserves excluding Revaluation Reserve				776,285
17. Analytical Ratios and Other Disclosures:				
(i) Percentage of shares held by Government of India	-	-	-	-
(ii) Capital Adequacy ratio (%)				
Under Basel III	29.21	29.37	26.57	29.37
(a) Common Equity Tier (CET) 1 ratio	27.74	27.97	24.94	27.97
(b) Additional Tier 1 ratio	-	-	-	
(iii) Earnings per Share (EPS) (in ₹)				
(a) Basic EPS (before and after extraordinary items) *	18.14	15.98	16.50	67.70
(b) Diluted EPS (before and after extraordinary items) *	18.14	15.98	16.50	67.70
(iv) NPA Ratios				

TAMILNAD MERCANTILE BANK LTD. H.O. ACCOUNTS DEPT.

SURI & CO. FRN 004283S Chennai 600 018. Chartered Accountants

ABARNA & ANANTHAN FRN No: 000003S BANGALORE CHARTERED ACCOUNTANTS

a) Gross NPA	58,766	57,506	58,072	57,506
b) Net NPA	26,156	33,582	24,365	33,582
c) % of Gross NPA	1.44	1.44	1.56	1.44
d) % of Net NPA	0.65	0.85	0.66	0.85
(v) Return on Assets (%)	1.88	1.70	1.85	1.84
(vi) Net Worth	824,431	792,120	718,957	792,120
(vii) Outstanding Redeemable Preference Shares	Nil	Nil	Nil	Nil
(viii) Capital Redemption Reserve	Nil	Nil	Nil	Nil
(ix) Debenture Redemption Reserve	Nil	Nil	Nil	Nil
(x) Debt - Equity Ratio **	Nil	Nil	Nil	Nil
(xi) Total Debts to Total Assets	Nil	Nil	Nil	Nil
(xii) Operating Margin	30.95%	25.86%	28.72%	26.98%
(xiii) Net Profit Margin	18.96%	17.85%	19.75%	19.52%

Refer note no.15

* not annualised

** Debt represents the borrowings with residual maturity of more than one year.

C. Chiranjeeviraj

Place: Thoothukudi
Date: August 2, 2024

C.Chiranjeeviraj
Director

TAMILNAD MERCANTILE BANK LTD. H.O. ACCOUNTS DEPT.

SURI & CO FRN 004283S Chennai 600 018. Chartered Accountants

ABARNA & ANANTHAN FRN No: 000003S BANGALORE CHARTERED ACCOUNTANTS

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REGD.OFFICE: 57 V E Road, Tuticorin-628 002
(CIN:L65110TN1921PLC001908)
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UNAUDITED (Reviewed) FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

Statement of Assets and Liabilities of the Bank as on June 30, 2024 is given below:

(Rs in lakhs)

Particulars	As At 30.06.2024	As At 30.06.2023	As at 31.03.2024
	Reviewed	Reviewed	Audited
CAPITAL AND LIABILITIES			
Capital	15,835	15,835	15,835
Reserves and Surplus	808,596	703,122	776,285
Deposits	4,918,801	4,700,843	4,951,507
Borrowings	199,743	20,549	130,115
Other Liabilities and Provisions	324,104	329,059	281,504
Total	**6,267,079**	**5,769,408**	**6,155,246**
ASSETS			
Cash and Balances with Reserve Bank	292,525	286,737	223,013
Balance with Banks and Money at Call and Short Notice	136,219	38,961	133,799
Investments	1,513,857	1,504,228	1,526,260
Advances	4,052,953	3,695,500	3,973,375
Fixed Assets	25,952	24,978	27,098
Other Assets	245,573	219,004	271,701
Total	**6,267,079**	**5,769,408**	**6,155,246**

C. Chiranjeeviraj

Place: Thoothukudi
Date: August 2 , 2024

C.Chiranjeeviraj
Director

TAMILNAD MERCANTILE BANK LTD. H.O. ACCOUNTS DEPT.

