

Secretarial Section

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

☎: 0461-2325136

e-mail : secretarial@tmbank.in

CIN: L65110TN1921PLC001908



Ref.No.TMB.SE.07/2025-26

23.04.2025

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 April 23, 2025 - Audited Financial Results for the quarter and financial year ended March 31, 2025 and Final Dividend

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we would like to inform you that the Board of Directors of Tamilnad Mercantile Bank Limited ("Bank") at its meeting held today, viz. **April 23, 2025**, inter alia, transacted the following business:

a) Approval of Audited Financial Results

Pursuant to Regulation 33 and other applicable provisions of the SEBI Listing Regulations, as amended from time to time, we enclose herewith the Audited Standalone Financial Results of the Bank for the quarter and financial year ended March 31, 2025 along with the Auditors' 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.

Further, in terms of Regulation 33(3)(d) of the SEBI Listing Regulations, the Auditors have given an unmodified opinion on the Audited Standalone Financial Results for the financial year ended March 31, 2025 and a declaration to that effect is attached herewith.

b) Recommendation of Final Dividend

The Board of Directors of the Bank have recommended the payment of final Dividend of ₹11/- per equity share of the face value ₹10/- each (110%) for the financial year 2024-25, subject to the approval of the Shareholders at the ensuing Annual General Meeting ("AGM") of the Bank.

The AGM date and the Record date for the purpose of the payment of final dividend will be announced in due course.

The Board Meeting commenced at 01:30 P.M. and concluded at 04:30 P.M.

Kindly take the information on record.

Yours faithfully,

For Tamilnad Mercantile Bank Limited

Swapnil Yelgaonkar
Company Secretary & Compliance Officer

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2025

(₹ in Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2025	31.12.2024	31.03.2024	31.03.2025	31.03.2024
	Audited	Unaudited	Audited	Audited	Audited
1. Interest earned (a)+(b)+(c)+(d)	134,168	133,102	125,371	529,126	484,791
(a) Interest/discount on advances/bills	108,697	107,264	98,437	424,618	375,762
(b) Income on investments	24,709	25,217	26,342	101,742	105,585
(c) Interest on balances with Reserve Bank of India and other inter bank funds	732	578	528	2,593	3,096
(d) Others	30	43	64	173	348
2. Other income	20,038	18,892	16,390	85,049	64,494
3. TOTAL INCOME (1+2)	154,206	151,994	141,761	614,175	549,285
4. Interest expended	77,377	76,063	68,666	299,034	269,702
5. Operating expenses (i)+(ii)	36,429	35,161	36,440	140,567	131,405
(i) Employees cost	17,779	17,816	18,910	72,634	68,591
(ii) Other operating expenses	18,650	17,345	17,530	67,933	62,814
6. TOTAL EXPENDITURE (4+5) (excluding provisions and contingencies)	113,806	111,224	105,106	439,601	401,107
7. OPERATING PROFIT (3-6) (Profit before provisions and contingencies)	40,400	40,770	36,655	174,574	148,178
8. Provisions (other than tax) and contingencies	1,722	326	2,354	17,085	8,820
9. Exceptional items	-	-	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	38,678	40,444	34,301	157,489	139,358
11. Tax expense	9,488	10,420	8,995	39,228	32,155
12. Net Profit from Ordinary Activities after tax (10-11)	29,190	30,024	25,306	118,261	107,203
13. Extraordinary items (net of tax expense)	-	-	-	-	-
14. Net Profit for the period (12-13)	29,190	30,024	25,306	118,261	107,203
15. Paid-up Equity Share Capital (Face value 10/- per Equity Share)	15,835	15,835	15,835	15,835	15,835
16. Reserves excluding Revaluation Reserve	885,034			885,034	776,285
17. Analytical Ratios and Other Disclosures:					
(i) Percentage of shares held by Government of India	-	-	-	-	-
(ii) Capital Adequacy ratio (%)					
Under Basel III	32.71	29.35	29.37	32.71	29.37
(a) Common Equity Tier (CET) 1 ratio	31.24	27.88	27.97	31.24	27.97
(b) Additional Tier 1 ratio	-	-	-	-	-



