

TRANSCRIPT OF THE 98TH, 99TH and 100TH AGM HELD ON 9TH JUNE, 2022 AT 11.30 A.M.

K.V.Rama Moorthy :

I, K.V. Rama Moorthy, MD & CEO, Chairman nominated by the Board of Directors for today's meetings, in terms of Clause 74 of the Articles of Association of the Bank, for the three AGMs of the Bank, welcome you all to this 98th, 99th and 100th Annual General Meetings being held through video conference. I hope all of you are safe and in good health.

Dear Members, this 98th, 99th and 100th Annual General Meetings of the Tamilnad Mercantile Bank Limited are being held through video conference in accordance with the guidelines of Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs.

I have ascertained from the Video Conference facility provider-CDSL, that we have the requisite quorum present through video conferencing to conduct the proceedings of these AGMs and all the members attending this meeting through video conference are counted for the purpose of quorum as per the circulars issued by MCA and Section 103 of the Companies Act, 2013 and therefore, I call this meeting to order.

In accordance with the extant circular issued by Ministry of Corporate Affairs, the Bank has published the Notice of the 98th, 99th and 100th AGMs to be held on 9th June, 2022 in the Newspapers on 17th May, 2022 and it was also made available in the Bank's website. In addition to that the bank has also sent notices through post to all the shareholders and through electronic mode to those members whose email addresses are registered with the Bank / Depositories.

Further, as this meeting is held through video conference, there will be no show of hands, no physical poll and no proxy. As the Notices have already been circulated to all the members, with your permission, I will take the notices of all the AGMs as read.

I have joined this meeting from Bank's Registered & Head Office, Thoothukudi accompanied by Mr. B.Vijayadurai, Independent Director, Chairman of Audit Committee of the Board, Mr.K.Nagarajan, Independent Director, Chairman of Nomination and Remuneration Committee of the Board and Mr. Prakash Chandra Panda, Company Secretary of the Bank. We have taken sufficient care to maintain proper social distancing and comply with other health advisories and prescribed protocols while conducting the meeting.

Let me introduce the Independent Directors and the Company Secretary on dais.

	<p>The Bank's Statutory Central Auditors M/s. G.Balu Associates LLP, Chartered Accountants, Chennai (for the financial years ending 31.03.2020 & 31.03.2021) and M/s.Suri & Co, Chartered Accountants & M/s.Abarna & Ananthan, Chartered Accountants (for the financial year ending 31.03.2022) have joined the meeting through video conference.</p> <p>The Bank's Secretarial Auditors M/s.P.Sriram & Associates, Company Secretary in practice, Chennai (for the financial years ending 31.03.2020 & 31.03.2021) and M/s V Suresh Associates, Company Secretary in practice, Chennai (for the financial year ending 31.03.2022) have also joined the meeting through video conference from Chennai.</p> <p>I now request Mr. Prakash Chandra Panda, Company Secretary, to present the rules and guidelines for participation in the meetings and voting thereon to the Members.</p>
<p>Prakash Chandra Panda :</p>	<p>Thank you Chairman,</p> <p>Dear Members, you are requested to note that this 98th, 99th and 100th Annual General Meetings of the Tamilnad Mercantile Bank Limited are being held through video conference in accordance with the guidelines of Companies Act, 2013, circulars issued by the Ministry of Corporate Affairs. The proceedings of the meetings are being recorded. Sufficient connection for joining this meeting through video conference is made available for the members as required by the MCA guidelines and the members will be permitted on a first-come-first-serve basis.</p> <p>All the Members attending / joining the AGMs will by default be placed on the mute mode and during the question-answer session, on the announcement of the name by the Chairman, the micro phone of the members will be shifted to unmute mode. If a speaker is unable to speak due to connectivity issues, the name of such speaker member shall be announced once again at the end i.e. once the other members who have registered to speak have finished their speeches.</p> <p>The Bank has received requests from 9 members to register themselves as speakers at the meeting. Audio and Video icons of such speakers will be enabled by the moderator one by one, once the Chairman opens the floor for questions and answers. For the said shareholders, "Q&A option" will also be enabled at that time.</p> <p>It may kindly be noted that the Chairman of these Meetings reserves the right to limit the number of members asking questions and also the number of questions depending on the availability of time at the AGMs. Further, the Bank had provided the facility to cast the votes electronically on the resolutions set forth in the Notices and remote e-voting facility was open between 9.00 a.m. on Monday, 06/06/2022 until 5.00 P.M, Wednesday, 08/06/2022. Members who have not yet cast their votes</p>

electronically and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided by CDSL.

Mr. Nagendra D. Rao, Senior Partner of Nagendra D. Rao and Associates LLP, Company Secretaries, Bangalore, has been appointed as the Scrutinizer to oversee the e-voting process.

All the documents referred to in the notices pertaining to the agenda set out in the notices / explanatory statements and also the Register of Directors and Key Managerial Personnel etc. are available electronically for inspection upon request by the members and I request you to send an email to shareholders@tmbank.in if you so desire to inspect it. Proxy register is not available for inspection since there is no proxy facility this time.

For any technical support in connection with the AGM, Members may contact the helpline number mentioned in the notice of the AGM.