SURI & CO. FRN 004283S Chennai 600 018. Chartered Accountants

ABARNA & ANANTHAN FRN No: 000003S BANGALORE CHARTERED ACCOUNTANTS

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REGD.OFFICE: 57 V E Road, Tuticorin-628 002 (CIN:L65110TN1921PLC001908)
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SEGMENT REPORTING FOR THE QUARTER ENDED JUNE 30, 2024

(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	30.06.2024	31.03.2024	30.06.2023	31.03.2024
	Reviewed	Audited	Reviewed	Audited
Segment Revenue:				
Treasury	36,426	27,542	28,872	114,461
Corporate/Wholesale Banking	14,689	11,309	12,369	47,197
Retail Banking	100,372	102,910	91,048	387,627
Other Banking operations	-	-	-	-
Unallocated	-	-	-	-
Total Revenue	**151,487**	**141,761**	**132,289**	**549,285**
Less: Inter Segment Revenue	-	-	-	-
Income from Operations	**151,487**	**141,761**	**132,289**	**549,285**
Segment Results (net of provisions):				
Treasury	11,670	4,010	7,510	20,678
Corporate/Wholesale Banking	3,405	2,987	3,179	12,881
Retail Banking	23,265	27,304	23,402	105,799
Other Banking operations	-	-	-	-
Unallocated	-	-	-	-
Profit before tax	**38,340**	**34,301**	**34,091**	**139,358**
Tax Expenses	9,611	8,995	7,968	32,155
Net Profit after Tax	**28,729**	**25,306**	**26,123**	**107,203**
Segment Assets:				
Treasury	1,651,948	1,671,846	1,559,599	1,671,846
Corporate/Wholesale Banking	728,753	693,958	692,288	693,958
Retail Banking	3,737,432	3,646,190	3,399,867	3,646,190
Other Banking operations	-	-	-	-
Unallocated	148,946	143,252	117,655	143,252
Total	**6,267,079**	**6,155,246**	**5,769,409**	**6,155,246**
Segment Liabilities:				
Treasury	1,773,927	1,779,671	1,571,889	1,779,671
Corporate/Wholesale Banking	445,272	370,510	398,835	370,510
Retail Banking	3,042,660	3,042,964	2,935,903	3,042,964
Other Banking operations	-	-	-	-
Unallocated	180,789	169,981	143,825	169,981
Total	**5,442,648**	**5,363,126**	**5,050,452**	**5,363,126**

TAMILNAD MERCANTILE BANK LTD. H.O. ACCOUNTS DEPT.

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Capital Employed:				
(Segment Assets - Segment Liabilities)				
Treasury	-121,979	-107,825	-12,290	-107,825
Corporate/Wholesale Banking	283,481	323,448	293,453	323,448
Retail Banking	694,772	603,226	463,964	603,226
Other Banking operations	-	-	-	-
Unallocated	-31,843	-26,729	-26,170	-26,729
Total	**824,431**	**792,120**	**718,957**	**792,120**

For the above segment reporting, the reportable segments are identified as Treasury, Corporate/Wholesale Banking, Retail Banking and Other Banking Operations in compliance with the RBI guidelines.

As per RBI Circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022 on establishment of Digital Banking Unit (DBU), for the purpose of disclosure under 'Accounting Standard 17 - Segment Reporting', 'Digital Banking' has been identified as a sub-segment under Retail Banking by Reserve Bank of India (RBI). However, as the proposed DBU of the Bank has not yet commenced operations, nothing has been reported under this segment.

The business operations of the Bank are substantially concentrated in India and for the purpose of Segment Reporting as per Accounting Standard-17, the bank is considered to operate only in domestic segment.

C. Chiranjeeviraj

Place: Thoothukudi
Date: August 2 , 2024

C.Chiranjeeviraj
Director

TAMILNAD MERCANTILE BANK LTD. H.O. ACCOUNTS DEPT.

SURI & CO Chartered Accountants FRN 004283S Chennai 600 018.

ABARNA & ANANTHAN CHARTERED ACCOUNTANTS FRN No: 000003S BANGALORE

Notes forming part of Unaudited Financial Results for the quarter ended June 30, 2024

1. The above Financial Results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors in their meeting held on August 2, 2024. The Financial Results for the quarter ended June 30, 2024 has been subjected to “Limited Review” by the Statutory Central Auditors of the Bank and are in compliance with Listing Agreement of the Stock Exchanges.

