

**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.147/2023-24

22.01.2024

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 January 22, 2024 - Unaudited Financial Results for the quarter and nine months ended December 31, 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 and nine months ended December 31, 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 12.30 pm and concluded at 1.30 pm.

Kindly take the information on record.

Yours faithfully,

**For Tamilnad Mercantile Bank Limited**



**Prakash Chandra Panda**  
**Company Secretary and Compliance Officer**  
**Membership No: ACS 22585**

Particulars	Quarter ended			Nine months ended		(₹ in Lakhs)
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	Year ended 31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	122,915	120,916	101,212	359,420	301,096	408,104
(a) Interest/discount on advances/bills	95,100	93,507	77,824	277,325	231,828	314,370
(b) Income on investments	27,142	26,764	22,734	79,243	66,919	90,450
(c) Interest on balances with Reserve Bank of India and other inter bank funds	592	556	525	2,568	1,904	2,734
(d) Others	81	89	129	284	445	550
2. Other income	15,798	15,606	16,076	48,104	44,518	62,911
<b>3. TOTAL INCOME (1+2)</b>	<b>138,713</b>	<b>136,522</b>	<b>117,288</b>	<b>407,524</b>	<b>345,614</b>	<b>471,015</b>
4. Interest expended	69,212	67,643	47,785	201,036	144,412	198,692
5. Operating expenses (i)+(ii)	32,481	32,367	29,023	94,965	84,359	115,039
(i) Employees cost	16,682	16,785	15,228	49,681	45,175	61,867
(ii) Other operating expenses	15,799	15,582	13,795	45,284	39,184	53,172
<b>6. TOTAL EXPENDITURE (4+5)</b> (excluding provisions and contingencies)	<b>101,693</b>	<b>100,010</b>	<b>76,808</b>	<b>296,001</b>	<b>228,771</b>	<b>313,731</b>
<b>7. OPERATING PROFIT (3-6)</b> (Profit before provisions and contingencies)	<b>37,020</b>	<b>36,512</b>	<b>40,480</b>	<b>111,523</b>	<b>116,843</b>	<b>157,284</b>
8. Provisions (other than tax) and contingencies	237	2,329	3,292	6,466	12,202	17,920
9. Exceptional items	-	-	-	-	-	-
<b>10. Profit from Ordinary Activities before tax (7-8-9)</b>	<b>36,783</b>	<b>34,183</b>	<b>37,188</b>	<b>105,057</b>	<b>104,641</b>	<b>139,364</b>
11. Tax expense	8,360	6,832	9,218	23,160	27,020	36,438
<b>12. Net Profit from Ordinary Activities after tax (10-11)</b>	<b>28,423</b>	<b>27,351</b>	<b>27,970</b>	<b>81,897</b>	<b>77,621</b>	<b>102,926</b>
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
<b>14. Net Profit for the period (12-13)</b>	<b>28,423</b>	<b>27,351</b>	<b>27,970</b>	<b>81,897</b>	<b>77,621</b>	<b>102,926</b>
15. Paid-up Equity Share Capital (Face value 10/- per Equity Share)	15,835	15,835	15,835	15,835	15,835	15,835
16. Reserves excluding Revaluation Reserve (as per Balance Sheet of previous accounting year)						676,999
17. Analytical Ratios and Other Disclosures:						
(i) Percentage of shares held by Government of India	-	-	-	-	-	-
(ii) Capital Adequacy ratio (%)						
Under Basel III	25.95	26.04	24.44	25.95	24.44	26.26
(a) Common Equity Tier (CET) 1 ratio	24.55	24.43	22.85	24.55	22.85	24.61
(b) Additional Tier 1 ratio	0.00	0.00	0.00	0.00	0.00	0.00



Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(iii) Earnings per Share (EPS) in Rs.						
(a) Basic EPS (before and after extraordinary items) *	17.95	17.27	17.66	51.72	52.13	68.06
(b) Diluted EPS (before and after extraordinary items) *	17.95	17.27	17.66	51.72	52.13	68.06
(iv) NPA Ratios						
a) Gross NPA	64,913	64,384	59,108	64,913	59,108	52,146
b) Net NPA	37,534	37,190	25,910	37,534	25,910	22,982
c) % of Gross NPA	1.69	1.70	1.70	1.69	1.70	1.39
d) % of Net NPA	0.98	0.99	0.75	0.98	0.75	0.62
(v) Return on Assets (%)	1.93	1.89	2.16	1.89	2.00	1.97
(vi) Net Worth	766,814	738,391	674,090	766,814	674,090	692,835
(vii) Outstanding Redeemable Preference Shares	Nil	Nil	Nil	Nil	Nil	Nil
(viii) Capital Redemption Reserve	Nil	Nil	Nil	Nil	Nil	Nil
(ix) Debenture Redemption Reserve	Nil	Nil	Nil	Nil	Nil	Nil
(x) Debt - Equity Ratio **	Nil	Nil	Nil	Nil	Nil	Nil
(xi) Total Debts to Total Assets	Nil	Nil	Nil	Nil	Nil	Nil
(xii) Operating Margin	26.69%	26.74%	34.51%	27.37%	33.81%	33.39%
(xiii) Net Profit Margin	20.49%	20.03%	23.85%	20.10%	22.46%	21.85%