(iii) Earnings per Share (EPS)					
(a) Basic EPS (before and after extraordinary items) *	18.44	18.96	15.98	74.68	67.70
(b) Diluted EPS (before and after extraordinary items) *	18.44	18.96	15.98	74.68	67.70
(iv) NPA Ratios					
a) Gross NPA	55,613	57,638	57,506	55,613	57,506
b) Net NPA	16,045	17,759	33,582	16,045	33,582
c) % of Gross NPA	1.25	1.32	1.44	1.25	1.44
d) % of Net NPA	0.36	0.41	0.85	0.36	0.85
(v) Return on Assets (%)	1.81	1.89	1.70	1.88	1.84
(vi) Net Worth	900,869	871,542	792,120	900,869	792,120
(vii) Outstanding Redeemable Preference Shares	Nil	Nil	Nil	Nil	Nil
(viii) Capital Redemption Reserve	Nil	Nil	Nil	Nil	Nil
(ix) Debenture Redemption Reserve	Nil	Nil	Nil	Nil	Nil
(x) Debt - Equity Ratio **	Nil	Nil	Nil	Nil	Nil
(xi) Total Debts to Total Assets	Nil	Nil	Nil	Nil	Nil
(xii) Operating Margin	26.20%	26.82%	25.86%	28.42%	26.98%
(xiii) Net Profit Margin	18.93%	19.75%	17.85%	19.26%	19.52%

* Not Annualised

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



Place: Thoothukudi
Date: April 23, 2025

Salee S Nair
Managing Director & CEO



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

www.tmb.in

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2025

Statement of Assets and Liabilities of the Bank as at March 31,2025 is given below:

(Rs in lakhs)

Particulars	As at	As at
	31.03.2025	31.03.2024
	Audited	Audited
CAPITAL AND LIABILITIES		
Capital	15,835	15,835
Reserves and Surplus	885,034	776,285
Deposits	5,368,896	4,951,507
Borrowings	50,000	130,115
Other Liabilities and Provisions	325,222	281,504
Total	6,644,987	6,155,246
ASSETS		
Cash and Balances with Reserve Bank of India	265,038	223,013
Balance with Banks and Money at Call and Short Notice	175,787	133,799
Investments	1,510,080	1,526,260
Advances	4,398,367	3,973,375
Fixed Assets	28,448	27,098
Other Assets	267,267	271,701
Total	6,644,987	6,155,246



Place: Thoothukudi

Date: April 23, 2025

Salee S Nair

Managing Director & CEO



Particulars	Quarter ended			Year ended	
	31.03.2025	31.12.2024	31.03.2024	31.03.2025	31.03.2024
	Audited	Unaudited	Audited	Audited	Audited
Segment Revenue:					
Treasury	29,136	30,727	27,542	125,621	114,461
Corporate/Wholesale Banking	13,422	14,868	11,309	57,978	47,197
Retail Banking	111,648	106,399	102,910	430,576	387,627
Other Banking operations	-	-	-	-	-
Unallocated	-	-	-	-	-
Total Revenue	154,206	151,994	141,761	614,175	549,285
Less: Inter Segment Revenue	-	-	-	-	-
Income from Operations	154,206	151,994	141,761	614,175	549,285
Segment Results (net of provisions):					
Treasury	3,074	6,640	4,010	25,654	20,678
Corporate/Wholesale Banking	3,849	4,144	2,987	15,645	12,881
Retail Banking	31,755	29,660	27,304	116,190	105,799
Other Banking operations	-	-	-	-	-
Unallocated	-	-	-	-	-
Profit before tax	38,678	40,444	34,301	157,489	139,358
Tax Expenses	9,488	10,420	8,995	39,228	32,155
Net Profit after Tax	29,190	30,024	25,306	118,261	107,203
Segment Assets:					
Treasury	1,654,010	1,498,221	1,671,846	1,654,010	1,671,846
Corporate/Wholesale Banking	675,905	714,797	693,958	675,905	693,958
Retail Banking	4,132,504	4,086,960	3,646,190	4,132,504	3,646,190
Other Banking operations	-	-	-	-	-
Unallocated	182,568	171,701	143,252	182,568	143,252
Total	6,644,987	6,471,679	6,155,246	6,644,987	6,155,246
Segment Liabilities:					
Treasury	1,714,477	1,762,280	1,779,671	1,714,477	1,779,671
Corporate/Wholesale Banking	452,455	445,181	370,510	452,455	370,510
Retail Banking	3,360,201	3,186,559	3,042,964	3,360,201	3,042,964
Other Banking operations	-	-	-	-	-
Unallocated	216,985	206,117	169,981	216,985	169,981
Total	5,744,118	5,600,137	5,363,126	5,744,118	5,363,126



