



This is an abridged prospectus containing salient features of the red herring prospectus of Tamilnad Mercantile Bank Limited (the "Bank") dated August 26, 2022 filed with the Registrar of Companies, Tamil Nadu at Chennai read together with the addendum to the Red Herring Prospectus - Notice to Investors dated August 29, 2022 ("RHP" or "Red Herring Prospectus"). You are encouraged to read greater details available in the RHP, which is available at <https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListing=yes&sid=3&ssid=15&smid=11>. Unless otherwise specified all capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

**THIS ABRIDGED PROSPECTUS CONSISTS OF FOUR PAGES OF BID CUM APPLICATION FORM ALONG WITH INSTRUCTIONS AND SIX PAGES OF ABRIDGED PROSPECTUS. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**



## TAMILNAD MERCANTILE BANK LIMITED

Corporate Identity Number: U65110TN1921PLC001908; Date of Incorporation: May 11, 1921

Registered Office and Corporate Office	Contact Person	Email and Telephone	Website
No. 57, Victoria Extension Road, Thoothukudi – 628 002, Tamil Nadu, India	Prakash Chandra Panda, Company Secretary and Compliance Officer	Tel.: +91 461 2323666 Email: secretarial@tmbank.in	www.tmb.in

### OUR BANK IS A PROFESSIONALLY MANAGED BANK AND DOES NOT HAVE AN IDENTIFIABLE PROMOTER

#### Details of Offer to Public

Type of Offer	Fresh Issue Size	Total Offer Size	Offer under Regulation 6(2)	Share Reservation among QIBs, NIBs, RIBs		
				QIBs	NIBs	RIBs
Fresh Issue	Fresh Issue of up to 15,840,000 Equity Shares aggregating up to ₹ [●] million	Up to 15,840,000 Equity Shares aggregating up to ₹ [●] million	The Offer is being made pursuant to Regulation 6(2) of the SEBI ICDR Regulations.	Not less than 75% of the Offer	Not more than 15% of the Offer	Not more than 10% of the offer

The Equity Shares are proposed to be listed on National Stock Exchange of India Limited and BSE Limited (Designated Stock Exchange);

### PRICE BAND, MINIMUM BID LOT & INDICATIVE TIMELINES

Price Band <sup>^</sup>	₹ 500 per Equity Share to ₹ 525 per Equity Share of face value of ₹ 10 each
Minimum Bid Lot Size	28 Equity Shares
Bid/Offer Opens On	Monday, September 5, 2022 <sup>(1)</sup>
Bid/Offer Closes On	Wednesday, September 7, 2022 <sup>(2)</sup>
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Monday, September 12, 2022
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Monday, September 13, 2022
Credit of Equity Shares to demat accounts of Allottees	On or about Wednesday, September 14, 2022
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Thursday, September 15, 2022

<sup>^</sup> For details of the Price Band and the basis for Offer Price, please refer to the price band advertisement and the section titled "Basis for Offer Price" on page 85 of the RHP respectively.

<sup>(1)</sup> Our Bank may, in consultation with the BRLMs, consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

<sup>(2)</sup> Our Bank may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

\* In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges 319 bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022 shall be deemed to be incorporated in the deemed agreement of the Bank with the SCSBs to the extent applicable.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any other applicable laws of the United States and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the Securities Act and pursuant to the applicable laws of the jurisdiction where those offers and sales are made.

### RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Bank, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10. The Floor Price and the Cap Price (determined by our Bank in consultation with the BRLMs), and Offer Price (determined by our Bank in consultation with the BRLMs), in accordance with the SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for the Offer Price" beginning on page 85, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding frequency of trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS**

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Bank and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” beginning on page 20 of the RHP and on page 8 of this Abridged Prospectus.

**PROCEDURE**

You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the Stock Exchanges, Syndicate Members, Registrar to the Offer, Registrar and Share Transfer Agents (“RTAs”), Collecting Depository Participants (“CDPs”), Registered Brokers, Bankers to the Offer, Investors’ Associations or Self Certified Syndicate Banks (“SCSBs”).

