



Investor Presentation

Q4 FY 2026

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Phygital Expansion

Performance Highlights

Q4 FY 2026



From turnaround to takeoff....

Foundation for growth laid

- ❖ CASA share decline arrested, and reversed
- ❖ Highest Deposits growth recorded in the past 39 quarters
- ❖ Highest Advances growth recorded in the past 40 quarters
- ❖ Business growth 9.35% over the last 10years CAGR



Credit portfolio quality improved

- ❖ On book PCR @ 10 year high
- ❖ Credit cost under Control
- ❖ Lowest GNPA% in the past 40 quarters
- ❖ Lowest ever SMA %



Business presence expanded

- ❖ 44 Branches opened, 15 in Non-TN States
- ❖ 12 CMCs setup to drive advances
- ❖ Liability RMs introduced to drive CASA/Deposits
- ❖ Digital transformation nearing completion



Shareholder value delivered

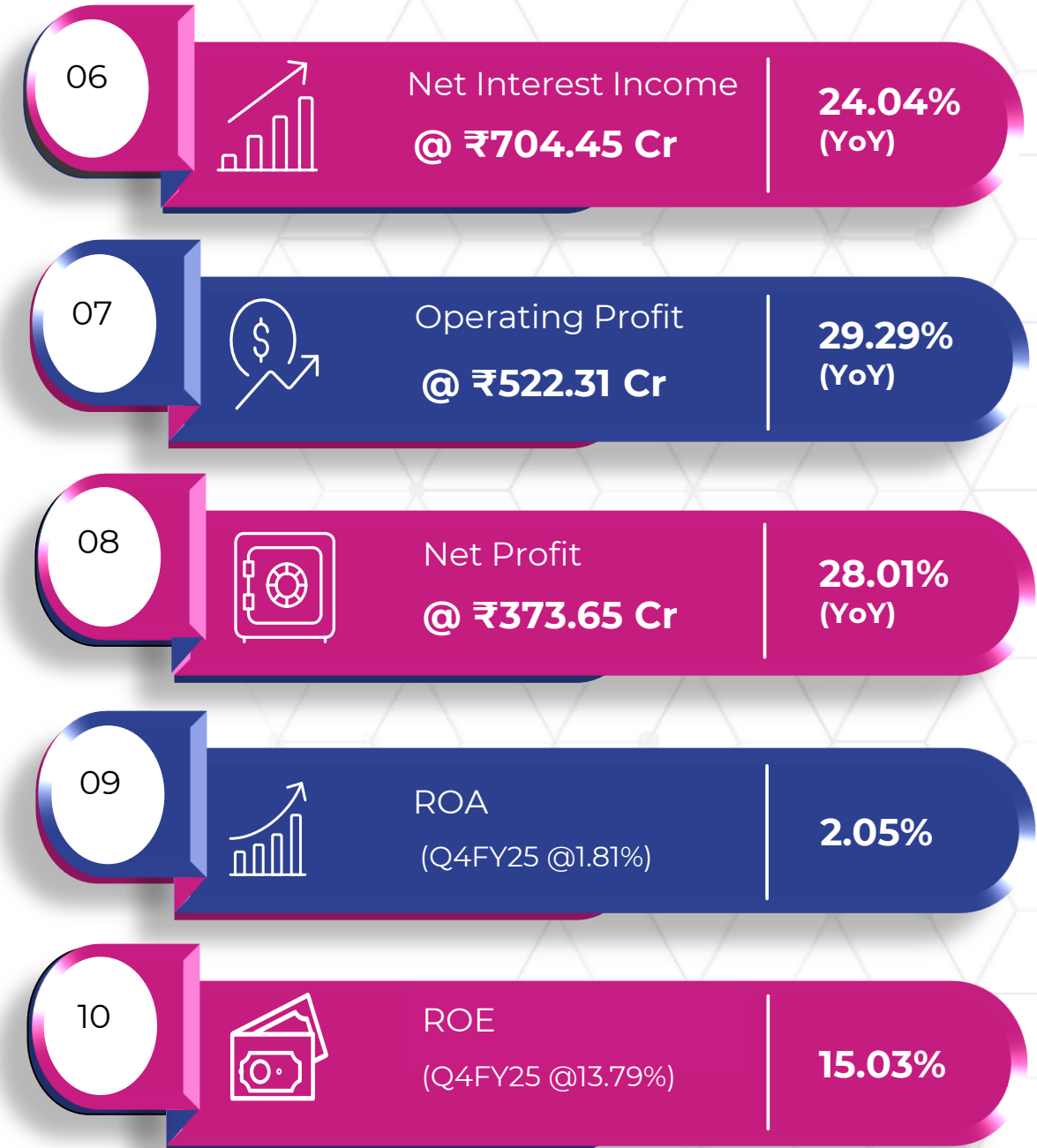
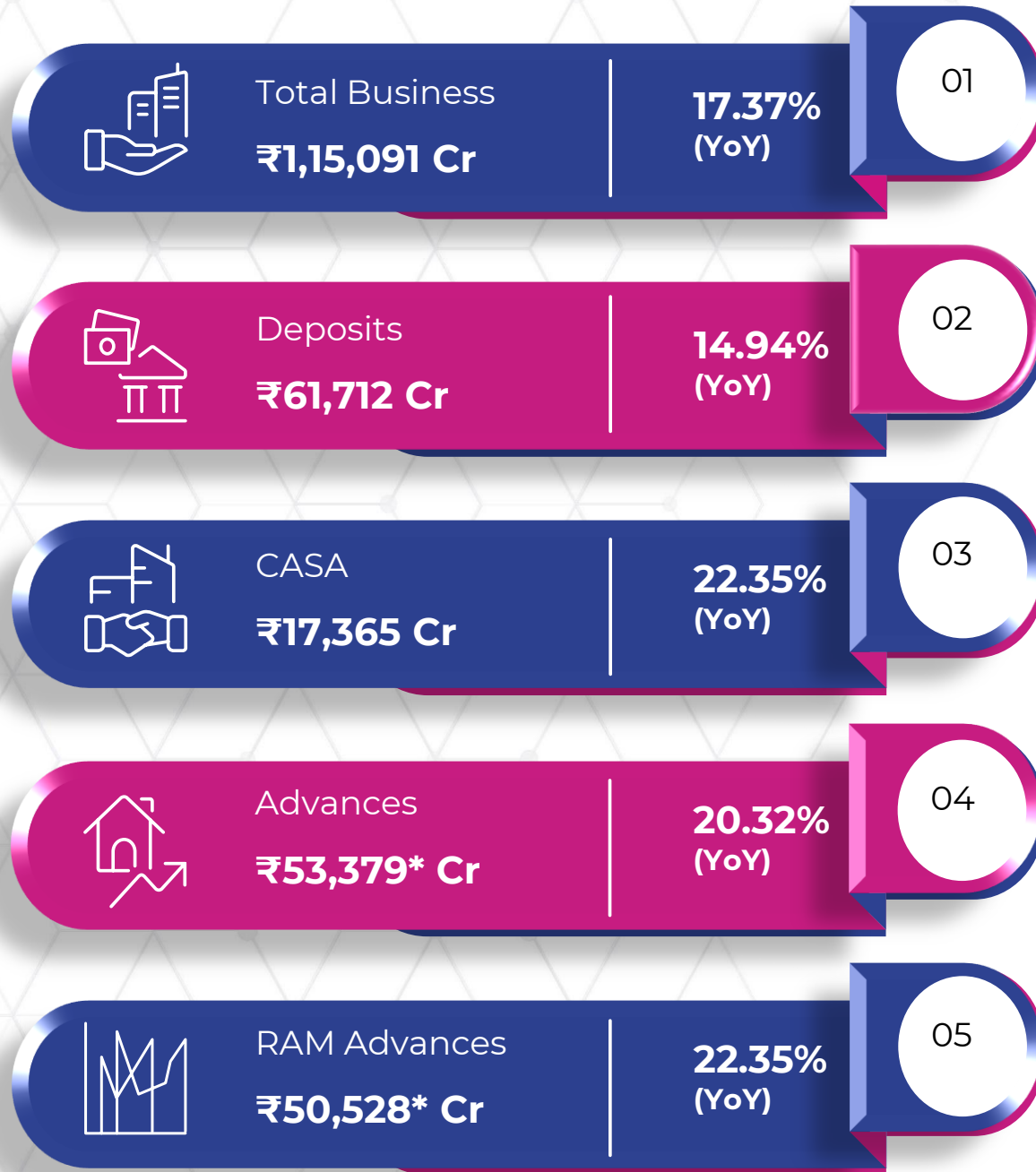
- ❖ 50%+ increase in share price in last 12 months
- ❖ Market capitalization crossed ₹10,600 crores (as of 22/04/2026)
- ❖ Share holder funds crossed ₹10,000 crores, Book value @ ₹638
- ❖ Dividend of 125% recommended for FY2026*.



*Subject to shareholders approval

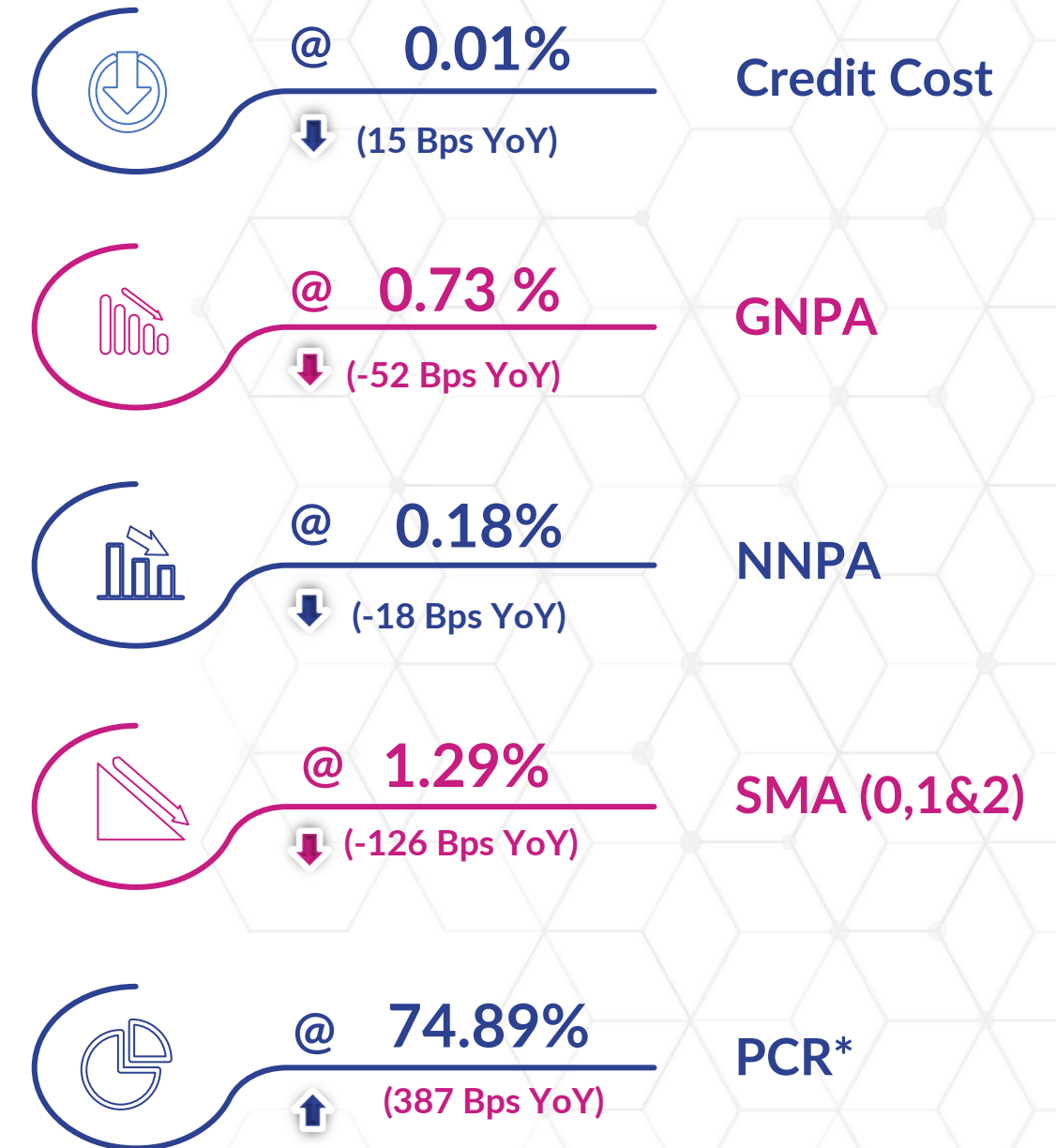
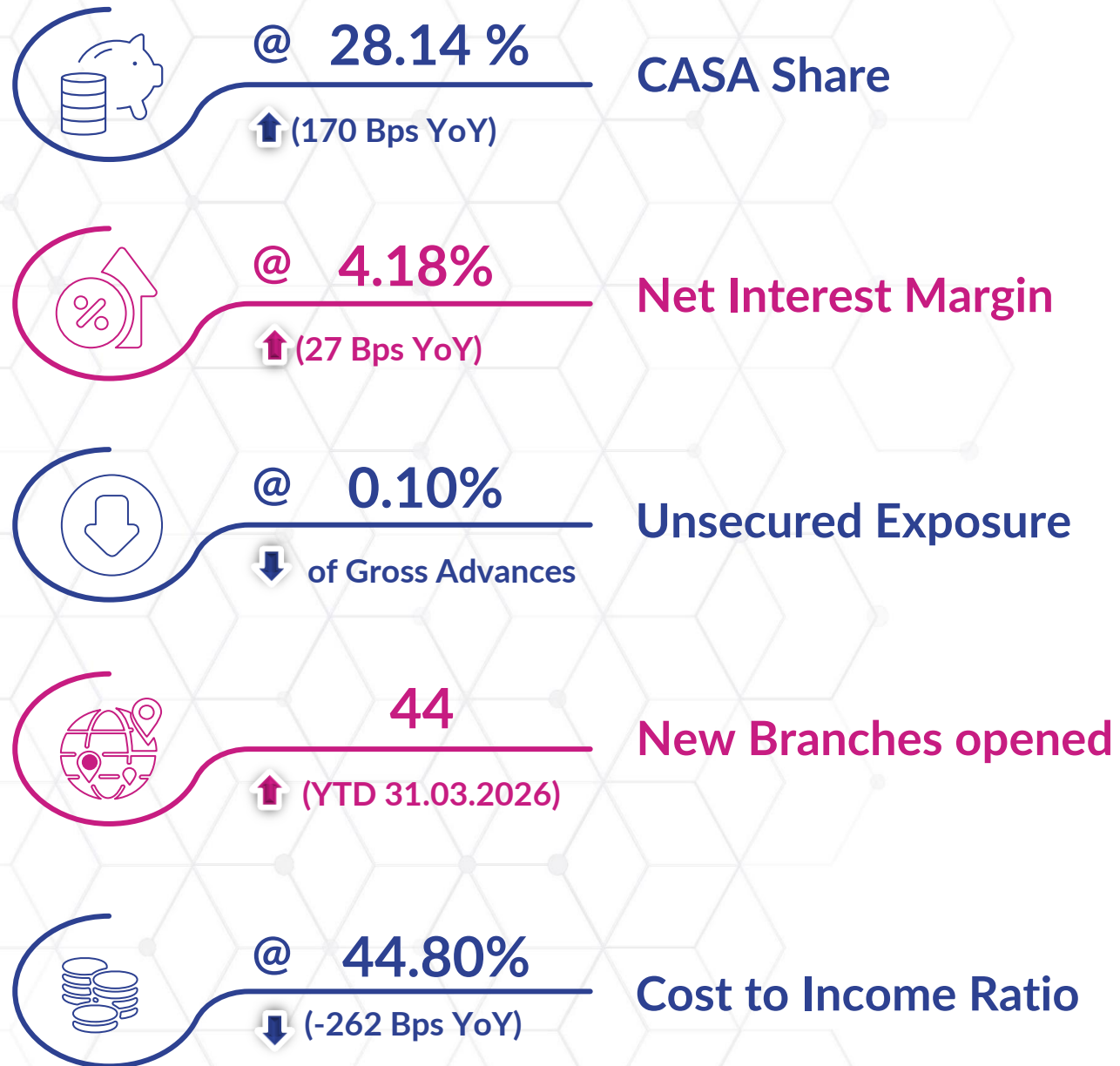
Q4FY2026

