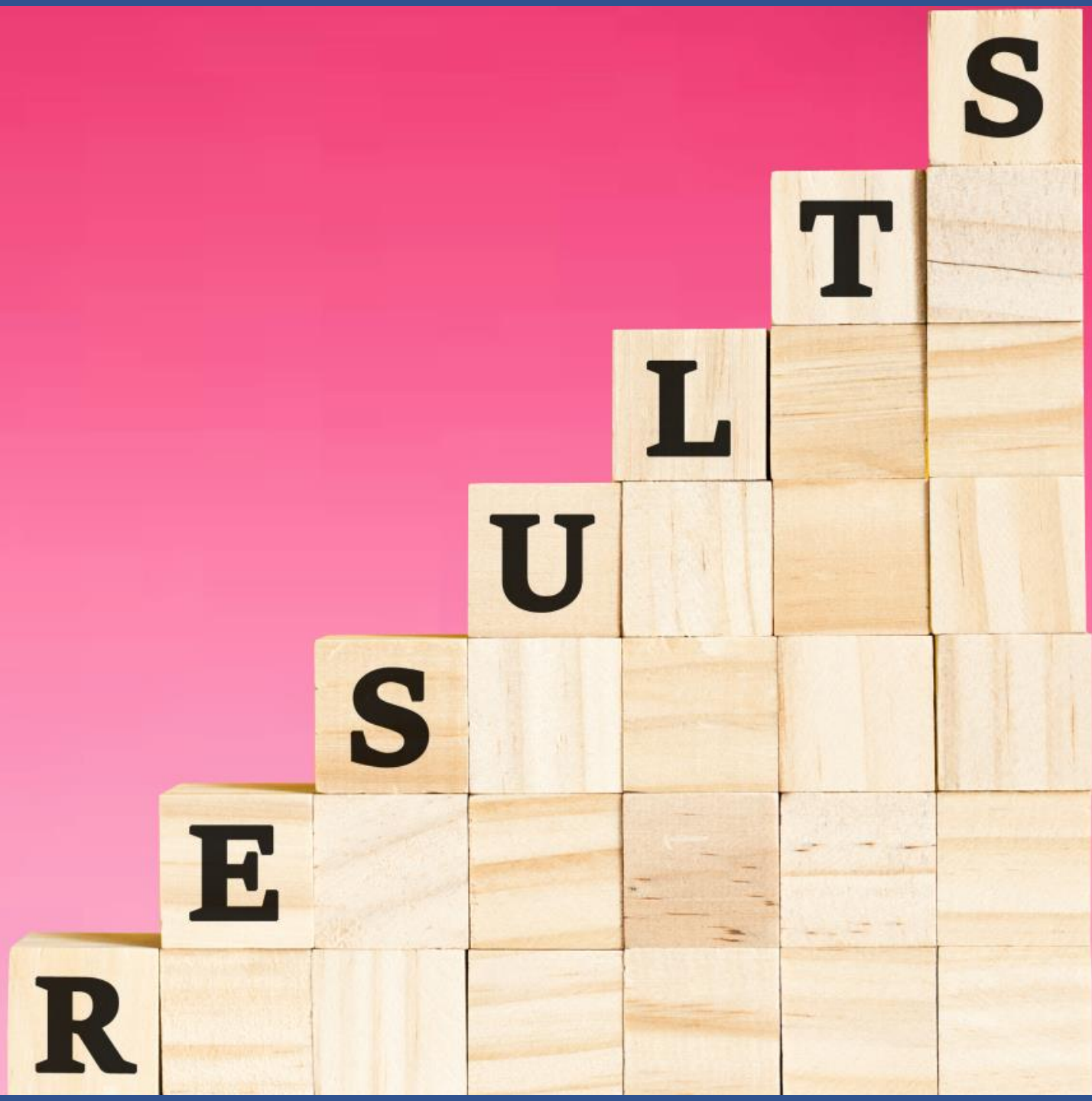


Investor  
Presentation  
Q3FY23



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# 01 Performance Highlights

02 Key Ratios / Parameters

03 Asset Quality

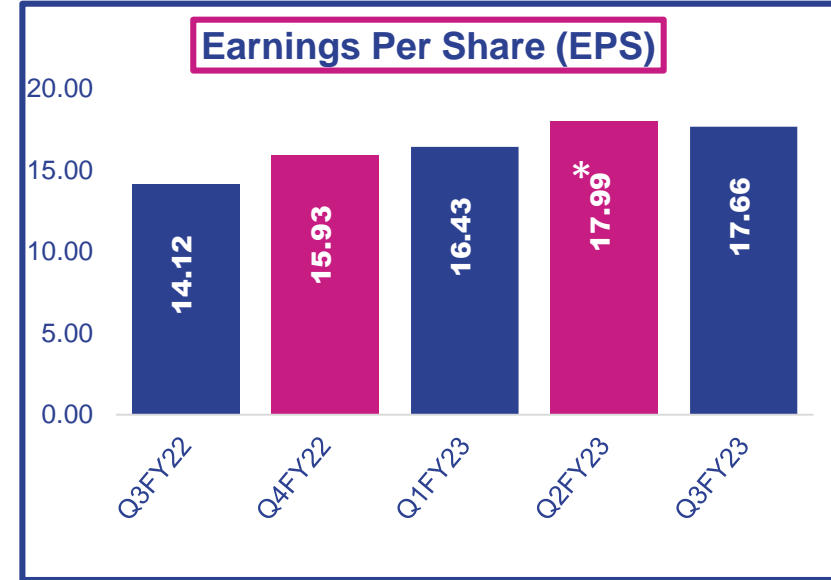
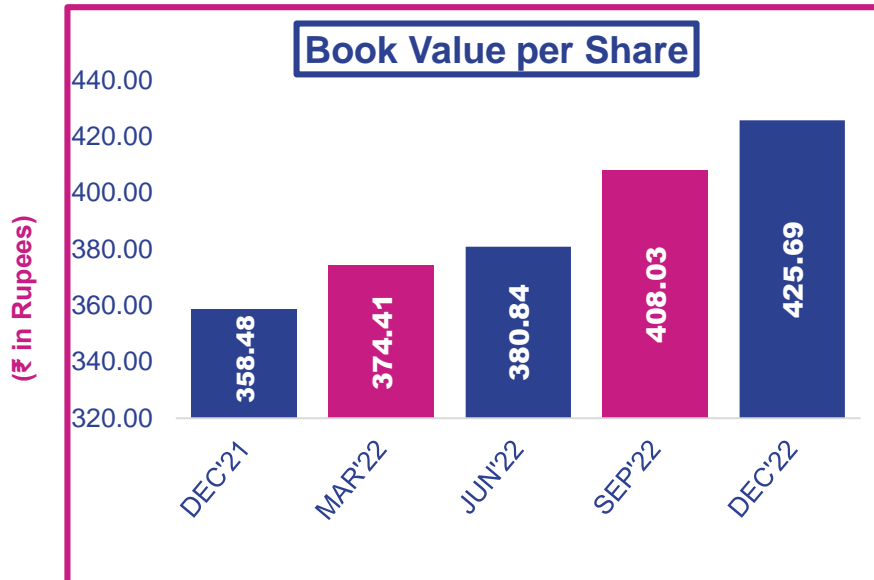
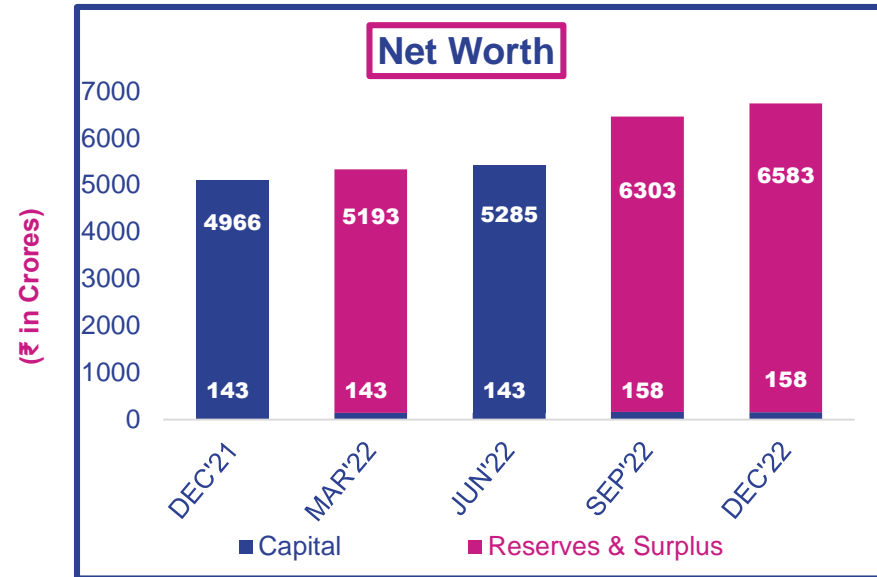
04 Business / Financial Performance

05 Balance Sheet

06 Strategic Partners

07 Branch Network

# Shareholders Value-Enhanced (1/2)



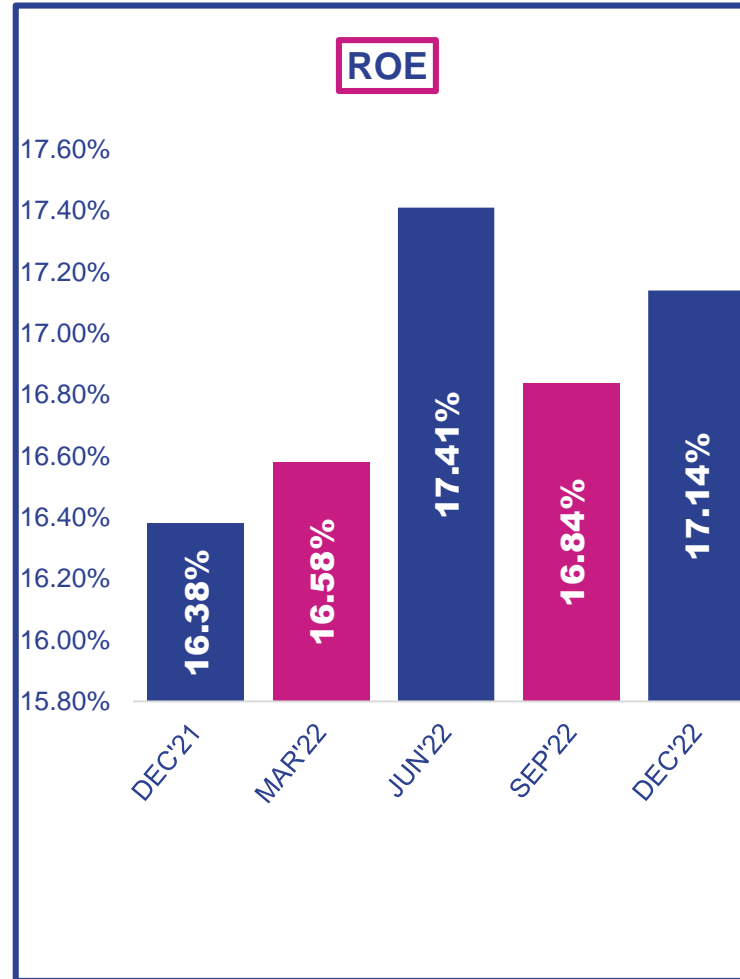
\* Calculated at Weighted Average due to Bank issuing 158.40 lakh equity shares through IPO during Sep'2022

