



**SECRETARIAL COMPLIANCE REPORT OF TAMILNAD MERCANTILE BANK LIMITED
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026**

I, P. Sriram, Partner of SPNP & Associates have examined:

- (a) All the documents and records made available to us and explanation provided by **TAMILNAD MERCANTILE BANK LIMITED** ("the listed entity/Bank"),
- (b) The filings/ submissions made by the listed entity to the stock exchanges,
- (c) Website of the listed entity,
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended March 31, 2026 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended




**SPNP & ASSOCIATES
Practising Company Secretaries**

No.10/28, II Floor, 3rd Cross Street, R.K. Nagar, Raja Annamalaipuram, Chennai - 600 028.
spnpassociates@gmail.com # Phone: 044 4215 3510, 4320 1250, Mobile: 95660 33011



- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, *(Not Applicable to the bank during the review period)*
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *(Not Applicable to the bank during the review period)*
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; *;(Not Applicable to the bank during the review period)*
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; as amended
- (h) Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
- (i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

and circulars guidelines issued thereunder; and based on the above examination, I hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except as mentioned in **Annexure 1**
- (b) The listed entity has taken the following actions to comply with the observations made in previous report mentioned in **Annexure 2**

SPNP & ASSOCIATES

Practising Company Secretaries

No.10/28, II Floor, 3rd Cross street, R.K.Nagar, Raja Annamalaipuram, Chennai – 600028.
snpnassociates@gmail.com #Phone: 044 42153510, 43201250, Mobile: 9566033011





ADDITIONAL DISCLOSURES:

I hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
1.	<u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	
2.	<u>Adoption and timely updation of the Policies:</u> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/ guidelines issued by SEBI	Yes	
3.	<u>Maintenance and disclosures on Website:</u> • The Listed entity is maintaining a functional website	Yes	

SPNP & ASSOCIATES

Practising Company Secretaries

No.10/28, II Floor, 3rd Cross street, R.K.Nagar, Raja Annamalaiapuram, Chennai – 600028.
 spnpassociates@gmail.com #Phone: 044 42153510, 43201250, Mobile: 9566033011



[Signature]



	• Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website		
4.	<u>Disqualification of Director:</u> None of the Directors of the bank are disqualified under Section 164 of Companies Act, 2013	Yes	
5.	<u>Details related to Subsidiaries of listed entities:</u> (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	NA	
6.	<u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	
7.	<u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	



SPNP & ASSOCIATES
Practising Company Secretaries

No.10/28, II Floor, 3rd Cross street, R.K.Nagar, Raja Annamalaipuram, Chennai – 600028.
 spnpassociates@gmail.com #Phone: 044 42153520, 43201250, Mobile: 9566033011



SPNP

8.	<u>Related Party Transactions:</u> (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions; (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit committee.	Yes	
9.	<u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III, SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10.	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	
11.	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions taken against the listed entity/its promoters/directors/subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	Please refer Annexure I

[Signature]



SPNP & ASSOCIATES
Practising Company Secretaries

No.10/28, II Floor, 3rd Cross street, R.K.Nagar, Raja Annamalaipuram, Chennai – 600028.
spnpassociates@gmail.com #Phone: 044 42153510, 43201250, Mobile: 9566033011



12.	<u>Resignation of statutory auditors from the listed entity or its material subsidiaries</u> In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity or its material subsidiary(ies) has complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	
13.	<u>No additional non-compliances observed:</u> No additional non-compliance observed for any of the SEBI regulation/ circular/ guidance note etc. except as reported above	NA	



SPNP & ASSOCIATES

Practising Company Secretaries

No.10/28, II Floor, 3rd Cross street, R.K.Nagar, Raja Annamalaipuram, Chennai – 600028.
spnpassociates@gmail.com #Phone: 044 42153510, 43201250, Mobile: 9566033011



ANNEXURE I

Sr.No	Compliance Requirement (Regulations/Circulars/Guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount (In Rs.)	Observations/ Remarks of the Practising Company Secretary	Management Response	Remark
1.	The composition of the Board of Directors shall comprise of at least one-half independent directors if the listed entity does not have a regular Chairperson.	Regulation 17(1) of SEBI (LODR) Regulations, 2015	There was a temporary deviation in the composition of board of directors due to completion of tenure of Mrs.Ezhil Jothi S, as an Independent Director.	ESE & NSE	Penal Action	The tenure of Mrs.Ezhil Jothi S, as Non-Executive, Independent Director of the Bank completed with effect from 26 th March, 2025. As a result, the composition of the board was not in	29,500 (was waived off by the Stock Exchange vide their email dated 6 th March, 2026)	The tenure of Mrs.Ezhil Jothi S, has completed as Non-Executive, Independent Director of the Bank with effect from 26 th March, 2025. This led to a temporary non-compliance in the composition of the board of directors.	There were no Board / Committee meetings held during the period from March 27, 2025 to March 31, 2025 and no major decisions were taken by the Board /Committees during the said period. The bank submitted a waiver application dated 10 th June, 2025 to the authorities in respect of the penalty imposed. The waiver request was subsequently considered	Nil