If you wish to know about processes and procedures applicable to the Offer, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLMs or download it from the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), the websites of NSE and BSE at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com), respectively, and the websites of the BRLMs at [www.axiscapital.co.in](http://www.axiscapital.co.in); [www.motilaloswalgroup.com](http://www.motilaloswalgroup.com) and [www.sbcaps.com](http://www.sbcaps.com), respectively.

**PRICE INFORMATION OF BRLMs**

Sr. No.	Issuer name	Name of the merchant banker	+/- % change in closing price, [+/- % change in closing benchmark]		
			30th calendar day from listing	90th calendar day from listing	180th calendar day from listing
1.	Paradeep Phosphates Limited	Axis & SBICAP	-10.24%, [-3.93%]	+27.50%, [+7.65%]	-
2.	Prudent Corporate Advisory Services Limited	Axis	-20.71%, [-5.46%]	-2.10%, [+10.92%]	-
3.	Life Insurance Corporation Of India	Axis & SBICAP	-27.24%, [-3.27%]	-28.12%, [+9.47%]	-
4.	Vedant Fashions Limited	Axis	+3.99%, [-0.20%]	+14.53%, [-8.54%]	+37.67%, [+2.17%]
5.	CMS Info Systems Limited	Axis	+21.99%, [-1.81%]	+25.35%, [+0.74%]	+3.75%, [-8.71%]
6.	Supriya Lifescience Limited	Axis	+78.61%, [-0.07%]	+72.12%, [-0.92%]	+20.36%, [-8.93%]
7.	Medplus Health Services Limited	Axis	+53.22%, [+3.00%]	+23.06%, [+1.18%]	-6.55%, [-9.98%]
8.	Metro Brands Limited	Axis & Motilal	+21.77%, [+4.45%]	+14.57%, [+0.64%]	+7.93%, [-9.78%]
9.	C.E. Info Systems Limited	Axis	+70.21%, [+6.71%]	+48.48%, [+2.74%]	+21.40%, [-8.80%]
10.	Shriram Properties Limited	Axis	-12.42%, [+9.02%]	-33.39%, [+4.05%]	-46.69%, [-7.95%]
11.	GR Infraprojects Limited	Motilal Oswal & SBI	+90.61%, [+6.16%]	+138.67%, [+16.65%]	+132.16%, [+16.50%]
12.	Devyani International Limited	Motilal Oswal	+32.83%, [+4.93%]	+78.39%, [+9.30%]	+97.17%, [+4.90%]
13.	Aditya Birla Sun Life AMC Limited	Axis, Motilal Oswal & SBI	-11.36%, [+0.55%]	-23.85%, [-0.74%]	-25.65%, [-0.90%]
14.	Star Health and Allied Insurance Company Ltd	Axis & SBICAP	-14.78%, [+1.72%]	-29.79%, [-6.66%]	-22.21%, [-6.25%]
15.	Tarsons Products Limited	SBICAP	-4.16%, [+0.03%]	-4.46%, [+0.22%]	0.20%, [-5.35%]
16.	Nuvoco Vistas Corporation Limited	Axis & SBICAP	-5.83%, [+6.21%]	-9.74%, [+7.34%]	-32.76%, [+4.10%]
17.	Windlas Biotech Limited	SBICAP	-18.02%, [+4.79%]	-34.42%, [+9.18%]	-37.01%, [+4.62%]
18.	Glenmark Life Sciences Limited	SBICAP	-6.38%, [+7.10%]	-12.94%, [+10.12%]	-20.67%, [+8.45%]
19.	Shyam Metalics and Energy Limited	Axis & SBICAP	41.08%, [+0.53%]	22.88%, [+11.97%]	0.96%, [+5.93%]