# Shareholders Value-Enhanced (2/2)

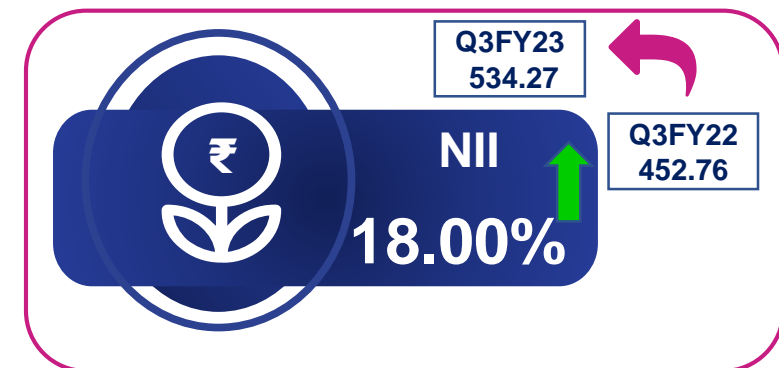
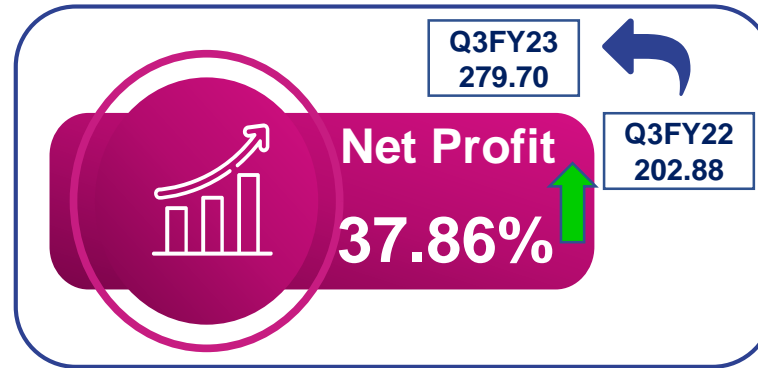
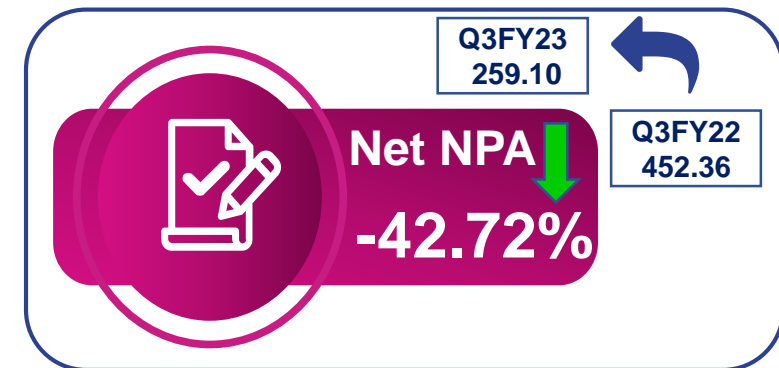
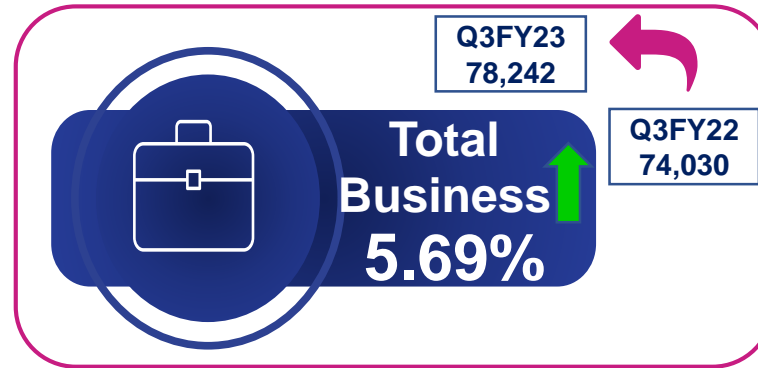
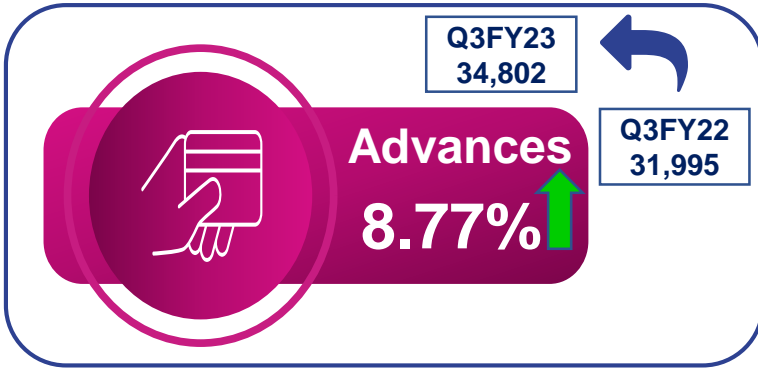
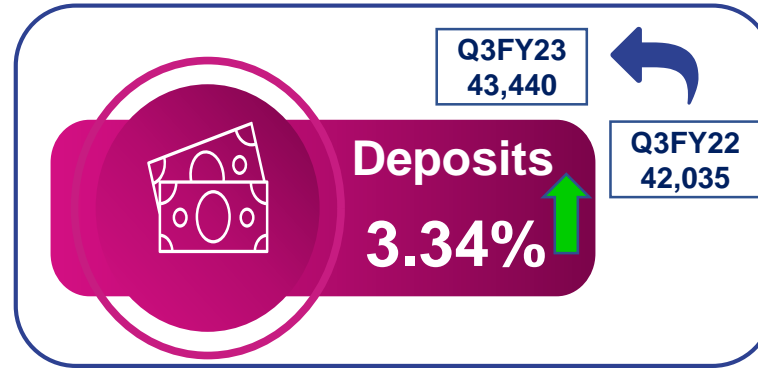
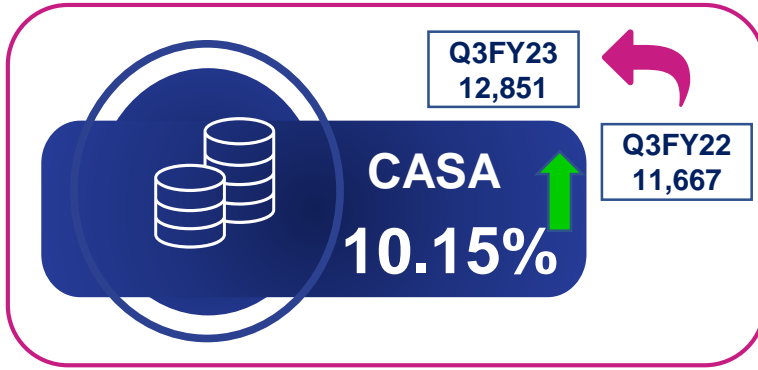
(Annualised)



(Annualised)



# Performance Highlights (Q3FY2023 vis-à-vis Q3FY2022)



**01** Performance Highlights

**02** Key Ratios / Parameters

**03** Asset Quality

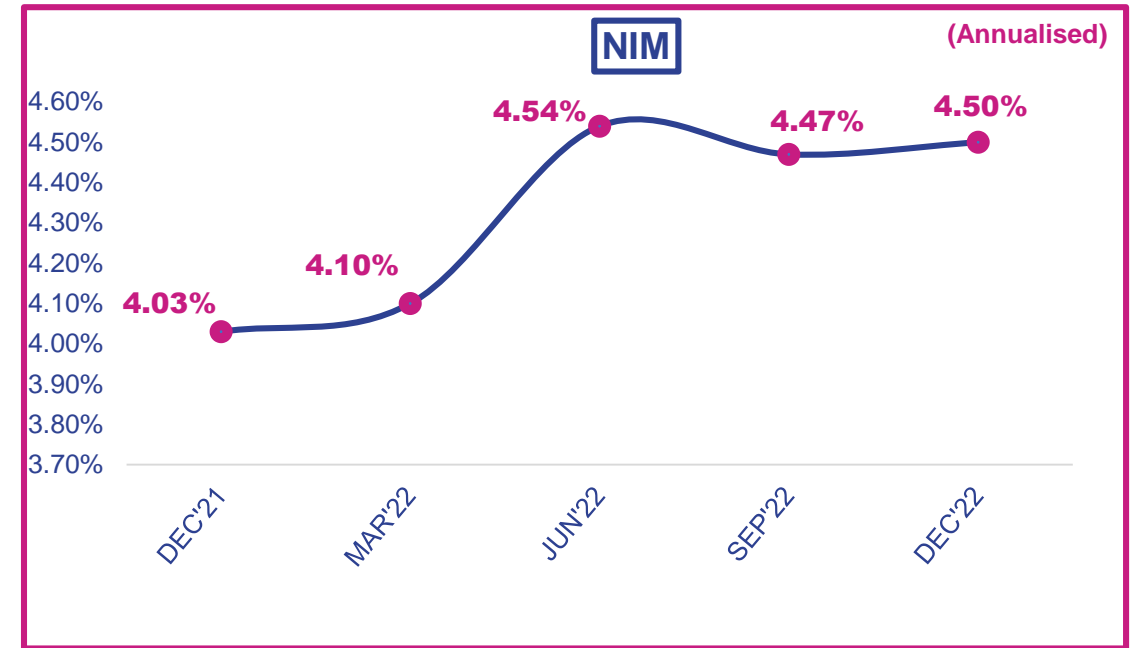
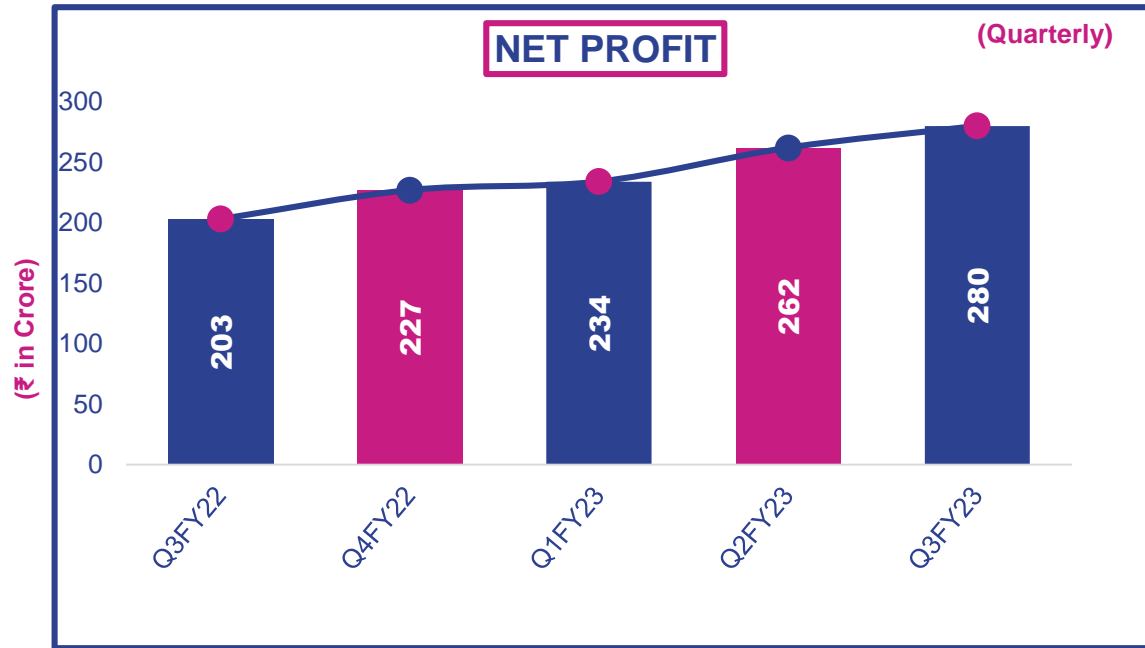
**04** Business / Financial Performance