Boosting Earnings



*Excluding: IBPC sale of ₹1,000 crore

Q4FY2026



*PCR with technical write-off @ 96.14%

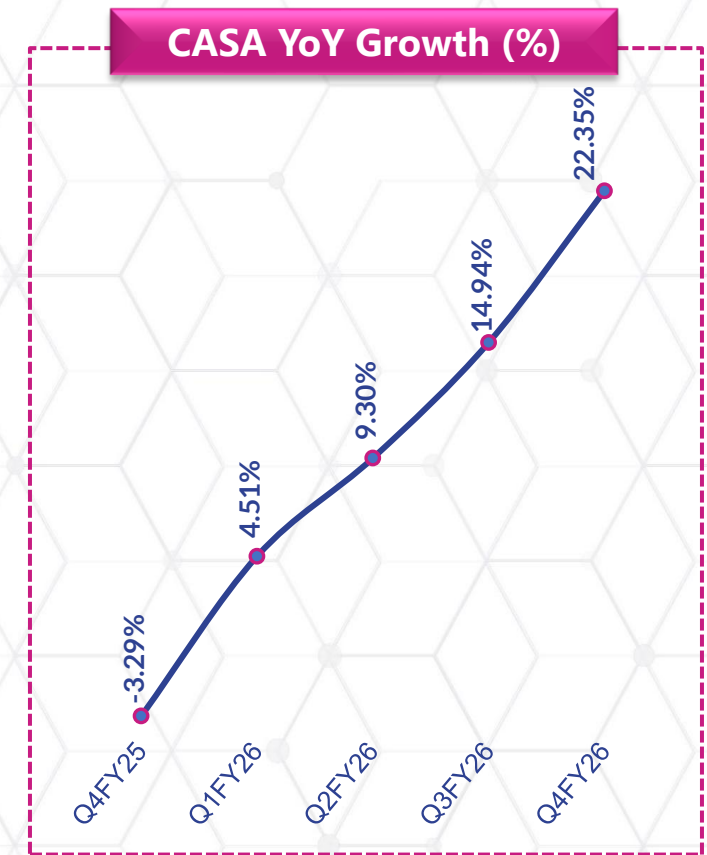
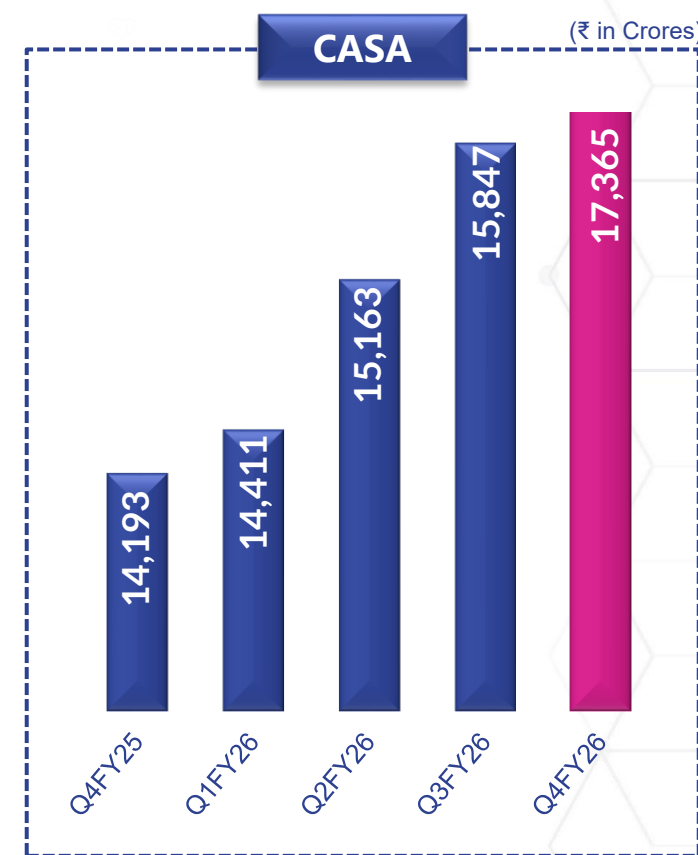
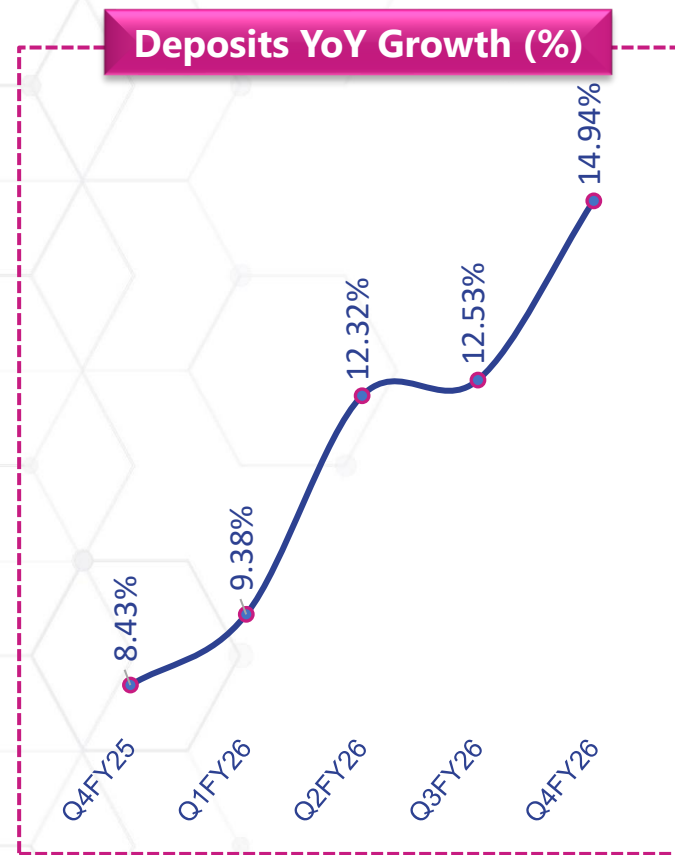
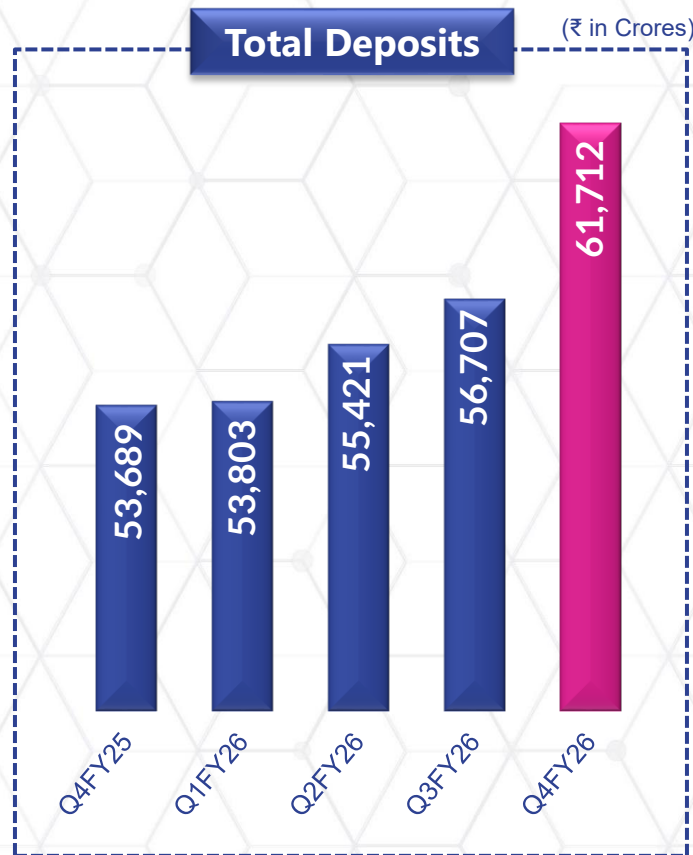
Business Financial Performance

Q4 FY 2026



(₹ in Crores)

Business Parameters	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q-o-Q Growth % (Q4FY26 Over Q3FY26)	Y-o-Y Growth % (Q4FY26 over Q4FY25)
Current Account	4,047	3,989	4,334	4,442	5,084	14.45%	25.62%
Savings Bank Account	10,146	10,422	10,829	11,405	12,281	7.68%	21.04%
CASA	14,193	14,411	15,163	15,847	17,365	9.58%	22.35%
Term Deposits	39,496	39,392	40,258	40,860	44,347	8.53%	12.28%
Total Deposits	53,689	53,803	55,421	56,707	61,712	8.83%	14.94%



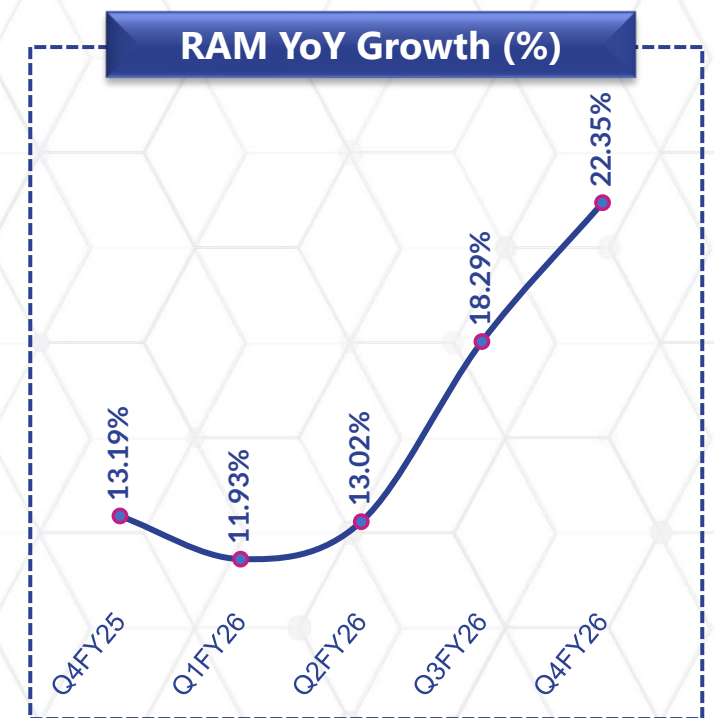
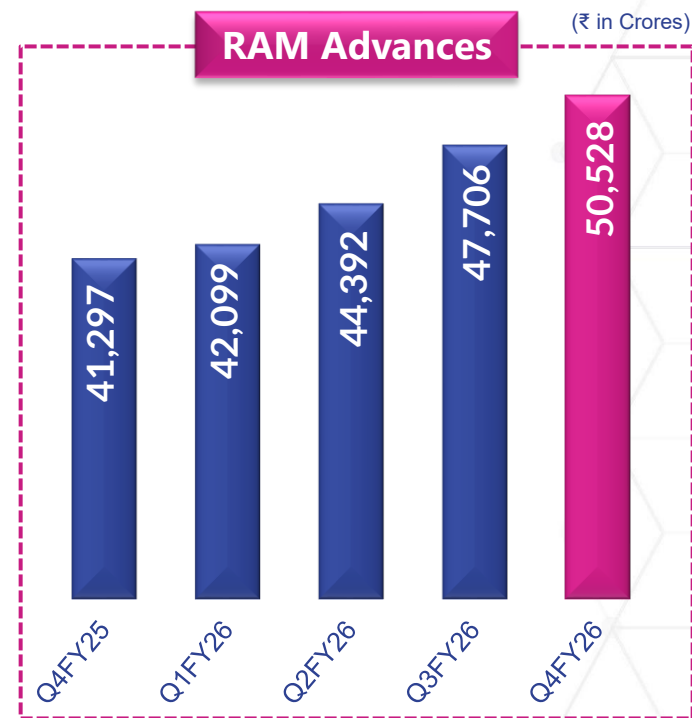
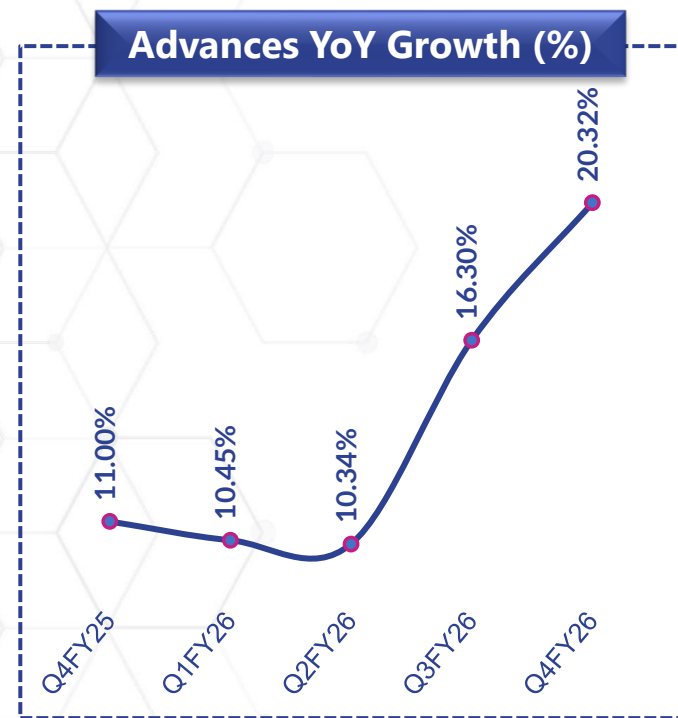
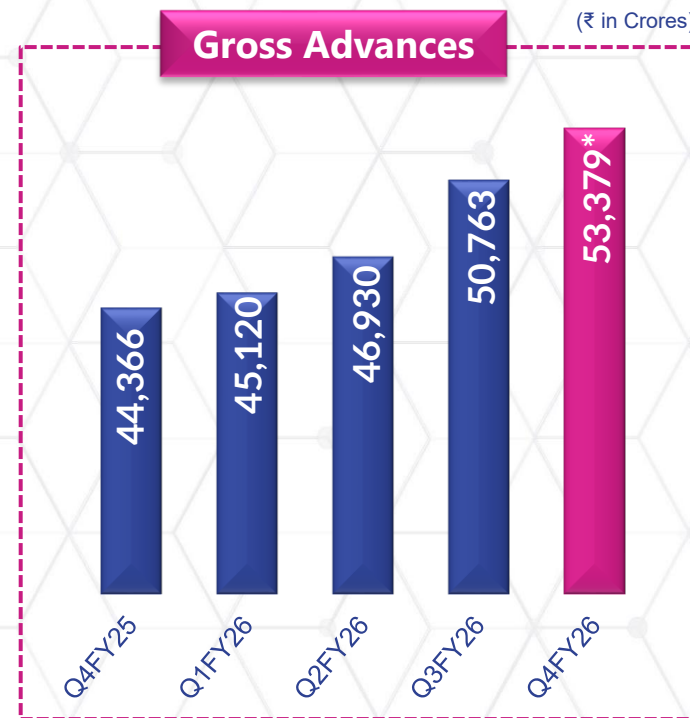
Our initiatives, including setting up TBG & ESG supported CASA & Deposits growth.

TBG-Transactions Banking Group
ESG- Elite Service Group

(₹ in Crores)

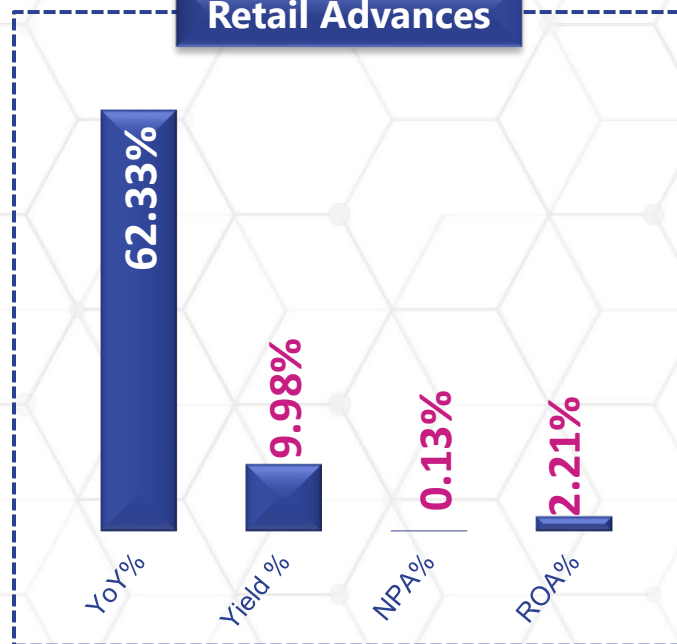
Business Parameters	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q-o-Q Growth % (Q4FY26 Over Q3FY26)	Y-o-Y Growth % (Q4FY26 over Q4FY25)
Retail	9,186	10,660	11,878	14,411	14,912	3.48%	62.33%
Agriculture	18,591	17,987	18,546	18,385	20,084	9.24%	8.03%
MSME	13,520	13,452	13,968	14,910	15,532	4.17%	14.88%
Total of RAM	41,297	42,099	44,392	47,706	50,528	5.92%	22.35%
RAM % to Gross Advances	93.08%	93.31%	94.59%	93.98%	94.66%	68 Bps	158 Bps
Others	3,069	3,021	2,538	3,057	2,851	-6.74%	-7.10%
Gross Advances	44,366	45,120	46,930	50,763	53,379	5.15%	20.32%
CD Ratio %	82.64%	83.86%	84.68%	89.52%	86.50%	-302 Bps	386 Bps

Advances Growth is @ 22.57%, inclusive of ₹1,000 crore IBPC sold in Q4FY26.