2. The Financial Results for the quarter ended June 30, 2024 have been arrived at after considering provision for non-performing assets, standard assets, restructured accounts, depreciation / provision for investments, provision for exposure to entities with unhedged foreign currencies, depreciation on fixed assets, taxes and other usual and necessary provisions on the basis of prudential norms, estimates and specific guidelines issued by RBI and on the basis of the accounting policies as those followed in the preceding financial year ended March 31, 2024 except as stated in note 3 below.

3. The Bank has changed its accounting policy with respect to 'Investments' from April 1, 2024 , in compliance with RBI's Master Direction on Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions) 2023 dated 12th September 2023. Accordingly, the investments of the Bank have been re-classified, wherever required and valued in accordance with the above mentioned RBI direction. Transitional adjustment on account of Available For Sale (AFS) portfolio and other securities has been credited to opening "General Reserve" to the extent ₹5695 Lakhs (net of taxes)(Which includes reversal of provision for depreciation of ₹ 3067 Lakhs and transfer of investment reserve of ₹ 2534 Lakhs).

   Further in compliance with the RBI Direction, the valuation gain or loss for the period ended June 30, 2024 across all performing investments held under Available For Sale (AFS) are aggregated and the net appreciation has been recognised in AFS reserve. The securities under Fair Value through Profit and Loss A/C (FVTPL - including HFT) are fair valued and net appreciation has been recognised under Profit and Loss. The corresponding previous period and yearly figures in respect of June 30, 2023 and financial year ended March 31,2024 are not comparable with that of the current quarter due to the impact of the revised RBI guidelines.

4. The Capital Adequacy Ratio is computed on the basis of RBI guidelines applicable on the relevant reporting dates and the ratio for the corresponding previous period is not adjusted to consider the impact of subsequent changes if any, in the guidelines.

5. As per extant RBI guidelines, banks are required to make Pillar 3 disclosures including Leverage Ratio, Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) under the Basel III framework. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link: https://www.tmb.in/pages/basel-disclosures These disclosures have not been subjected to audit or review by the Statutory Central Auditors of the Bank.

TAMILNAD MERCANTILE BANK LTD. H.O. ACCOUNTS DEPT.

SURI & CO. FRN 004283S Chennai 600 018. Chartered Accountants

ABARNA & ANANTHAN FRN No: 000003S BANGALORE CHARTERED ACCOUNTANTS

6. Based on the available financial statements and the declarations from borrowers, the Bank has estimated the liability towards Unhedged Foreign Currency Exposure to their constituents in terms of RBI Circular DOR. MRG. REC. 76/ 00-00-007/ 2022-23 dated 11.10.2022 and holds a provision of ₹319 Lakhs as on June 30, 2024.

7. The Provision Coverage Ratio (PCR) as on June 30, 2024 is 90.27%.

8. Considering the impact of COVID-19 situation, the Bank continue to hold COVID-19 related provision of ₹.25000 Lakhs (over and above regulatory provisions) as on June 30, 2024 to meet any exigencies arising out of COVID – 19 pandemic.

9. Impact of RBI Circular No RBI/2018-19/2013 DBR No BP.BC.45/21.04.048/2018-19 dated 07.06.2019 on resolution of stressed assets - Revised framework is NIL

10. During the quarter ended June 30, 2024 the Bank has reported seven number of non-credit fraud cases amounting to ₹57.04 Lakhs. After considering the recovery of ₹24.57 lakhs the bank has made 100% provision for the remaining amount.

11. The Bank has provided an amount of ₹9817 lakhs upto June 30, 2024 towards wage arrears on an adhoc basis pending negotiations with Employees/Officers' Association.

12. The ratios and other information which are to be disclosed as per Regulations 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been disclosed to the extent considered applicable.