**05** Balance Sheet

**06** Strategic Partners

**07** Branch Network

# Key Ratios (1/2)

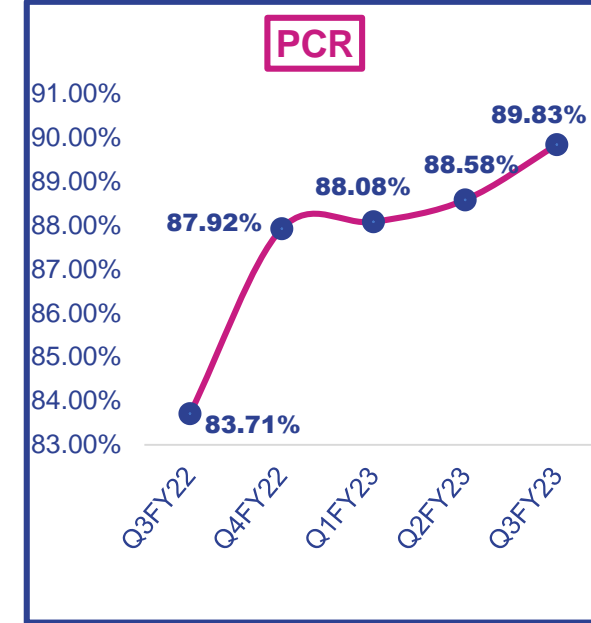
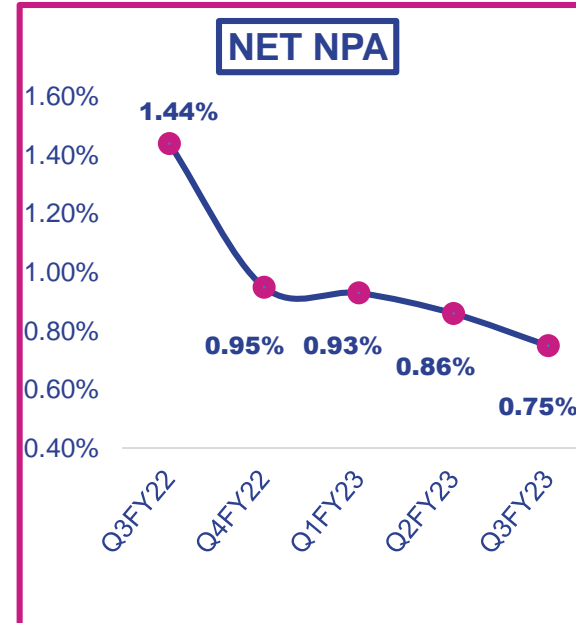
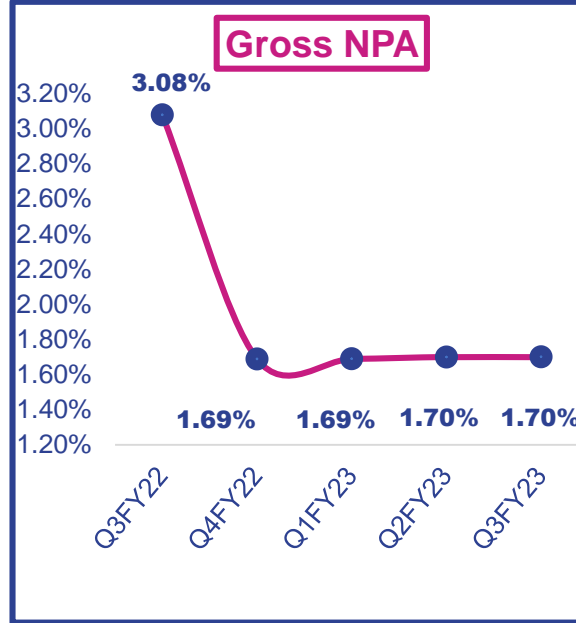
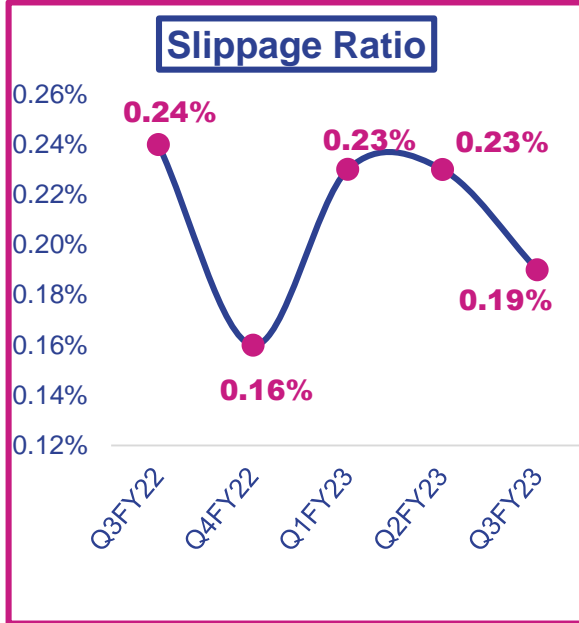


	Q3FY22 (3M)	Q4FY22 (3M)	Q1FY23 (3M)	Q2FY23 (3M)	Q3FY23 (3M)	Q-o-Q Growth (Q3FY23 Over Q2FY23)	Y-o-Y Growth (Q3FY23 over Q3FY22)
Net Profit (in Crore)	202.89	226.95	234.21	262.30	279.70	6.63%	37.86%
Net Interest Margin NIM(%) (Annualised)	4.03%	4.10%	4.54%	4.47%	4.50%	0.67%	11.66%



# Key Ratios (2/2)

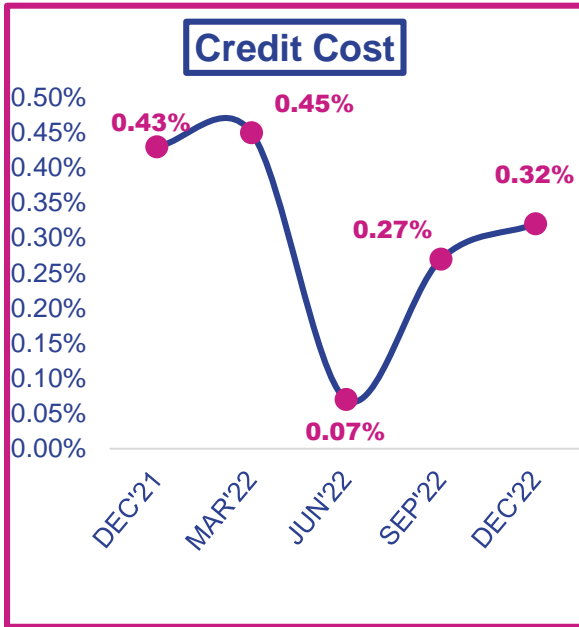
(Quarterly)



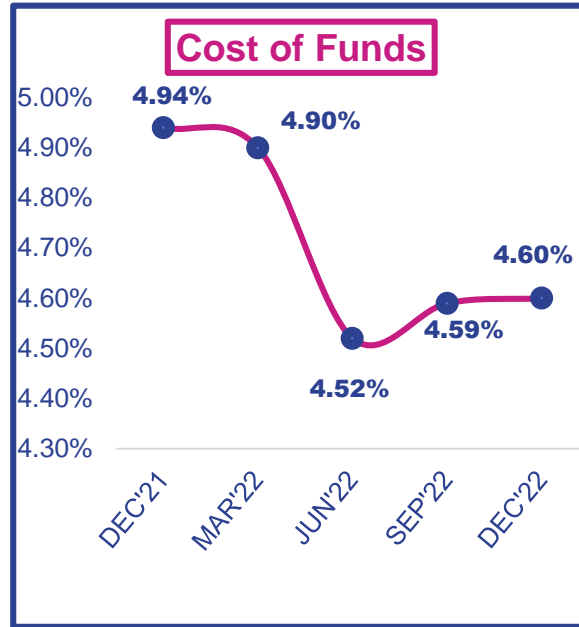
	Q3FY22 (9M)	Q4FY22 (12M)	Q1FY23 (3M)	Q2FY23 (6M)	Q3FY23 (9M)
Slippage Ratio(%) (3 Months)	0.24%	0.16%	0.23%	0.23%	0.19%
Gross NPA(%)	3.08%	1.69%	1.69%	1.70%	1.70%
Net NPA(%)	1.44%	0.95%	0.93%	0.86%	0.75%
Provision Coverage Ratio(%)	83.71%	87.92%	88.08%	88.58%	89.83%

# Efficiency Ratios (1/2)

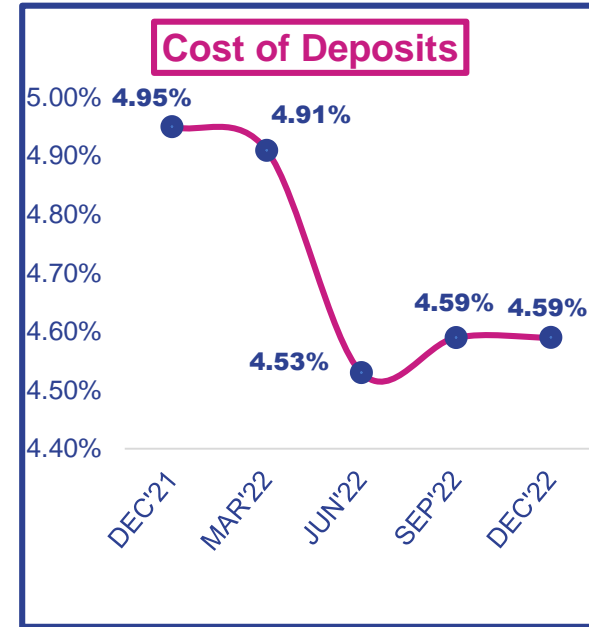
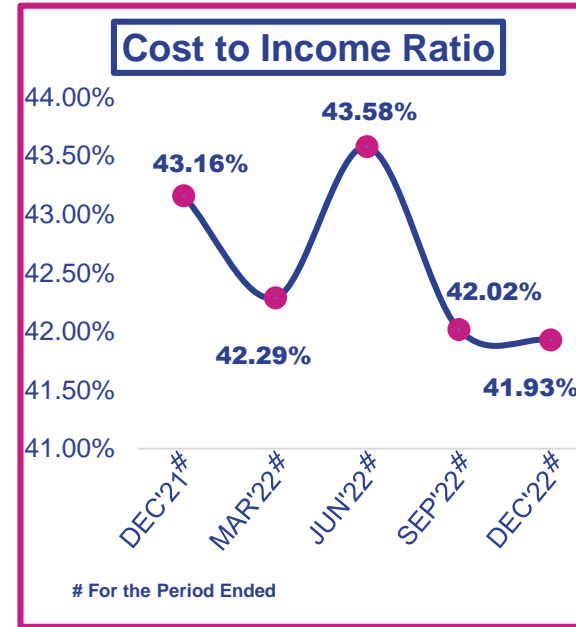
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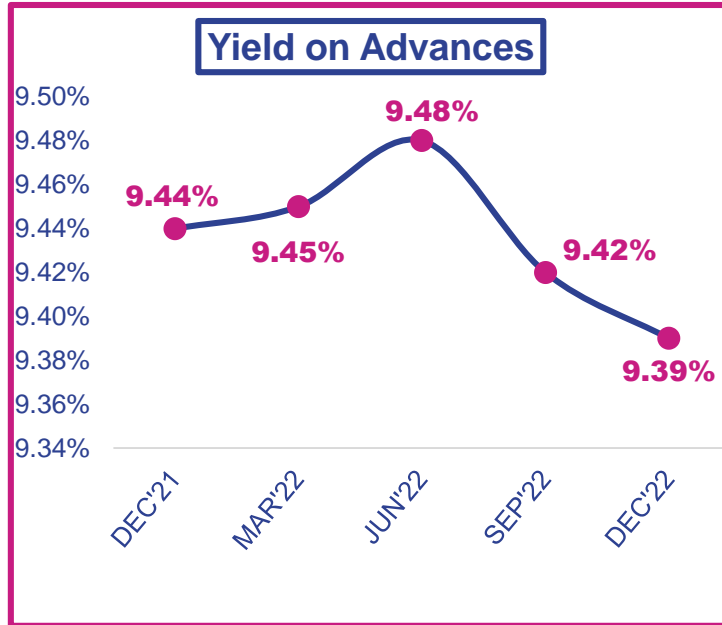
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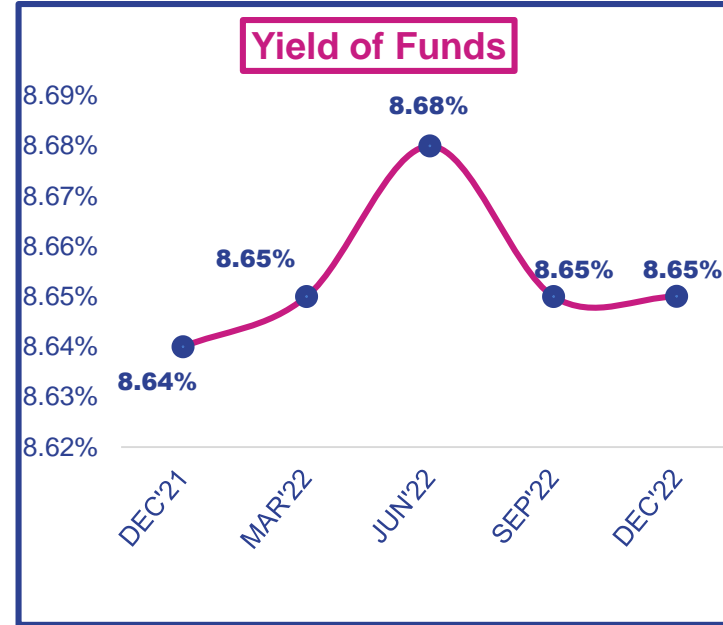
	DEC'21	MAR-22	JUN'22	SEP'22	DEC'22
Credit Cost(%)	0.43	0.45	0.07	0.27	0.32
Cost of Funds(%)	4.94	4.90	4.52	4.59	4.60
Cost to Income Ratio(%)	43.16	42.29	43.58	42.02	41.93
Cost of Deposits(%)	4.95	4.91	4.53	4.59	4.59