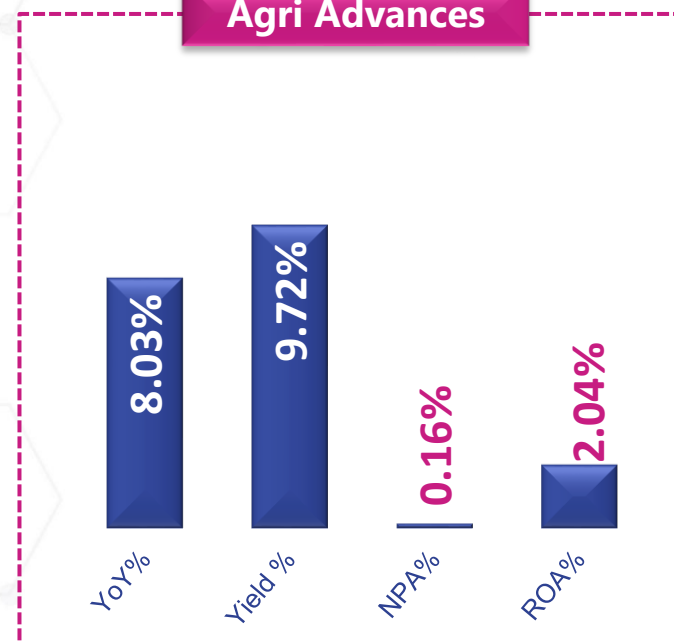


*Excluding: IBPC sale of ₹1,000 crore

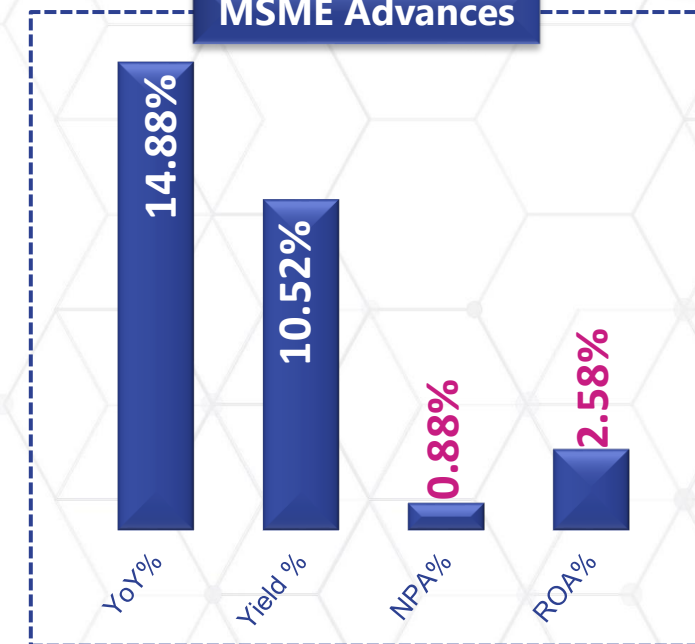
Retail Advances



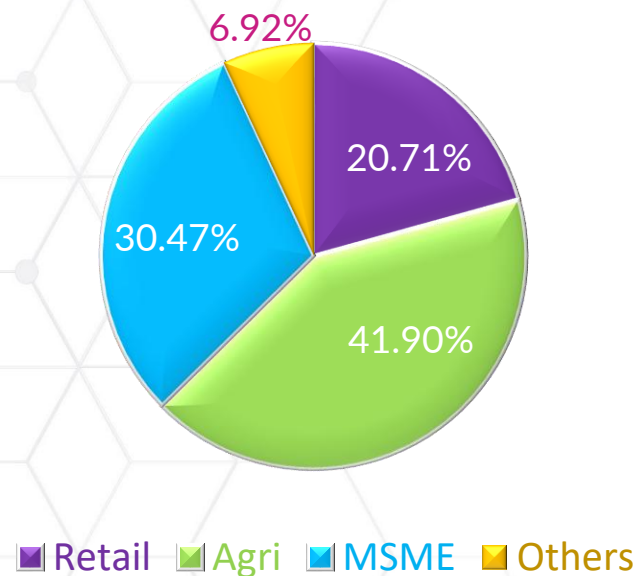
Agri Advances



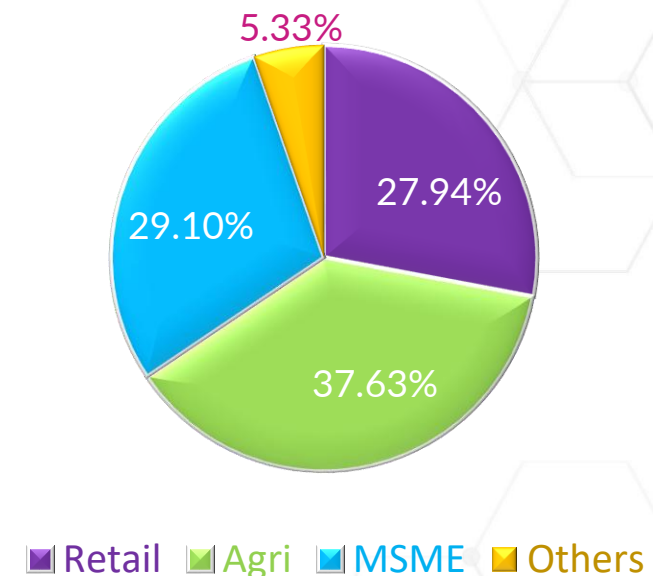
MSME Advances



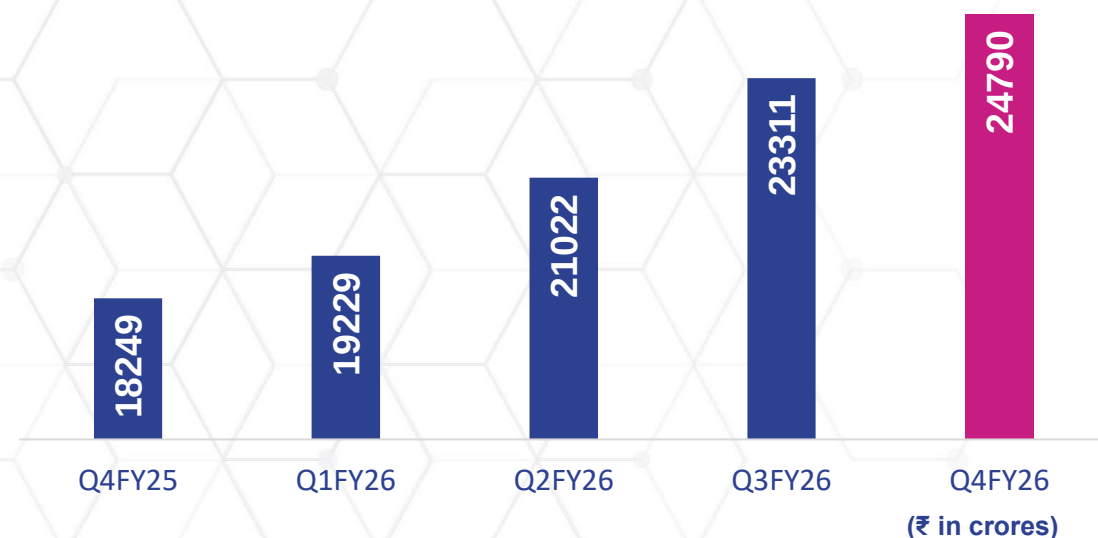
Portfolio-mix FY2025



Portfolio-mix FY2026



Gold Loan Growth



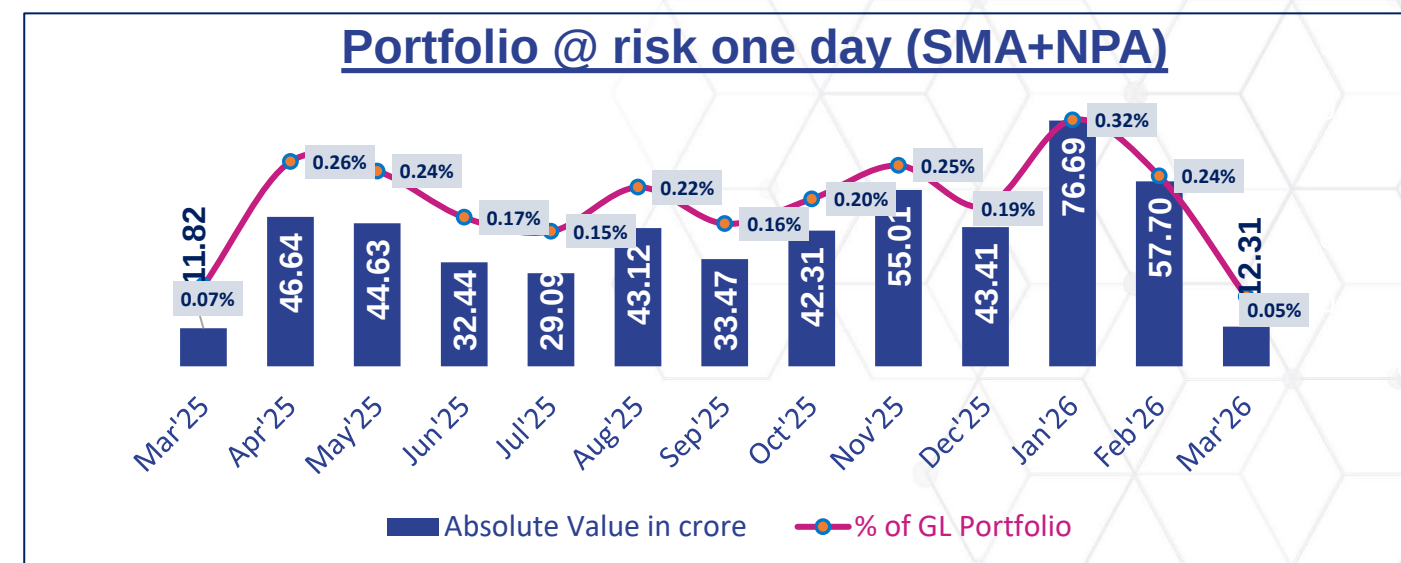
Gold Loan Portfolio as of 31.03.2026

Gross Weight	37.38 Ton
Net Weight	34.19 Ton
Portfolio LTV	53.25%
Portfolio Yield	10.11%
Gold Loan Share	46.44%

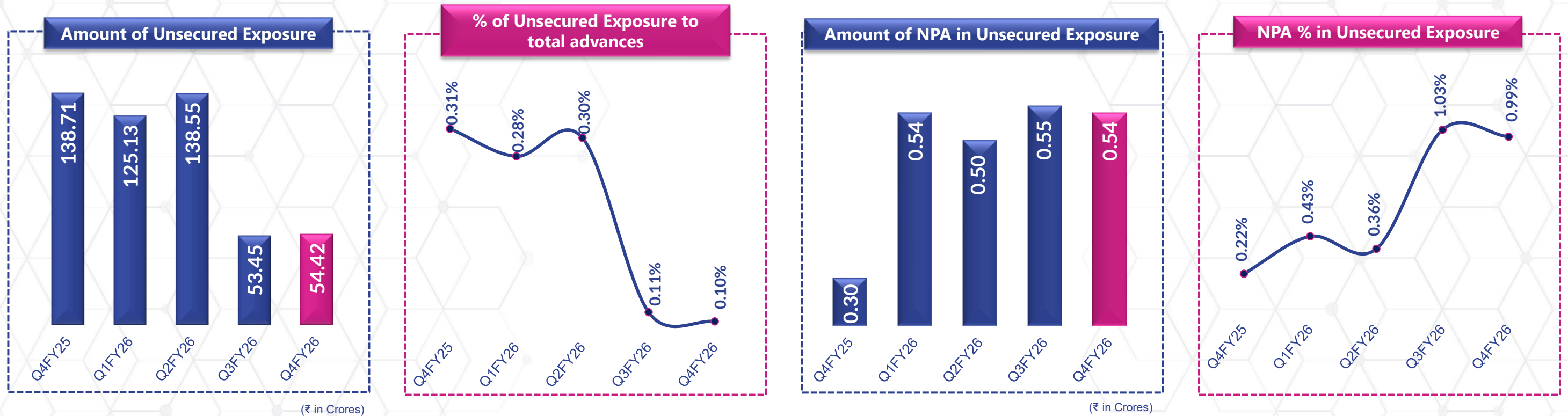
Sensitivity: LTV vs Gold Price (as of 21.04.2026)

Gold Price (Drop %)	Portfolio LTV % (on net weight)	% of Gold loan above market price
@ current Price	54.29 %	NIL
10%	60.33%	NIL
20%	67.87%	NIL
25%	72.39%	0.01%
30%	77.56%	5.07%

Portfolio @ risk one day (SMA+NPA)



- ❖ Portfolio Gross weight to Net weight is 109.33%
- ❖ Asset resolution branches being set up to manage portfolio LTV/Margin calls & Auctions.



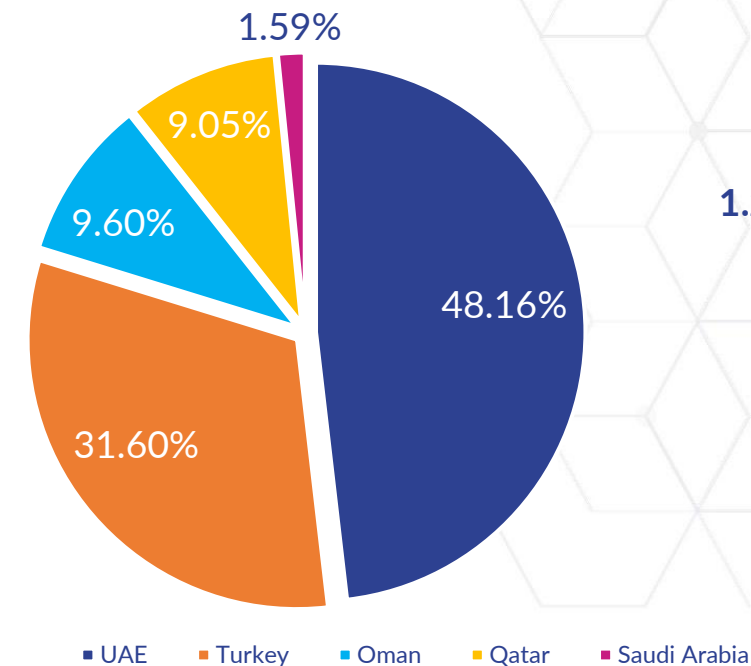
(₹ in Crores)

Sectors	Sectoral Exposure as on 31.03.2026		Sectoral % to MSME & Corporate Exposure	
	Total	Of which Export Credit	Total %	Of which Export Credit %
Wholesale Traders	3,549.08	130.61	19.31%	0.71%
Textiles	2,218.04	134.48	12.06%	0.73%
Food Processing	1,346.55	205.76	7.32%	1.12%
Chemicals	384.98	44.96	2.09%	0.24%
Basic Metal and Metal Products	390.30	5.51	2.12%	0.03%
Infrastructure	371.08	-	2.02%	-
Rubber Plastic	278.58	-	1.52%	-
Paper & Products	271.03	3.95	1.47%	0.02%
Engineering	282.39	4.40	1.54%	0.02%
Wood & Products	231.37	-	1.26%	-
Mining & Quarry	145.59	-	0.79%	-
Glass ware	116.81	-	0.64%	-
Other Industries	502.07	40.38	2.73%	0.22%
Other Services	8,295.62	99.23	45.13%	0.54%
Total	18,383.49	669.28		

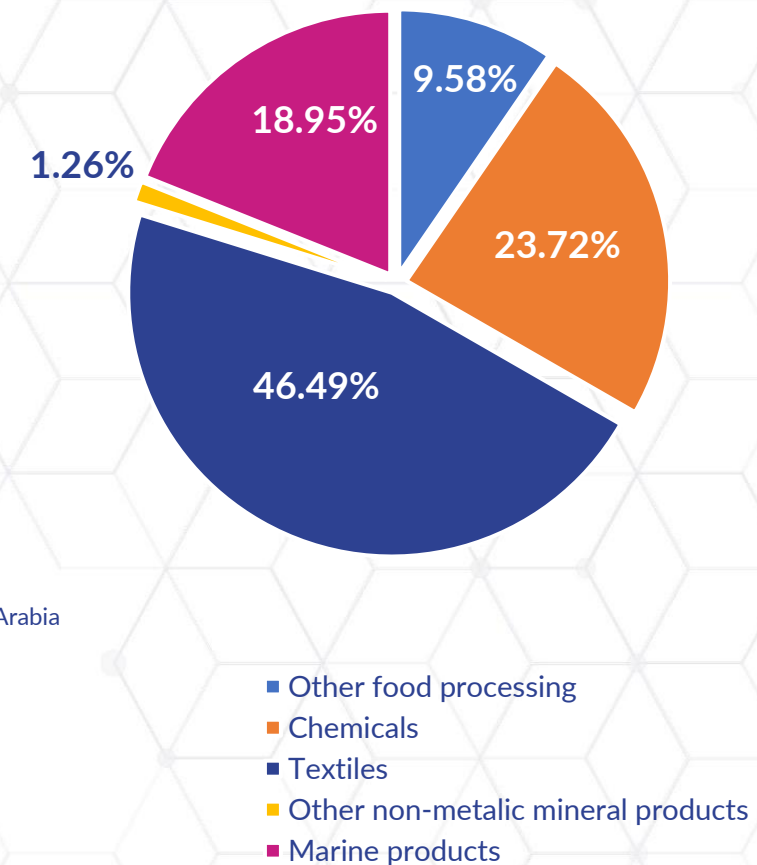
- Export credit is 3.64% of total MSME and Corporates
- USA bound Export Credit is ₹71.37 crore which is 0.13% of total advances.
- West Asian countries exposure is ₹50.95 crore which is 0.10% of total advances.