Thank you very much. Over to you, Mr. Chairman.

K.V.Rama Moorthy :

Thank you.

Dear Members, on behalf of the Bank, I want to thank you for understanding the current situation and yet, taking out your valuable time to join these meetings today. I would like to briefly highlight the current global economic situation, status of our country's economy and specifically the banking industry before touching upon the performance highlights of your Bank for the period from 2020-2022.

Global Economy

The war in the Ukraine has hit the global economy hard, slowing down the global economic growth in 2022 leading to increased inflation. The global growth is projected to slow from an estimated 6.1% in 2021 to 3.6% in the years 2022 and 2023. Beyond 2023, global growth is forecast to decline to about 3.3% over the medium term, (Source: IMF World Economic Outlook report for April 2022.)

The impact of the Covid-19 pandemic has been far and wide and it is difficult to get a decisive outlook on the growth of the world economy as it is clouded by various risks and uncertainties.

While we have not as yet come across a mention of a global recession from economists, we cannot as yet know the impact of the prolonged war in the Ukraine.

Indian Economy

The Indian economy was not immune to these global markets and appears to have been affected by both the Covid-19 pandemic and the

various uncertainties caused by the Russia-Ukraine war. How well and to what extent the Indian economy will recoup depends on various factors like stable government, young population, talented work force, infrastructure development and self-reliance for resources.

We can only hope that policies and schemes (such as production-linked incentives and government's push toward self-reliance) and increased infrastructure spending will ultimately lead to economic progress.

Spillover effects of geopolitical conflicts are yet unknown. Asia may be given preference over Eastern European markets (especially those that border Ukraine). We can only hope that given India has a large, vaccinated population, we may be poised to benefit from such a shift should it occur.

Banking Industry

As per press releases by the RBI on May 13 and May 25, 2022, aggregate deposits (y-o-y) have moderated to 10.2% in March 2022 and the bank credit was at 11.1%. The share of Current account and Savings account deposits in total deposits was 45.1%. The all India Credit Deposit ratio was 71.9% in March 2022. Private sector banks maintained double digit growth while public sector banks showed a growth of 7.8%.

A research by CareEdge states that the credit outstanding of the retail segment rose by 12.4% y-o-y in March 2022 due to growth in other personal loans, loans against gold Jewellery, credit card receivables and consumer durable loans. Moreover, credit outstanding of the industry segment registered a growth of 7.1% y-o-y in March 2022 from a drop of 0.4% the year ago mainly on account of robust growth in the micro and small (21.5%), and medium (71.4%) segments, which were driven by ECLGS. Credit for the services sector also accelerated by 8.9% y-o-y in March 2022 from 3.0% in the year-ago period.

Further, the CareEdge research report dated May 30, 2022 states that after a modest credit growth in recent years, the outlook for bank credit growth is expected to remain positive due to economic expansion, rise in government and private capital expenditure, rising commodity prices and retail credit push. The medium-term prospects look promising with diminished corporate stress and a substantial buffer for provisions. On the other hand, rising interest rates could offset this growth to some extent by curbing the demand for credit. The Retail loan segment is expected to do well as compared with the industry and service segments. The ongoing Russia-Ukraine war is likely to have a limited impact on the credit growth in India. Meanwhile, any subsequent Covid-19 waves, if severe, could lead to lockdowns and cause a slowdown in the economy.

Digitalization will increase the competition in the financial service sector, but its long-term impact will depend on the market structure that prevails.

Banking may move from the traditional oligopoly to a system with a few dominant platforms that control access to a fragmented customer base.

Medium sized banks will have to manage cost efficiently and invest in IT that are crucial in the new environment.

Technology and Digitalization

RBI Circular dated April 7, 2022 details that in recent times, digital banking has emerged as the preferred banking service delivery channel in the country. Reserve Bank of India is taking progressive measures to improve availability of digital infrastructure for banking services. As a part of efforts to accelerate and widen the reach of digital banking services, the concept of “Digital Banking Units” (DBUs) is being introduced by the Reserve Bank of India.

DBU is a specialized fixed point business unit / hub housing certain minimum digital infrastructure for delivering digital banking products & services as well as servicing existing financial products & services digitally, in both self-service and assisted mode

Your Bank’s Performance

I am happy to present an overview of performance of your Bank for the financial years 2019 – 2020, 2020-21 and 2021 - 2022.

- The bank, which was opened with a small capital of Rs.6,000/- during 1921 has built up its Net worth to ₹4,579.98 Crore as on 31.03.2021 registering consistent growth during the last 3 years from ₹3,618 crore as on 31.03.2019.
- Net profit of the bank increased from ₹407.69 Crore as on 31.03.2020 to ₹821.91 Crore as on 31.03.2022
- Your bank is actively recruiting staff and the present staff strength as on 31.03.2022 is 4,457.
- The per employee business as on 31.03.2019 was at ₹14.47 crore and the same has been increased to ₹17.75 crore as on 31.03.2022.
- To increase the user experience level of our Mobile Banking and internet banking applications, we have done vast upgradation to suit our young and tech savvy customers’ needs.

