

Secretarial Section

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

☎: 0461-2325136

e-mail : secretarial@tmbank.in

CIN: L65110TN1921PLC001908



Ref.No.TMB.SE.177/2024-25

29.01.2025

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 29, 2025 - Unaudited Financial Results of the Bank for the quarter and nine months ended December 31, 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 and nine months ended December 31, 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., January 29, 2025.

The Board meeting commenced at 02:05 p.m. IST and concluded at 04:50 p.m. IST.

Kindly take the information on record.

Yours faithfully,

For Tamilnad Mercantile Bank Limited



Swapnil Yelgaonkar

Company Secretary & Compliance Officer

Membership No: ACS 21877

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

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED
DECEMBER 31, 2024**

(₹ in Lakhs)

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2024	30.09.2024	31.12.2023	31.12.2024	31.12.2023	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	133,102	133,741	122,915	394,958	359,420	484,791
(a) Interest/discount on advances/bills	107,264	107,309	95,100	315,921	277,325	375,762
(b) Income on investments	25,217	25,785	27,142	77,033	79,243	105,585
(c) Interest on balances with Reserve Bank of India and other inter bank funds	578	600	592	1,861	2,568	3,096
(d) Others	43	47	81	143	284	348
2. Other income	18,892	22,747	15,798	65,011	48,104	64,494
3. TOTAL INCOME (1+2)	151,994	156,488	138,713	459,969	407,524	549,285
4. Interest expended	76,063	74,135	69,212	221,657	201,036	269,702
5. Operating expenses (i)+(ii)	35,161	35,833	32,481	104,138	94,965	131,405
(i) Employees cost	17,816	19,104	16,682	54,855	49,681	68,591
(ii) Other operating expenses	17,345	16,729	15,799	49,283	45,284	62,814
6. TOTAL EXPENDITURE (4+5)	111,224	109,968	101,693	325,795	296,001	401,107
7. OPERATING PROFIT (3-6)	40,770	46,520	37,020	134,174	111,523	148,178
8. Provisions (other than tax) and contingencies	326	6,493	237	15,363	6,466	8,820
9. Exceptional items	-	-	-	-	-	-
10. Profit from Ordinary Activities before tax	40,444	40,027	36,783	118,811	105,057	139,358
11. Tax expense	10,420	9,709	8,360	29,740	23,160	32,155
12. Net Profit from Ordinary Activities after tax	30,024	30,318	28,423	89,071	81,897	107,203
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
14. Net Profit for the period (12-13)	30,024	30,318	28,423	89,071	81,897	107,203
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)						776,285
17. Analytical Ratios and Other Disclosures:						
(i) Percentage of shares held by Government of India	-	-	-	-	-	-
(ii) Capital Adequacy ratio (%)						
Under Basel III	29.35	29.59	25.95	29.35	25.95	29.37
(a) Common Equity Tier (CET) 1 ratio	27.88	28.12	24.55	27.88	24.55	27.97
(b) Additional Tier 1 ratio	-	-	-	-	-	-



(iii) Earnings per Share (EPS) (in ₹)						
(a) Basic EPS (before and after extraordinary items) *	18.96	19.15	17.95	56.25	51.72	67.70
(b) Diluted EPS (before and after extraordinary items) *	18.96	19.15	17.95	56.25	51.72	67.70
(iv) NPA Ratios						
a) Gross NPA	57,638	58,445	64,913	57,638	64,913	57,506
b) Net NPA	17,759	19,477	37,534	17,759	37,534	33,582
c) % of Gross NPA	1.32	1.37	1.69	1.32	1.69	1.44
d) % of Net NPA	0.41	0.46	0.98	0.41	0.98	0.85
(v) Return on Assets (%)	1.89	1.94	1.93	1.91	1.89	1.84
(vi) Net Worth	871,542	843,024	766,814	871,542	766,814	792,120
(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	26.82%	29.73%	26.69%	29.17%	27.37%	26.98%
(xiii) Net Profit Margin	19.75%	19.37%	20.49%	19.36%	20.10%	19.52%