**BOOK RUNNING LEAD MANAGERS**

Axis Capital Limited Tel: +91 22 4325 2183 E-mail: <a href="mailto:tmb.ipo@axiscap.in">tmb.ipo@axiscap.in</a> Investor grievance email: <a href="mailto:complaints@axiscap.in">complaints@axiscap.in</a>	Motilal Oswal Investment Advisors Limited Tel: +91 22 7193 4380 E-mail: <a href="mailto:tmb.ipo@motilaloswal.com">tmb.ipo@motilaloswal.com</a> Investor grievance e-mail: <a href="mailto:moiapfredressal@motilaloswal.com">moiapfredressal@motilaloswal.com</a>	SBI Capital Markets Limited Tel: +91 22 2217 8300 E-mail: <a href="mailto:tmb.ipo@sbicaps.com">tmb.ipo@sbicaps.com</a> Investor grievance e-mail: <a href="mailto:investor.relations@sbicaps.com">investor.relations@sbicaps.com</a>
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Name of Syndicate Members	Investec Capital Services (India) Private Limited, Motilal Oswal Financial Services Limited and SBICAP Securities Limited
Name of Registrar to the Offer	Link Intime India Private Limited Tel: +91 22 4918 6200; E-mail: <a href="mailto:tmb.ipo@linkintime.co.in">tmb.ipo@linkintime.co.in</a> ; Investor grievance e-mail: <a href="mailto:tmb.ipo@linkintime.co.in">tmb.ipo@linkintime.co.in</a>
Name of Joint Central Statutory Auditors	M/s Suri & Co. and M/s Abarna & Ananthan
Name of Credit Rating Agency and the rating or grading obtained, if any	As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating for the Offer.
Name of Debenture Trustee	As the Offer is of Equity Shares, the appointment of debenture trustees is not required.
Self Certified Syndicate Banks	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA (other than through UPI Mechanism), where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmld=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmld=34</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmld=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmld=40</a> or such other website as updated from time to time
Eligible SCSBs and mobile applications enabled for UPI Mechanism	In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmld=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmld=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmld=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmld=43</a> ) respectively, as updated from time to time. Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> .

**IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS**

<b>Non Syndicate Registered Brokers</b>	Bidders can submit ASBA Forms in the Offer using the stock broker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA forms from the Bidders (other than RIBs), including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time. For further details, see section titled “Offer Procedure” beginning at page 326 of the RHP.
<b>Details regarding website address(es)/link(s) from which the investor can obtain a list of RTAs, CDPs and stock brokers who can accept applications from investors, as applicable:</b>	The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, is provided on the websites of Stock Exchanges at <a href="http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?">http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?</a> and <a href="http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm">http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm</a> , respectively, as updated from time to time. The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, is provided on the websites of BSE at <a href="http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?">http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?</a> and on the website of NSE at <a href="http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm">http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm</a> , as updated from time to time. For further details, see “Offer Procedure” on page 326 of the RHP.

**PROMOTERS OF OUR BANK**

Our Bank is a professionally managed bank and does not have an identifiable promoter or promoter group in terms of SEBI ICDR Regulations and the Companies Act, 2013.

**OUR BUSINESS OVERVIEW AND STRATEGY**

We are one of the oldest and leading old private sector banks in India with a history of almost 100 years (*Source: CRISIL Report*). We offer a wide range of banking and financial services primarily to micro, small and medium enterprises (“MSME”), agricultural and retail customers (“RAM”). As of March 31, 2022, we have 509 branches, of which 106 branches are in rural, 247 in semi-urban, 80 in urban and 76 in metropolitan centres. Our overall customer base is approximately 5.08 million as of March 31, 2022 and 4.05 million or 79.78% of our customers have been associated with us for a period of more than five years and have contributed to ₹ 350,142.39 million or 77.93% to our deposits and ₹ 219,022.26 million or 64.90% to our advances portfolios as of March 2022. As per the CRISIL Report, we had the second highest Net Profit for Fiscal 2022 amongst our Peers, and our Return on Assets was also higher at 1.66% compared to a median 0.80% for our Peers for Fiscal 2022.