# Efficiency Ratios (2/2)

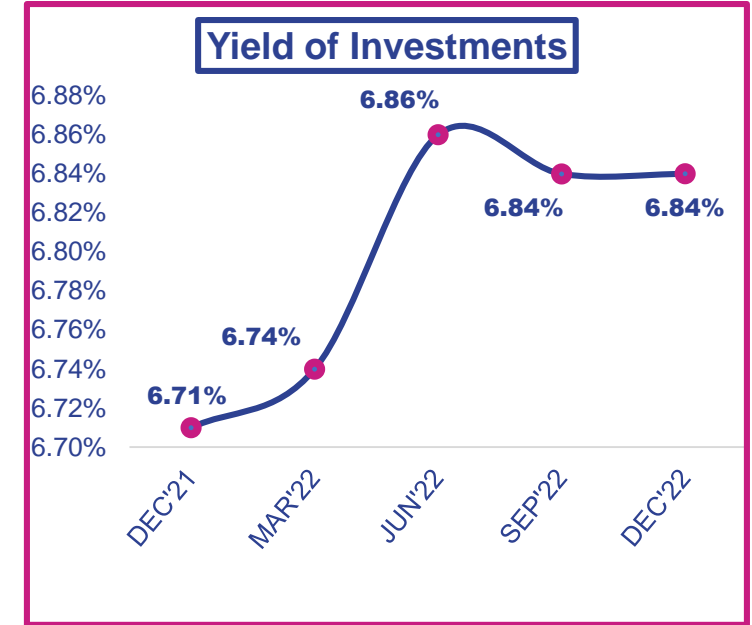
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(Annualised)



	DEC'21	MAR-22	JUN'22	SEP'22	DEC'22
Yield on Advances(%)	9.44	9.45	9.48	9.42	9.39
Yield of Funds(%)	8.64	8.65	8.68	8.65	8.65
Yield on Investments(%)	6.71	6.74	6.86	6.84	6.84

**01** Performance Highlights

**02** Key Ratios / Parameters

**03** Asset Quality

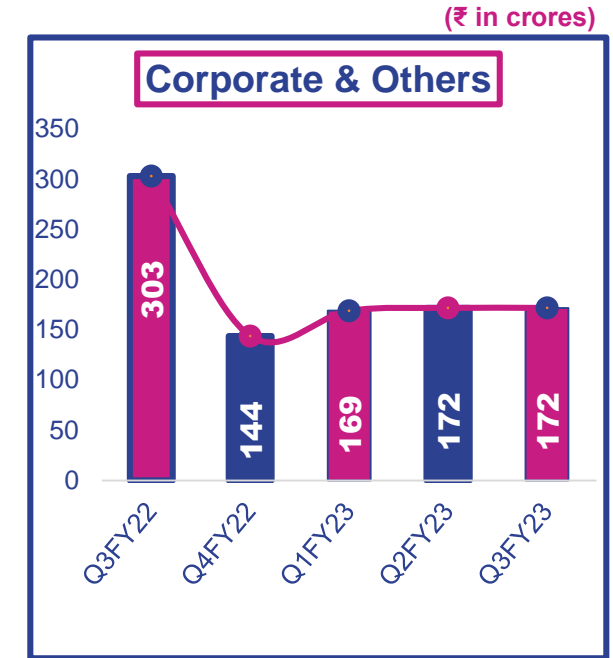
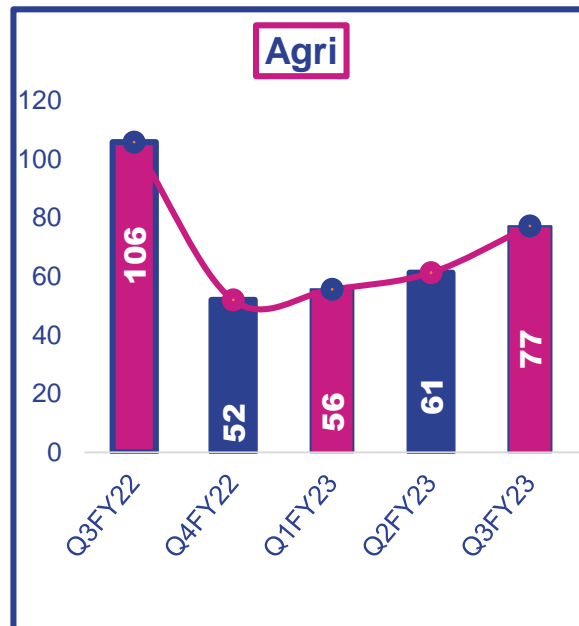
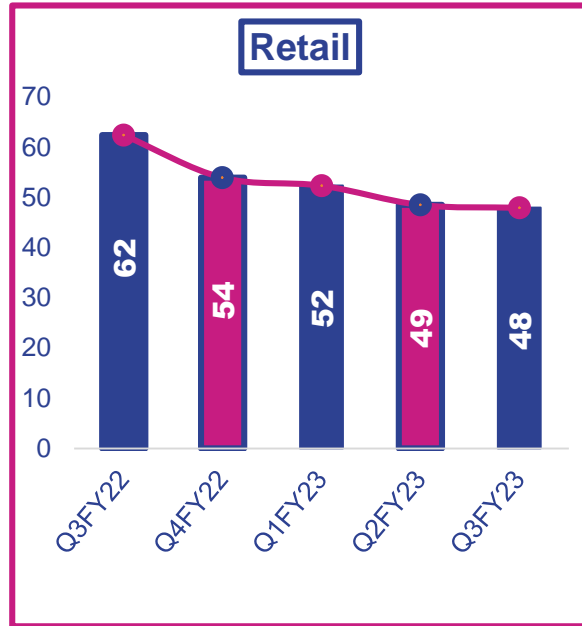
**04** Business / Financial Performance

**05** Balance Sheet

**06** Strategic Partners

**07** Branch Network

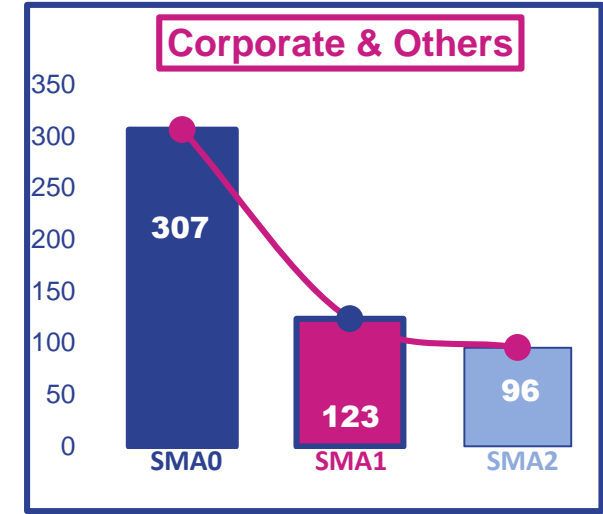
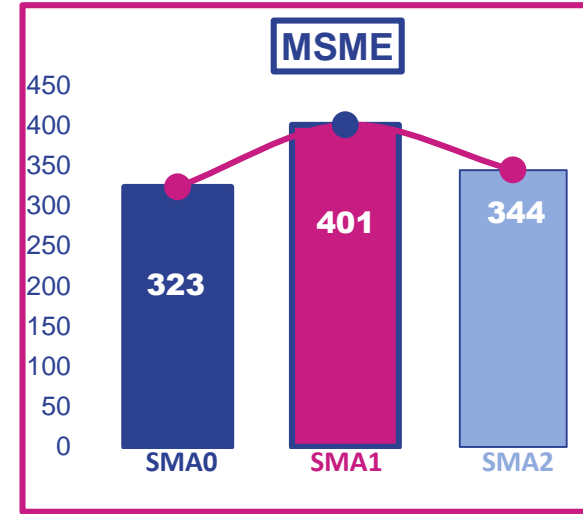
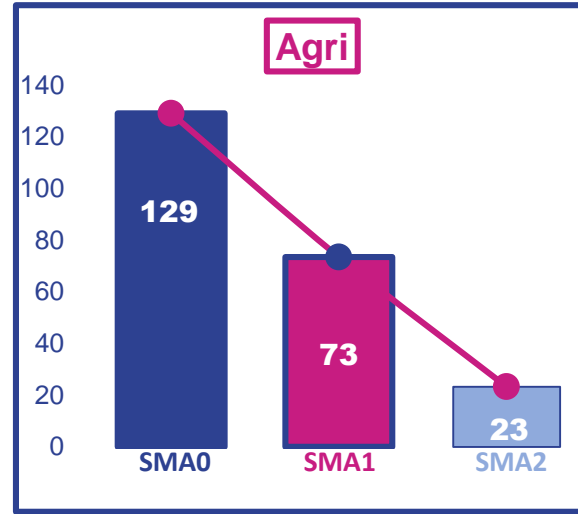
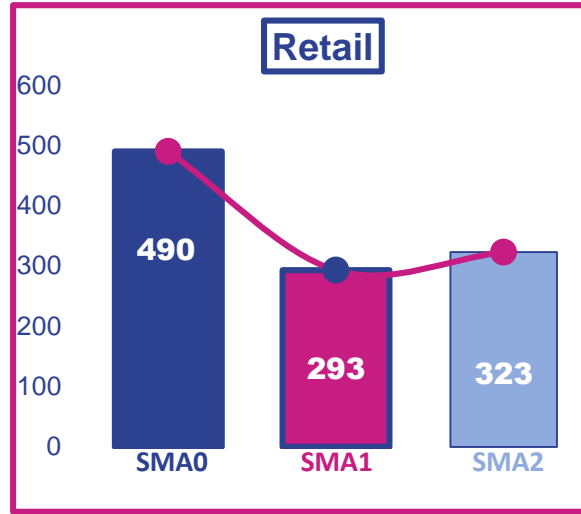
# Sector-wise NPA Position



Sector	Q3FY22 (9M)	Q4FY22 (12M)	Q1FY23 (3M)	Q2FY23 (6M)	Q3FY23 (9M)	Q-o-Q Growth (Q3FY23 Over Q2FY23)	Y-o-Y Growth (Q3FY23 over Q3FY22)
Retail	62.42	53.92	52.36	48.52	47.96	-1.15%	-23.17%
Agriculture	105.94	52.04	55.67	61.34	77.26	25.95%	-27.07%
MSME	513.81	321.07	295.10	311.63	294.01	-5.65%	-42.78%
Corporate & Others	303.39	143.89	169.02	171.85	171.85	-	-43.36%
<b>Gross NPA</b>	<b>985.56</b>	<b>570.92</b>	<b>572.15</b>	<b>593.34</b>	<b>591.08</b>	<b>-0.38%</b>	<b>-40.03%</b>