Capital Employed:					
(Segment Assets - Segment Liabilities)					
Treasury	-60,467	-264,059	-107,825	-60,467	-107,825
Corporate/Wholesale Banking	223,450	269,616	323,448	223,450	323,448
Retail Banking	772,303	900,401	603,226	772,303	603,226
Other Banking operations	-	-	-	-	-
Unallocated	-34,417	-34,416	-26,729	-34,417	-26,729
Total	900,869	871,542	792,120	900,869	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]



Salee S Nair
Managing Director & CEO

Place: Thoothukudi
Date: April 23, 2025



TAMILNAD MERCANTILE BANK LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2025

(₹ In Lakhs)

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Cash Flow from Operating Activities		
Net Profit after Taxes	11 82 61	10 72 03
Adjustments for :		
(Profit)/Loss on sale of assets	(53)	(20)
Depreciation on Fixed assets	86 23	75 17
Provisions & Contingencies (incl. Deferred tax adjustments)	5 63 13	3 30 57
Total - I	18 31 44	14 77 57
Adjustments for working capital changes :		
Increase / (Decrease) in Liabilities		
Deposits	41 73 89	17 48 59
Other liabilities & Provisions	(1 25 95)	(1 91 07)
(Increase) / Decrease in Assets		
Advances	(42 49 92)	(24 44 06)
Investments	2 25 04	(11 06 56)
Other assets	4 16 33	2 20 00
Total - II	4 39 39	(17 73 10)
Direct taxes paid - III	3 72 00	3 15 00
Net Cash Flow from / (Used in) Operating Activities [I + II - III]	18 98 83	(6 10 53)
Cash Flow from Investing Activities		
Sale/disposal of fixed assets	6 06	43
Purchase of fixed assets	(1 05 27)	(1 00 73)
Net Cash Flow from / (Used in) Investing Activities	(99 21)	(1 00 30)
Cash Flow from Financing Activities		
Interim / Final Dividend	(1 58 35)	(79 18)
Borrowings	(8 01 15)	7 76 15
Issue of Shares incl.premium	-	-
Net Cash Flow from / (Used in) Financing Activities	(9 59 50)	6 96 97
Net Increase / (Decrease) in Cash and Cash Equivalents	8 40 12	(13 86)
Cash & Cash equivalents at the beginning of the year	35 68 12	35 81 98
Cash & Cash equivalents at the end of the year	44 08 24	35 68 12



Place: Thoothukudi
Date: April 23, 2025

Salee S Nair
Managing Director & CEO



Notes forming part of Audited Financial Results for the quarter and year ended
March 31, 2025

1. The above Financial Results have been reviewed and recommended by the Audit Committee of the Board and approved by the Board of Directors in their meeting held on April 23, 2025. The Financial Results for the year ended March 31, 2025 has been subjected to Audit by the Joint Statutory Central Auditors of the Bank and they have issued an unmodified opinion.
2. 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 year ended March 31, 2025 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 figures in respect of March 31, 2024, are not comparable due to the impact of the revised RBI guidelines.

3. The Financial Results for the quarter and year ended March 31, 2025 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 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 above.
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 RBI/2022-23/131 DOR.MRG.REC.76/00-00-007/2022-23 of **Reserve Bank of India (Unhedged Foreign Currency Exposure) Directions, 2022** dated October 11, 2022 and holds a provision of ₹ 206 Lakhs as on March 31, 2025 (Previous Year – ₹319 Lakhs).
5. 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 by the Joint Statutory Central Auditors of the Bank.
6. The Provision Coverage Ratio (PCR) as on March 31, 2025 is 71.02%. (Previous Year – 41.33%) without technical write-off and 93.86% (Previous Year – 87.52%) with technical write-off.
7. The Bank continues to hold COVID-19 related provision of ₹ 25000 Lakhs (over and above regulatory provisions) as on March 31, 2025.