Export Credit

Country-wise contribution of West Asia bound export credit (%)



Sectoral contribution of USA bound Export Credit (%)



P&L & Balance Sheet

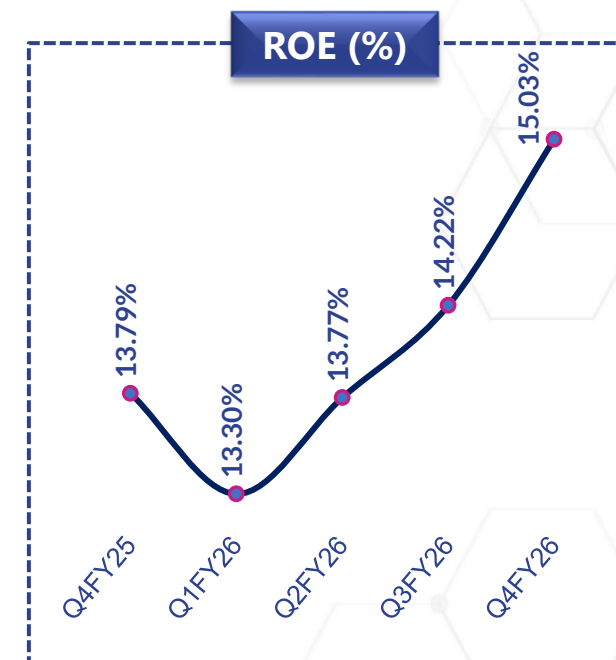
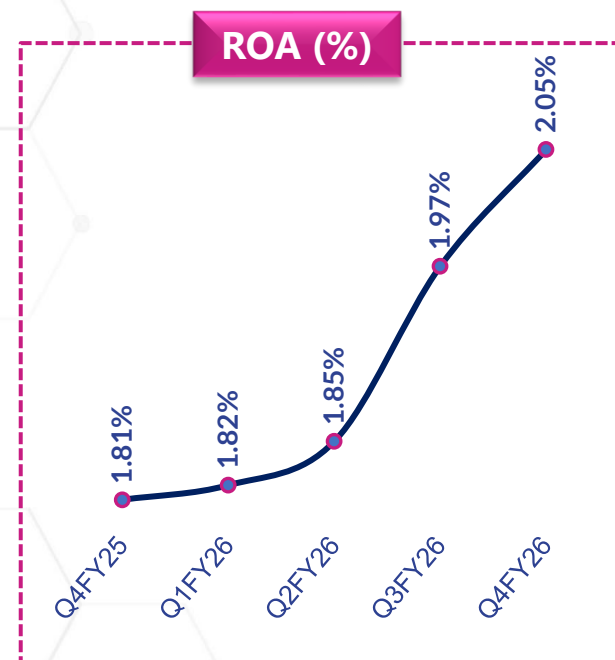
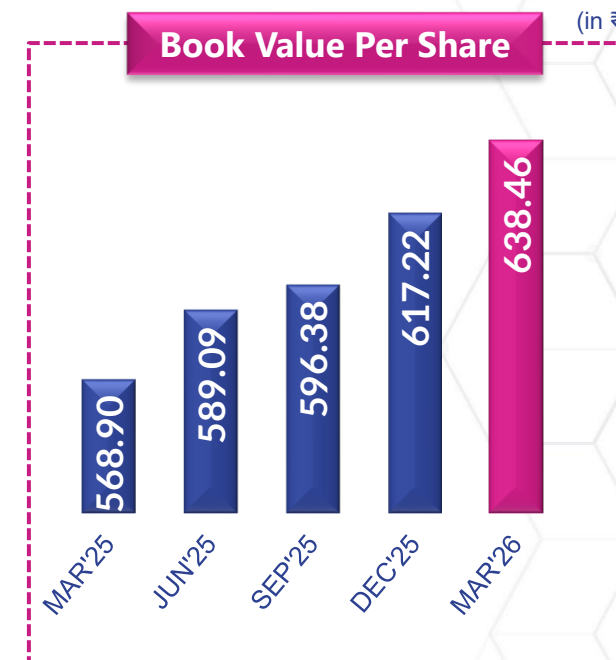
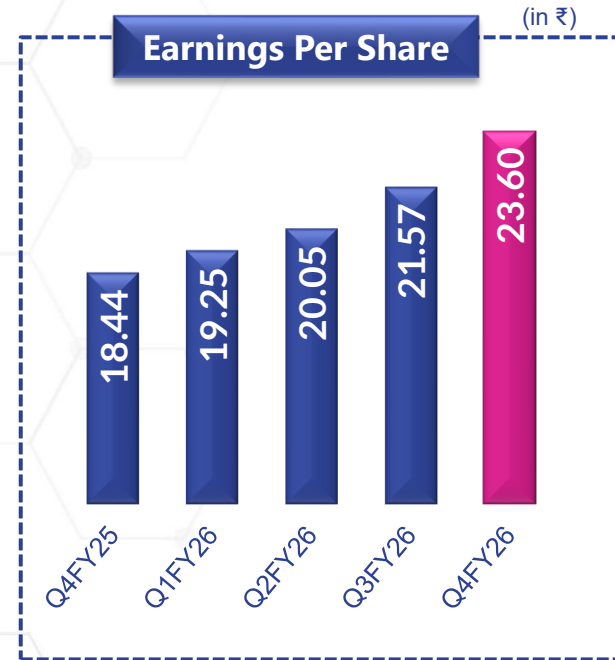
Q4 FY 2026



(₹ in Crores)

Financial Parameters	3 Months			12 Months		
	Q4FY25	Q4FY26	Y-o-Y Growth (Q4FY26 over Q4FY25)	31.03.25	31.03.26	Y-o-Y Growth (31.03.26 Over 31.03.25)
Interest Income	1341.69	1550.38	15.55%	5291.27	5819.42	9.98%
Non-Interest Income	200.37	241.78	20.67%	850.48	877.07	3.13%
Total Income	1542.06	1792.16	16.22%	6141.75	6696.49	9.03%
Interest Expenses	773.77	845.93	9.33%	2990.34	3292.15	10.09%
Operating Expenses	364.31	423.92	16.36%	1405.68	1549.11	10.20%
Of which						
Employee Cost	177.80	220.68	24.12%	726.34	794.49	9.38%
Other Operating Exp.	186.51	203.24	8.97%	679.34	754.62	11.08%
Total Expenditure	1138.08	1269.85	11.58%	4396.02	4841.26	10.13%
Net Interest Income	567.92	704.45	24.04%	2300.93	2527.27	9.84%
Operating Profit	403.98	522.31	29.29%	1745.73	1855.23	6.27%
Provision other than tax	17.20	18.79	9.24%	170.84	48.63	-71.53%
Taxes	94.88	129.87	36.88%	392.28	469.05	19.57%
Net Profit	291.90	373.65	28.01%	1182.61	1337.55	13.10%

- Q4FY26 performance moderated by front-loading impact of ₹49.80 crores provision for PBI for FY2026, normally accounted for in the subsequent year (FY25 PBI of ₹41.27 crore accounted in Q1FY26).
- **Normalized for PBI of ₹49.80 crore: -**
 - Operating Profit up 41.62% in Q4FY26 and 9.13% for FY2026.
 - **Cost-to-Income Ratio 39.54% for Q4FY26 and 44.04% for FY2026.**



Liabilities

(₹ in Crores)

Particulars	As on 31.03.2025	As on 30.06.2025	As on 30.09.2025	As on 31.12.2025	As on 31.03.2026
Capital	158.35	158.35	158.35	158.35	158.35
Reserves and Surplus	8,850.34	9,169.92	9,285.35	9,615.48	9,951.81
Deposits	53,688.96	53,803.20	55,420.76	56,706.77	61,712.35
Borrowings	500.00	535.38	1,283.72	1,064.18	700.00
Other Liabilities and Provisions	3,252.22	3,811.07	2,893.69	3,143.10	2,777.09
Total Liabilities	66,449.87	67,477.92	69,041.87	70,687.88	75,299.60

Assets

(₹ in Crores)

Particulars	As on 31.03.2025	As on 30.06.2025	As on 30.09.2025	As on 31.12.2025	As on 31.03.2026
Cash and Balance with RBI	2,650.37	2,819.49	2,780.46	2,298.00	2,520.61
Balance with Bank and Money at call and short notice	1,757.87	1,271.52	669.24	833.38	1,694.33
Investments	15,100.80	15,312.68	16,540.08	14,519.09	15,692.68
Advances	43,983.67	44,732.56	46,589.82	50,435.47	53,122.66
Fixed Assets	284.48	274.73	274.08	286.23	310.56
Other Assets	2,672.68	3,066.94	2,188.19	2,315.71	1,958.76
Total Assets	66,449.87	67,477.92	69,041.87	70,687.88	75,299.60

Asset Quality

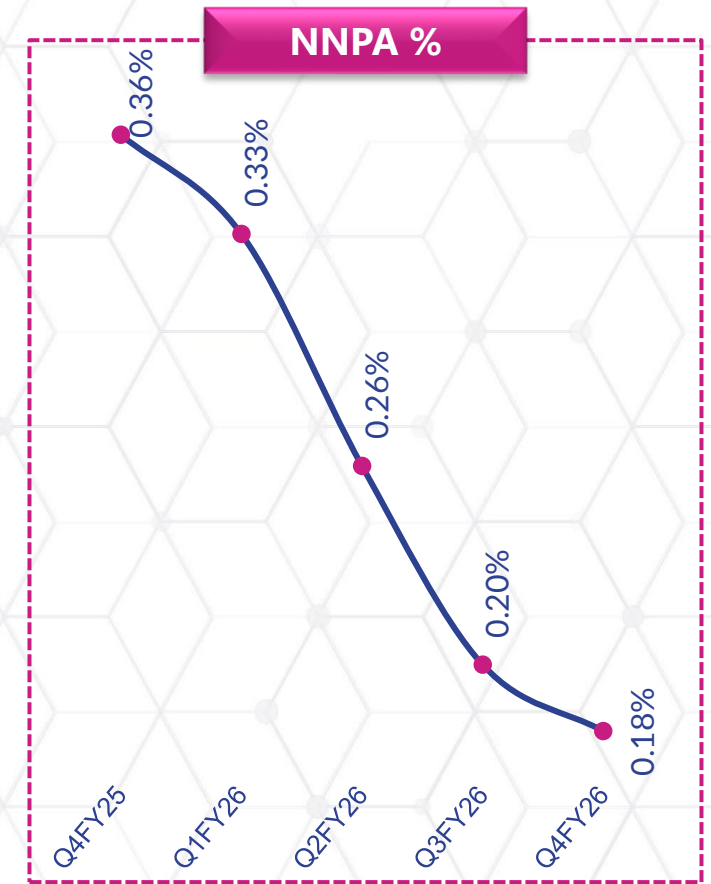
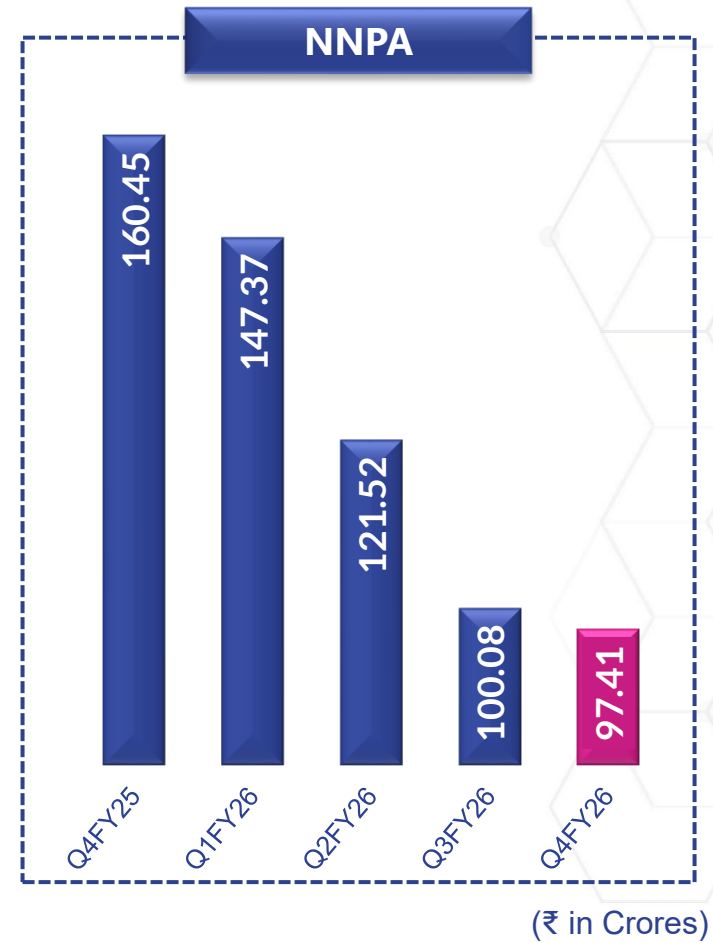
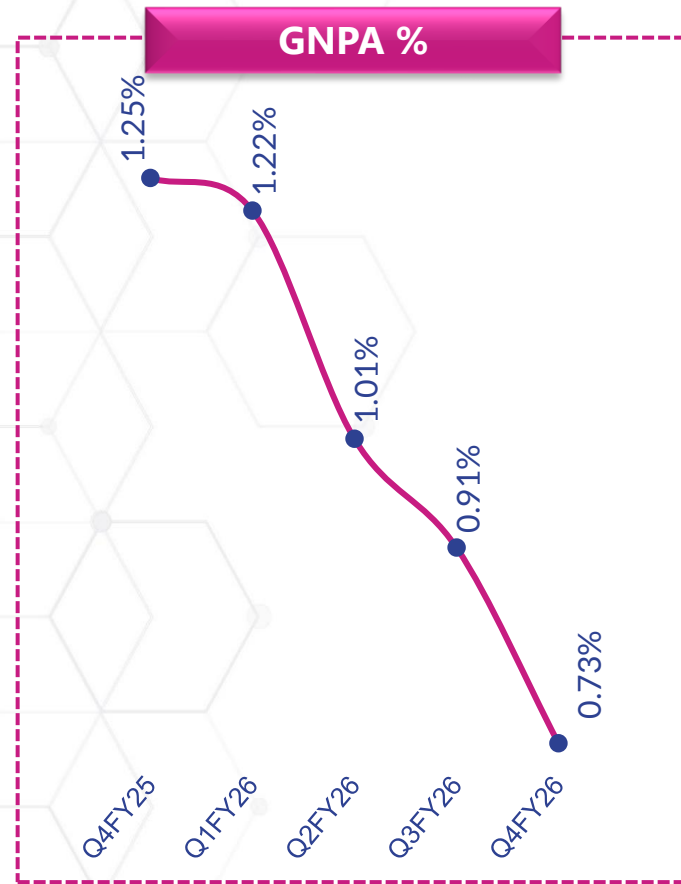
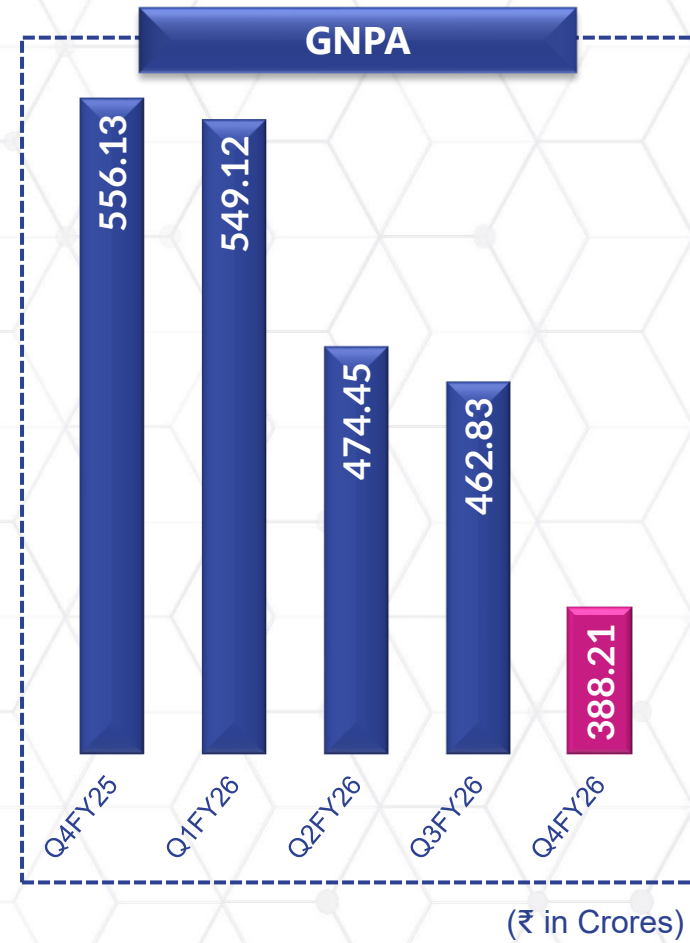
Q4 FY 2026



(₹ in crores)

Particulars	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY2025	FY2026
Opening Balance of Gross NPA	576.38	556.13	549.12	474.45	462.83	575.06	556.13
i)Cash Recovery	39.16	26.43	26.97	31.19	25.20	156.70	97.38
ii)Upgradation	9.95	2.62	4.34	2.31	2.61	12.90	6.18
iii)Write Off	25.59	0.00	66.02	0.00	83.67	27.09	149.69
Total Reduction* (i+ii+iii)	74.70	29.05	97.33	33.50	111.48	196.69	253.25
Fresh Addition*	54.45	22.04	22.66	21.88	36.86	177.76	85.33
Closing Balance of Gross NPA	556.13	549.12	474.45	462.83	388.21	556.13	388.21
GNPA %	1.25	1.22	1.01	0.91	0.73	1.25	0.73
NPA Provision	363.50	370.42	323.36	311.35	229.98	363.50	229.98
Net NPA	160.45	147.37	121.52	100.08	97.41	160.45	97.41
NNPA %	0.36	0.33	0.26	0.20	0.18	0.36	0.18
Provision Coverage Ratio % (with technical write-off)	93.86	94.32	95.30	96.08	96.14	93.86	96.14
Provision Coverage Ratio % (without technical write-off)	71.02	73.04	74.36	78.35	74.89	71.02	74.89

*Accounts classified as NPA and upgraded or recovered during the same period are not considered