Your bank is continuing its support to the customers to tide over the impact of COVID-19 by undertaking major initiatives under ₹ 3 trillion Emergency Credit Line Guarantee Scheme (ECLGS), provision of moratorium and allowing restructuring to corporates, micro, small and medium enterprises (MSMEs) as well as individual borrowers.

Performance Highlights for the Financial Year ended 2019-20

- Total Deposits of the bank increased from ₹ 35,136.25 crore to ₹ 36,825.03 crore (4.81%) during the year
- Advances increased from ₹27,018.66 crore to ₹ 28,236.18 crore (4.51%) during the year.

- Net profit increased from ₹ 258.58 crore to ₹407.69 crore
- Gross NPAs decreased from 4.32% to 3.62%
- Net NPAs decreased from 2.40% to 1.80%

Performance Highlights for the Financial Year Ended 2020-21

- Deposits of the Bank increased from ₹ 36,825.03 crore to ₹ 40,970.42 crore (11.26%) during the year.
- Advances increased from ₹28,236.18 crore to ₹ 31,541.03 crore (11.70%) during the year.
- Net profit increased from ₹ 407.69 crore to ₹ 603.33 crore
- Gross NPAs decreased from 3.62% to 3.44%
- Net NPAs increased marginally from 1.80% to 1.98%

Performance Highlights for the Financial Year Ended 2021-22

- Deposits of the Bank increased from ₹40,970.42 crore to ₹44,933.11 crore (+9.67%) during the year.
- Advances increased from ₹31,541.03 crore to ₹33,748.17 crore (+7.00%) during the year.
- Net profit increased from ₹ 603.33 crore to ₹ 821.91 crore (+36.23%)
- Gross NPAs decreased from 3.44% to 1.69%
- Net NPAs decreased from 1.98% to 0.95%

Dividend

Your Bank is having an exemplary record of declaring and distributing dividend since inception. In continuation of this enviable record, this year also your bank has declared a dividend of Rs.6/- plus Centenary year commemoration dividend of Rs.4/- per share, totaling to Rs.10/- per share as against the face value of Rs.10/- per share, subject to your approval and approval of RBI.

IPO

As you are aware, your Bank has filed a DRHP for IPO in order to list the shares of the bank. I am happy to inform you that we have received the final observation letter from SEBI, thus enabling us to move forward.

- As we continue to embark on our transformation journey, I wish to express my gratitude to the Board of Directors for providing their continuous support and guidance to maintain the highest standards of corporate governance and professionalism in guiding the Bank.
- I also thankfully acknowledge the continuous guidance and support of the Reserve Bank of India, Indian Banks' Association, IRDAI and other Regulatory / Statutory bodies.
- My sincere thanks to all the staff members for their whole hearted efforts and their continued support in all the endeavors of the Bank as partners in progress.

- My sincere thanks to all our customers for their continued support in all the endeavors of the Bank.
- My special thanks to all the esteemed shareholders for reposing your trust in the Bank and helping us to shape it as an institution of great stability.

We now take up the agenda as set forth in the Notices.

I now request Mr. Prakash Chandra Panda, Company Secretary, to provide the summary of the Agenda Items.

Prakash Chandra Panda :

Thank you Chairman,

Dear Members,

There are five agendas of business proposed in the Notice of the 98th AGM for the year 2019 – 2020, all the five are ordinary resolutions and the same are:

Agenda No.1 of the Notice – It is an Ordinary Resolution - To receive, consider and adopt the Audited financial statements of the Bank for the year ended March 31, 2020 together with the Reports of the Board of Directors along with its annexure and the Auditors Report thereon

Agenda No.2 of the Notice – It is an Ordinary Resolution - To appoint a Director in place of Thiru. P.C.G. Asok Kumar (DIN: 05142860), who retires by rotation, and being eligible, offers himself for re-appointment

Agenda No.3 of the Notice – It is an Ordinary Resolution - To appoint a Director in place of Thiru. D. N. Nirranjan Kani (DIN: 00455352), who retires by rotation, and being eligible, offers himself for re-appointment.

Agenda No.4 of the Notice – It is an Ordinary Resolution – Appointment of Statutory Central Auditors of the Bank.

The Board has recommended to ratify the appointment of M/s. G Balu Associates LLP, Chartered Accountants, Chennai (Firm Registration No. 000376S) as the Statutory Central Auditors of the Bank for the financial year ending on March 31, 2021 on a total remuneration of Rs.23,00,000/- and other out of pocket expenses.

Agenda No.5 of the Notice – It is an Ordinary resolution – Appointment of various Statutory Branch Auditors to audit the accounts of the branches of the Bank.

To ratify the action of the Board of Directors for having appointed various Statutory Branch Auditors to audit the accounts of the branches of the Bank and for having paid remuneration and other out of pocket expenses to such Statutory Branch Auditors, for the year ended March 31, 2021.

Since the appointment pertains to a past period, the Board of Directors had already appointed 237 numbers of auditors/firms of auditors as per the list available at the registered office of the Bank for inspection by the members, in anticipation of the approval/ratification by the members. The approval of RBI had been obtained in this regard.