8. During the twelve months ended March 31, 2025 the Bank has reported 9 number of non-credit fraud cases amounting to ₹57.40 lakhs. After considering the recovery of ₹27.47 lakhs the bank has made 100% provision for the remaining amount.
9. 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.
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 year ended March 31, 2025 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 nor 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 during the year ended March 31, 2025.
 - iii. The Bank has not acquired any Security Receipts (SR) issued by Asset Reconstruction transferred to ARCs.
13. Details of resolution plan implemented under the Resolution Framework for COVID-19 related Stress as per RBI circulars dated August 16, 2020 (Resolution Framework 1.0) and May 5, 2021 (Resolution Framework 2.0) as at March 31, 2025 are given below:

(₹ in crores)					
Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of the previous half-year ending 30.09.2024 (A)	Of (A) aggregate debt that slipped into NPA during the current half-year ending 31.03.2025	Of (A) amount written off during the half-year ending 31.03.2025	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of the previous half-year ending 31.03.2025
Personal Loans	130.96	0.62	0	12.31	118.03
Corporate persons*	54.03	0	0	50.17	3.86
Of which MSMEs	0.68	0	0	0.14	0.54
Others	115.94	8.38	0	19.41	88.15
Total	300.93	9.00	0	81.89	210.04

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.



14. Status of Investor Complaints received during the year ended March 31,2025:

Complaints un-resolved at the beginning of the quarter	Received	Resolved	Unresolved at the end of the quarter
4	35	39	0

15. TMB Employee Stock Option Plan 2024 (TMB ESOP Plan 2024), as approved by the Shareholders in March 2025, is yet to be implemented.
16. Pending disposal of the appeal before the Appellate Tribunal, the Bank has pre-deposited penalty of Rs. 1699 Lakhs on December 16, 2022, relating to alleged irregularity under FEMA in respect of transfer of shares, during the years 2007, 2011 & 2012 levied by Directorate of Enforcement. The Bank has also pre-deposited Penalty amount of Rs.45 Lakhs, on May 25, 2024, being 25% of Rs. 225 Lakhs, levied by Directorate of Enforcement for alleged FEMA Violation against 11 persons who were Directors / Company Secretary of the Bank at the time of transfer of above shares and is shown as Contingent Liabilities. Further, the bank has also provided a sum of Rs. 2 Lakhs on the basis of legal opinion towards leviable penalty in respect of show-cause notice from Directorate of Enforcement, for the issue of Bonus Shares to the above-said transferees.
17. The Board of Directors have recommended a final dividend of ₹11 per equity share (110%) for the year ended March 31, 2025 (Previous Year – Rs. 10 per share (100%)) subject to the approval of the Shareholders at the ensuing Annual General Meeting. Effect of proposed dividend has been reckoned in capital adequacy ratio computation.
18. The figures for the quarter ended March 31, 2025, and March 31, 2024, are the balancing figures between audited figures in respect of the full financial year and published year to date figures up to the end of the third quarter of the respective financial year.
19. 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



Place: Thoothukudi
Date: April 23, 2025

Salee S Nair
Managing Director & CEO



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

April 23, 2025

Independent Auditors' Report on Quarterly and Year to Date Financial Results of Tamilnad Mercantile Bank Limited pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors,
Tamilnad Mercantile Bank Limited,
Thoothukudi,
Tamil Nadu, India

Report on Audit of Financial Results

Opinion

1. We have audited the accompanying Statement of quarterly and year to date Financial Results of Tamilnad Mercantile Bank Limited (the "Bank") for the quarter and the year ended March 31, 2025 (the "Statement") attached herewith, being submitted by the Bank pursuant to the requirement of the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") except for the disclosures relating to Pillar 3 disclosure as at March 31, 2025 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 aforesaid Statement and have not been audited by us.

The Statement includes Head Office, Treasury and International Banking Division, and Top 24 branches audited by us and the remaining 554 branches audited by the respective Statutory Branch Auditors appointed by the Bank for this purpose.

