

PRESS RELEASE

Date: 27.04.2021

Financial Results of the Bank for the year 2020-21

Tamilnad Mercantile Bank Limited (TMB) one of the premier Old Private Sector Scheduled Commercial Banks, having Head Quarters in Thoothukudi has a long cherished history of more than 99 years of successful banking with strong fundamentals and a record of continuous profit making in the industry.

TMB having pan India presence with 509 branches and 12 Regional Offices across 16 states and 4 Union Territories is serving more than 4.50 million delighted customers. The bank is having 1132 ATMs, 47 e-lobbies and 260 Nos. of Cash Recycler Machines.

The Board of Directors of the Bank adopted the audited results of the Bank for the financial year ended 31.03.2021 in their meeting held at Thoothukudi on 27.04.2021. In the presence of Board of Directors of the Bank, Shri K.V. Rama Moorthy, Managing Director and CEO of the bank has declared the financial results of the Bank for the year 2020-21. General Managers of the Bank were also present at the event.

Bank's Results at a glance

(₹ in Crores)

Parameters	2020-21	2019-20	Growth (%)
Total Deposits (₹)	40,970.42	36,825.03	11.26
Total Advances (₹)	31,541.03	28,236.18	11.70
Total Business (₹)	72,511.45	65,061.21	11.45
CASA (₹)	11,685.27	9,518.05	22.77
Operating Profit (₹)	1,202.04	995.05	20.80
Net Profit (₹)	603.33	407.69	47.99
Gross NPA (₹)	1,084.78	1,020.98	6.25
Gross NPA (%)	3.44	3.62	- 4.97
Net NPA (₹)	613.82	497.47	23.39
Net NPA (%)	1.98	1.80	10.00
Capital Adequacy Ratio - Basel III (%)	18.94	16.74	13.14
Capital Adequacy Ratio – Basel II (%)	18.96	16.76	13.13
Provision Coverage Ratio (%)	79.53	80.75	-1.51

Board has announced Interim Dividend of 50% i.e. ₹ 5 per share

Credit to Priority & MSME Sector:

- The Bank has been giving continued thrust on advances to Priority Sectors like Agriculture, MSME, Education, Housing etc and the same is constituting 79.06% of its Adjusted Net Bank Credit (ANBC) well above the regulatory requirement of 40%.
- The Advances to Priority sector has increased to ₹22,540.97 Crores (PY ₹18,711.73 Crores) with a growth rate of 20.46%.
- The Bank's Advances to Agriculture sector stood at ₹8,645.66 Crores. The Advances to Agriculture Sector constitute 30.33% of total advances, above the regulatory requirement of 18%.
- Credit to MSME sector has increased to ₹12,036.34 Crores (PY ₹10,169.86 Crores) with a growth rate of 18.35%.

Y-O-Y Performance:

- The Bank's deposits increased to ₹40,970.42 crores (PY ₹36,825.03 crores) with a growth rate of 11.27% whereas the average growth was 9.39%.
- The Bank's CASA position has increased to ₹11,685.27 crores with a growth rate of 22.77% and the average growth was 18.37%.
- The advance level of the Bank has increased to ₹31,541.81 crores with a growth rate of 11.71% and the average growth was 9.98%.
- Agriculture advances increased to ₹8,645.66 crores (PY ₹6,993.90 crores) with a growth rate of 23.62%
- MSME advances increased to ₹12,036.34 crores (PY ₹10,169.86 crores) with a growth rate of 18.35%
- Retail advances portfolio increased to ₹6,496.11 crores (PY ₹5,441.62 crores) with a growth rate of 19.38%
- Non-interest income stood at ₹644.17 crores (PY ₹526.45 crores) with an increase rate of 22.36%
- Operating expenses stood at ₹979.66 crores (PY ₹850.91 crores) with an increase rate of 15.13%
- The Operating Profit is at ₹1202.04 Crores (PY ₹995.05 Crores) with a growth rate of 20.80%
- The Net Profit is increased from ₹ 407.69 crores to ₹ 603.33 crores with a growth rate of 47.99%
- The Net Interest Income (NII) has increased to ₹1,537.53 Crores (PY ₹1,319.51 Crores) with a growth rate of 16.52%
- The Bank's Net worth increased to ₹4580 crores (PY ₹3,980 crores) with absolute rise of ₹600 crores registering a growth rate of 15.08%
- Interest Income stood at ₹3,609.05 Crores with an increase from previous year figure of ₹3,466.11 Crores (Increase by ₹142.94 Crores @ 4.12%)
- The Interest Expenditure has decreased from the level of ₹2,146.60 Crores to ₹2,071.52 Crores (decrease by ₹75.08 Crores @ (-3.50%).
- The Gross NPA as a percentage to total advances reduced to 3.44% (PY 3.62%) and Net NPA stands at 1.98% (PY 1.80%).
- NPA and Restructured advances of the Bank is only 3.93%
- The Capital Adequacy Ratio (Basel III) of the bank increased to 18.94% (PY 16.74%)

- The Capital Adequacy Ratio (Basel II) of the bank increased to 18.96% (PY 16.76%)
- Provision Coverage Ratio of the Bank stands at 79.53% (PY 80.75%)
- Bank has made additional Standard Asset Provision (Covid II wave) of ₹ 50 cr.

Book Value of Shares:

The Book Value per Share stood at ₹321.38 and the face value of the share is ₹10. Earning per share is ₹42.34.

Network Expansion during 2020-21:

- 91 new cash recycler machines were installed at Branches / ATM Centers, taking the tally to 260.
- 16 new E-lobbies were opened with a total number E-lobbies stood at 47.

Major initiatives during 2020-21:

- TMB inaugurated its second Robotic operation at Currency Chest, Pudukottai, Thoothukudi District, for cash sorting, segregation and bundling.
- TMB inaugurated issuance of FASTag by having tie up arrangement with IDBI Bank, to its customers as well as general public
- TMB entered into tie-up arrangement for General Insurance with M/S.New India Assurance Co Ltd.
- Bank has disbursed 13601 Nos. of fresh advances totally to the tune of Rs.1559.65 Crores under Emergency Credit Line Guarantee Scheme (ECLGS) during COVID-19 pandemic issue

IT related Initiatives made during 2020-21:

- TMB launched TMB DigiLobby which features the all sort of banking services in one app
- TMB launched WhatsApp banking
- “TMB - Rupay Select International debit card” has been launched with many added features
- Implementation of Public Fund Management System (PFMS) to handle Government transactions

Business Plan strategies for the Financial Year 2021-22:

- Thrust on consistent CASA growth.
- Credit growth with specific thrust on retail lending.
- Leveraging Technology and HR for business development for enhancing delivery efficiencies of all banking services.

New Initiatives for the Financial Year 2021-22:

- Setting up of 50 more e-Lobbies to reach 100 in total on our Centenary Year celebration
- Launching Mobile e-lobbies on our Centenary Year
- Finacle 10.x Migration
- Introducing Mobile Banking (Capex Model)
- Centralized Account Opening solution
- Onboarding Customers using Video KYC
- Customer Relationship Management Solution – CRM
- Introducing Call Center operations