

**Secretarial Section**

Head Office, 57- V.E. Road,  
Thoothukudi – 628 002.

☎: 0461-2325136

e-mail : [secretarial@tmbank.in](mailto:secretarial@tmbank.in)

CIN: L65110TN1921PLC001908

Ref.No.TMB.SE.59/2023-24



24.07.2023

The Manager,  
Bombay Stock Exchange limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street.  
Mumbai – 400 001.  
**Scrip Code: 543596**

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.  
**Symbol: TMB**

Dear Sir/Madam,

**Sub: Outcome of the Board Meeting held on July 24, 2023**

Pursuant to Regulation 30, 33 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Unaudited Financial Results of the Bank for the quarter ended June 30, 2023 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.

The Board Meeting commenced at 11.15 am and concluded at 12.20 pm.

Kindly take the information on record.

Yours faithfully,

**For Tamilnad Mercantile Bank Limited**

PRAKASH  
CHANDRA  
PANDA

Digitally signed by  
PRAKASH CHANDRA  
PANDA  
Date: 2023.07.24 12:24:44  
+05'30'



**Prakash Chandra Panda**  
**Company Secretary and Compliance Officer**

Particulars	(₹ in Lakhs)			
	Quarter ended			Year ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
	Reviewed	Audited #	Unaudited #	Audited
<b>1. Interest earned (a)+(b)+(c)+(d)</b>	<b>115,589</b>	<b>107,008</b>	<b>100,215</b>	<b>408,104</b>
(a) Interest/discount on advances/bills	88,718	82,542	77,362	314,370
(b) Income on investments	25,337	23,531	22,079	90,450
(c) Interest on balances with Reserve Bank of India and other inter bank funds	1,420	830	610	2,734
(d) Others	114	105	164	550
2. Other income	16,700	18,393	13,962	62,911
<b>3. TOTAL INCOME (1+2)</b>	<b>132,289</b>	<b>125,401</b>	<b>114,177</b>	<b>471,015</b>
4. Interest expended	64,181	54,280	47,813	198,692
5. Operating expenses (i)+(ii)	30,117	30,680	28,924	115,039
(i) Employees cost	16,214	16,692	15,110	61,867
(ii) Other operating expenses	13,903	13,988	13,814	53,172
<b>6. TOTAL EXPENDITURE (4+5)</b> (excluding provisions and contingencies)	<b>94,298</b>	<b>84,960</b>	<b>76,737</b>	<b>313,731</b>
<b>7. OPERATING PROFIT (3-6)</b> (Profit before provisions and	<b>37,991</b>	<b>40,441</b>	<b>37,440</b>	<b>157,284</b>
8. Provisions (other than tax) and contingencies	3,900	5,718	5,522	17,920
9. Exceptional items	-	-	-	-
<b>10. Profit from Ordinary Activities before tax</b>	<b>34,091</b>	<b>34,723</b>	<b>31,918</b>	<b>139,364</b>
11. Tax expense	7,968	9,418	8,497	36,438
<b>12. Net Profit from Ordinary Activities after tax</b>	<b>26,123</b>	<b>25,305</b>	<b>23,421</b>	<b>102,926</b>
13. Extraordinary items (net of tax expense)	-	-	-	-
<b>14. Net Profit for the period (12-13)</b>	<b>26,123</b>	<b>25,305</b>	<b>23,421</b>	<b>102,926</b>
15. Paid-up Equity Share Capital (Face value 10/- per Equity Share)	15,835	15,835	14,251	15,835
16. Reserves excluding Revaluation Reserve				676,999
17. Analytical Ratios and Other Disclosures:				
(i) Percentage of shares held by Government of India	-	-	-	-
(ii) Capital Adequacy ratio (%)				
Under Basel III	26.57	26.26	21.67	26.26
(a) Common Equity Tier (CET) 1 ratio	24.94	24.61	20.04	24.61
(b) Additional Tier 1 ratio	-	-	-	-
(iii) Earnings per Share (EPS) (in % )				
(a) Basic EPS (before and after extraordinary items) *	16.50	15.98	16.43	68.06



(b) Diluted EPS (before and after extraordinary items) *	16.50	15.98	16.43	68.06
(iv) NPA Ratios				
a) Gross NPA	58,072	52,146	57,215	52,146
b) Net NPA	24,365	22,982	31,092	22,982
c) % of Gross NPA	1.56	1.39	1.69	1.39
d) % of Net NPA	0.66	0.62	0.93	0.62
(v) Return on Assets (%)	1.85	1.93	1.83	1.97
(vi) Net Worth	718,957	692,835	542,741	692,835
(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	28.72%	32.25%	32.79%	33.39%
(xiii) Net Profit Margin	19.75%	20.18%	20.51%	21.85%