# Sector-wise SMA Position as on 31.12.2022

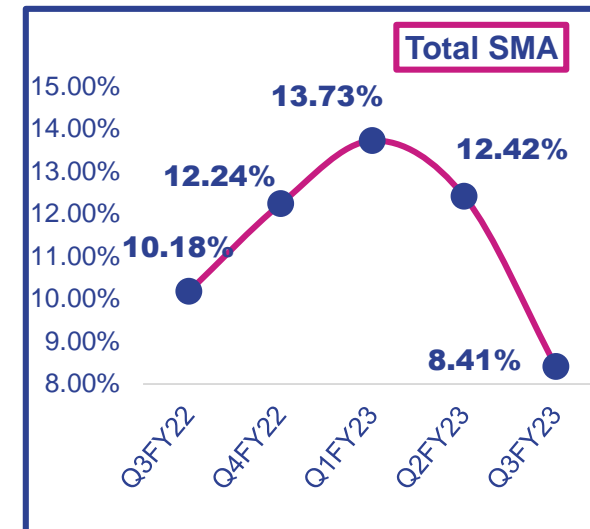
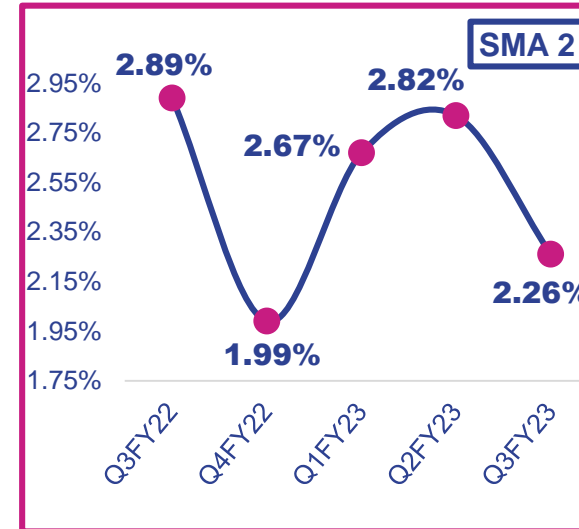
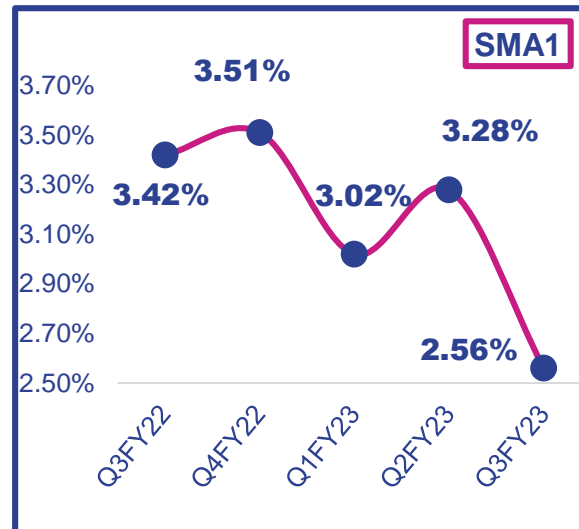
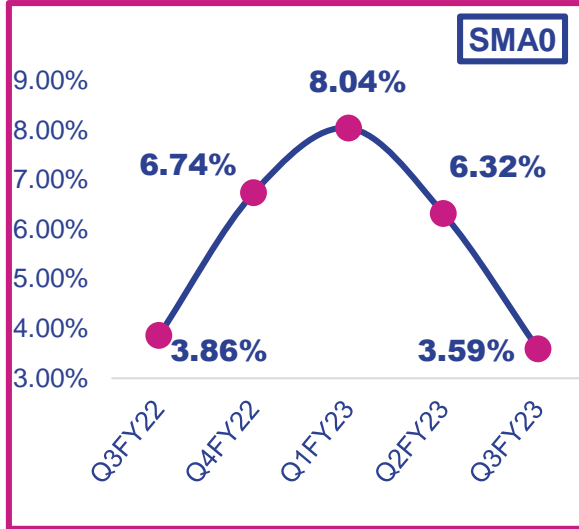
(₹ in Crores)



(₹ in Crores)

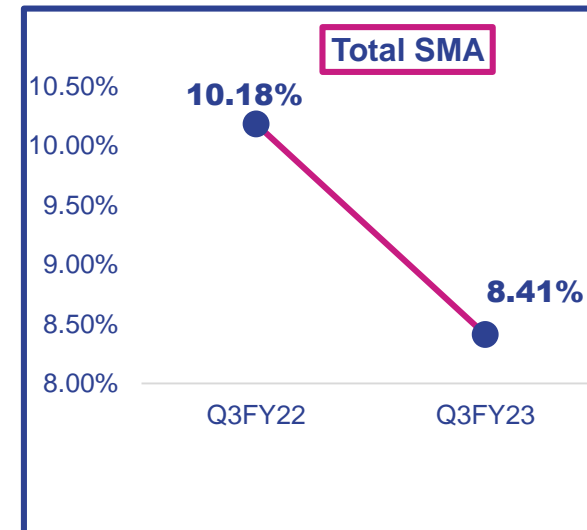
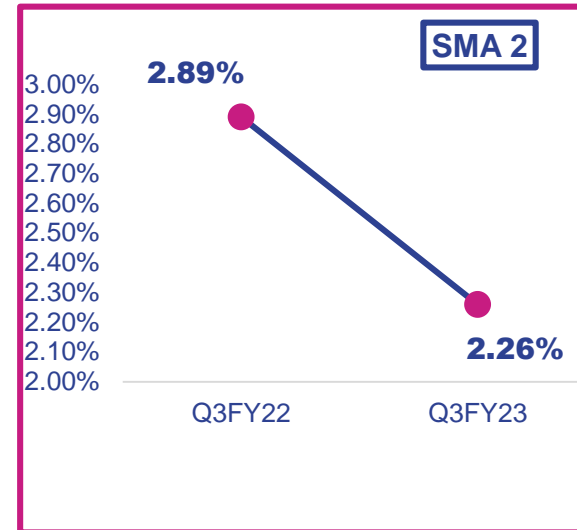
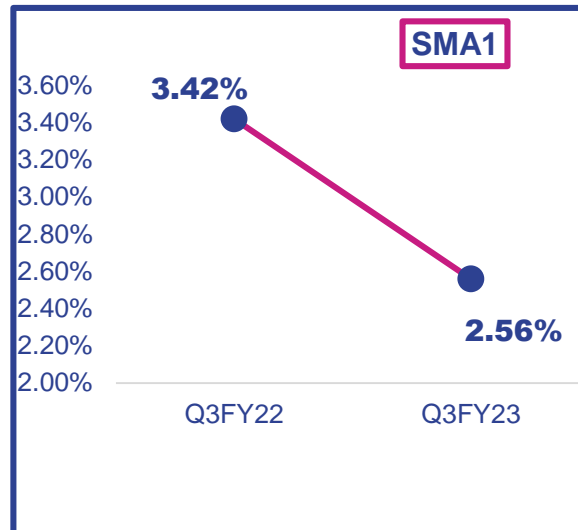
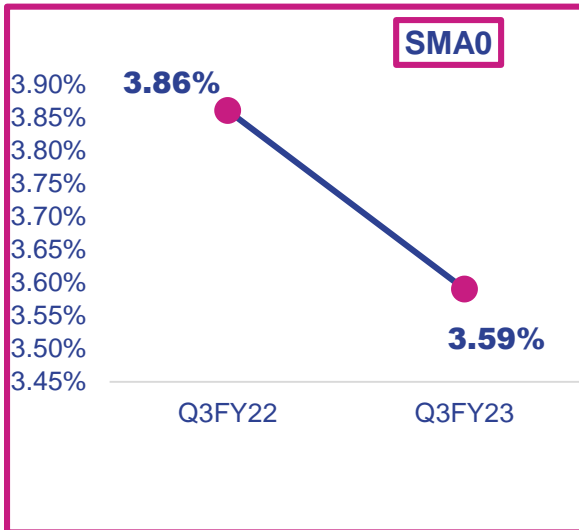
Sector	SMA-0		SMA-1		SMA-2		Total	
	No of A/cs	Balance	No of A/cs	Balance	No of A/cs	Balance	No of A/cs	Balance
<b>Retail</b>	6425	490.28	3767	292.69	3233	323.48	13425	1106.45
<b>Agriculture</b>	9390	129.10	3677	73.47	705	23.24	13772	225.81
<b>MSME</b>	3394	323.35	3407	400.52	2976	344.36	9777	1068.23
<b>Corporate &amp; Others</b>	457	306.53	355	123.28	343	95.53	1155	525.34
<b>Total</b>	<b>19666</b>	<b>1249.26</b>	<b>11206</b>	<b>889.96</b>	<b>7257</b>	<b>786.61</b>	<b>38129</b>	<b>2925.83</b>
<b>% of Total Advances</b>	-	<b>3.59%</b>	-	<b>2.56%</b>	-	<b>2.26%</b>	-	<b>8.41%</b>

# Movement of SMAs



Particulars	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q-o-Q Growth (Q3FY23 Over Q2FY23)	Y-o-Y Growth (Q3FY23 over Q3FY22)
SMA0	1233.83	2273.91	2721.10	2203.12	1249.26	-43.30%	1.25%
% of Total Advances	3.86%	6.74%	8.04%	6.32%	3.59%		
SMA1	1095.75	1186.04	1020.80	1144.21	889.96	-22.22%	-18.78%
% of Total Advances	3.42%	3.51%	3.02%	3.28%	2.56%		
SMA2	926.26	671.34	902.24	985.26	786.61	-20.16%	-15.08%
% of Total Advances	2.89%	1.99%	2.67%	2.82%	2.26%		
Total SMAs	3255.84	4131.29	4644.14	4332.59	2925.83	-32.47%	-10.14%
% of Total Advances	10.18%	12.24%	13.73%	12.42%	8.41%		

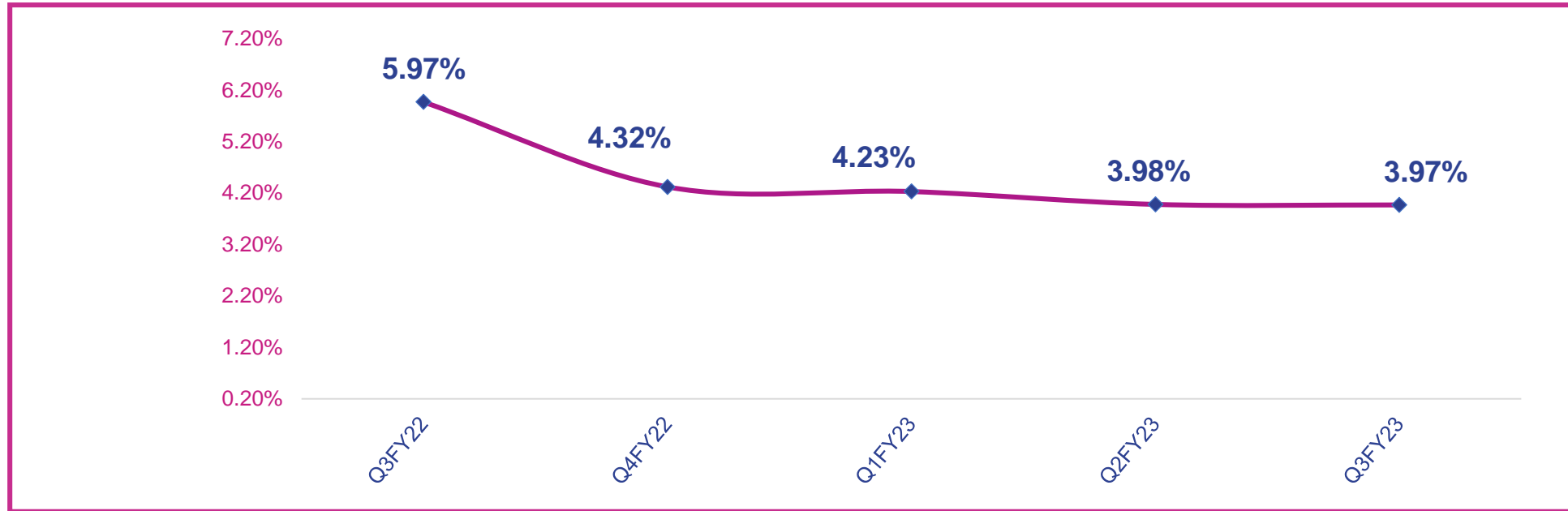
# Movement of SMAs (Y-o-Y)



Particulars	Q3FY22	Q3FY23	Y-o-Y Growth (Q3FY23 over Q3FY22)
SMA0	1233.83	1249.26	1.25%
% of Total Advances	3.86%	3.59%	
SMA1	1095.75	889.96	-18.78%
% of Total Advances	3.42%	2.56%	
SMA2	926.26	786.61	-15.08%
% of Total Advances	2.89%	2.26%	
Total SMAs	3255.84	2925.83	-10.14%
% of Total Advances	10.18%	8.41%	



# Stressed Assets Movement



Particulars	DEC'21	MAR-22	JUN'22	SEP'22	DEC'22
Stressed Assets Ratio	5.97%	4.32%	4.23%	3.98%	3.97%

# Movement of NPAs

(₹ in Crores)