\* Not Annualised

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

*krishnan*

Place: Thoothukudi

Date: January 22, 2024

S. Krishnan

Managing Director & CEO



**SEGMENT REPORTING FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023**

Particulars	Quarter ended			9 Months ended		(₹ in Lakhs)
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	Year ended 31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Segment Revenue:</b>						
Treasury	29,364	28,683	23,251	86,919	67,682	92,051
Corporate/Wholesale Banking	14,241	14,225	12,617	43,415	40,521	53,259
Retail Banking	95,108	93,614	81,420	277,190	237,411	325,705
Other Banking operations	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-
<b>Total Revenue</b>	<b>138,713</b>	<b>136,522</b>	<b>117,288</b>	<b>407,524</b>	<b>345,614</b>	<b>471,015</b>
Less: Inter Segment Revenue						
<b>Income from Operations</b>						
<b>Segment Results (net of provisions):</b>						
Treasury	5,086	4,072	5,536	16,668	18,603	21,648
Corporate/Wholesale Banking	4,140	3,987	4,292	11,969	12,544	16,544
Retail Banking	27,557	26,124	27,360	76,420	73,494	101,172
Other Banking operations	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-
<b>Profit before tax</b>	<b>36,783</b>	<b>34,183</b>	<b>37,188</b>	<b>105,057</b>	<b>104,641</b>	<b>139,364</b>
Tax Expenses	8,360	6,832	9,218	23,160	27,020	36,438
<b>Net Profit after Tax</b>	<b>28,423</b>	<b>27,351</b>	<b>27,970</b>	<b>81,897</b>	<b>77,621</b>	<b>102,926</b>
<b>Segment Assets:</b>						
Treasury	1,595,601	1,610,046	1,394,276	1,595,601	1,394,276	1,573,403
Corporate/Wholesale Banking	786,317	766,399	796,109	786,317	796,109	926,096
Retail Banking	3,451,950	3,408,151	3,072,006	3,451,950	3,072,006	3,179,131
Other Banking operations	-	-	-	-	-	-
Unallocated	139,402	128,519	135,098	139,402	135,098	110,907
<b>Total</b>	<b>5,973,270</b>	<b>5,913,115</b>	<b>5,397,489</b>	<b>5,973,270</b>	<b>5,397,489</b>	<b>5,789,537</b>
<b>Segment Liabilities:</b>						
Treasury	1,712,821	1,673,774	1,433,617	1,712,821	1,433,617	1,676,627
Corporate/Wholesale Banking	451,256	462,328	456,432	451,256	456,432	461,391
Retail Banking	2,881,160	2,885,551	2,674,221	2,881,160	2,674,221	2,821,652
Other Banking operations	-	-	-	-	-	-
Unallocated	161,219	153,071	159,128	161,219	159,128	137,032
<b>Total</b>	<b>5,206,456</b>	<b>5,174,724</b>	<b>4,723,398</b>	<b>5,206,456</b>	<b>4,723,398</b>	<b>5,096,702</b>



<b>Capital Employed:</b> (Segment Assets - Segment Liabilities)						
Treasury	-117,220	-63,728	-39,341	-117,220	-39,341	-103,224
Corporate/Wholesale Banking	335,061	304,071	339,677	335,061	339,677	464,705
Retail Banking	570,790	522,600	397,785	570,790	397,785	357,479
Other Banking operations	-	-	-	-	-	-
Unallocated	-21,817	-24,552	-24,030	-21,817	-24,030	-26,125
<b>Total</b>	<b>766,814</b>	<b>738,391</b>	<b>674,091</b>	<b>766,814</b>	<b>674,091</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.

With regard to DBU Segment Reporting, a detailed note is given in notes to Accounts in point no.13

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*

Place : Thoothukudi  
Date : January 22, 2024

S.Krishnan  
Managing Director & CEO



**TAMILNAD MERCANTILE BANK LIMITED**  
**REGD.OFFICE: 57 V E Road, Tuticorin-628 002**  
**CIN:65110TN1921PLC001908**  
**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS**  
**ENDED DECEMBER 31, 2023**

Statement of Assets and Liabilities of the Bank as at December 31, 2023 is given below:

(₹ in Lakhs)