There are nine agendas of business proposed in the Notice of the 99th AGM for the year 2020 – 2021, all nine are ordinary resolutions and the same are given below.

Agenda No.1 of the Notice – It is an Ordinary Resolution – To receive, consider and adopt the Audited financial statements of the Bank for the year ended March 31, 2021 together with the Reports of the Board of Directors along with its annexure and the Auditors Report thereon.

Agenda No.2 of the Notice – It is an Ordinary Resolution - To appoint a Director in place of Thiru. S. R. Asok (DIN: 07933713), who retires by rotation, and being eligible, offers himself for re-appointment

Agenda No.3 of the Notice – It is an Ordinary Resolution - Appointment of Joint Statutory Central Auditors of the Bank.

The Board has recommended to ratify the appointment of M/s.Suri & Co, Chartered Accountants, Chennai (Firm Registration No. 004283S) and M/s.Abarna & Ananthan, Chartered Accountants, Bangalore (Firm Registration No. 000003S) as the Joint Statutory Central Auditors of the Bank for the financial year ending on March 31, 2022, on a total remuneration of ₹15,00,000/- each audit firm and other out of pocket expenses.

Agenda No.4 of the Notice – It is an Ordinary Resolution – Appointment of various Statutory Branch Auditors to audit the accounts of the branches of the Bank.

To ratify the action of the Board of Directors for having appointed various Statutory Branch Auditors to audit the accounts of the branches of the Bank and for having paid remuneration and other out of pocket expenses to such Statutory Branch Auditors, for the year ended March 31, 2022.”

Since the appointment pertains to a past period, the Board of Directors had already appointed 248 number of auditors/firms of auditors as per the list available at the registered office of the Bank for inspection by the members, in anticipation of the approval / ratification by the members. The approval of RBI had been obtained in this regard.

Since the next two agenda items, i.e., Agenda No.5 & Agenda No.6 pertains to the re-appointment and remuneration of Mr.K.V.Rama Moorthy, MD & CEO, I now request Mr. B.Vijayadurai, Independent Director, to chair the proceedings.

Agenda No.5 of the Notice – It is an Ordinary Resolution - Re-appointment and fixing the remuneration of Thiru K.V. Rama Moorthy as Managing Director & Chief Executive Officer of the Bank
Thiru K. V. Rama Moorthy (DIN 07034994), has been re-appointed as Managing Director and CEO with effect from September 4, 2020 for a period of one year at a remuneration of Rs.45 lakh per annum on such terms and conditions as specified by RBI vide their approval by e-mail dt.31.08.2020.

The Board has recommended the re-appointment of Thiru K. V. Rama Moorthy to the members for ratification.

Agenda No.6 of the Notice – It is an Ordinary Resolution - Re-appointment of Thiru K.V. Rama Moorthy as Managing Director & Chief Executive Officer of the Bank

Thiru K. V. Rama Moorthy (DIN 07034994), has been re-appointed as Managing Director and CEO with effect from September 04, 2021 for a period of one year on such terms and conditions as per the approval granted by Reserve Bank of India vide its letter No. DOR.GOV.No.62549/08.55.001/2021-22 dated June 29, 2021.

The Board has recommended the re-appointment of Thiru K. V. Rama Moorthy to the members for ratification.

I now request Thiru K. V. Rama Moorthy to resume the chair once again.

Agenda No.7 of the Notice – It is an Ordinary Resolution - Appointment of Thiru C.Chiranjeeviraj as Independent Director of the Bank

Thiru C.Chiranjeeviraj (DIN : 08730382), has been appointed by the Board of Directors as Independent Director of the Bank for a period of five consecutive years from 16th July, 2021 to 15th July 2026 to comply with the RBI guidelines and listing requirements.

The Board has recommended the appointment of Thiru C.Chiranjeeviraj as Independent Director of the Bank to the members for approval.

Agenda No.8 of the Notice – It is an Ordinary Resolution - Appointment of Tmt S.Ezhil Jothi as Independent Director of the Bank

Tmt S.Ezhil Jothi (DIN : 07772888), has been appointed by the Board of Directors as Independent Director of the Bank for a period of three years and eight months from 16th July, 2021 to 26th March 2025 to comply with the RBI guidelines and listing requirements.

The Board has recommended the appointment of Tmt S.Ezhil Jothi as Independent Director of the Bank to the members for approval.

Agenda No.9 of the Notice – It is an Ordinary Resolution - Appointment of Thiru B.Prabaharan as Independent Director of the Bank

Thiru B.Prabaharan (DIN: 00209875), has been appointed by the Board of Directors as Independent Director of the Bank for a period of five consecutive years from August 03, 2021 to August 02, 2026 to comply with the RBI guidelines and listing requirements.

The Board has recommended the appointment of Thiru B.Prabaharan as Independent Director of the Bank to the members for approval.

There are eight agenda of business proposed in the Notice of the 100th AGM for the year 2021 – 2022, of which six are ordinary resolutions and two are special resolutions and the same are given below.

Agenda No.1 of the Notice – It is an Ordinary Resolution - To receive, consider and adopt the Financial Statements for the year ended March 31, 2022 together with the Reports of the Board of Directors along with its annexure and the Auditors Report thereon.