Particulars	Q3FY22	Q4FY22	FY22	Q1FY23	Q2FY23	Q3FY23
Opening Balance of Gross NPA	1045.26	985.56	1084.78	570.92	572.15	593.34
-Cash Recovery	79.39	91.06	309.45	63.30	44.74	42.83
-Upgradation	53.07	51.95	131.38	11.43	9.90	25.95
-Write Off	0.00	320.89	320.89	0.00	0.00	0.00
Total Reduction (i+ii+iii)	132.46	463.90	761.72	74.73	54.64	68.78
Fresh Addition	72.76	49.26	247.86	75.96	75.83	66.52
Closing Balance of Gross NPA	985.56	570.92	570.92	572.15	593.34	591.08
GNPA %	3.08	1.69	1.69	1.69	1.70	1.70
NPA Provision	529.24	249.63	249.63	255.32	291.39	325.73
Net NPA	452.36	317.58	317.58	310.92	295.97	259.10
NNPA %	1.44	0.95	0.95	0.93	0.86	0.75
Provision Coverage Ratio %	83.71	87.92	87.92	88.08	88.58	89.83

# Sector-wise Slippages Position

(₹ in Crores)

Sector	Q3FY22 (3M)	Q4FY22 (3M)	Q1FY23 (3M)	Q2FY23 (3M)	Q3FY23 (3M)
Retail	7.32	1.07	3.43	3.23	8.56
Agriculture	7.29	0.00	5.44	14.64	17.74
MSME	41.99	48.19	50.85	57.96	40.22
Corporate & Others	16.16	0.00	16.24	0.00	0.00
<b>Total</b>	<b>72.76</b>	<b>49.26</b>	<b>75.96</b>	<b>75.83</b>	<b>66.52</b>
<b>Slippage Ratio</b>	<b>0.24%</b>	<b>0.16%</b>	<b>0.23%</b>	<b>0.23%</b>	<b>0.19%</b>
<b>Recoveries / Upgradation</b>					
Retail	21.94	6.50	4.51	5.95	10.04
Agriculture	9.29	10.24	2.41	9.69	6.04
MSME	101.23	103.58	67.81	39.00	52.70
Corporate & Others	0.00	22.69	0.00	0.00	0.00
<b>Total Recoveries</b>	<b>132.46</b>	<b>143.01</b>	<b>74.73</b>	<b>54.64</b>	<b>68.78</b>

**01** Performance Highlights

**02** Key Ratios / Parameters

**03** Asset Quality

**04** Business / Financial Performance

**05** Balance Sheet

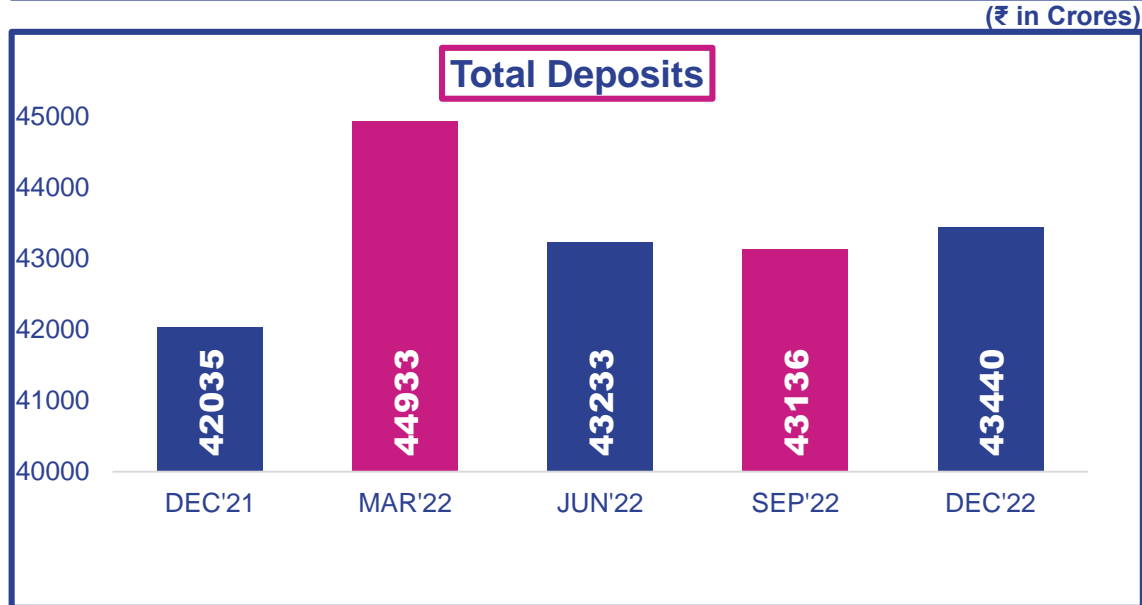
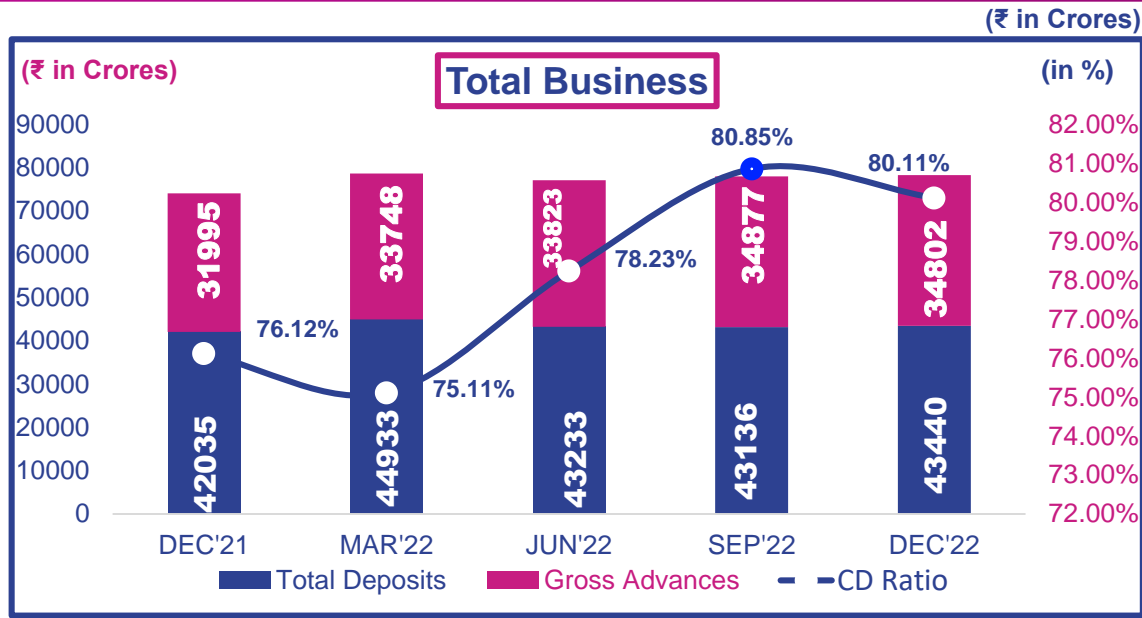
**06** Strategic Partners

**07** Branch Network

(₹ in Crores)

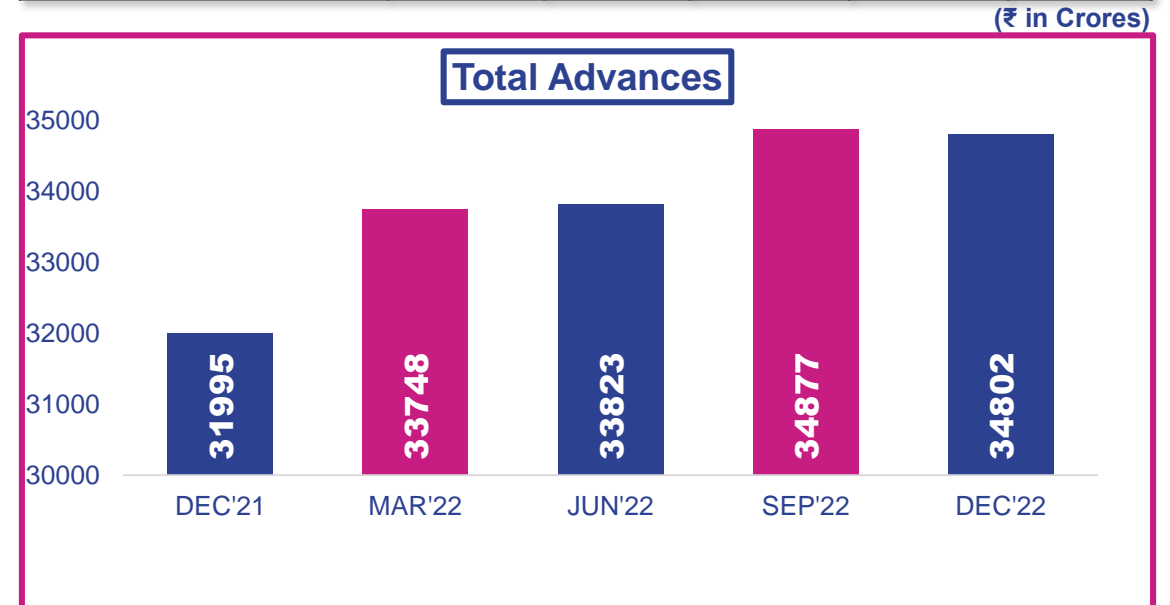
Business Parameters	DEC'21	MAR-22	JUN'22	SEP'22	DEC'22	Q-o-Q Growth (DEC'22 Over SEP'22)	Y-o-Y Growth (DEC'22 over DEC'21)
a. Savings	8,240	9,375	9,208	9,196	9,019	▼ -1.92%	▲ 9.45%
b. Current	3,427	4,330	4,038	3,996	3,832	▼ -4.10%	▲ 11.82%
A. CASA (a+b)	11,667	13,705	13,246	13,192	12,851	▼ -2.58%	▲ 10.15%
CASA %	27.76%	30.50%	30.64%	30.58%	29.58%	--	--
B. Total Term Deposit	30,368	31,228	29,987	29,944	30,589	▲ 2.15%	▲ 0.73%
Deposits (A+B)	42,035	44,933	43,233	43,136	43,440	▲ 0.70%	▲ 3.34%
Advances	31,995	33,748	33,823	34,877	34,802	▼ -0.22%	▲ 8.77%
<b>Total Business</b>	<b>74,030</b>	<b>78,681</b>	<b>77,056</b>	<b>78,013</b>	<b>78,242</b>	<b>▲ 0.29%</b>	<b>▲ 5.69%</b>