We were incorporated as ‘Nadar Bank Limited’ in 1921 and our name was changed to ‘Tamilnad Mercantile Bank Limited’ in the year 1962. We received our license to carry on banking business from the Reserve Bank of India (the “RBI”) in 1962. Since our incorporation, having head quartered at Thoothukudi, Tamil Nadu, India, we have built a strong presence in the state of Tamil Nadu, with 369 branches and 949 automated teller machines (“ATMs”) and 255 cash recycler machines (“CRMs”) as of March 31, 2022. Tamil Nadu, the fourth largest state of India, is one of the fastest growing states, with continued focus on MSME and textile industry. Tamil Nadu’s gross state value added (“GSVA”) at current prices grew at a compounded annual growth rate (“CAGR”) of 11% between Fiscal 2017 and 2022 against the country wide growth of 9% (*Source: CRISIL Report*). As per the CRISIL Report, Tamil Nadu ranked second in terms of state-wise contribution to GDP and has also grown at a faster rate as compared to the national GDP growth rate. Tamil Nadu is under penetrated which presents an opportunity for further growth in GDP funded by bank loans (*Source: CRISIL Report*). Its bank credit to GDP stood at 52% as compared with approximately 100% in case Maharashtra and 33% for Gujarat during Fiscal 2022 (*Source: CRISIL Report*). Bank’s deposits have grown at a healthy pace of 10.46% CAGR (compared to median of its peers: 7.90%), while its advances grew at 9.93% CAGR (compared to median of its peers: 8.00%) as per the CRISIL Report. As of March 31, 2022, our deposits and advances portfolio in the state of Tamil Nadu has contributed 75.06% to our Total Business. We also focus on diversifying our growth in other high growth regions of India which will help increase our network and client base. Other than Tamil Nadu, we are present in 15 other states and 4 union territories of India.

**BOARD OF DIRECTORS**

Sr.No.	Name	Designation	Experience and Educational Qualification	Other directorship
1.	<b>K.V. Rama Moorthy</b>	MD & CEO*	He holds a bachelor’s degree in science (agriculture) from Andhra Pradesh Agricultural University, Hyderabad and is a certified associate of Indian Institute of Bankers. He has over 40 years of banking experience, including in Bank of Baroda and as an Executive Director in United Bank of India.	<b>Indian Companies:</b> Nil <b>Foreign Companies:</b> Nil
2.	<b>Niranjana Sankar A.</b>	Non – Executive Director	He holds a bachelor’s degree in textile technology from Indian Institute of Technology, Delhi and a post graduate diploma in management from Indian Institute of Management, Bengaluru. He has over 22 years of experience in small scale undertakings.	<b>Indian Companies:</b> 1. Pioneer Jellice India Private Limited 2. Ashok Matches and Timber Industries Private Limited 3. Pioneer NF Forgings India Private Limited 4. Tamarai Homes Private Limited, Sivakasi 5. Pioneer Marine Products Private Limited <b>Foreign Companies</b> 1. M/s. Jellice Pioneer Europe B.V.
3.	<b>S.R. Ashok</b>	Non – Executive Director	He holds a bachelor’s degree in medicine and surgery from Madurai Kamaraj University, Madurai and a diploma in orthopaedics from Gulbarga University. He presently serves at the Thoothukudi Medical College Hospital.	<b>Indian Companies:</b> Nil <b>Foreign Companies:</b> Nil
4	<b>Asok Kumar P.C.G.</b>	Non – Executive Director	He completed his senior school certificate leaving examination in 1976. He is a partner at M/s Asok Sparklers Factory, a micro undertaking, and has over 25 years of experience investing in the stock market.	<b>Indian Companies:</b> Asok Sparklers & Fireworks Private Limited <b>Foreign Companies:</b> Nil
5.	<b>Nirranjan Kani D.N.</b>	Non – Executive Director	He has a master’s degree of arts from the University of Madras. He is a director in VVD & Sons Private Limited.	<b>Indian Companies:</b> V.V.D. & Sons Private Limited <b>Foreign Companies:</b> Nil
6.	<b>Balakrishnan Prabakaran</b>	Independent Director	He has a bachelor’s degree in technology (metallurgical and materials engineering) and a master’s degree in biomedical engineering from Indian Institute of Technology, Chennai.	<b>Indian Companies:</b> Sree Ayyanar Spinning and Weaving Mills Private Limited <b>Foreign Companies:</b> Nil