Agenda No.2 of the Notice – To appoint a Director in place of Thiru A. Niranjana Sankar (DIN: 00084014), who retires by rotation, and being eligible, offers himself for re-appointment.

Agenda No.3 of the Notice – To declare the final dividend of ₹10/- per equity share of ₹10/- each (regular dividend of Rs.6/- per equity share + special dividend of Rs.4/- per equity share in commemoration of centenary year) for the financial year ended March 31, 2022 subject to the approval of Reserve Bank of India.

Agenda no.4 of the Notice – It is an Ordinary Resolution – Appointment of Joint Statutory Central Auditors of the Bank.

The Board has recommended to approve the appointment of M/s.Suri & Co, Chartered Accountants, Chennai (Firm Registration No. 004283S) and M/s.Abarna & Ananthan, Chartered Accountants, Bangalore (Firm Registration No. 000003S) as the Joint Statutory Central Auditors of the Bank for the financial year ending on March 31, 2023, on a total remuneration of ₹18,00,000/- each audit firm and reimbursement of other out of pocket expenses subject to the approval of RBI.

Agenda No.5 of the Notice – It is an Ordinary Resolution – Appointment of various Statutory Branch Auditors to audit the accounts of the branches of the Bank.

To authorize Board of Directors to appoint various statutory branch auditors to audit the accounts of the branches of the bank for the financial year ended March 31, 2023 and fix their remuneration in consultation with Joint Statutory Central Auditors.

The Board of Directors recommends the resolution in relation to appointment and remuneration of branch auditors to the members for approval.

Since the next agenda item i.e., Agenda No.6 pertains to the remuneration of Mr.K.V.Rama Moorthy, MD & CEO, I now request Mr. B.Vijayadurai, Independent Director, to chair the proceedings.

Agenda No.6 of the Notice – It is an Ordinary Resolution – To fix the remuneration of Thiru K.V. Rama Moorthy, Managing Director & Chief Executive Officer of the Bank

The remunerations payable to Thiru K. V. Rama Moorthy (DIN 07034994), MD & CEO, fixed pay of ₹62.14 lakh and variable pay of ₹47.00 lakh (Variable pay is subject to further approval of RBI) for the period September 04, 2021 to September 03, 2022 on such terms and conditions as per the approval granted by Reserve Bank of India vide its letter DOR.GOV.No.S3860 /08.55.001/2021-22 dated February 21, 2022 and DOR.GOV.No.S4853 /08.55.001/2021-22 dated April 01, 2022.

The Board has recommended the remuneration payable to Thiru K. V. Rama Moorthy to the members for approval.

I now request Thiru K. V. Rama Moorthy to resume the chair once again.

Agenda No.7 of the Notice – It is a Special Resolution – Amendments in the Articles of Association

As your Bank is in the process of Initial Public Offer, the Articles of Association of the Bank needs to be in conformity to the requirements and directions provided by the SEBI and the relevant stock exchanges (i.e., NSE & BSE) in which the equity shares are proposed to be listed and contain such other articles as required by a listed company under the applicable laws. These changes require approval from the members of the Bank and hence recommended by Board for your approval.

Agenda No.8 of the Notice – It is a Special Resolution – Election of Independent Director

We have received total 2 nominations for the vacant post of one Independent Director. One nomination was withdrawn by the candidate

	<p>on 28.05.2022. Due to the withdrawal of above nomination, Thiru B.S.Keshava Murthy is the only candidate contesting for the above vacancy. The members are requested to vote with a view to fill up the above vacancy.</p> <p>With this, we have completed all the items of business.</p>
<p>K.V.Rama Moorthy :</p>	<p>Thank you Mr. Prakash.</p> <p>The Auditors' report issued by the Statutory Auditors have no qualifications, observations, adverse comments or remarks. As regards to the observation of the Secretarial Auditors during the reporting financial year 2019 – 2020 and 2020 - 21, a brief response to the matter has been provided in the Directors' Report. For the Financial Year 2021 – 22, there are no material remarks or observations in the report which require any explanation on the part of the Board, the observations made by the Secretarial Auditor are self-explanatory. As the Annual Reports has already been circulated to all the members, with your permission, I will take the auditor's report as read. Thank you.</p> <p>Now I request M/s. CDSL to allow the speakers one by one and also enable Q&A option. I request the speakers to mention their name, Folio Number or Demat Account Number and the location from where they have joined. In the interest of efficient time management, kindly make your questions very short. To avoid repetition of answers to similar questions asked by the members, answers to all the questions will be provided at the end.</p> <p>Dear Members, Kindly keep the following specific points while asking your queries:</p> <ol style="list-style-type: none"> 1. While seeking clarifications, shareholders may kindly restrict the subject to the specific resolution on the agenda items only and you are also requested to use the ear phone for better audio experience. 2. Replies to clarifications sought by the shareholders will be provided at the end of the meeting. 3. Shareholders are requested to limit their queries to three minutes' time, in order to facilitate the other shareholders to participate. 4. If there is a connectivity problem at the speaker's end, the host will invite the next speaker and all such speakers would be given chance once their connectivity is restored within the available time. <p>Shareholders are requested to co-operate in this regard.</p> <p>Now, I would request the speakers to come on line one by one.</p>