13. Details of loan transferred / acquired during the quarter ended June 30, 2024 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
    i. The Bank has not transferred any stressed loan (Non-performing asset and Special Mention Account) and any loan not in default.
    ii. The Bank has neither acquired any stressed loan nor any loan not in default through assignment.
    iii. The bank has not invested in Security Receipts (SR) issued by Asset Reconstruction Companies (ARC) in respect of stressed loans transferred to ARCs.

14. Status of Investor Complaints received during the quarter ended June 30,2024:

Complaints un-resolved at the beginning of the quarter	Received	Resolved	Unresolved at the end of the quarter
4	15	18	1*

(*resolved as on 19.07.2024)

TAMILNAD MERCANTILE BANK LTD. H.O. ACCOUNTS DEPT.

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ABARNA & ANANTHAN FRN No: 000003S BANGALORE CHARTERED ACCOUNTANTS

15. The figures for the quarter ended March 31,2024 are the balancing figures between audited figures in respect of the financial year 2023-24 and the published year to date figures upto December 31, 2023, which were subjected to limited review.

16. As per RBI Circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022 on establishment of Digital Banking Unit (DBU), for the purpose of disclosure under 'Accounting Standard 17 - Segment Reporting', 'Digital Banking' has been identified as a sub-segment under Retail Banking by Reserve Bank of India (RBI). However, as the proposed DBU of the Bank has not yet commenced operations, nothing has been reported under this segment.

17. Figures of the previous period have been regrouped / reclassified / rearranged, wherever necessary to confirm to the current period's classification.

For & on behalf of the Board

C.Chiranjeeviraj
Director

Place: Thoothukudi
Date: August 2, 2024

TAMILNAD MERCANTILE BANK LTD. H.O. ACCOUNTS DEPT.

SURI & CO FRN 004283S Chennai 600 018. Chartered Accountants

ABARNA & ANANTHAN FRN No: 000003S BANGALORE CHARTERED ACCOUNTANTS

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Independent Auditors' Review Report on Unaudited Financial Results for the quarter ended June 30, 2024 of Tamilnad Mercantile Bank Limited, pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors,
Tamilnad Mercantile Bank Limited,
Thoothukudi, Tamilnadu.

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Tamilnad Mercantile Bank Limited ('the Bank') for the quarter ended June 30, 2024 ('the Statement'), being submitted by the Bank pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended) ('the Regulations'), except for the disclosures relating to Pillar 3 disclosure under Basel III Capital Regulations, as at June 30, 2024, including Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio as have been disclosed on the Bank's website and in respect of which a link has been provided in the note no. 5 of the Statement have not been reviewed by us.

2. The Statement, which is the responsibility of the Bank's Management and has been approved by the Bank's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 Interim Financial Reporting ('AS-25'), prescribed under section 133 of the Companies Act, 2013, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('RBI') from time to time ('RBI Guidelines') and other recognized accounting principles generally accepted in India and is in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. 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 (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Bank's personnel and analytical procedures applied to financial data and is substantially

SURI & CO. FRN 004283S Chennai 600 018. Chartered Accountants

ABARNA & ANANTHAN FRN No 000003S BANGALORE CHARTERED ACCOUNTANTS less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted and procedures performed as stated in Paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement including notes thereon prepared in accordance with the applicable Accounting Standards, the RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulations 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 RBI in respect of income recognition, asset classification, provisioning and other related matters, except for the disclosures relating to Pillar 3 disclosures as at June 30, 2024 including Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio under Basel III Capital Regulations, as have been disclosed on the Bank's website and in respect of which a link has been provided in the Note No. 5 of the Statement and have not been reviewed by us.

For Suri & Co
Chartered Accountants
F R N: 004283S

CA Mr.Sivaram
Partner
M.No.: 211916
UDIN: 24211916BKATIW3355

For Abarna & Ananthan
Chartered Accountants
F R N: 000003S

CA Mrs.Lalitha Rameswaran
Partner
M.No.: 207867
UDIN: 24207867BKFZNZ5419

Date : August 2, 2024
Place: Thoothukudi

SURI & CO
FRN 004283S
Chennai
600 018.
Chartered Accountants

ABARNA & ANANTHAN
FRN No
000003S
BANGALORE
CHARTERED ACCOUNTANTS