SPNP & ASSOCIATES

Practising Company Secretaries

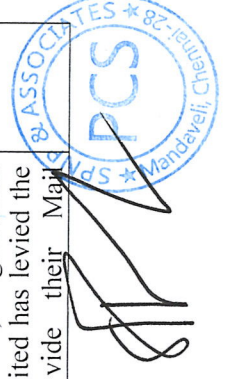
No.10/28, II Floor, 3rd Cross street, R.K.Nagar, Raja Annamalaipuram, Chennai – 600028.
 spnpassociates@gmail.com #Phone: 044-42153510, 43201250, Mobile: 9566033011



[Handwritten Signature]



								accordance with the Regulation 17(1).	52,000	The Secretarial Compliance Report was not submitted in the prescribed format and through the specified filing procedure on the stock exchange. Therefore, it has been treated as a case of non-submission.	The bank has uploaded the Secretarial Compliance Report (PDF format) on the BSE portal on June 27, 2025, and paid the penalty amount on the same day. The Bank assures that such instances will not occur in the future.	and as communicated to the Bank via email dated 06 th March, 2026.	Nil
2.	Every listed entity shall submit secretarial compliance report in such form as specified, to stock exchanges, within sixty days from end of each financial year.	Regulation 24A of SEBI(LODR) Regulations, 2015	The Bank has not submitted the Secretarial Compliance Report to BSE through the prescribed submission path.	BSE	Penal Action			The Secretarial Compliance Report has not been submitted by the Bank through the prescribed submission pathway and was accordingly considered as not submitted.	38,000	During the period from 09.10.2024 to 27.10.2024, the NRC was composed only with 3 Independent Directors instead of	The Bank has re-constituted the committee in line with the requirements of Regulation 19(1) of the SEBI (LODR) Regulations. BSE Limited has levied the		Nil
3.	As per Regulation 19(1) of the SEBI (LODR), at least two-thirds of the members of Nomination	Regulation 19(1) of the SEBI (LODR) Regulations	During the period from 09.10.2024 to 27.10.2024, the Bank has not complied	BSE and NSE	Penal Action			During the Financial year 2024-2025, the composition of NRC of the Bank was not in compliance with					



SPNP & ASSOCIATES

Practising Company Secretaries

No.10/28, II Floor, 3rd Cross street, R.K.Nagar, Raja Annamalaiapuram, Chennai – 600028.
 snpnassociates@gmail.com #Phone: 044 42153510, 43201250, Mobile: 9566033011



and Remuneration Committee must be independent directors	Regulation 19(1) of the SEBI (LODR) Regulations.		Regulation 19(1) of the SEBI (LODR) Regulations, as the committee had only 3 Independent Directors.	4 Directors and thus in violation of Regulation 19(1) of the SEBI (LODR) Regulations.	dated March 06,2026 and the same was paid on March 09,2026.	
--	--	--	---	---	---	--




SPNP & ASSOCIATES

Practising Company Secretaries

No.10/28, II Floor, 3rd Cross street, R.K.Nagar, Raja Annamalaipuram, Chennai – 600028.
 spnpassociates@gmail.com #Phcne: 044 42153510, 43201250, Mobile: 9566033011



ANNEXURE 2

S	Observations/ Remarks of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Details of violation / deviations and actions taken / penalty imposed	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
1	During the period under review the Bank had appointed internal auditors. Though the Board of Directors of the Bank had approved the said appointment, the same ought to have been reviewed by the Audit Committee of the Bank	March 31, 2025	The Audit Committee (AC) shall mandatorily review the appointment, removal and terms of remuneration of the Chief Internal Auditor.	The AC had not reviewed the appointment and terms of remuneration of the Chief Internal Auditor. Deviation of Schedule II, Part C of Para B (5) Securities and Exchange Board of India (Listing Obligations and	Being in the banking industry, concurrent auditors function as internal auditors with AC approval, and their reports are regularly placed before the AC. As per the Banking Regulation Act, banks are required to have an Internal Audit/Inspection Department headed by a General Manager-level officer reporting directly to the AC or Executive Director	The Bank has taken appropriate initiatives