\* not annualised

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

# Refer note no.12

Place: Thoothukudi

Date: July 24, 2023

*S. Krishnan*  
S.Krishnan

Managing Director & CEO







**TAMILNAD MERCANTILE BANK LIMITED**

REGD.OFFICE: 57 V E Road, Tuticorin-628 002  
(CIN:L65110TN1921PLC001908 )

www.tmb.in

**UNAUDITED (Reviewed) FINANCIAL RESULTS FOR THE QUARTER ENDED  
JUNE 30, 2023**

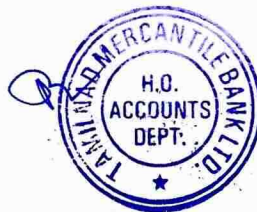
**Statement of Assets and Liabilities of the Bank as at June30, 2023 is given  
below:**

(Rs in lakhs)

Particulars	As At 30.06.2023	As At 30.06.2022	As at 31.03.2023
	Reviewed	Unaudited	Audited
<b>CAPITAL AND LIABILITIES</b>			
Capital	15,835	14,251	15,835
Reserves and Surplus	703,122	528,490	676,999
Deposits	4,700,843	4,323,360	4,776,649
Borrowings	20,549	37,502	52,500
Other Liabilities and Provisions	329,059	233,565	267,553
<b>Total</b>	<b>5,769,408</b>	<b>5,137,168</b>	<b>5,789,536</b>
<b>ASSETS</b>			
Cash and Balances with Reserve Bank	286,737	230,676	210,257
Balance with Banks and Money at Call	38,961	107,627	147,941
Investments	1,504,228	1,295,632	1,415,604
Advances	3,695,500	3,355,831	3,728,969
Fixed Assets	24,978	20,883	24,565
Other Assets	219,004	126,519	262,200
<b>Total</b>	<b>5,769,408</b>	<b>5,137,168</b>	<b>5,789,536</b>

Place: Thoothukudi  
Date: July 24, 2023

S.Krishnan  
Managing Director & CEO



Particulars	Quarter ended			Year ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
	Reviewed	Audited	Unaudited	Audited
<b>Segment Revenue:</b>				
Treasury	28,872	24,369	22,625	92,051
Corporate/Wholesale Banking	14,949	12,738	14,697	53,259
Retail Banking	88,468	88,294	76,855	325,705
Other Banking operations	-	-	-	-
Unallocated	-	-	-	-
<b>Total Revenue</b>	<b>132,289</b>	<b>125,401</b>	<b>114,177</b>	<b>471,015</b>
Less: Inter Segment Revenue	-	-	-	-
<b>Income from Operations</b>				
<b>Segment Results (net of provisions):</b>				
Treasury	7,510	3,045	7,399	21,648
Corporate/Wholesale Banking	3,842	4,000	3,935	16,544
Retail Banking	22,739	27,678	20,584	101,172
Other Banking operations	-	-	-	-
Unallocated	-	-	-	-
<b>Profit before tax</b>	<b>34,091</b>	<b>34,723</b>	<b>31,918</b>	<b>139,364</b>
Tax Expenses	7,968	9,418	8,497	36,438
<b>Net Profit after Tax</b>	<b>26,123</b>	<b>25,305</b>	<b>23,421</b>	<b>102,926</b>
<b>Segment Assets:</b>				
Treasury	1,559,599	1,573,403	1,426,122	1,573,403
Corporate/Wholesale Banking	804,906	926,096	816,789	926,096
Retail Banking	3,287,249	3,179,131	2,890,616	3,179,131
Other Banking operations	-	-	-	-
Unallocated	117,655	110,907	3,641	110,907
<b>Total</b>	<b>5,769,409</b>	<b>5,789,537</b>	<b>5,137,168</b>	<b>5,789,537</b>
<b>Segment Liabilities:</b>				
Treasury	1,571,889	1,676,627	1,377,791	1,676,627
Corporate/Wholesale Banking	482,032	461,391	509,760	461,391
Retail Banking	2,852,706	2,821,652	2,665,648	2,821,652
Other Banking operations	-	-	-	-
Unallocated	143,825	137,032	41,228	137,032
<b>Total</b>	<b>5,050,452</b>	<b>5,096,702</b>	<b>4,594,427</b>	<b>5,096,702</b>