**BOARD OF DIRECTORS**

Sr.No.	Name	Designation	Experience and Educational Qualification	Other directorship
7.	Chiranjeevi Raj C.	Independent Director	He holds a bachelor's degree in commerce from Ayya Nadar Janaki Ammal College, Sivakasi, is a Fellow Member of the Institute of Chartered Accountant of India. He has been practicing as a Chartered Accountant since 2005.	Indian Companies: Nil Foreign Companies: Nil
8.	Ezhil Jothi S.	Independent Director	She holds a bachelor's degree in commerce from Lady Doak College, Madurai, is a fellow member of the Institute of Company Secretaries of India and a registered valuer with the Insolvency and Bankruptcy Board of India.	Indian Companies: Nil Foreign Companies: Nil
9.	Nagarajan K.	Independent Director	He has a bachelor degree in law from Bangalore University. He has been a practicing advocate since 1984 and has over 30 years of experience at the bar.	Indian Companies: Nil Foreign Companies: Nil
10.	Vijayadurai B.	Independent Director and part – time chairman of the Board <sup>^</sup>	He holds a master's degree in commerce from Madurai Kamaraj University. He is also a fellow member of the Institute of Chartered Accountant of India and has completed a post-qualification course in Information System Audit. He is a practicing Chartered Accountant for more than 23 years.	Indian Companies: Nil Foreign Companies: Nil
11.	B.S. Keshava Murthy	Independent Director	He holds a bachelor's and a master's of science in zoology from Bangalore University. Prior to joining our Bank, he was associated with Indian Overseas Bank for more than 37 years.	Indian Companies: Nil Foreign Companies: Nil
12.	Babu Suresh Kumar S.	RBI Nominee Director	He has a master's degree in commerce from the Loyola College, Chennai and is a certified member of Indian Institute of Bankers. He has more than 33 years of experience in various functions of Central Banking at different centers, especially in supervision of commercial banks, non-banking financial companies, human resource management etc.	Indian Companies: Nil Foreign Companies: Nil
13.	Natarajan Gopal	RBI Nominee Director	He holds a bachelor's degree in commerce from Bangalore University and is a member of the Information Systems Audit and Control Association. He has also passed the intermediate level examination conducted by the Institute of Cost and Work Accountants of India. He has 37 years of experience at the RBI.	Indian Companies: Nil Foreign Companies: Nil

*\*The term of K.V. Rama Moorthy is due to end on September 3, 2022. Krishnan Sankarasubramaniam has been approved by the RBI, pursuant to its letter of approval dated August 18, 2022, for appointment as our Managing Director & CEO with effect from September 4, 2022 for a term of three years. Krishnan Sankarasubramaniam has accepted such appointment by his letter to our Bank dated August 20, 2022 and our Board, pursuant to its resolution dated August 26, 2022 has appointed Krishnan Sankarasubramaniam as our Managing Director & CEO with effect from September 4, 2022. He holds a bachelor's degree in commerce from Madurai Kamaraj University. Prior to joining our Bank, he was associated with Indian Bank, Syndicate Bank (which was merged into Canara Bank) and Punjab and Sind Bank.*

*<sup>^</sup>Appointment as part-time chairman is subject to approval by the RBI. We have submitted an application dated August 20, 2022 with the RBI for the appointment of Vijayadurai B. as the part-time chairman of our Board.*

*For further details in relation to our Board of Directors, see "Our Management" beginning on page 162 of the RHP.*

**OBJECTS OF THE OFFER**

Our Bank proposes to utilize the Net Proceeds towards augmenting its Tier-I capital base to meet its future capital requirements. Further, the Gross Proceeds from the Offer will also be used towards meeting the expenses in relation to the Offer.

Additionally, our Bank expects to receive the benefits of listing the Equity Shares on the Stock Exchanges.

**Net Proceeds**

The details of the Net Proceeds from the Offer are summarized in the following table:

Particulars	Estimated amount (₹ in million)
Gross proceeds of the Offer	[•]
(Less) Estimated Offer expenses <sup>(1)</sup>	[•]
Net Proceeds	[•]

*(1) To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

**Means of finance:** The fund requirements set out for the aforesaid objects of the Offer are proposed to be met entirely from the Net Proceeds. Accordingly, our Bank confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Offer and existing identifiable accruals as required under the SEBI ICDR Regulations..