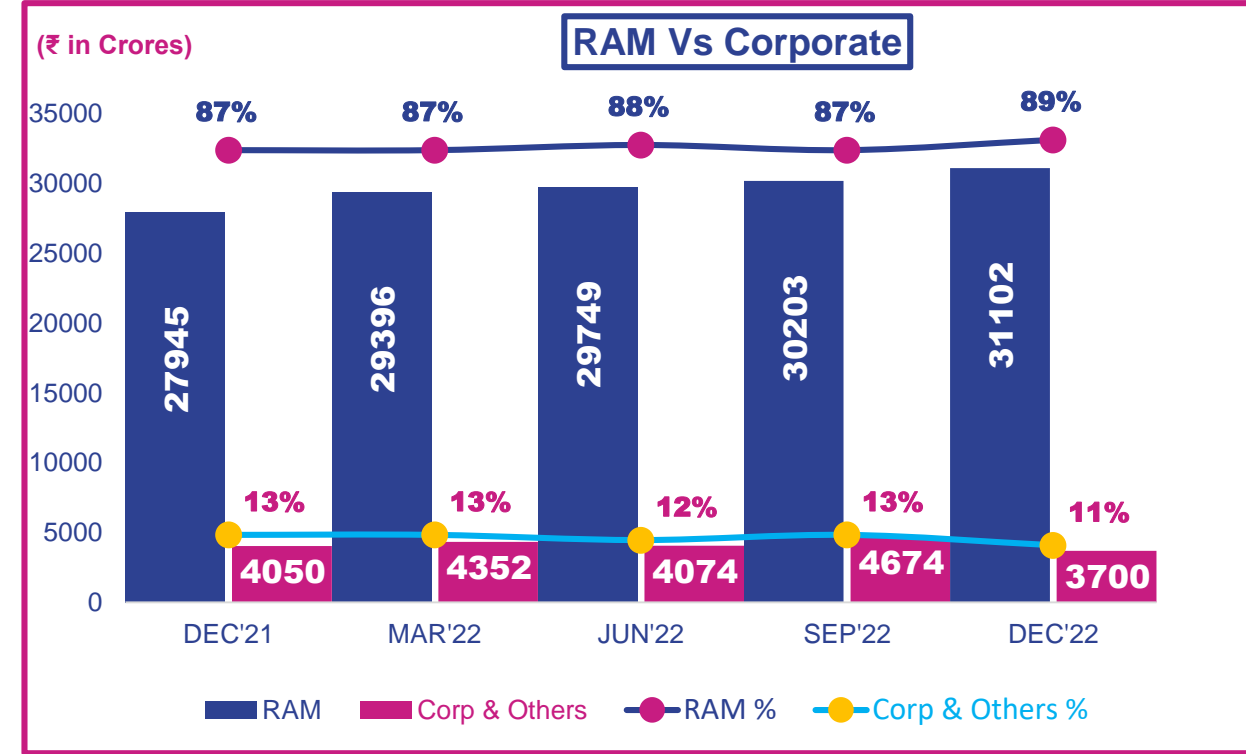
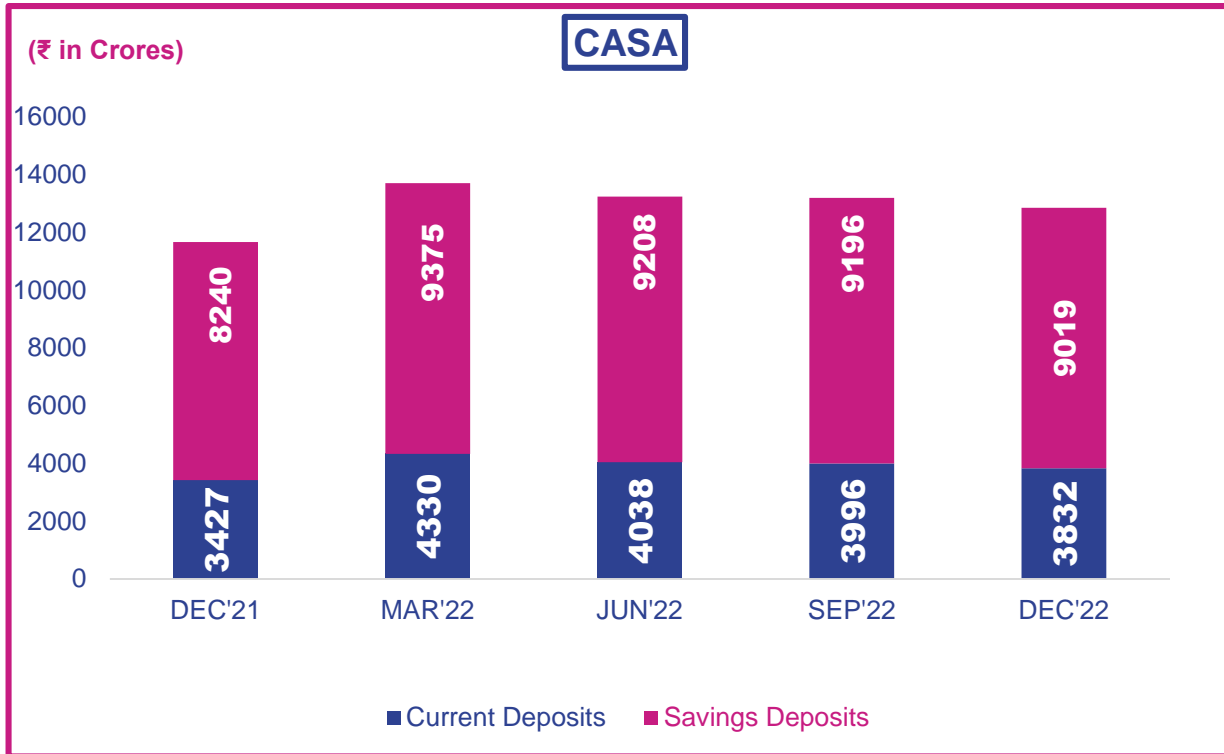
# Business Mix



(₹ in Crores)

Business Parameters	DEC'21	MAR'22	JUN'22	SEP'22	DEC'22
Total Deposits	42,035	44,933	43,233	43,136	43440
Gross Advances	31,995	33,748	33,823	34,877	34802
Total Business	74,030	78,681	77,056	78,013	78242
CD Ratio %	76.12%	75.11%	78.23%	80.85%	80.11%





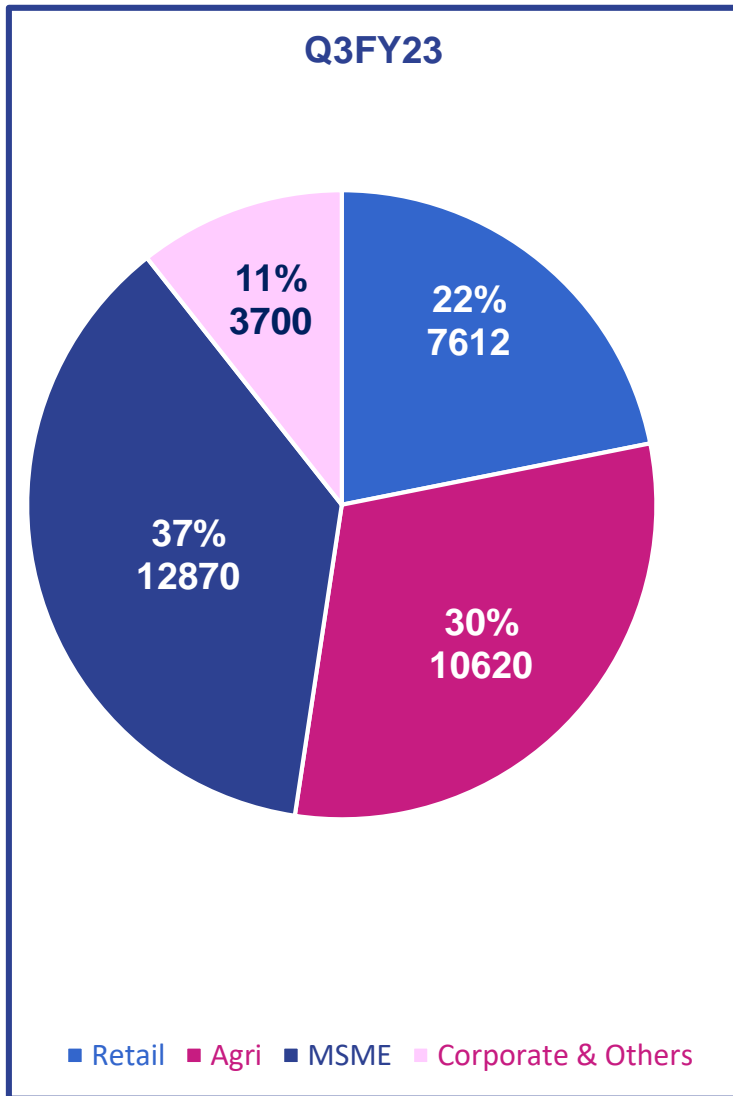
(₹ in Crores)

Business Parameters	DEC'21	MAR-22	JUN'22	SEP'22	DEC'22
Current Deposits	3,427	4,330	4,038	3,996	3,832
Savings Deposits	8,240	9,375	9,208	9,196	9,019
CASA	11,667	13,705	13,246	13,192	12,851
CASA Ratio %	27.76%	30.50%	30.64%	30.58%	29.58%

(₹ in Crores)

Business Parameters	DEC'21	MAR-22	JUN'22	SEP'22	DEC'22
RAM Advances	27,945	29,396	29,749	30,203	31,102
% to Gross Advances	87%	87%	88%	87%	89%
Corporate & Others	4,050	4,352	4,074	4,674	3,700
% to Gross Advances	13%	13%	12%	13%	11%

# Advances Portfolio Mix



(₹ in Crores)

Particulars	DEC'21	MAR-22	JUN'22	SEP'22	DEC'22	Y-o-Y Growth (DEC'22 over DEC'21)
<b>Gross Advances</b>	<b>31,995</b>	<b>33,748</b>	<b>33,823</b>	<b>34,877</b>	<b>34,802</b>	<b>8.77%</b>
<i>Of which</i>						
Retail Sector	6,571	6,758	6,853	7,127	7,612	15.84%
Agriculture Sector	9,388	10,023	10,308	10,386	10,620	13.12%
MSME Sector	11,986	12,615	12,588	12,690	12,870	7.38%
<b>Total of RAM</b>	<b>27,945</b>	<b>29,396</b>	<b>29,749</b>	<b>30,203</b>	<b>31,102</b>	<b>11.30%</b>
<b>RAM % to Gross Advances</b>	<b>87%</b>	<b>87%</b>	<b>88%</b>	<b>87%</b>	<b>89%</b>	<b>-</b>
Corporate & Others	4,050	4,352	4,074	4,674	3,700	-8.64%



# Restructured Advances

(₹ in Crores)

Particulars	DEC'21	MAR-22	JUN'22	SEP'22	DEC'22
Advances (Gross)	31995.32	33748.17	33822.76	34876.53	34801.61
Restructured Assets	1055.82	1034.30	994.56	948.45	896.36
<i>Of which</i>					
1. Standard	924.65	888.42	860.00	795.71	790.51
2. NPA	124.48	99.15	91.14	115.72	91.83
3. CDR	6.14	46.32	43.24	36.84	13.85
% of CDR to Total Restructured Advances	0.58%	4.48%	4.35%	3.88%	1.55%
4. Non-CDR	0.55	0.41	0.18	0.18	0.17
% of Non CDR to Total Restructured Advances	0.05%	0.04%	0.02%	0.02%	0.02%

# Sector-wise Restructured Accounts

(₹ in Crores)

Sector	DEC'21	MAR-22	JUN'22	SEP'22	DEC'22
1.Retail	187.85	185.16	181.88	180.42	194.14
2.AGRI	43.19	42.13	41.27	43.40	19.55
3.MSME	479.16	436.55	419.93	393.47	341.55
4.Corporate & Others	345.62	370.46	351.48	331.16	341.12
<b>Total</b>	<b>1055.82</b>	<b>1034.30</b>	<b>994.56</b>	<b>948.45</b>	<b>896.36</b>

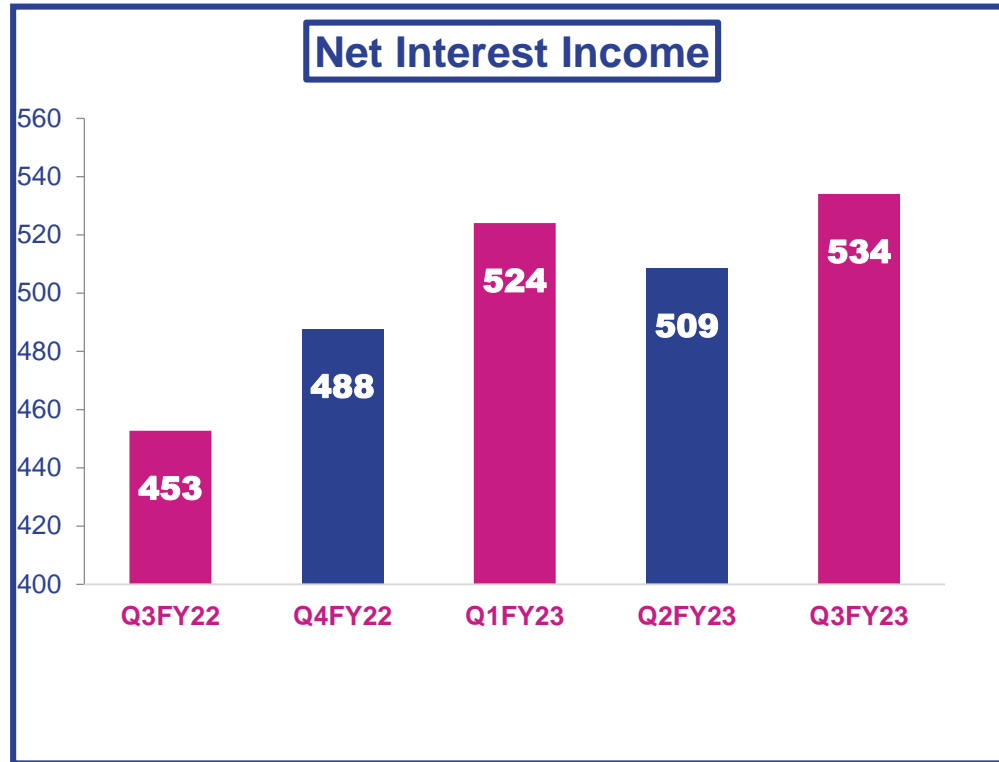
# Financial Performance

(₹ in Crores)