* Not Annualised

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



Place: Tuticorin

Date: January 29, 2025

Salee S Nair

Managing Director & CEO



SEGMENT REPORTING FOR THE QUARTER AND NINE MONTHS ENDED
DECEMBER 31, 2024

Particulars	(Rs. in lakhs)					
	Quarter ended			Nine Months ended		Year ended
	31.12.2024	30.09.2024	31.12.2023	31.12.2024	31.12.2023	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue:						
Treasury	30,727	29,332	29,364	96,485	86,919	114,461
Corporate/Wholesale Banking	14,868	14,999	11,822	44,556	35,888	47,197
Retail Banking	106,399	112,157	97,527	318,928	284,717	387,627
Other Banking operations	0	0	0	0	0	0
Unallocated	0	0	0	0	0	0
Total Revenue	151,994	156,488	138,713	459,969	407,524	549,285
Less: Inter Segment Revenue						
Income from Operations	151,994	156,488	138,713	459,969	407,524	549,285
Segment Results (net of provisions):						
Treasury	6,640	4,270	5,086	22,580	16,668	20,678
Corporate/Wholesale Banking	4,144	4,247	3,436	11,796	9,894	12,881
Retail Banking	29,660	31,510	28,261	84,435	78,495	105,799
Other Banking operations	0	0	0	0	0	0
Unallocated	0	0	0	0	0	0
Profit before tax	40,444	40,027	36,783	118,811	105,057	139,358
Tax Expenses	10,420	9,709	8,360	29,740	23,160	32,155
Net Profit after Tax	30,024	30,318	28,423	89,071	81,897	107,203
Segment Assets:						
Treasury	1,498,221	1,532,063	1,595,601	1,498,221	1,595,601	1,671,846
Corporate/Wholesale Banking	714,797	714,259	678,354	714,797	678,354	693,958
Retail Banking	4,086,960	3,925,943	3,559,913	4,086,960	3,559,913	3,646,190
Other Banking operations	0	-	0	0	0	0
Unallocated	171,701	162,035	139,402	171,701	139,402	143,252
Total	6,471,679	6,334,300	5,973,270	6,471,679	5,973,270	6,155,246
Segment Liabilities:						
Treasury	1,762,280	1,719,763	1,712,821	1,762,280	1,712,821	1,779,671
Corporate/Wholesale Banking	445,181	436,975	373,023	445,181	373,023	370,510
Retail Banking	3,186,559	3,128,212	2,959,393	3,186,559	2,959,393	3,042,964
Other Banking operations	0	-	0	0	0	0
Unallocated	206,117	206,326	161,219	206,117	161,219	169,981
Total	5,600,137	5,491,276	5,206,456	5,600,137	5,206,456	5,363,126
Capital Employed:						
(Segment Assets - Segment Liabilities)						
Treasury	-264,059	-187,700	-117,220	-264,059	-117,220	-107,825
Corporate/Wholesale Banking	269,616	277,284	305,331	269,616	305,331	323,448
Retail Banking	900,401	797,731	600,520	900,401	600,520	603,226
Other Banking operations	0	0	0	0	0	0
Unallocated	-34,416	-44,291	-21,817	-34,416	-21,817	-26,729
Total	871,542	843,024	766,814	871,542	766,814	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.

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.

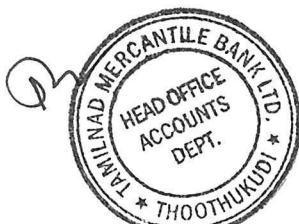
As per RBI Circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022 on establishment of Digital Banking Unit (DBU), for the purpose of disclosure under 'Accounting Standard 17 - Segment Reporting', 'Digital Banking' has been identified as a sub-segment under Retail Banking by Reserve Bank of India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

Previous period figures have been regrouped/reclassified wherever necessary to make them comparable [As per RBI direction, maximum exposure to one counter party upto ₹7.50 cr has been considered for aggregate retail exposure]



Place: Tuticorin
Date: January 29, 2025

Salee S Nair
Managing Director & CEO



Notes forming part of Unaudited Financial Results for the quarter and nine months ended December 31, 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 January 29, 2025.

The financial results for the quarter ended December 31, 2024 have been subjected to limited review by Joint Statutory Central Auditors as per the Securities and Exchange Board of India (SEBI) (Listing Obligations & Disclosure Requirements) Regulation, 2015 as amended.

2. The Financial Results for the quarter and nine months ended December 31, 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 with deferred tax adjustments considered at the year end, 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. In compliance with RBI's Master Direction on Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions) 2023 dated 12th September 2023, the Bank has changed its accounting policy with respect to 'Investments' effective from April 1, 2024. 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 gains or loss for the period ended December 31, 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. Consequently, the corresponding previous period and yearly figures in respect of December 31, 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. 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/review by the Joint Statutory Central Auditors of the Bank.