Particulars	As at 31.12.2023	As at 31.12.2022	As at 31.03.2023
	Unaudited	Unaudited	Audited
<b>CAPITAL AND LIABILITIES</b>			
Capital	15,835	15,835	15,835
Reserves and Surplus	750,979	658,255	676,999
Deposits	4,679,942	4,344,086	4,776,649
Borrowings	121,506	0	52,500
Other Liabilities and Provisions	405,008	379,313	267,553
<b>Total</b>	<b>5,973,270</b>	<b>5,397,489</b>	<b>5,789,536</b>
<b>ASSETS</b>			
Cash and Balances with Reserve Bank of India	292,850	302,885	210,257
Balance with Banks and Money at Call and Short Notice	38,385	35,181	147,941
Investments	1,551,306	1,346,615	1,415,604
Advances	3,811,596	3,446,749	3,728,969
Fixed Assets	26,920	21,658	24,565
Other Assets	252,213	244,401	262,200
<b>Total</b>	<b>5,973,270</b>	<b>5,397,489</b>	<b>5,789,536</b>

*S. Krishnan*

Place: Thoothukudi  
Date: January 22, 2024

S. Krishnan  
Managing Director & CEO



**Notes forming part of Unaudited Financial Results for the quarter and nine months ended December 31, 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 January 22, 2024.
2. The Financial Results for the quarter ended December 31, 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 and nine months ended December 31, 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 Rs.319 Lakhs as on December 31, 2023.
5. As per extant RBI guidelines, banks are required to make Pillar 3 disclosures including leverage ratio, liquidity coverage ratio 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 December 31, 2023 is 86.27%
7. Considering the impact of COVID-19 situation, the Bank is holding COVID-19 related provision of ₹25000 Lakhs (over and above regulatory provisions) as on December 31, 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. During the nine months ended December 31, 2023 the Bank has reported 5 numbers of non-credit fraud cases amounting to ₹4.70 lakhs. The bank has recovered ₹3.03 lakhs and for the remaining ₹1.67 lakhs 100% provision is made.



10. The Bank has made an amount of ₹5616 lakhs upto December 31, 2023 towards wage arrears on an adhoc basis pending negotiations with the Employees/Officers' Association.
11. 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.
12. Details of loan transferred / acquired during the quarter ended December 31, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
- The Bank has not transferred any stressed loan (Non-performing asset and Special Mention Account) and any loan not in default.
  - The Bank has neither acquired any stressed loan nor any loan not in default through assignment during the quarter ended December 31, 2023.
  - The Bank has not acquired any Security Receipts (SR) issued by Asset Reconstruction transferred to ARCs.
13. 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.

14. Status of Investor Complaints received during the quarter ended December 31, 2023

Complaints un-resolved at the beginning of the quarter	Received	Resolved	Unresolved at the end of the quarter
4	12	14	2*

\*one compliant was closed on 11.01.2024

15. The figures for the quarter ended 31<sup>st</sup> December, 2023 are the balancing figures between reviewed figures in respect of Nine months ended 31<sup>st</sup> December, 2023 and the published year to date figures up to 30<sup>th</sup> September, 2023.
16. 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*

S. Krishnan

**Managing Director & CEO**

**Date:** January 22, 2024

**Place:** Thoothukudi



**Suri & Co.,**  
CHARTERED ACCOUNTANTS  
443 & 445, Guna Complex,  
Main building, 4th Floor,  
Anna Salai, Teynampet  
Chennai 600 018

**Abarna & Ananthan,**  
CHARTERED ACCOUNTANTS  
521, 3<sup>rd</sup> Main Road, 2<sup>nd</sup> Phase, 6<sup>th</sup> Block,  
Bhanashankari 3<sup>rd</sup> Stage,  
Bengaluru 560 085

**Independent Auditors' Review Report on Unaudited Financial Results for the quarter and nine months ended 31st December 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 ('the Bank') for the quarter and nine months ended 31st December, 2023 ('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 31<sup>st</sup> December 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, which 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 (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.
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 (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.
4. Based on our review conducted 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

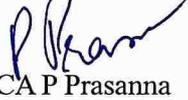


**Suri & Co.,**  
CHARTERED ACCOUNTANTS  
443 & 445, Guna Complex,  
Main building, 4th Floor,  
Anna Salai, Teynampet  
Chennai 600 018

**Abarna & Ananthan,**  
CHARTERED ACCOUNTANTS  
521, 3<sup>rd</sup> Main Road, 2<sup>nd</sup> Phase, 6<sup>th</sup> Block,  
Bhanashankari 3<sup>rd</sup> Stage,  
Bengaluru 560 085

recognition, asset classification, provisioning and other related matters, except for the disclosures relating to Pillar 3 disclosures as at 31<sup>st</sup> December 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 M/s. Suri & Co  
Chartered Accountants  
FRN-004283S



CA P Prasanna  
Partner  
M No 228180  
UDIN: 24228180BKEPKV4684

For M/s Abarna & Ananthan  
Chartered Accountants  
FRN- 000003S



CA Lalitha Rameswaran  
Partner  
M.No.: 207867  
UDIN:24207867BKFZNS6593

**Date:** January 22, 2024  
**Place:** Thoothukudi