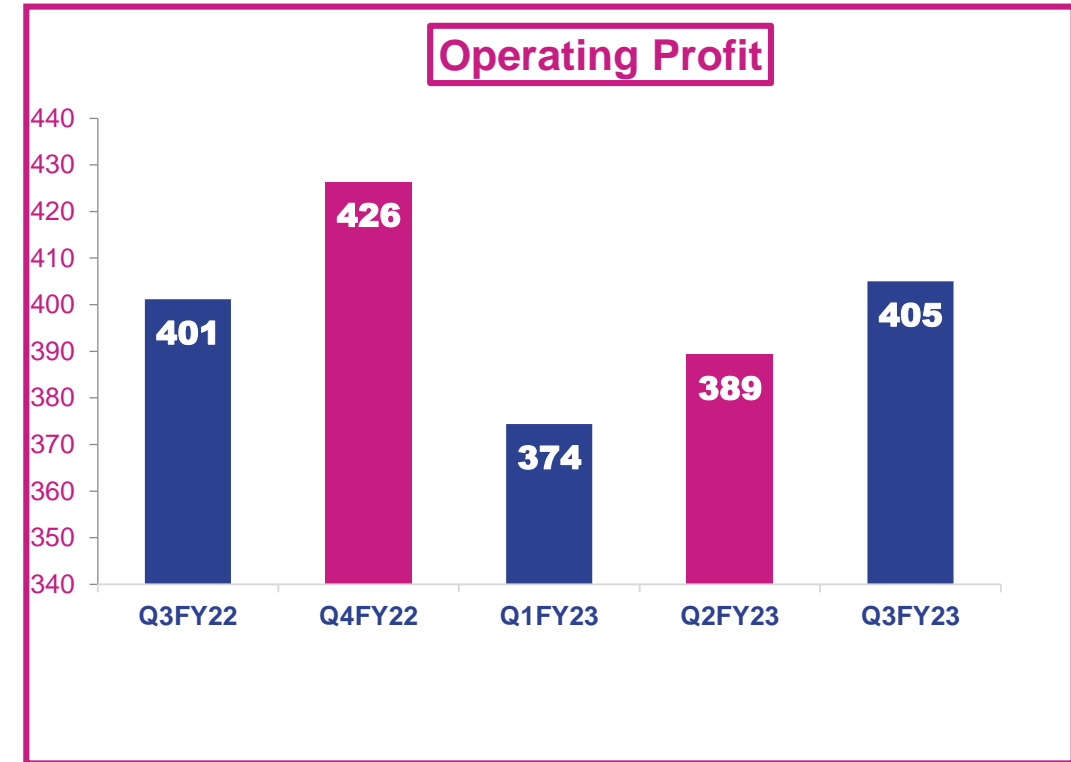
Financial Parameters	3 Months (Y-o-Y)					9 Months (Y-o-Y)		
	Q3FY22	Q1FY23	Q2FY23	Q3FY23	Q3FY23 over Q3FY22	DEC'21	DEC'22	DEC'22 over DEC'21
Interest Income	959.40	1002.15	996.69	1012.12	5.50%	2847.37	3010.96	5.75%
Non-Interest Income	253.96	139.62	144.80	160.76	-36.70%	598.09	445.18	-25.57%
Total Income	1213.36	1141.77	1141.49	1172.88	-3.34%	3445.46	3456.14	0.31%
Interest Expenses	506.64	478.13	488.14	477.85	-5.68%	1519.86	1444.12	-4.98%
Operating Expenses	305.60	289.24	264.12	290.22	-5.03%	835.54	843.58	0.96%
Of which								
Employee Cost	166.31	151.09	148.38	152.28	-8.44%	449.58	451.75	0.48%
Other Operating Exp.	139.29	138.15	115.74	137.94	-0.97%	385.96	391.83	1.52%
Total Expenditure	812.24	767.37	752.26	768.07	-5.44%	2355.40	2287.70	-2.87%
Net Interest Income	452.76	524.02	508.55	534.27	18.00%	1327.51	1566.84	18.03%
Operating Profit	401.12	374.40	389.23	404.81	0.92%	1090.06	1168.44	7.19%
Provision other than tax	112.79	55.22	33.88	32.93	-70.80%	245.39	122.03	-50.27%
Taxes	85.45	84.97	93.05	92.18	7.88%	249.71	270.20	8.21%
Net Profit	202.88	234.21	262.30	279.70	37.86%	594.96	776.21	30.46%

# Revenue Performance

(₹ in Crores)



(₹ in Crores)



Business Parameters	(₹ in Crores)						
	Q3FY22 (3M)	Q4FY22 (3M)	Q1FY23 (3M)	Q2FY23 (3M)	Q3FY23 (3M)	Q-o-Q Growth (Q3FY23 Over Q2FY23)	Y-o-Y Growth (Q3FY23 over Q3FY22)
Net Interest Income	453	488	524	509	534	4.91%	17.88%
Operating Profit	401	426	374	389	405	4.11%	1.00%

**01** Performance Highlights

**02** Key Ratios / Parameters

**03** Asset Quality

**04** Business / Financial Performance

**05** Balance Sheet

**06** Strategic Partners

**07** Branch Network

# Balance Sheet

Liabilities					(₹ in Crores)
	DEC'21	MAR-22	JUN'22	SEP'22	DEC'22
Capital	142.51	142.51	142.51	158.35	158.35
Reserves and Surplus	4966.24	5193.19	5284.90	6302.85	6582.55
Deposits	42035.40	44933.11	43233.60	43136.65	43440.86
Borrowings	0.00	0.00	375.02	279.21	0.00
Other Liabilities and Provisions	3254.12	2589.67	3426.72	3647.65	3793.12
<b>Total Liabilities</b>	<b>50398.27</b>	<b>52858.48</b>	<b>52462.75</b>	<b>53524.71</b>	<b>53974.88</b>

Assets					(₹ in Crores)
	DEC'21	MAR-22	JUN'22	SEP'22	DEC'22
Cash and Balance with RBI	2153.98	2113.11	2306.76	2587.36	3028.85
Balance with Bank and Money at call and short notice	1923.16	1738.89	1076.27	427.65	351.81
Investments	12382.26	13035.46	12749.58	13035.79	13466.15
Advances	31461.53	33491.54	33558.31	34576.61	34467.49
Fixed Assets	178.23	210.84	208.83	211.76	216.57
Other Assets	2299.11	2268.64	2563.00	2685.54	2444.01
<b>Total Assets</b>	<b>50398.27</b>	<b>52858.48</b>	<b>52462.75</b>	<b>53524.71</b>	<b>53974.88</b>

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## FOR RECEIVING REMITTANCE FROM ABROAD FASTER



## FOR INVESTING IN MUTUAL FUNDS



## INSURANCE AND OTHER UNDERWRITING OPTIONS



## REMITTANCE FACILITIES

- HDFC and IDBI Bank for DD drawing arrangement
- HDFC and IDBI Bank for Cheque collection arrangement
- IDBI Bank for Payments

## PAYMENT GATEWAY



India Ideas

## COMMERCIAL VEHICLE FINANCE



## POINT OF SALES





## PARTICIPANT



## ONLINE SHARE TRADING PLATFORM



## BILL COLLECTION | TAX COLLECTION



## POINT OF PRESENCE UNDER



## E-STAMPING BUSINESS



## ISSUE OF PAN CARD



**01** Performance Highlights

**02** Key Ratios / Parameters

**03** Asset Quality

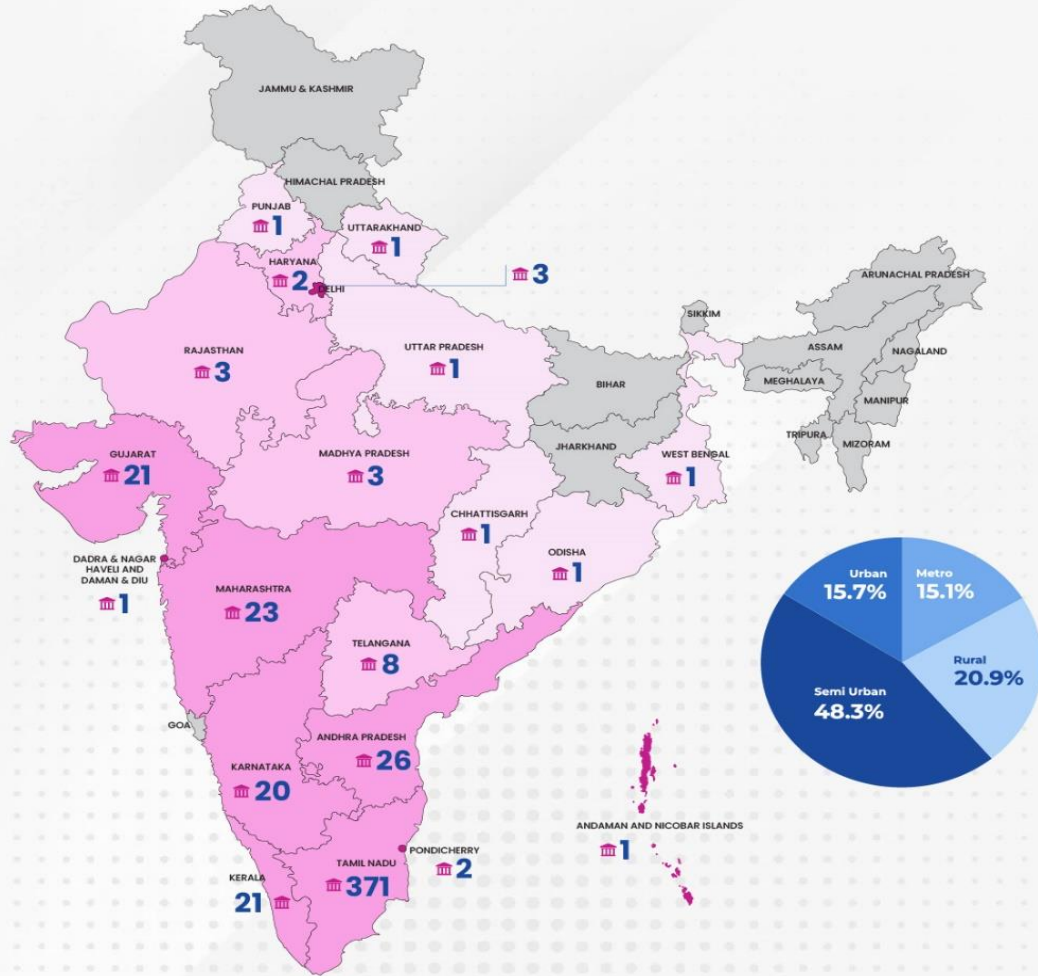
**04** Business / Financial Performance

**05** Balance Sheet

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# PAN India Branch Network



Opened Koyambedu, Chennai & Thevur Branches during Q3

State	Branch(es)	ATM(s)	CRM(s)	E-Lobby(ies)
Tamilnadu	371	954	276	102
Andhra Pradesh	26	44	8	4
Maharashtra	23	28	6	2
Gujarat	21	23	3	2
Kerala	21	24	3	1
Karnataka	20	30	1	0
Telangana	8	13	3	1
Madhya Pradesh	3	3	0	0
Rajasthan	3	4	0	0
Haryana	2	2	0	0
Chhattisgarh	1	1	0	0
Odisha	1	1	0	0
Punjab	1	1	0	0
Uttar Pradesh	1	1	0	0
Uttarkhand	1	1	0	0
West Bengal	1	1	1	0
Union Territories (4)	7	16	3	0
<b>Total</b>	<b>511</b>	<b>1147</b>	<b>304</b>	<b>112</b>



The Bank has bagged the “Best Small Indian Bank” award in the Best Banks survey for the year 2022 done by Business Today-KPMG(BT-KPMG Best Banks Survey).



The Bank has won two awards in the name of “Numero Uno Exemplary Award of Par Excellence” from PFRDA for achieving the highest performance in Private Sector Bank category during the period from 01-04-2022 to 30-09-2022.

# **Tamilnad Mercantile Bank Limited**

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# **Thank You**