5. The bank holds a provision of ₹319 Lakhs as on December 31, 2024 as against a required provision of ₹ 153 Lakhs in compliance with the RBI Circular DOR. MRG. REC. 76/00-00-007/2022-23 dated 11.10.2022 of Reserve Bank of India (Unhedged Foreign Currency Exposure) Directions, 2022.
6. The Provision Coverage Ratio (PCR) as on December 31, 2024 is 93.21% (with technical write-off) and 69.07% (without technical write-off)
7. The Bank continues to hold COVID-19 related provision of ₹ 25000 Lakhs (over and above regulatory provisions) as on December 31, 2024 to meet any exigencies.
8. In accordance with 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, no additional addition provision is considered necessary as per the Bank's evaluation.
9. During the quarter ended December 31, 2024 the Bank has reported One non-credit fraud amounting to ₹ 0.20 Lakhs and the same is fully recovered.
10. 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.
11. Amount under other Income includes Commission, exchange, brokerage, locker rent, processing fees, Profit/loss on sale of investments(net), Profit/loss on revaluation of investments(net), Profit/loss on sale of fixed assets (net), Profit/loss on exchange transactions(net), Income from sale of Priority Sector Lending Certificate (PSLC) etc.
12. Details of loan transferred / acquired during the quarter ended December 31, 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.
13. Status of Investor Complaints received during the quarter ended December 31,2024:

Complaints un-resolved at the beginning of the quarter	Received	Resolved	Unresolved at the end of the quarter
4	6	6	4*

* All these 4 complaints which remained un-resolved at the end of the quarter were resolved on 03.01.2025.



14. The Bank does not have any Subsidiaries / Associates / Joint ventures as on December 31, 2024, hence, disclosure related to Consolidated Financial Statement is not applicable at this stage.
15. No financial divergence was observed by RBI in the Inspection and Risk Assessment Report (IRAR) as of March 31, 2024.
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



Salee S Nair
Managing Director & CEO

Place: Tuticorin
Date: January 29, 2025



Sundaram & Srinivasan
Chartered Accountants
23, C P Ramaswamy Road,
Alwarpet,
Chennai – 600 018

Chandran & Raman,
Chartered Accountants
No.2, Dr. Radhakrishnan Road
2nd Street, Mylapore,
Chennai – 600 004

Independent Auditors' Limited Review Report on Unaudited Financial Results of Tamilnad Mercantile Bank Limited for the quarter and nine months ended December 31, 2024, 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,
Tuticorin, Tamilnadu

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Tamilnad Mercantile Bank Limited (hereinafter 'the Bank') for the quarter and nine months ended December 31, 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) (hereinafter 'SEBI Regulations'), except for the disclosures relating to Pillar 3 disclosure under Basel III Capital Regulations, as at December 31, 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 aforesaid Statement, which have not been reviewed by us. We have initialed the statement for identification purposes only.
2. The Statement, which is the responsibility of the Bank's Management and has been reviewed by the Audit Committee of the Board and approved by the 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'), as prescribed under section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules issued thereunder, in so far as they apply to banks, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (the 'RBI') from time to time (hereinafter the 'RBI Guidelines') and other accounting principles generally accepted in India and is in compliance with the SEBI Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 ('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 audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above and subject to limitations in scope mentioned in Paragraph 3 & 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement read with notes thereon prepared in accordance with applicable accounting standards, the RBI Guidelines,



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and other accounting principles generally accepted in India, in so far as they apply to banks, has not disclosed the information required to be disclosed in terms of SEBI 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 December 31, 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. 4 of the Statement and have not been reviewed by us.

5. The comparative information provided in the Statement for the quarter and nine months ended December 31, 2023 and audited financial results for the year ended March 31, 2024 were subject to review/audit by the Predecessor Joint Statutory Central Auditors of the Bank, who have expressed an unmodified conclusion / opinion on the financial information vide their report dated January 22, 2024 and April 22, 2024 respectively. Accordingly, we do not express any conclusion / opinion, as the case may be, on the figures reported in the Statement for the quarter and nine months ended December 31, 2023 and year ended March 31, 2024.

Our conclusion on the Statement is not modified in respect of this matter.

For Sundaram & Srinivasan,
Chartered Accountants
FRN: 004207S

S Ramkumar

S Ramkumar
Partner
M. No.: 238820



UDIN: 25238820BMKNFI2474

Place: Chennai
Date: January 29, 2025

For Chandran & Raman,
Chartered Accountants
FRN: 000571S

S G Kalyanaraman

S G Kalyanaraman
Partner
M. No.: 010652



UDIN: 25010652BMIBJD8767

Place: Tuticorin
Date: January 29, 2025