Moderator :	Thank you, Chairman, our first speaker is Mr. Bimal Krishna Sarkar from Kolkata.
Bimal Krishna Sarkar :	<p>I Bimal Krishna Sarkar from my residence Kolkata. At first I thank Ramamurthy sir for excellent presentation regarding performance of the bank. Thanks to Secretariat department for sending AGM notice and annual report all in advance. Thanks to company secretary Prakash Chandra Panda for keeping good relation with the shareholders. He is an energetic, efficient, experienced with good manners and dedicated hard worker. Respected chairman, Indian banking sector are under stress due to pandemic situation and war between Ukraine and Russia. Both private and public sector banks are deeply impacted. Many banks are reporting losses due to the economic challenges. In India, TMB Limited has been making profit year after year. In the COVID-19 circumstances, our bank has increased profit in the financial year to 2019, 2020 and 2021. Sir, NPA has decreased every year. Our bank is in a strong position. Thanks for the CSR Committee for excellent performance and expanding in Healthcare and sanitization facilities. Also, the committee has spent 683.78 lakhs against the obligation or 860.48 lakhs per section 135.</p> <p>RBI has lifted the restriction on our bank for distribution of dividend. Board of Directors has recommended final dividend of Rs.10/- per equity share of face value Rs.10/-. Regular dividend Rs.6/- and a special dividend of Rs.4/-. Sir, I support all the resolutions for the year 2019-20 2020-21 2021-22. I have already casted my vote in favor of resolution through e-voting. Sir, I pray to God for good health of chairman K.V.Rama Moorthy and your team, Company Secretary, the employees of the bank. Thanks for listening and giving me to speak in the meeting and over to you. Sir thank you.</p>
K.V.Rama Moorthy :	Thank you Mr. Bimal Krishna Sarkar.
Moderator :	Thank you, chairman. Our next speaker is Mr. Santosh Kumar Saraf from Kolkata
Santosh Kumar Saraf :	<p>Sir I hope all our directors and management personnel and all employees along with all other stakeholders are safe and healthy in this pandemic situation. I express my condolences to those employees who left us in this COVID19 pandemic and I pray to god to give courage to their families to emerge from the time of grief. Sir I would like to thank and congratulate the Board members and CFO and all key managerial persons for their all-round achievements through the year in spite of the business difficulties faced due to COVID pandemic and declare Rs.10.00/- per share for the year ended 31st March 2022. Sir, what steps are taken by the management to minimize the impact and effect on business income & business operation and steps for cost cutting in COVID pandemic? Sir Now bank has got permission to issue fresh equity of 1582 crores from SEBI, when you will come out with this issue, have you finalized the date of issue and price band. Kindly high-light on this? Sir kindly let me know the policy of Bank on dormant savings account which has some balance and how bank deals with these Savings accounts? Sir kindly let me know management's views on loss making non-performing branches? Sir kindly let me have the view of management to increase % of Female employees from present, which is very less in our bank and let me know the view of management to empower more females to become self-dependent in the present socio-economic scenario? Sir kindly provide in details Zone-wise, Gender-wise</p>

	<p>and Age-wise distribution of our total employees as on 31st March 2022? Sir let me know the % of employees and their family who are Vaccinated with BOOSTER dose , has company reimbursed the money paid for vaccine by employee and their family and children for vaccine taken in Private Hospitals Thank you.</p>
K.V.Rama Moorthy :	Thank you Mr. Santosh Kumar Saraf.
Moderator :	Thank you, chairman. Our next speaker is Ms. B Hemalatha
B Hemalatha :	I'm Hemalatha from Madurai. One of the shareholders of the bank. I would like to ask one question, other income of the bank is comparatively low when compared to other peers. Let me know whether the bank is taking any steps to improve the income.
K.V.Rama Moorthy :	Yeah, we'll address, Madam. We are conscious of the fact that our non-interest income, there is scope for improvement, and we'll definitely come back.
B Hemalatha :	Thanks for giving opportunity to share my views. Thank you
K.V.Rama Moorthy :	Thanks a lot.
Moderator :	Thank you, chairman. Our next speaker is Mr. K. Shrinivas
K. Shrinivas :	Hello good morning I am Shrinivas from Madurai. I have a very simple question. The advances growth of the bank is low during the past three years. How is the bank planning to grow in terms of advances in the coming years?
K.V.Rama Moorthy :	Yes, Sir. Whatever you said is right Sir. In fact, for the last three years I think we have been growing in a calibrated way, only considering the unprecedented uncertainties. The economy and the country is facing. Because earlier two years was on account of COVID and then this year on account of this geopolitical stress. What is going to happen is uncertain. That's the reason we have taken a call to grow consciously wherever without undertaking lot of risk as such, but we will come with the detailed philosophy of growth for the future years, at the end of this meeting sir.
K. Shrinivas :	Thank you very much and wish you all the best.
K.V.Rama Moorthy :	Thank you
Moderator :	Thank you, chairman. Our next speaker is Mrs. T S Jwala
T S Jwala :	Good morning Sir, I'm Jwala from Madurai. Respected chairman and Company Secretary and the Directors. Thank you for admitting me as the speaker in the AGM. I would like to raise 2 queries before this AGM. Yeah, one is. When is the bank planning for go for IPO? Is there any time frame considered for this? The other one is Why no interim or Final dividend were raised for the past two years?
K.V.Rama Moorthy :	Yes, mam. I think, detailed reply will be given at the end of the meeting. In fact, as I told you already, we have control of this.
Moderator :	Sir, Our next speaker is Mr. Thomas Sankaranarayanaprabu
Thomas Sankaranarayanaprabu :	Yes, Sir.
Moderator :	Please go ahead, Sir.
Thomas Sankaranarayanaprabu :	So I'm Thomas Sankar Narayana Prabhu calling from Bengaluru. Good morning to all the Directors in dais. The bank has performed very well. Now my question is, the RBI has placed restrictions on the bank in terms of not allowing the bank to open branches. Has the bank represented to RBI to remove those restrictions? The bank has made good profits and have also filed the DRHP etc. Why RBI is not allowing the bank to open