2. In our opinion and to the best of our information and according to explanation given to us, the aforesaid Statement:
 - a) is presented in accordance with the requirements of the Regulation 33 of the Listing Regulations in this regard except for the disclosures relating to Pillar 3 disclosure as at March 31, 2025 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 Statement and have not been audited by us; and
 - b) gives a true and fair view in conformity with the recognition and measurements principles laid down in the applicable Accounting Standards as per Section 133 of the Companies Act 2013 (the "Act") read with Companies (Accounting Standards) Rules 2021 to the extent applicable, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines, directions issued by the Reserve Bank of India ("RBI") from time to time (the "RBI Guidelines") and other accounting principles generally accepted in India, of the net profit and other financial information of the Bank for the quarter and year ended March 31, 2025, the Statement of Assets and Liabilities as at March 31, 2025 and also the Statement of Cash Flows for the year ended on that date.



Basis of Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013, as amended. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Statement section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Statement, and we have fulfilled our ethical responsibilities in accordance with the requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Board of Directors for the Statement

4. The Statement has been prepared from the related audited Annual Financial Statements and approved by the Board of Directors. The Bank's Board of Directors are responsible for preparation and presentation of these Statement that gives a true and fair view of the financial position, financial performance and cash flows of the Bank and other financial information in accordance with the accounting principles generally accepted in India including the Accounting Standards prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules, 2021, the relevant provisions of the Banking Regulation Act, 1949 and RBI guidelines from time to time and in compliance with the Regulation 33 of Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
5. In preparing the Statement, the Board of Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors are also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement whether due to fraud or error and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.



8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls with reference to financial statements in place and operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
9. Materiality is the magnitude of misstatements in the Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Statement.
10. We communicate with those charged with governance regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Emphasis of Matter

12. We draw attention to Note No. 16 – Pending disposal of the appeal before the Appellate Tribunal, the Bank has pre-deposited penalty of Rs. 1699 Lakhs on December 16, 2022, relating to alleged irregularity under FEMA in respect of transfer of shares, during the years 2007, 2011 & 2012 levied by Directorate of Enforcement. The Bank has also pre-deposited Penalty amount of Rs.45 Lakhs, on May 25, 2024, being 25% of Rs. 225 Lakhs, levied by Directorate of Enforcement for alleged FEMA Violation against 11 persons who were Directors / Company Secretary of the Bank at the time of transfer of above shares and is shown as Contingent Liabilities. Further, the bank has also provided a sum of Rs. 2 Lakhs on the basis of legal opinion towards leviable penalty in respect of show-cause notice from Directorate of Enforcement, for the issue of Bonus Shares to the above-said transferees.
Our opinion is not modified in respect of the above matter.

Other Matters

13. The Statement incorporates the relevant financial information of 554 branches audited by Statutory Branch Auditors appointed by the Bank for this purpose. These branches cover 84.47% of Advances, 75.40% of Deposits and 52.58% of Non-Performing assets as at March 31, 2025, and 63.27% of revenue for the year ended March 31, 2025.
14. We report that the figures for the quarter ended March 31, 2025 represent the balancing figure between the audited figures in respect of the financial year ended March 31, 2025 and the published unaudited year-to-date figures up to December 31, 2024 being the date of the end of the third quarter of the current financial year, which was subjected to limited review by us, as required under Listing Regulations.
15. The comparative figures for the quarter and financial year ended March 31, 2024, provided in the Statement of Audited Financial Results were audited by the predecessor Joint Statutory Central Auditors of the Bank, who have expressed an unmodified opinion on the Financial Results on April 22, 2024.

Our opinion on the Statement is not modified in respect of these matters.

For Sundaram & Srinivasan,
Chartered Accountants
FRN: 004207S

S Ramkumar

S Ramkumar
Partner
M. No.: 238820



UDIN: 25238820BMKNFQ1420

Place: Thoothukudi
Date: April 23, 2025

For Chandran & Raman,
Chartered Accountants
FRN: 000571S

S G Kalyanaraman

S G Kalyanaraman
Partner
M. No.: 010652

UDIN: 25010652BMIBLF5793

Place: Thoothukudi
Date: April 23, 2025