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilisation of issue proceeds of past public offers / rights issues, if any, of our Bank in the preceding 10 years:** N.A.

**Terms of Issuance of Convertible Security, if any:** N.A.

**Name of Monitoring Agency:** In terms of the proviso to Regulation 41(1) of the SEBI ICDR Regulations, our Bank is not required to appoint a monitoring agency for this Offer.

**Shareholding Pattern as on the date of the RHP:**

**IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS**

Category of shareholder	Pre Issue number of shares	% Holding of Pre issue
Promoters and Promoter Group	N.A.	N.A.
Public	142,511,454	100.00
<b>Total</b>	<b>142,511,454</b>	<b>100.00</b>

**RESTATED FINANCIAL STATEMENTS**

(in ₹ million)

Particulars	As at March 31,		
	2022	2021	2020
Total Income	46,564.35	42,534.02	39,925.29
Net Profit/(Loss) before tax	11,246.11	7,983.56	5,848.97
Net Profit/(Loss) after tax	8,219.09	6,033.29	4,076.94
Equity Share capital	1,425.11	1,425.11	1,425.11
Reserves and Surplus	51931.95	44374.71	38371.35
Net worth*	53,357.06	45,799.82	39,796.46
Earnings per Equity Share			
Basic (in ₹)	57.67	42.34	28.61
Diluted (in ₹)	57.67	42.34	28.61
Return on net worth (%)	15.40%	13.17%	10.24%
Net asset value per Equity Share**	374.41	321.38	279.25

\*Capital + Reserves \*\* Net worth at the end of the period / Total number of Equity Shares outstanding at the end of period

For further details see "Offer Document Summary - Summary of Restated Financial Statements", "Financial Statements" and "Other Financial Information" on pages 11, 200 and 263 of the RHP respectively.

**INTERNAL RISK FACTORS**

Below mentioned risks are the top 5 risk factors as per the RHP:

1. 37.73% of our paid up equity share capital or 53.76 million Equity Shares are subject to outstanding legal proceedings which are pending at various forums and, in connection with which, proceedings against our Bank have been initiated by various regulatory authorities, including the RBI, the Directorate of Enforcement, some of whom have imposed and sought to impose penalties on us in the past. We cannot assure you that these matters will be resolved in a timely manner or at all and any adverse developments in such proceedings could result in the imposition of injunctions or penalties or require us to incur significant costs to contest any of which could have a material impact on our reputation, business, financial condition and results of operation. 2. Our business, reputation and financial results could be impacted by adverse results in legal proceedings. We have also issued notices and initiated various recovery proceedings against defaulting borrowers under the SARFAESI Act and failure by such borrowers to repay the outstanding borrowings pursuant to such notices and proceedings may adversely affect our business. We are also susceptible to operational risks, including fraud, petty theft, negligence and embezzlement by our employees or our customers, which could harm our results of operations and financial position. 3. We have received and may in the future receive multiple anonymous whistle blower complaints, which may adversely affect our reputation which could consequently adversely impact our business, financial condition and results of operation. 4. Our former director has filed a writ petition before the High Court of Madras seeking to prevent our Bank from undertaking the Offer, and we have received multiple complaints from former directors and shareholders of the Bank regarding disclosures in the Draft Red Herring Prospectus and invitations to participate in the offer for sale, any or all of which could harm us by impairing our ability to retain clients, subject us to significant legal liability, cause reputational harm or prevent us from proceeding with this Offer. 5. We have regional concentration in southern India, especially Tamil Nadu. Any adverse change in the economic, political, or geographical conditions of Tamil Nadu and other states in which we operate can impact our results of operations.

**SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**

A. A summary of outstanding litigation proceedings involving our Bank and our Directors, as on the date of the Red Herring Prospectus is provided below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges	Material Civil Litigation	Aggregate amount involved (₹ in million)
<b>Bank<sup>#</sup></b>						
Against our Bank	1	20	12	-	398	40,662.37*
By our Bank	317	-	-	-	5,207**	62,189.84**
<b>Directors</b>						
Against our Directors	1	-	2	-	-	5.00
By our Directors	-	-	-	-	-	-

\* Total amount involved to the tune of ₹ 10,373.97 million under show cause notice dated November 9, 2017 issued by the Directorate of Enforcement not included, since adjudication is not completed.