	branches which hurts the growth trajectory.
K.V.Rama Moorthy :	Yes, Sir, will come out with our answers.
Thomas Sankaranarayanaprabu :	Ok, Thank you.
Moderator :	Thank you, chairman. Our next speaker is Mr. K Ganesh Karthi.
K Ganesh Karthi :	Hello Sir, Good morning. I am Ganesh Karthi shareholder of the Bank. I want to raise two simple questions. How our bank is preparing itself to extend the technological advancements happening day-to-day in banking business and one more thing is, what are the plans to catch up with the market demands in this new fintech era?
K.V.Rama Moorthy :	We'll let you know the details of the efforts from our side. Thank you.
Moderator :	Thank you Sir. All the speaker shareholders have been allowed to speak, so you can continue the proceedings please.
K.V.Rama Moorthy :	<p>Thanks a lot to all the shareholders for your queries and I know for sure that some of you were explicit in expressing your satisfaction. I would like to specifically name Bimal Sarkar from Kolkata and Saraf from Kolkata then Madam Hemalatha and then Shrinivas, Jwala mam and Sankar Narayan Prabhu and Ganesh Karthi, I think I would like to address the issues you have raised in a collective manner. Please excuse us if we are not in a position to reply very specifically to some of your queries, this is a silent period which we are running due to some restrictions on us we are not able to talk very loudly about our future plan. So we would like to be stating the actual facts. We'll be sharing it with you. Collectively, we would like to address all those queries which you have asked.</p> <p>Now I will go through them one by one. We would highlight that as we propose to undertake an initial public offer we are barred from sharing information prohibited under Schedule IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. So please excuse us, if we are not in a position to live up to your expectations.</p> <p>We are exploring investment in technology platforms which provide early warning signals that stress assets and in customers or relationship management, peripheral systems and all and our point of sales terminals and payment system these are all technologically with good number of areas where we are trying to work around and with the support of newly joined CDO many initiatives are forth coming. And your bank is especially using the new tracking system application, which allows the staff to list the leads so that it will help the employees to market in a seamless fashion.</p> <p>The customer relationship management, CRM and the entire software are the tools which can increase the CASA levels of the bank. This is one such area where at least we need to consciously improve ourselves. This is in response to Bimal Sarkar on what are the future programs and plans to improve the performance of the bank. I'm trying to address this particular area.</p> <p>Recently, your bank has completely revamped the design of mobile banking application in order to offer customers one of the best user experience. New services such as UPI transactions and the investment in mutual funds have also been introduced in the mobile banking application. Our customers can now make payments through mobile banking, mobile recharge, DTH, electricity bill and practically all payment</p>

systems can be used. Your bank has now implemented video KYC, which in turn has facilitated opening of new accounts virtually. This service has started attracting more and more in customers. Your bank is planning to provide tablets to marketing teams. This tablet based account opening is one such area which will make a big difference to our marketing efforts. Your bank is in the process of updating the loan processing application and the Lend perfect solution for completely automating the submission of loan proposals and documentation.

Your Bank customers, will be able to submit their loan applications virtually. Further, processing of loan applications will also be made easy. Your bank has already established a centralized processing cell for processing loan applications received under selected loan schemes. Now the bank is moving towards establishing full-fledged centralized loan processing centers for processing of detailed personal and MSME loans so that the TAT of the loan proposal sanction will get reduced. Your customers will be able to directly interact with the sanctioning authorities and receive personalized guidance. Your bank is setting up call centers through collaboration with well-known companies and outsourcing marketing servicing and follow up activities.

For your question, what is the position about listing and capital markets? Couple of people have asked this question. Your bank has filed DRHP on September 4, 2021 with Securities and Exchange Board of India. In connection with the proposed public issue, we are happy to inform you that the final observation letter from SEBI has also been received and which will enable the bank to move forward. We wholeheartedly thank the customer's appreciation for all the performance and the efforts of all of our staff members. All the staff members working at different branches and the regional offices need to be complemented for all your appreciation.