<b>Capital Employed:</b>				
(Segment Assets - Segment Liabilities)				
Treasury	-12,290	-103,224	48,331	-103,224
Corporate/Wholesale Banking	322,874	464,705	307,029	464,705
Retail Banking	434,543	357,479	224,968	357,479
Other Banking operations	-	-	-	-
Unallocated	-26,170	-26,125	-37,587	-26,125
<b>Total</b>	<b>718,957</b>	<b>692,835</b>	<b>542,741</b>	<b>692,835</b>

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 and having regard to the discussions of the DBU Working Group formed by Indian Banks' Association (IBA) (which included representatives of banks and RBI), reporting of Digital Banking segment will be implemented by the Bank based on the decision of the DBU Working Group.

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.

*S. Krishnan*

S.Krishnan  
Managing Director & CEO

Place: Thoothukudi  
Date: July 24, 2023





**Notes forming part of Unaudited Financial Results for the quarter ended  
June 30, 2023**

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 July 24, 2023.
2. The Financial Results for the quarter ended June 30, 2023 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.
3. The Financial Results for the quarter ended June 30, 2023 have been arrived at after considering provision for non-performing assets, standard assets, restructured accounts, depreciation / provision on 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, 2023.
4. 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 DBOD.No.BP.BC.85/21.06.200/2013-14 dated January 15, 2014 and holds a provision of ₹ 319 Lakhs as on June 30, 2023.
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/basel-disclosures.aspx> These disclosures have not been subjected to audit or review by the Statutory Central Auditors of the Bank.
6. The Provision Coverage Ratio (PCR) as on June 30, 2023 is 90.49%.
7. Considering the impact of COVID-19 situation, the Bank continue to hold COVID-19 related provision of ₹.30000 Lakhs (over and above regulatory provisions) as on June 30, 2023 to meet any exigencies arising out of COVID – 19 pandemic.
8. 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
9. Details of loan transferred / acquired during the quarter ended June 30, 2023 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.



10. 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 and having regard to the discussions of the DBU Working Group formed by Indian Banks' Association (IBA) (which included representatives of banks and RBI), reporting of Digital Banking segment will be implemented by the Bank based on the decision of the DBU Working Group.

11. Status of Investor Complaints received during the quarter ended June 30, 2023:

Complaints un-resolved at the beginning of the quarter	Received	Resolved	Unresolved at the end of the quarter
2	33	34	1

12. The figures for the quarter ended March 31, 2023 are the balancing figures between audited figures in respect of the financial year 2022-23 and the published year to date figures upto December 31, 2022, which were subjected to limited review. Since the shares of the bank was listed on September 15, 2022, the figures of corresponding quarter ended June 30, 2022 have neither been reviewed nor audited by our Statutory Auditors under regulation 33 of SEBI (LODR) regulations 2015 (as amended) and is based on management certified financial information of the Bank.

13. 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

S. Krishnan  
Managing Director & CEO

Place: Thoothukudi  
Date: July 24, 2023





**SURI & CO.,**  
CHARTERED ACCOUNTANTS  
Guna Complex, No.443 & 445  
4<sup>th</sup> Floor, Main Building  
Anna Salai, Teynampet  
Chennai – 600018

**ABARNA & ANANTHAN**  
CHARTERED ACCOUNTANTS  
521, 3<sup>rd</sup> Main Road, 2<sup>nd</sup> Phase, 6<sup>th</sup> Block  
Banashankari 3<sup>rd</sup> Stage,  
Bengaluru - 560085

**Independent Auditors' Review Report on Unaudited Financial Results for the quarter ended June 30, 2023 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 (hereinafter 'the Bank') for the quarter ended June 30, 2023 (hereinafter '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) (hereinafter 'the Regulations'), except for the disclosures relating to Pillar 3 disclosure under Basel III Capital Regulations, as at June 30, 2023, 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 aforesaid Statement have not been reviewed by us.
2. Attention is drawn to the fact that the figures of corresponding quarter ended June 30, 2022 have been approved by the Bank's Board of Directors, but have not been subjected to audit or review.
3. 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 (hereinafter the 'RBI') from time to time (hereinafter the 'RBI Guidelines') and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
4. 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 (hereinafter 'the 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 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.

5. Based on our review conducted as stated in Paragraph 4 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, 2023 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 P Prasanna  
Partner  
M.No.: 228180  
UDIN: 23228180 BGRSDW4324

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

  
CA G Mohan Rao  
Partner  
M.No.: 203737  
UDIN: 23203737 BGL2DEK 3075

Place: Thoothukudi  
Date : July 24, 2023