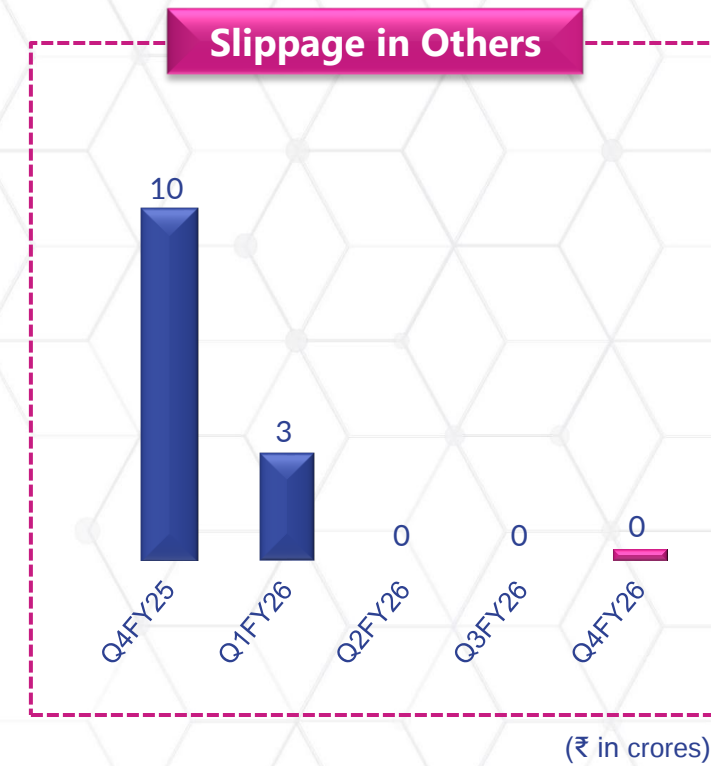
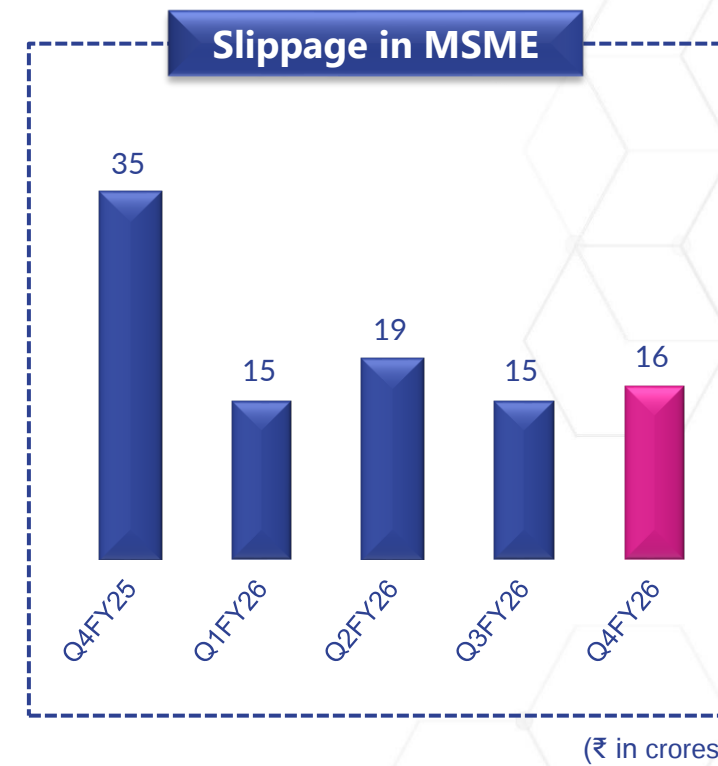
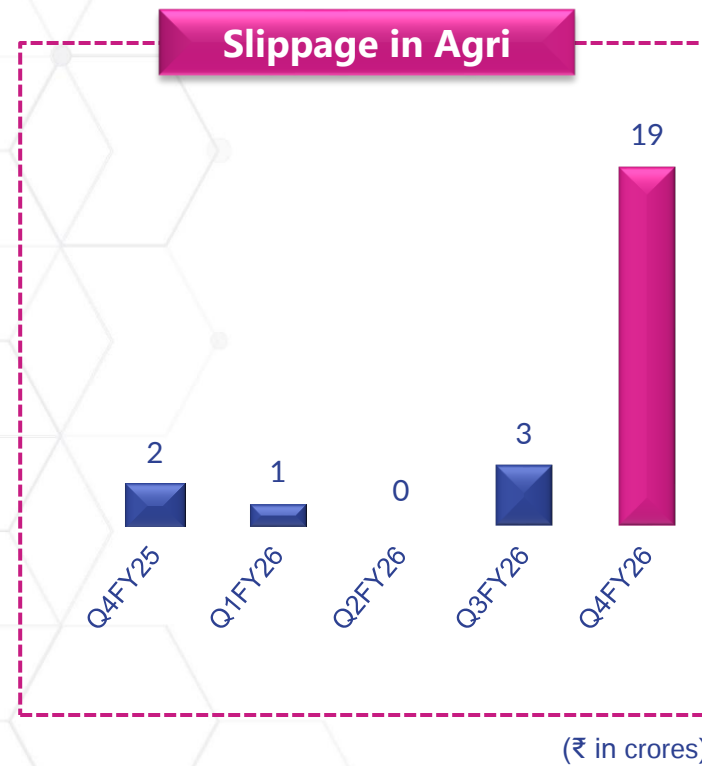
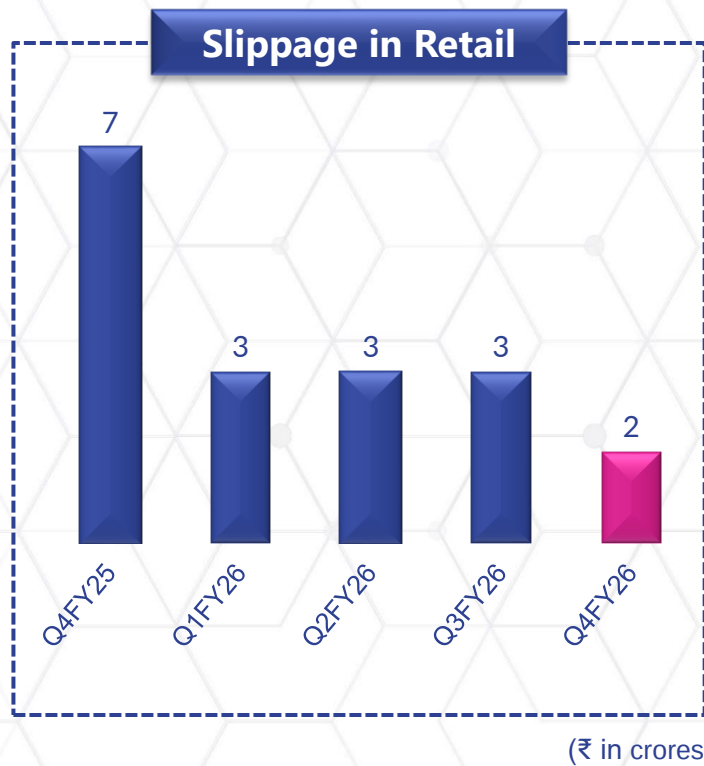
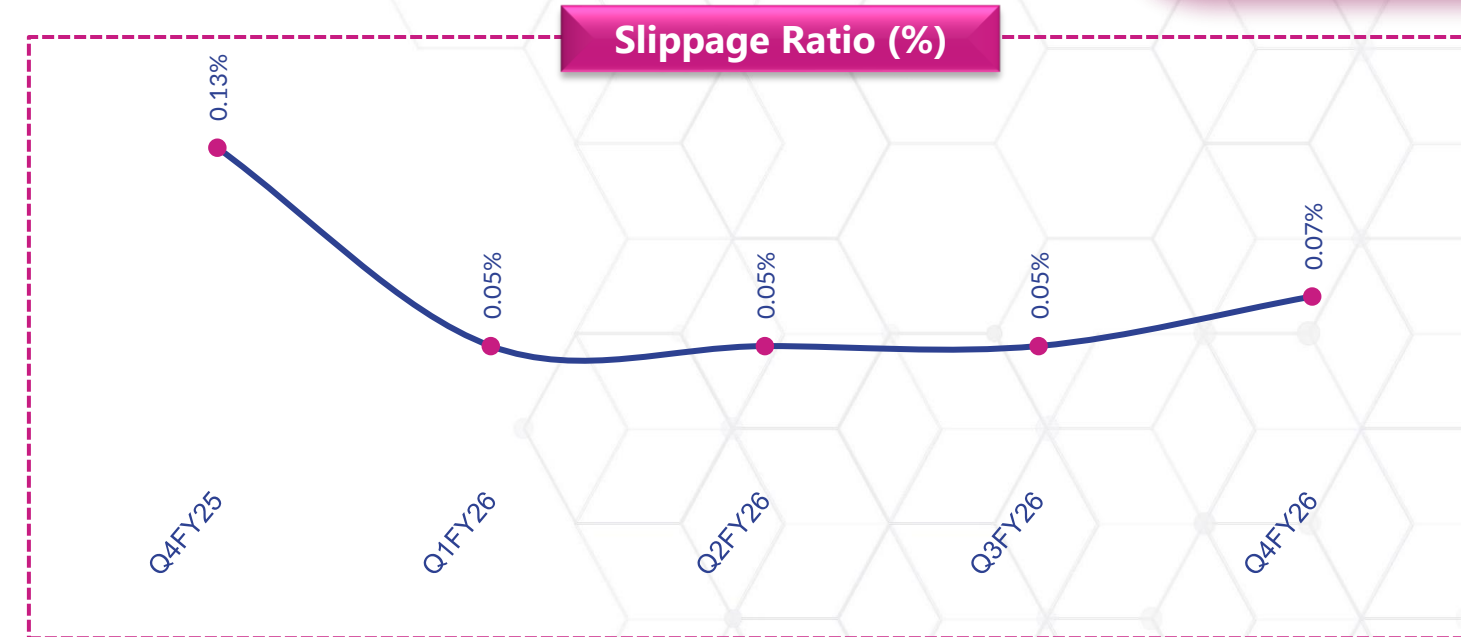
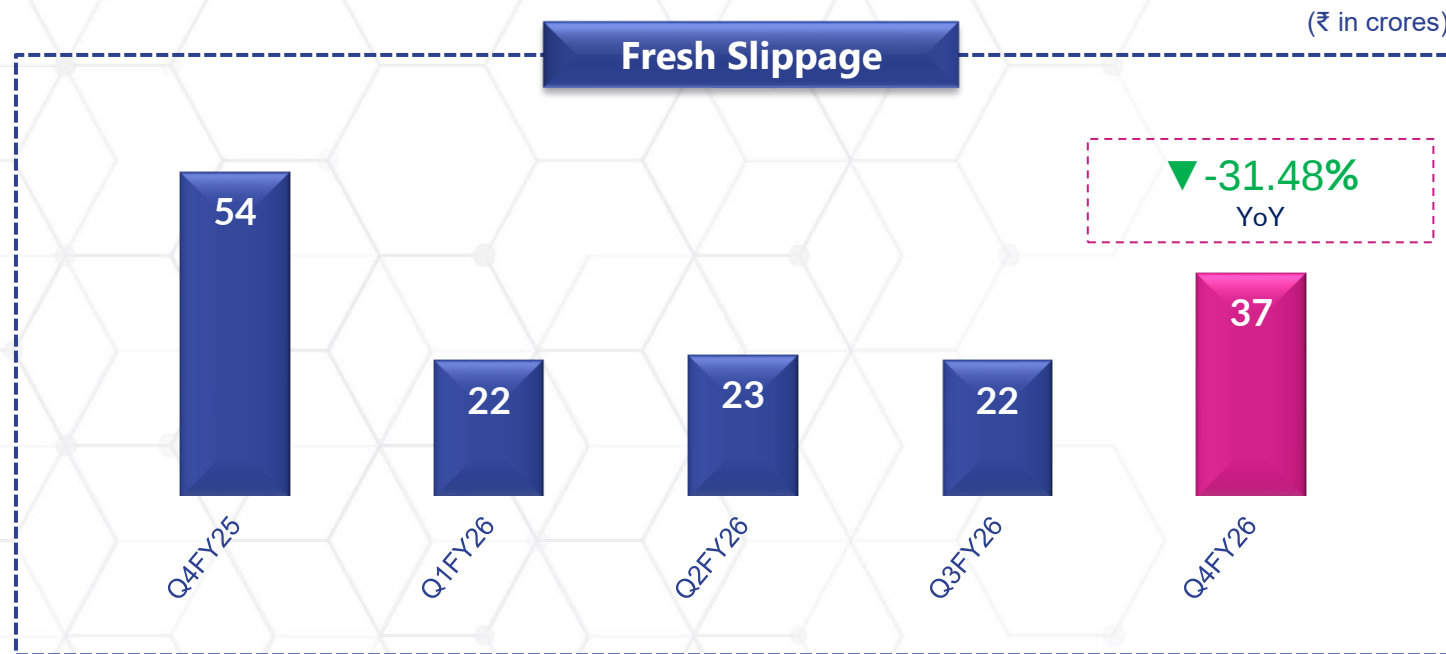


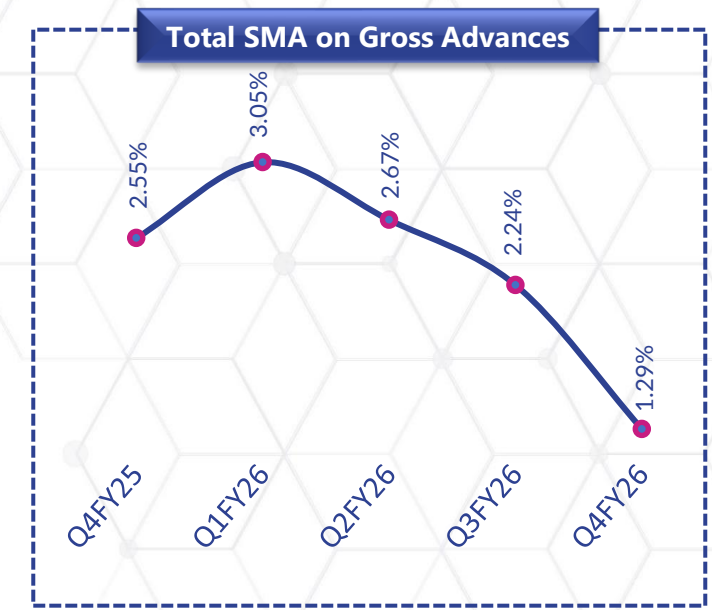
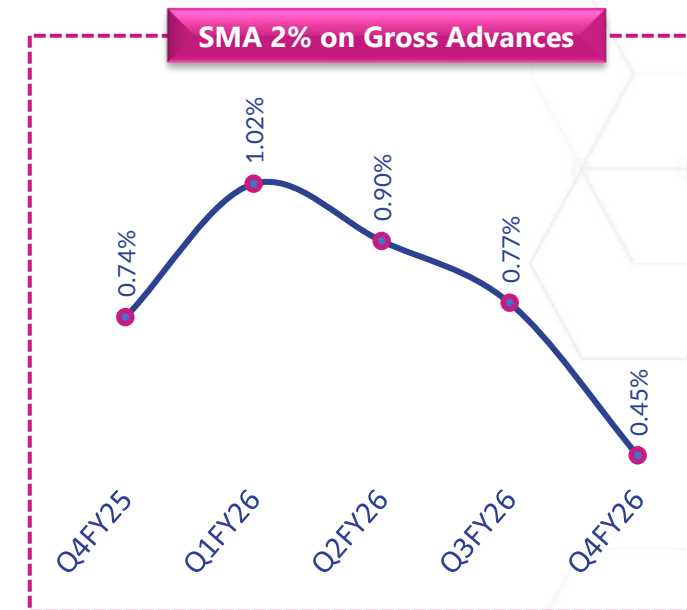
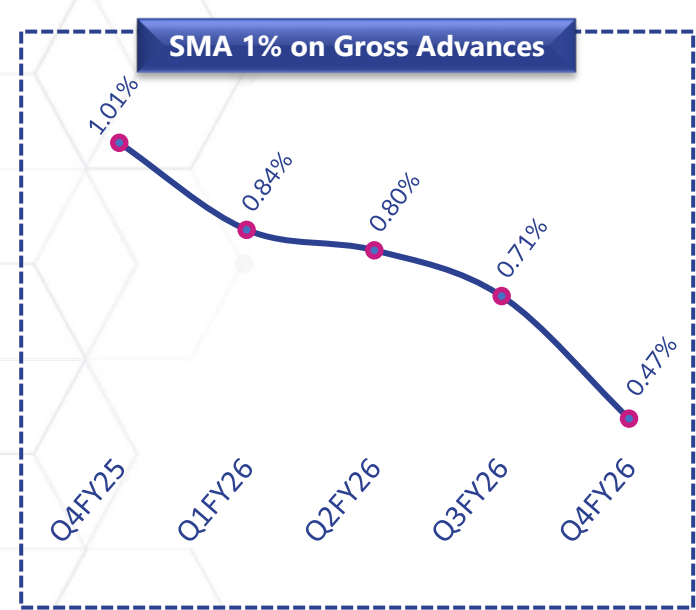
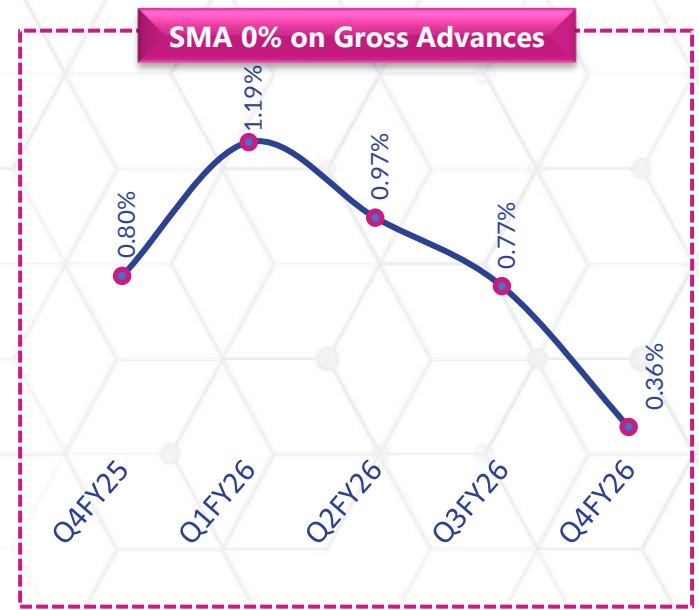
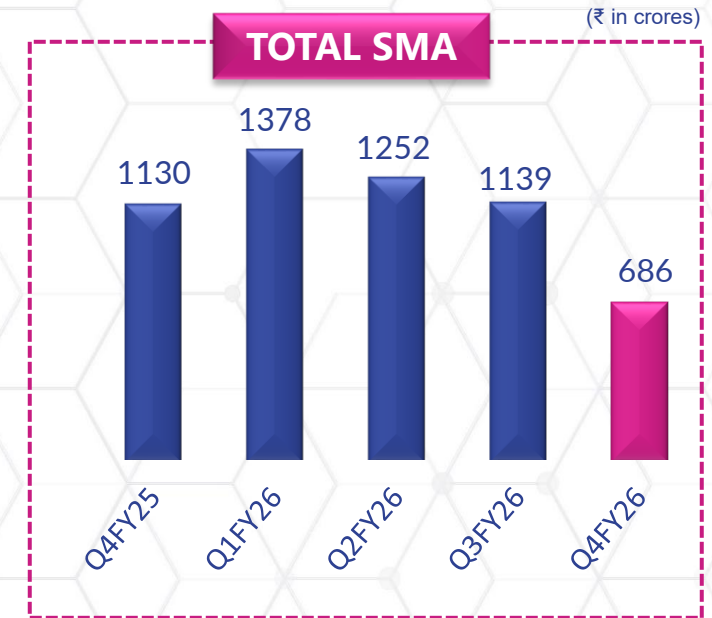
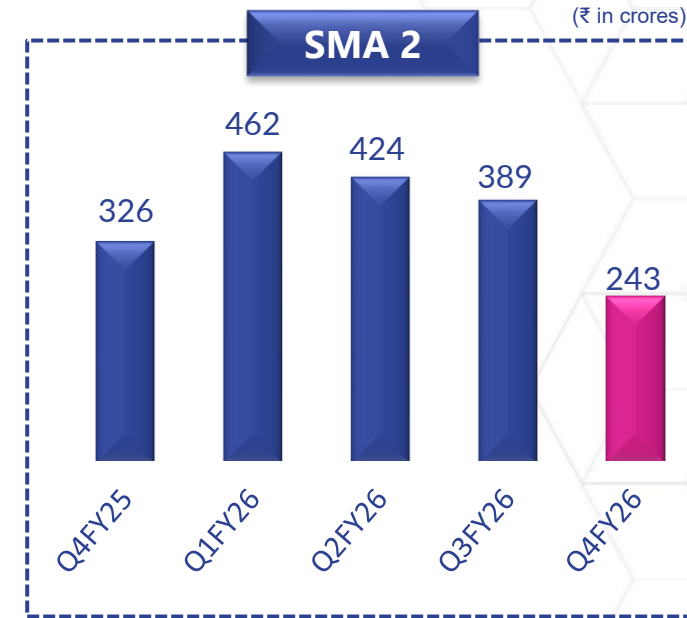
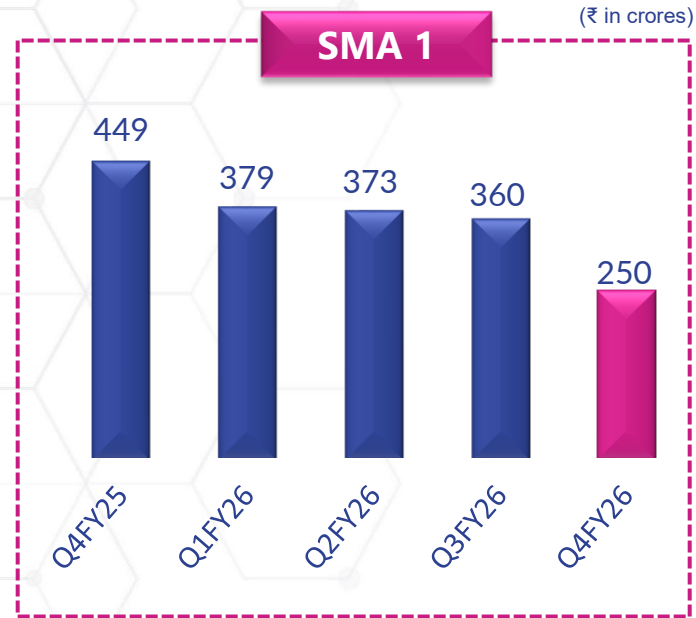
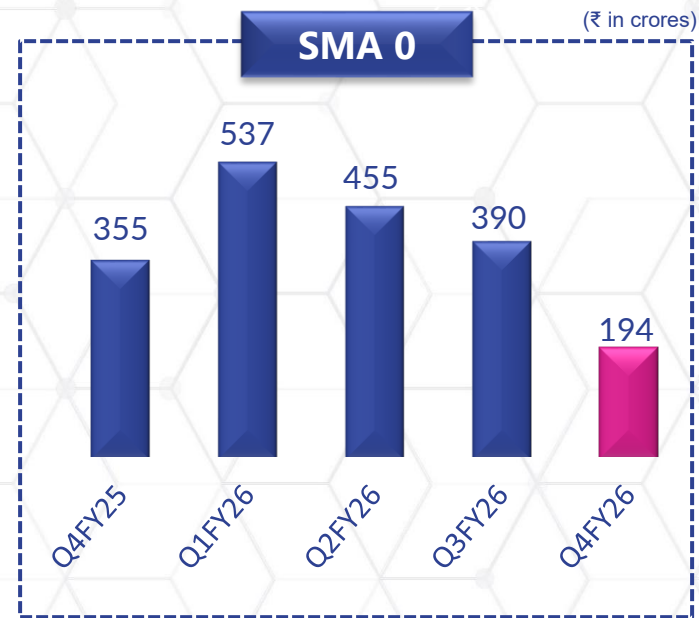
Segment-Wise NPA (Collateral Coverage Details as on 31.03.2026)