Saraf Sir, Your issue will be enabled in our branch before 15.07.2022. Which is the date our people have given Sir. I think we will see to it that you will not face any issues after this date and the UPI interface integration is over and it is made available also in our net banking facility. And about your clear guidance about to our issue, your bank is making an offer in terms of equity shares specifically up to 1.58 crores. The price band of our offer will be determined at the time of filing of RHP with the Registrar of companies and in consultation with BRLMs. The offer price will be determined by way of book building process prescribed by SEBI ICDR regulations. The date of opening IPO depends upon the prevailing market conditions and other external factors, but once decided it will be announced in all national and regional newspapers as well and you will come to know of this particular issue very shortly.

Your Bank has a policy for handling unclaimed deposits / inoperative accounts. The Bank is sending intimation letters on a daily basis to the customers whose accounts are going to be inoperative within 3 months and is requesting them to undertake a transaction (credit or debit) to keep the account active.

After the account becomes inoperative, the amount lying in such accounts is properly audited by the internal auditors/statutory auditors of the bank. Interest on savings bank accounts is credited on a regular

basis whether the account is operative or not.

No charges are levied on inoperative accounts i.e. no charges for non-maintenance of minimum balance are levied in inoperative accounts.

Your Bank is displaying the name of the account holders of unclaimed deposits accounts, which are inactive / inoperative for ten years or more on its website. One can search with minimum details like his name and city. The Link is available in the bottom of the home page under the section 'disclosures'

Your bank is addressing your specific query as to what is happening to the loss meeting branches and how it is being monitored. Your bank is assisting the loss-making branches by appointing guardian executives. Executives from the head office are designated as guardian executives. These executives with their deep knowledge and long experience are responsible for guiding the executives of branches in every region across all areas of the business in order to increase the profitability of these branches. May be the number has come down to single digit as of now and we are confident but the next one or two years we should be able to see that there is no loss making branch for Tamilnad mercantile bank. Suitable monitoring and guidance is undertaken to ensure that these branches turn profitable at the earliest

And the query about the female employees percentage. For the past several years the bank is maintaining around 11% of women employees. More than 70% of female employees are in the age group of 30 to 50. As the bank is prohibited from opening new branches, the large scale requirement of hiring new clerical staff does not arise and therefore due to pan India presence of branches, women employee recruited from Tamil Nadu could not be posted in upcountry centers. And in fact we would like to bring it to your kind notice that we have an exclusive ladies branch called Sankaraperi branch located in Thoothukudi, which is headed by Woman Branch Head and the staff members are also Women employees. Once opening of branches is permitted the bank may recruit more female employees on considering the socio-economic scenario prevailing at that time.

On the announcement of availability of booster dose for the front-line workers, we have taken steps to get all our staff members vaccinated with the booster dose. We have conducted several vaccination campaigns pan India in co-ordination with the Government Departments.

Few of our employees and their family members were vaccinated with Booster dose. Since the vaccination campaign has been arranged wherever required in coordination with the Government Agencies, the employees are not encouraged to get themselves vaccinated in private hospitals.

But, within a short time period of the introduction of the booster dose, many state governments have announced that getting a booster dose is not compulsory. This has led to the slow adoption of the booster dose by the staff and their family members.

Madam, Hemlatha has basically asked whether the bank is taking steps

to improve the other income, Your bank is now onboarding the digital lending platform to attract small ticket loans that can bring more income by way of processing charges. Tie up arrangements with Fintech companies have been made to market other financial products to increase the fee based income.

Now Your Customers can Invest in mutual funds through the mobile banking application itself.

Your bank is generating revenue through marketing Government Schemes beneficial to the customers, insurance policies, payment gateway services, digital payment solutions like POS, Utility Bill payments etc.

Customers are encouraged to spend using our debit cards by our reward point programs. The transactions through the card payments contribute to our income.

More number of the customers are given digital transaction facilities every year to reduce the operational cost thereby increasing the Net non-interest income.

Now your Customers can invest in mutual funds through the mobile banking application itself.

Your bank is generating revenue through marketing Government Schemes, insurance policies, payment gateway services, digital payment solutions like POS, Utility Bill payments etc.,

During our centenary year celebrations, Board of Directors of your Bank, in their meeting held on 29.04.2022, recommended for a dividend of Rs.10/- per equity share on the face value of Rs.10/- (Rs.6/- regular dividend and Rs.4/- in commemoration of 100 years celebration), subject to the approval of RBI.

Trust, I have addressed all the queries. I think we should be writing to you all. Also, Members may kindly note that the voting on the CDSL platform will continue to be available for the next 15 minutes that is up till 1:00 P.M. Therefore, members who are present in this meeting and those who are yet to cast their vote are requested to do so. Mr. Nagendra D. Rao, Senior Partner of Nagendra D. Rao and Associates, LLP Company Secretaries, Bangalore has been appointed as the Scrutinizer to supervise the e-voting process. The e-voting results of the Annual General Meetings will be published in our website and the website of CDSL.

We are thankful to all Members who have participated through the video conference facility. Wish all members to remain safe and stay healthy.

With your permission, I call this meeting to an end.

I thank all the shareholders once again for attending the meeting and I hereby declare the proceedings as closed.

Thank you.