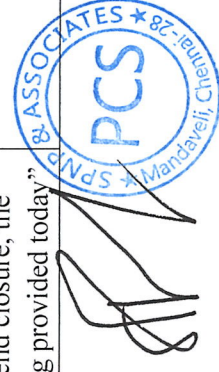
[Signature]

SPNP & ASSOCIATES
Practising Company Secretaries

No.10/28, II Floor, 3rd Cross street, R.K.Nagar, Raja Annamalaipuram, Chennai – 600028.
spnpassociates@gmail.com #Phone: 044 42153510, 43201250, Mobile: 9566033011



				Disclosure Requirements) Regulations, 2015	Accordingly, the auditors were introduced to the Audit Committee upon joining.	
2.	The Bank received a demand notice from the Income Tax Department on March 29, 2024. However, the intimation to Stock exchange was made only on April 2, 2024.	March 31, 2025	Any actions taken or orders passed by any Regulatory, Statutory, Enforcement authority should be intimated to stock exchange within 24 hours.	There was delay in intimation of demand notice received from Income Tax Department on 29.03.2024.	The above facts came to the knowledge of the Bank on 30.03.2024 and having consecutive holidays on 31.03.2024 and 01.04.2024, the said intimation was made on 02.05.2024. However, the filings submitted with stock exchanges contains the factual condition also, which is reproduced as below: “Due to intervening holiday and Financial year end closure, the intimation is being provided today”	The Bank has taken appropriate initiatives



SPNP & ASSOCIATES

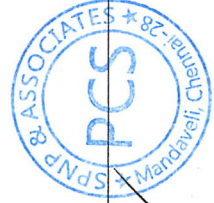
Practising Company Secretaries

No.10/28, II Floor, 3rd Cross street, R.K.Nagar, Raja Annamalaipuram, Chennai – 600028.
 spnpassociates@gmail.com #Phone: 344 42153510, 43201250, Mobile: 9566033011



SPNP

3.	During the period under review the Bank had appointed CRO. Though the Board of Directors of the Bank had approved the said appointment, the same ought to have been reviewed by the Risk Management Committee	March 31, 2025	The appointment, removal and terms of remuneration of the Chief Risk Officer (CRO) shall be subject to review by the Risk Management Committee (RMC).	The RMC had not reviewed the appointment and terms of remuneration of the CRO. Deviation of Regulation 21 of SEBI (Listing Obligations and Disclosures Requirements) 2015, read with Schedule II Part A Para C sub rule 6 The appointment of CFO was not approved by the Audit Committee. Deviation of Regulation 18 of SEBI LODR, read with Schedule II, Part C of Para A (19)	Being Banking Company, Risk Management is one of the core department of the Bank and headed by General Manager cadre. As per Banking Regulation Act, 1949 CRO reports to the RMCB and one level below to the Board. Upon their appointment, their introduction had been given to RMCB after their appointment.	The Bank has taken appropriate initiatives
4.	During the period under review the Bank had appointed CFO. Though the Board of Directors of the Bank had approved the said appointment, the same ought to have been approved by the Audit Committee.	March 31, 2025	The Audit Committee (AC) shall approve the appointment of Chief Financial Officer (CFO) after assessing the qualifications, experience and background, etc. of the candidate.	The appointment of CFO was not approved by the Audit Committee. Deviation of Regulation 18 of SEBI LODR, read with Schedule II, Part C of Para A (19)	Being Banking Company, accounts department needs to be headed by General Manager Cadre and the person shall have experience in Banking Company. As per Banking Regulation Act, 1949 CFO reports to the one level below to the Board and ACB. Upon their appointment, their introduction had been given to ACB after their appointment.	The Bank has taken appropriate initiatives



SPNP & ASSOCIATES
Practising Company Secretaries

No.10/28, II Floor, 3rd Cross street, R.K.Nagar, Rajahmundry, Chennai – 600028.
snpassociates@gmail.com #Phone: 044 42153510, 43201250, Mobile: 9566033011



We further, report that the listed entity is in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations.

Assumptions & limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion
3. We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
4. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

FOR SPNP & ASSOCIATES

DATE: 22/05/2026

PLACE: CHENNAI



FCS No. 4862/C P No: 3310

FRN: FR/CHENNAI CENTRAL/102/2020

PEER REVIEW NO: 1913/2022

UDIN: F004862H000439087

SPNP& ASSOCIATES

Practising Company Secretaries

No.10/28, II Floor, 3rd Cross street, R.K.Nagar, Raja Annamalaipuram, Chennai – 600028.
spnpassociates@gmail.com #Phone: 044 42153510, 43201250, Mobile: 9566033011