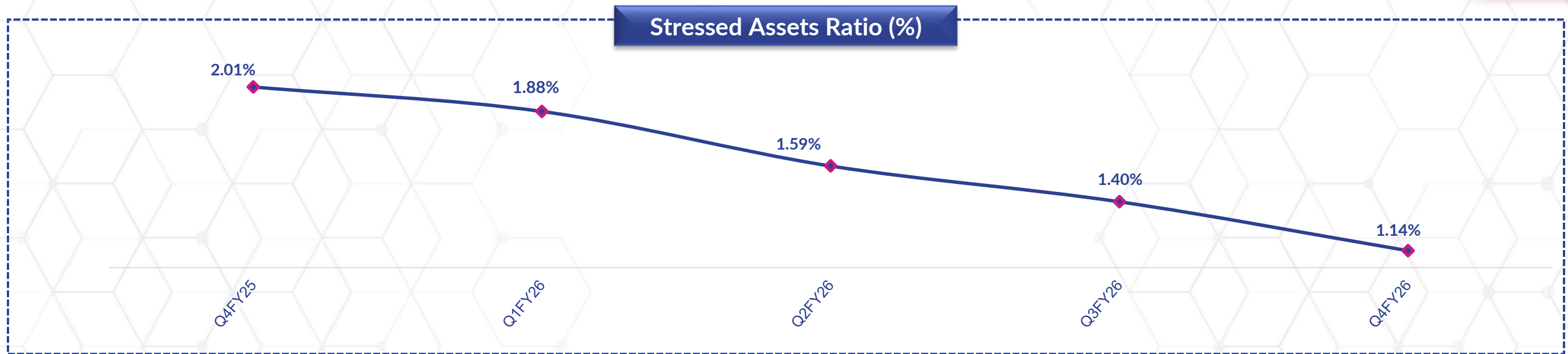
(₹ in Crores)

Parameter	Advances as of 31.03.2026	GNPA as of 31.03.2026	GNPA%	Provision	Collateral Coverage (NPA)
Retail	14,911.51	19.76	0.13%	6.70	170.45%
Agriculture	20,083.92	32.82	0.16%	10.61	164.96%
MSME	15,532.47	137.39	0.88%	60.95	169.23%
Others	2,851.02	198.24	6.95%	151.72	88.13%
Total	53,378.92	388.21	0.73%	229.98	127.52%

- ❖ 127.52% average collateral available for NPA.
- ❖ Portfolio loss is expected to be low.
- ❖ Potential for write back of most provision available.







(₹ in crores)

Particulars	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26
Standard Restructure advances	333.80	297.11	271.37	246.17	218.34
Gross NPA	556.13	549.12	474.45	462.83	388.21
Total Stressed Assets	889.93	846.23	745.82	709.00	606.55
Gross Advances	44,365.53	45,120.39	46,930.28	50,762.59	53,378.92
Stressed Assets Ratio (%)	2.01	1.88	1.59	1.40	1.14%

Impact of Expected Credit Loss (ECL) – w.e.f.01.04.2027

Current IRAC norms	Standard Assets	As of 31.03.2026
	Bad & doubtful assets	₹163 crore
New ECL norms	Non-performing	₹230 crore
	Investment	₹56 crore
One time Impact	Total	₹449 crore
	Stage 1 assets	₹321 crore
	Stage 2 assets	₹32 crore
	Stage 3 assets	₹375 crore
	Total	₹728 crore
	Additional Provision	₹279 crore

- ❖ ₹279 crore additional provisions
- ❖ CRAR Impact up to 93 Bps
- ❖ It will be 18 Bps if phased over 5-years

❖ ₹250 crore of contingency provision held sufficiently covers the impact.

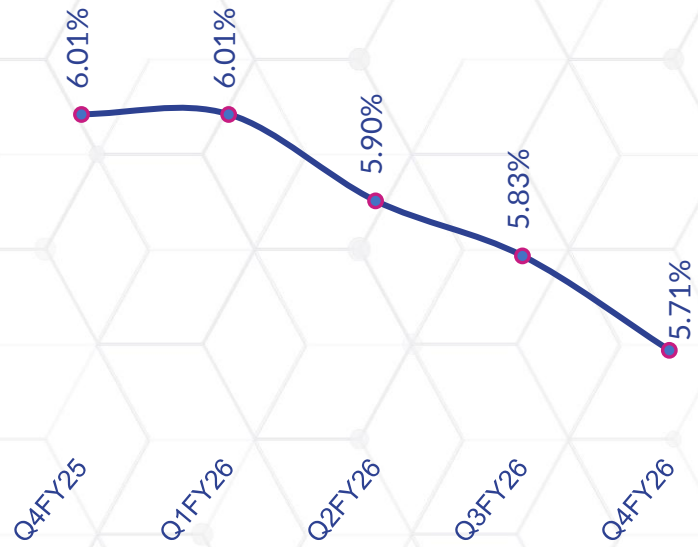
- ❖ Impact of RBI revised guidelines on LCR w.e.f. 01.04.2026 is +4%
- ❖ LCR as on 31.03.2026 is 139%, which will move up by 4% in FY27

Key Ratios Parameters

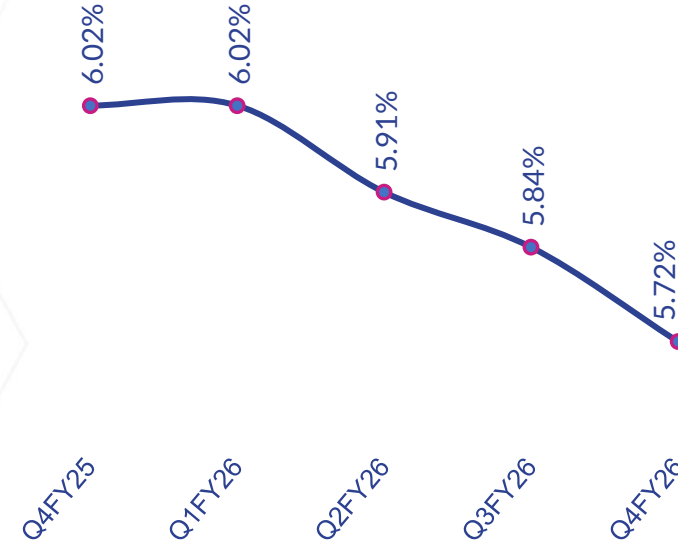
Q4 FY 2026



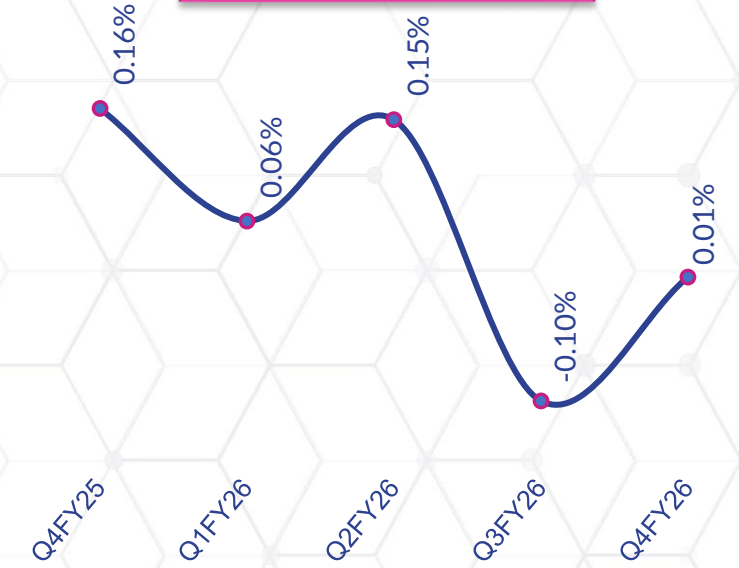
Cost of Deposits (%)



Cost of Funds (%)



Credit Cost (%)



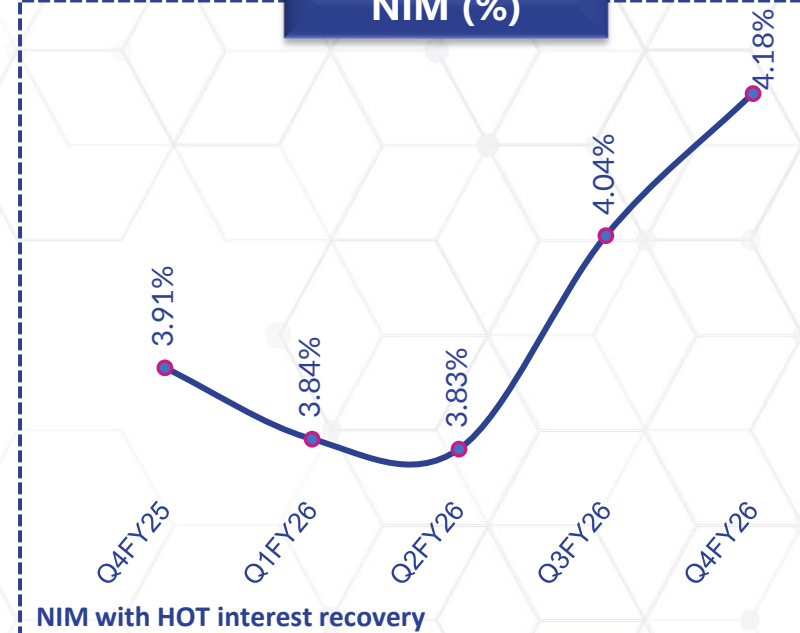
Yield on Advances (%)



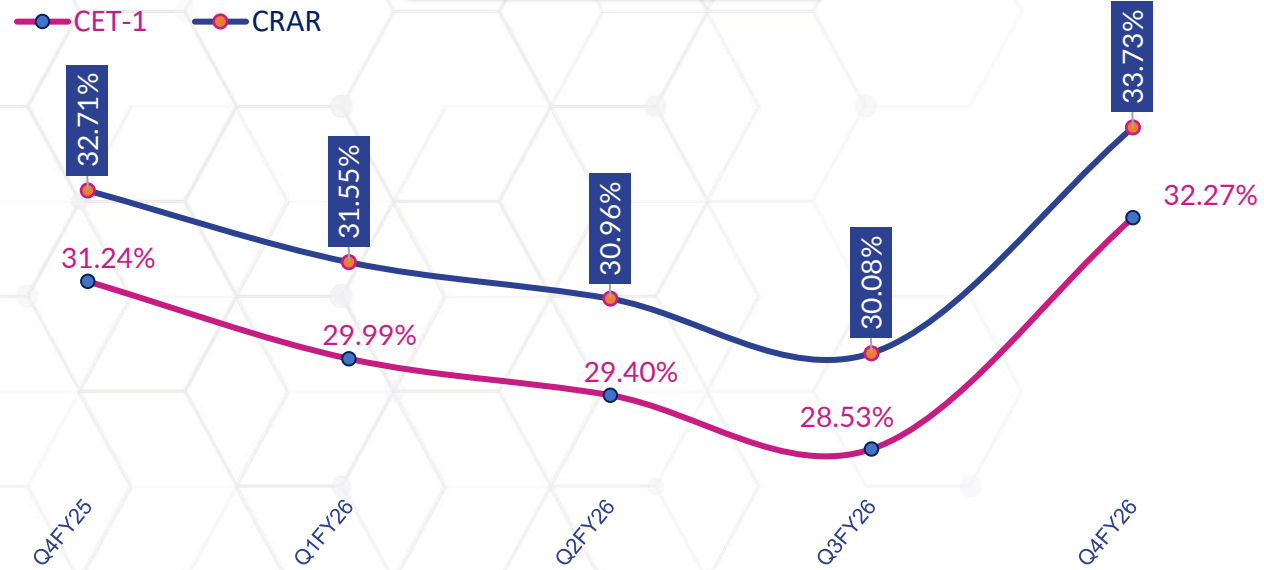
Yield on Funds (%)



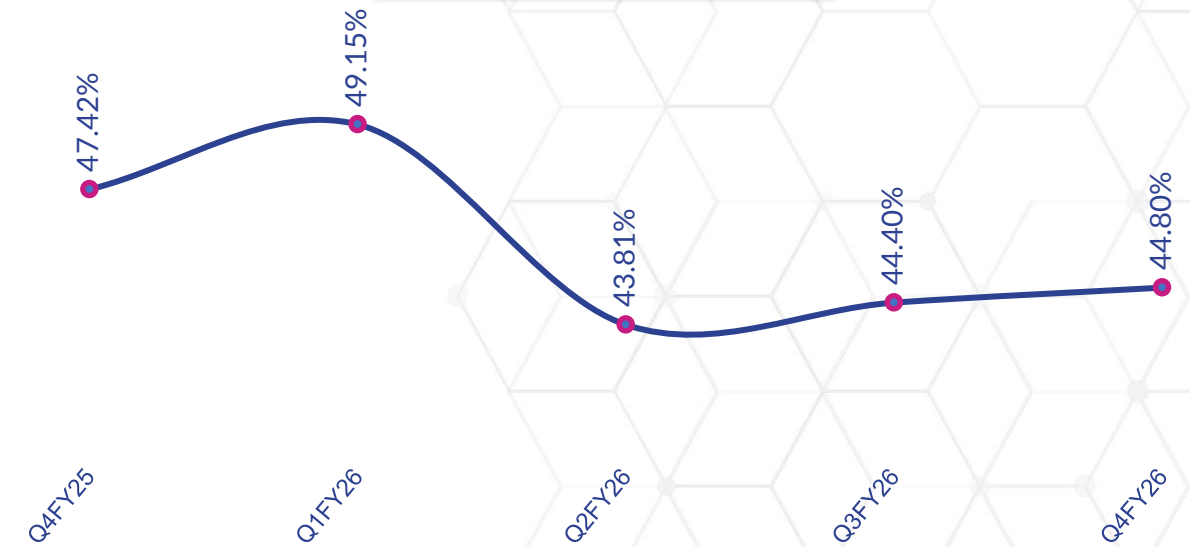
NIM (%)



Capital Adequacy (%)



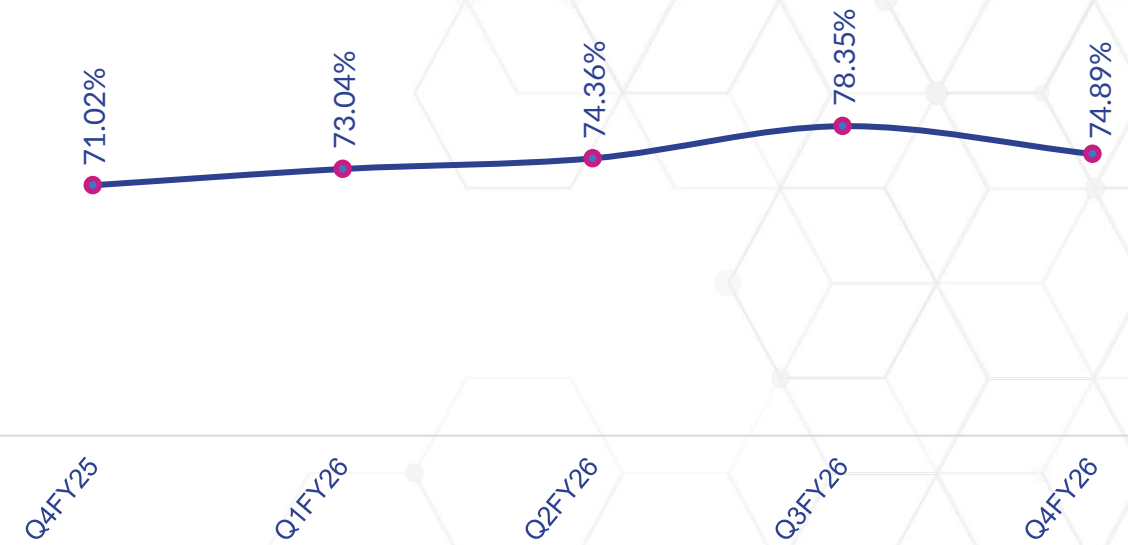
Cost to Income Ratio (%)

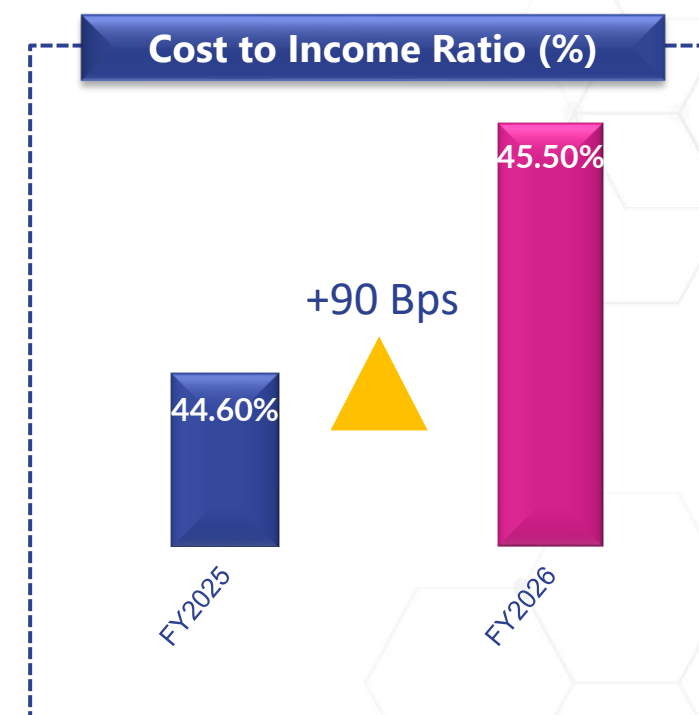
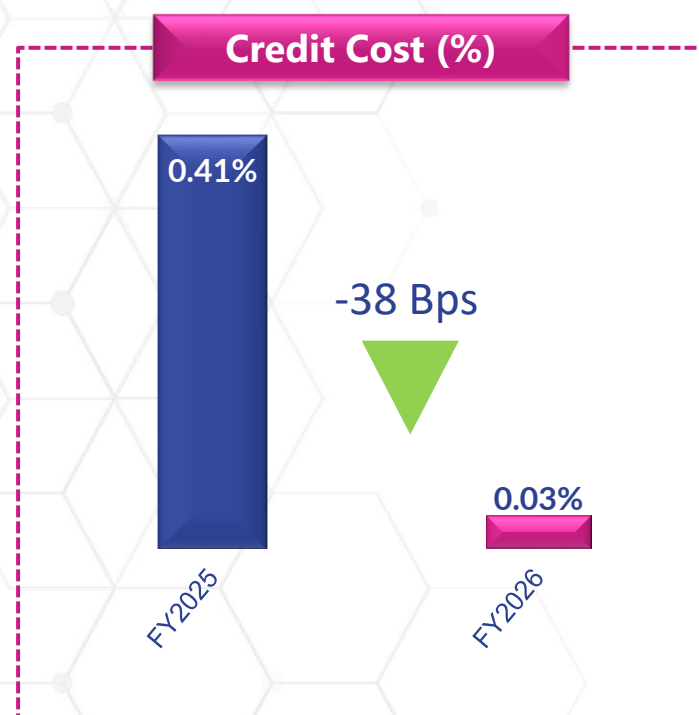
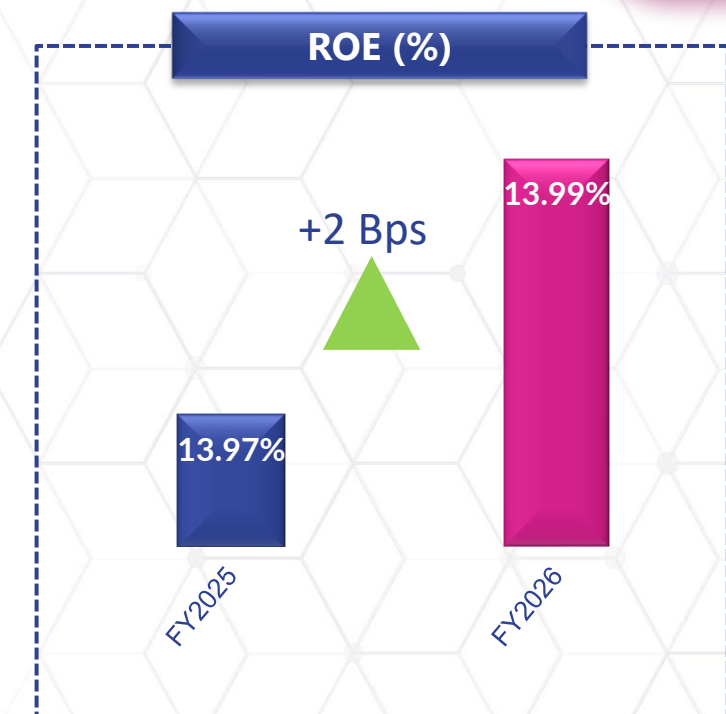
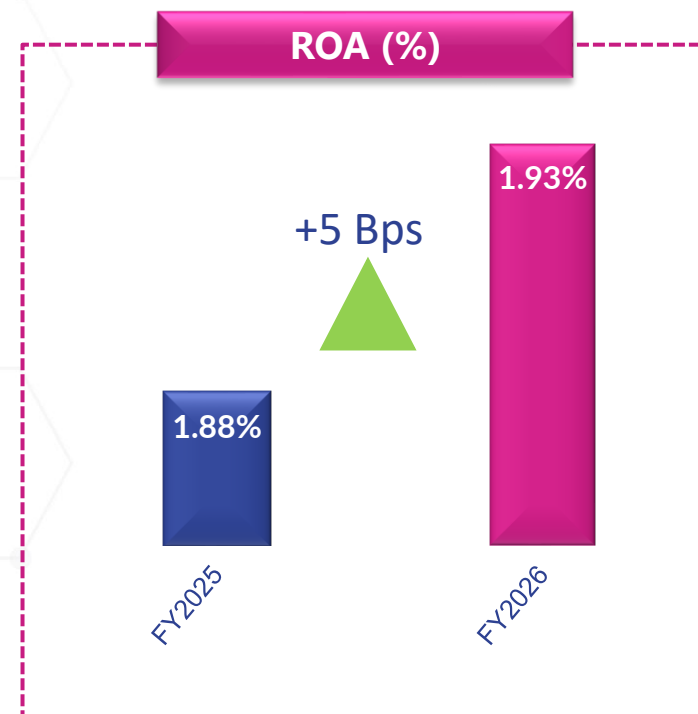
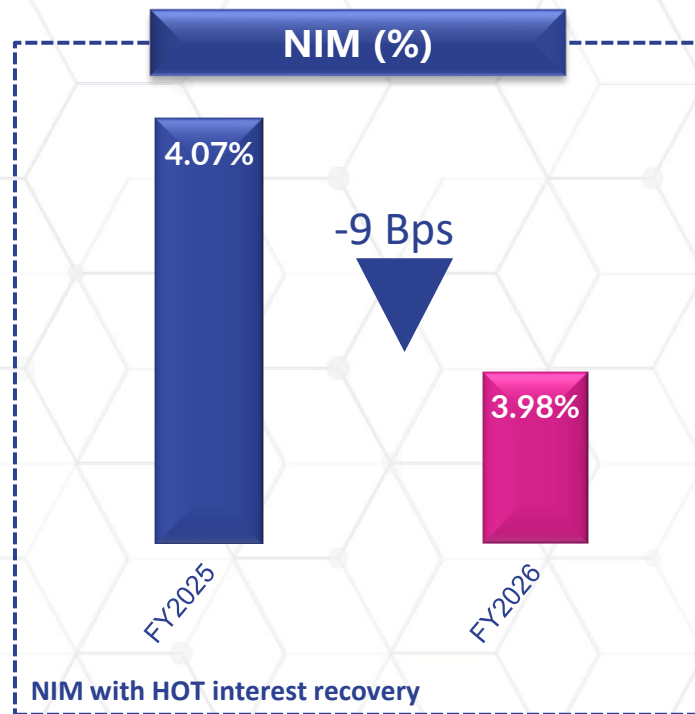


PCR% With technical write-off



PCR% Without technical write-off





Phygital Expansion

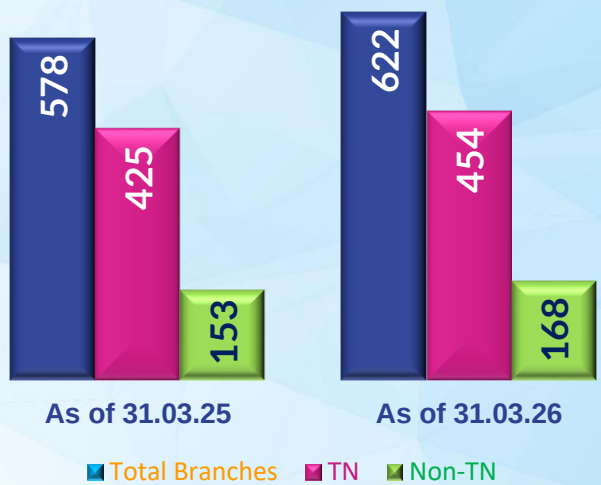
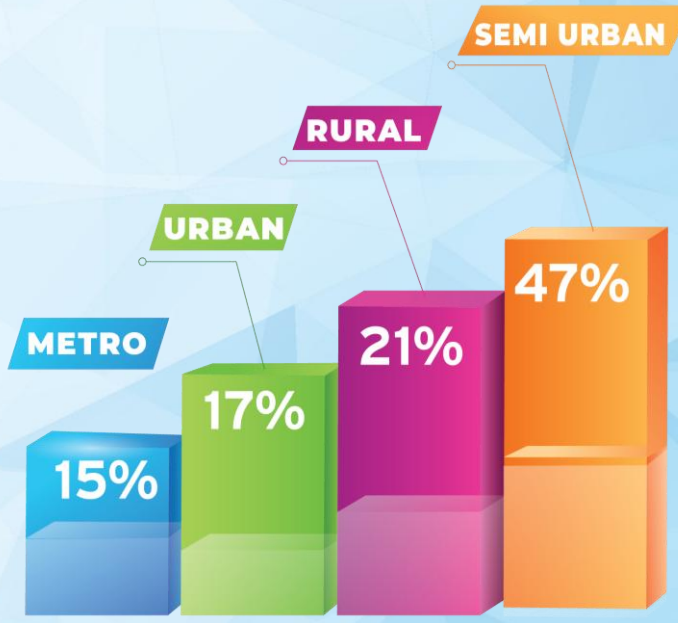
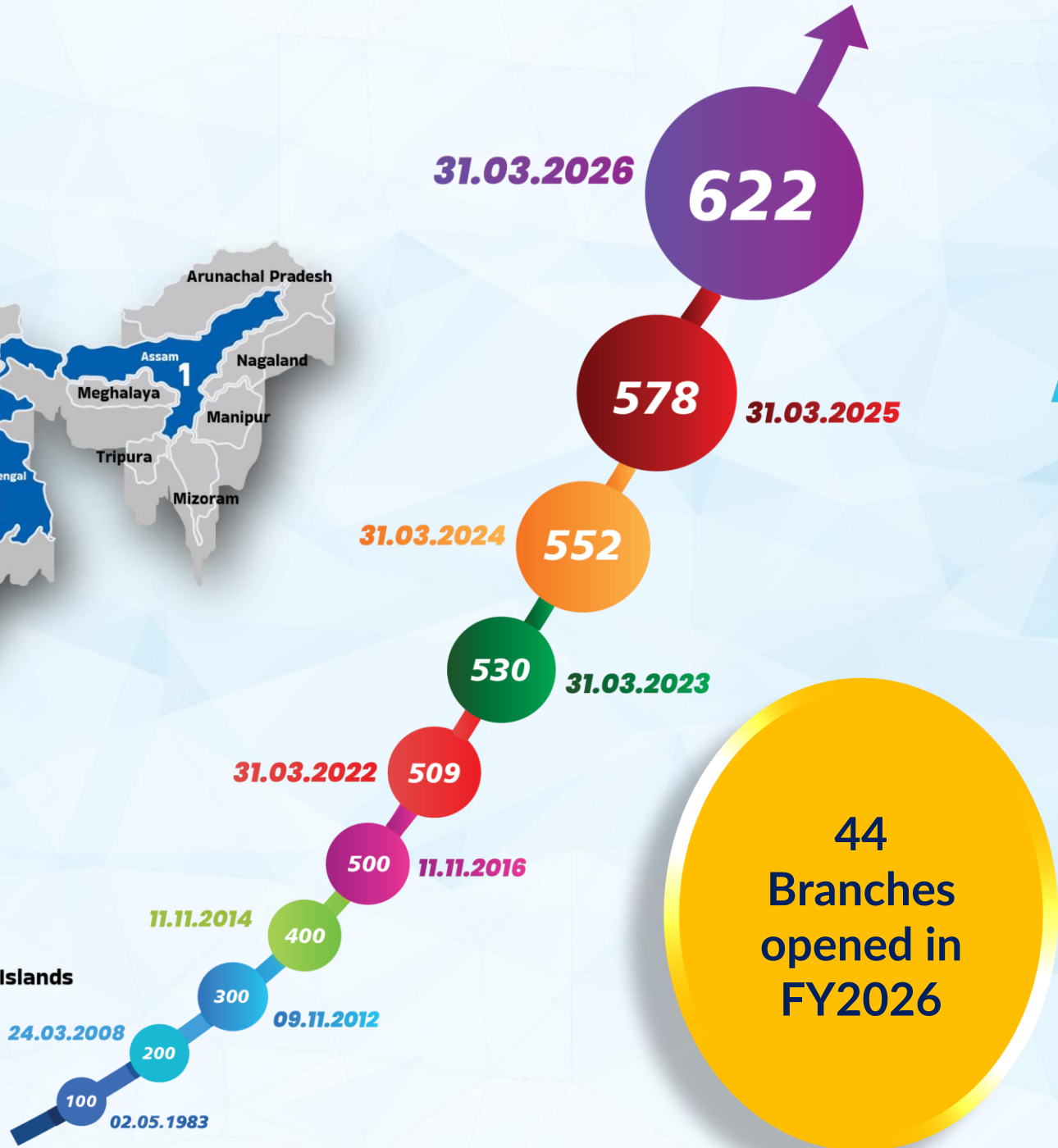
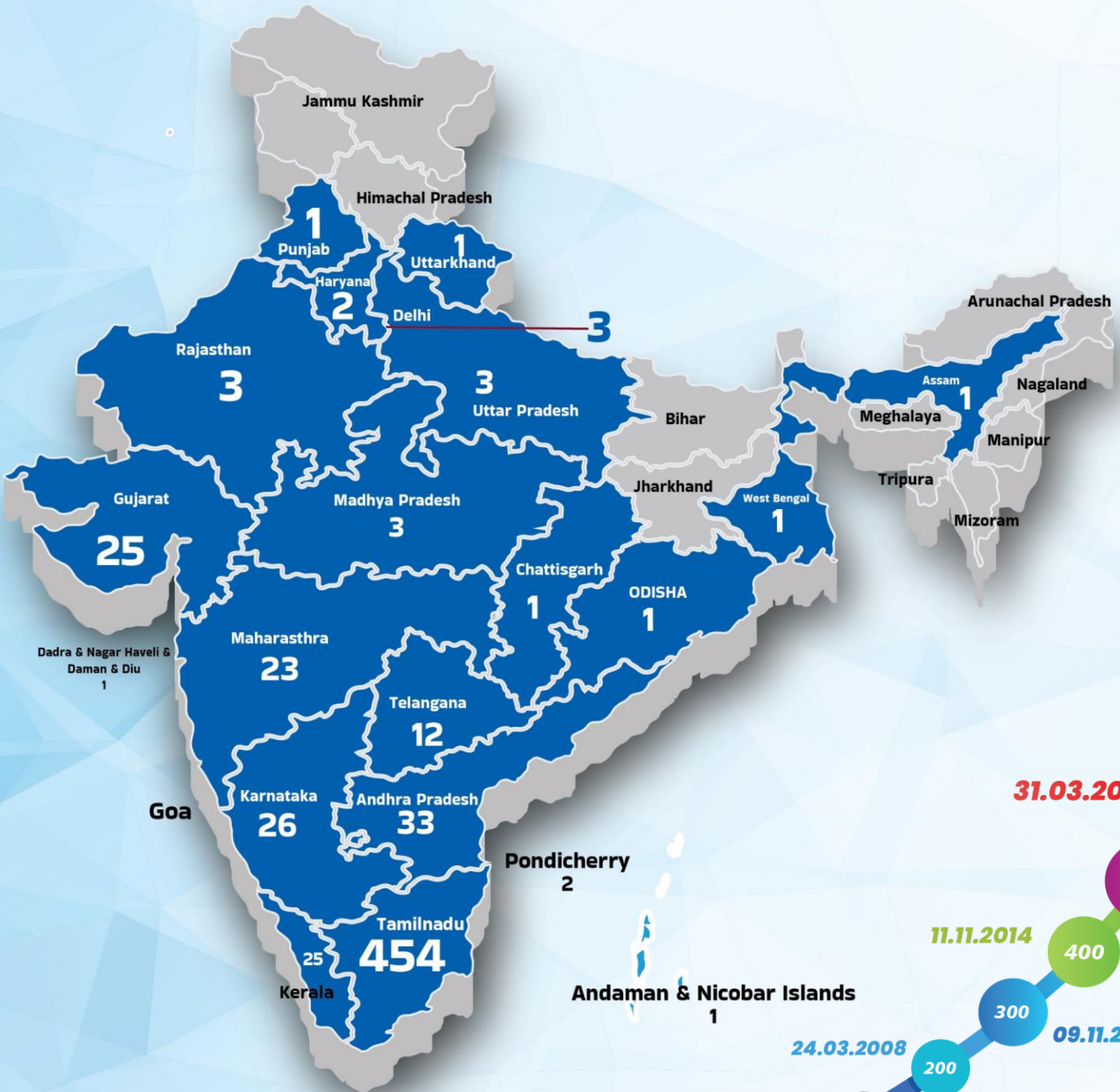
Q4 FY 2026



Tamilnad
Mercantile
Bank Ltd

Be a step ahead in life



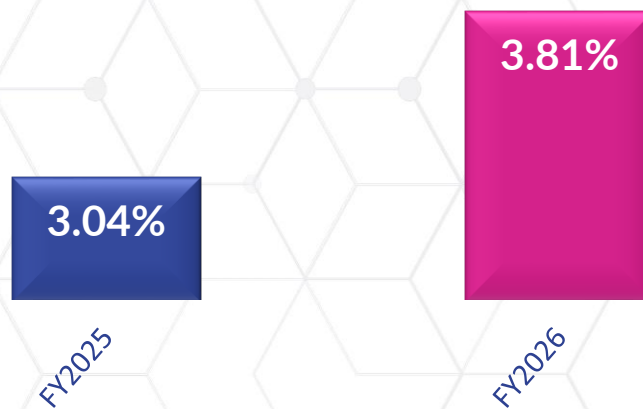


New Branches opened



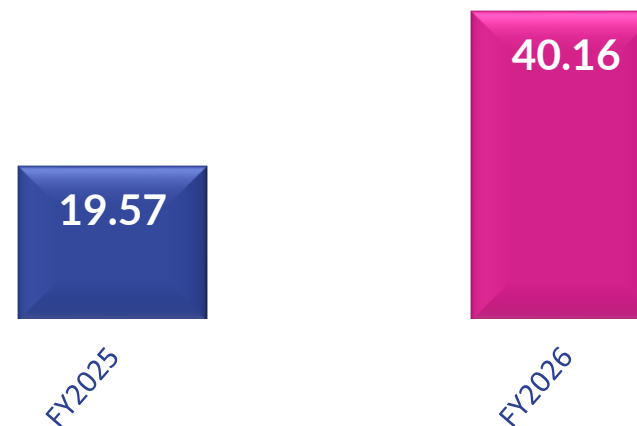
New Branches opened post listing contributed 15% incremental Business growth

Contribution of new branches to business growth



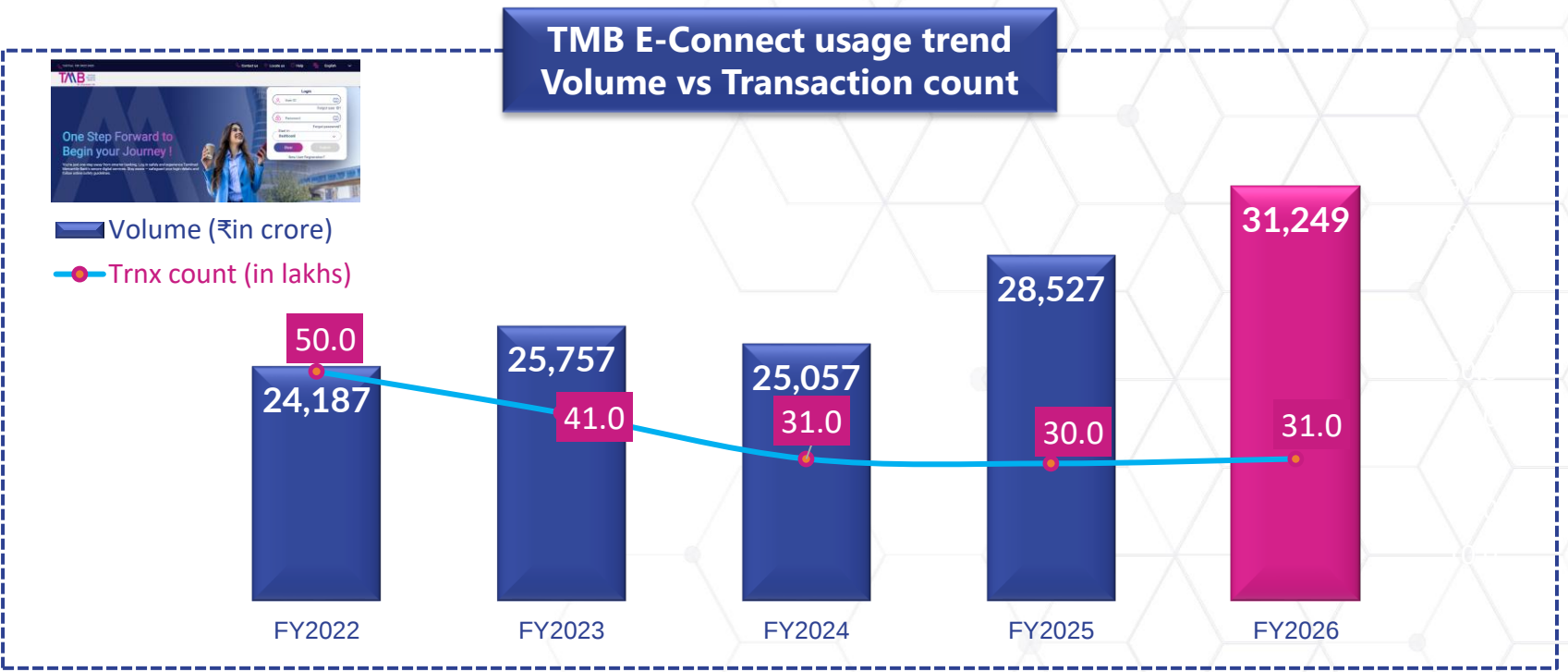
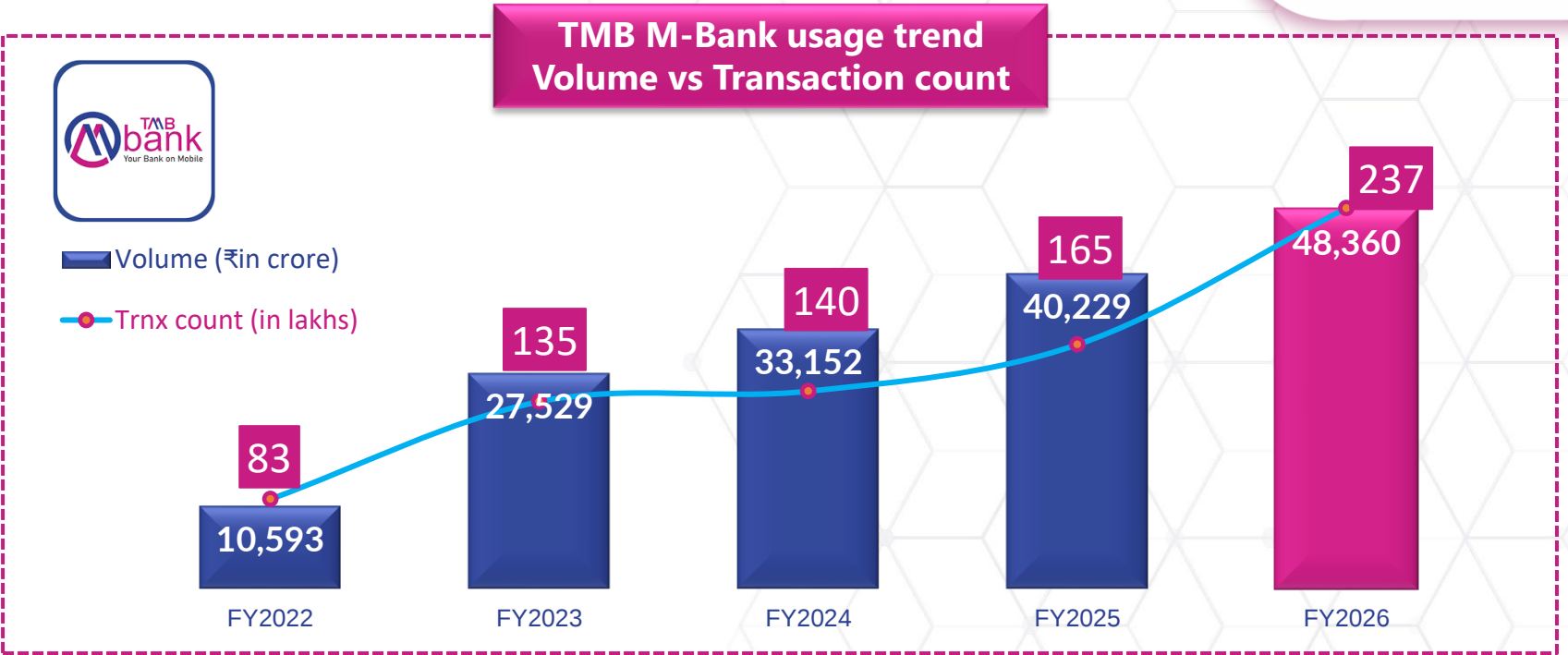
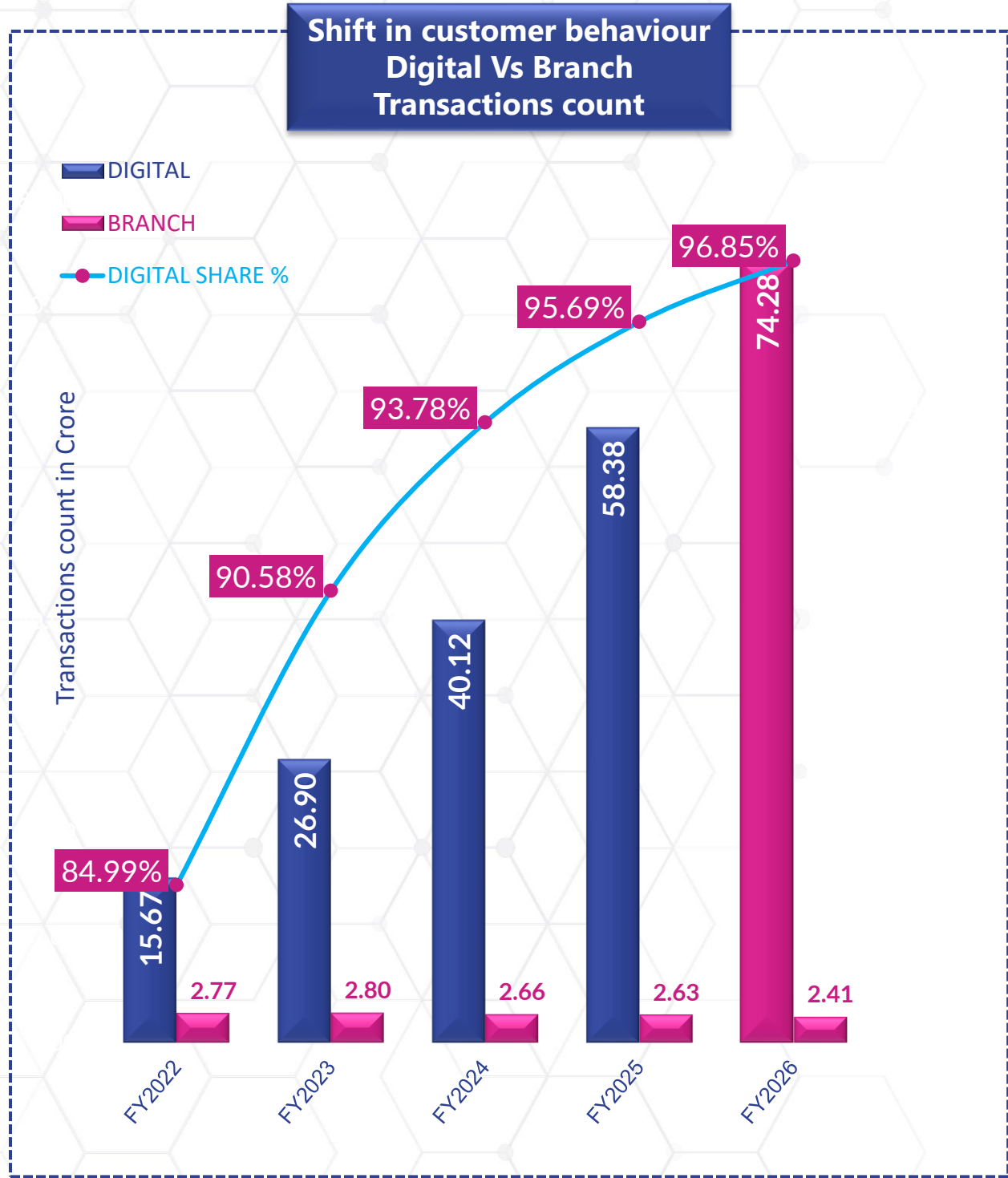
Business Per New Branch

(₹ in crores)



Annualized

- Branch Managers are deployed in advance of Branch opening to drive local market penetration and business development.
- Lateral recruitment of 20 Branch Managers is underway for New Branches outside Tamilnadu.



Modernisation of Bank Underway





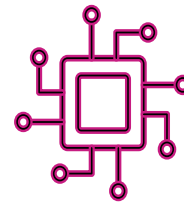
Vision / Digital Transformation

- Implementation of Oracle Cloud Fusion HCM (from Apr 2025)
- Shift towards HR automation & data-driven decisions
- Centralized, secure, cloud-based HR ecosystem
- Improved governance & employee experience



Core HR Digitization (Phase I)

- Digital onboarding & pre-boarding
- Employee master data management
- Attendance & leave system integration
- Reimbursement module
- Cloud document repository



Advanced HR Integration (Phase II)

- Payroll & pension processing
- TA bill & transfer automation
- Internal communication system
- Disciplinary tracking & compliance
- Employee profiles, assets & deputation
- Engagement features & job posting system



AI & Digital Workplace

- AI support for HR queries & policy guidance
- Automated document & reimbursement processing
- Paperless HR environment
- Digital records (Vision/Mission, Service Rules, Magazine)
- Fully digital promotions & appraisal system



Talent & Employee Engagement

- TMB ACE Bankers Programme (with Manipal Academy)
- Talent development & future workforce readiness
- Gratuity cover increased (₹4L → ₹10L)
- Employee health programs
- Family Day & engagement initiatives

Skill Development



Foundation laid for a Skill Development center in Madurai.

Voter awareness



Sponsored a voter awareness programme in association with DRDA, Thiruvallur District

Green Initiative



Sponsored the Garden development at Arulmigu Esakkiamman temple, Muppandal.

Health Care Support



Sponsored the development of the Nellore Cancer Institute, Tirunelveli.



Winner – **Best Private Sector Bank** (Other Category), National Level – **SFBCK Banking Excellence Awards 2025**



Winner – **Gold** in the **Cyber Shield Innovation** category at the **IBEX India 2026 BFSI Tech Awards**.



Winner – **Enterprise-wide Digital Transformation Excellence Award** – **Oracle (AI Fusion Category)**



Winner – **Sliver** in the **Digital CX Trailblazer** at the **IBEX India 2026 BFSI Tech Awards**.

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for more
information.

Thank You