\*\* In certain instances we have initiated proceedings under SARFAESI, IBC and before DRT/civil courts against a single defaulting borrower.

<sup>#</sup> The Bank is also involved in 32 legal proceedings involving Equity Shares of the Bank, the amount of which is not determinable. For details, see "Outstanding Litigation and Material Developments – Litigation involving Equity Shares of our Bank" on page 294.

B. Brief details of top 5 material outstanding litigation / legal proceedings initiated against our Bank and amount involved.

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved (in ₹ million)
1.	On March 30, 2007, the Foreign Exchange Department, RBI had granted permission for the transfer of 53,611 Equity Shares of our Bank from three persons resident in India to certain specified NRIs and persons resident outside India. However, out of such 53,611 Equity Shares, 46,862 Equity Shares (such Equity Shares, the "Unacknowledged Shares") were transferred on May 13, 2007 to a different set of seven persons resident outside India ("Disputed Non-Resident Shareholders"). Such transfers were approved and taken on record by our Bank. Our Bank also approved further transfers of 27,289 Equity Shares out of the Unacknowledged Shares to two other non-resident entities on December 26, 2011 and June 11, 2012.	Directorate of Enforcement	The Deputy Legal Advisor, Directorate of Enforcement has also preferred an appeal dated January 27, 2021, against the order dated August 14, 2020 before the Appellate Tribunal for Foreign Exchange, which is currently pending. The matter is currently pending	169.98

**IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS**

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved (in ₹ million)
	Further to such transfers, a show cause notice dated December 17, 2014 was issued by the Directorate of Enforcement to, among others, our Bank and certain of our erstwhile KMPs and Directors (including our Director, Balakrishnan Prabaharan). The Directorate of Enforcement investigated the matter and, by its order dated August 14, 2020 of the Directorate of Enforcement, levied a penalty of ₹ 113.32 million in respect of the transfer dated May 13, 2007 and ₹ 56.66 million in respect of the transfers dated December 26, 2011 and June 11, 2012 on our Bank, for such transfers being violations of Section 6(3)(b) of FEMA 1999, read with Regulation 4 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("TISPRO 2000"). Penalties were also imposed on other noticees in the matter, including a penalty of ₹ 5.00 million on our Director, Balakrishnan Prabaharan and a penalty ₹ 1.00 million against our erstwhile Director and former vice president, A. Shidambaranathan. Our Bank is yet to pay such penalty. However, the Bank has made a provision of ₹ 169.98 million in Fiscal 2021 in the event we are required to pay the penalty imposed by the Directorate of Enforcement. Through its letter dated October 12, 2020, our Bank filed an application for compounding such violations of the FEMA 1999 to the Foreign Exchange Department, RBI, and through its letters dated October 12, 2020 and November 24, 2020, our Bank requested the Directorate of Enforcement to keep its order of penalty in abeyance until such time RBI takes a decision regarding our Bank's application for compounding. Through its letter dated January 27, 2021, such application was returned by the RBI stating that such violations could not be compounded since the matter had been adjudicated by the Directorate of Enforcement. Through its letter dated July 26, 2021, our Bank has requested the RBI to reconsider our Bank's compounding application. Through its letter dated November 18, 2021, the RBI has responded stating that the request for regularisation of the Unacknowledged Shares will be processed after the completion of proceedings by the Directorate of Enforcement.			
2.	On May 13, 2007, our Bank had taken on record transfers of cumulatively 95,418 Equity Shares to several persons including the Disputed Non-Resident Shareholders and 209 other Indian residents. Further to such transfers, Kanagaraj, filed a writ petition before the High Court of Bombay challenging the transfer of 90,488 Equity Shares out of such 95,418 Equity Shares on the ground that such transfers were in violation of the Guidelines for Acknowledgement of Transfer/Allotment of Shares in Private Sector Banks dated February 3, 2004 ("2004 Bank Ownership Guidelines"). Disposing off such writ petition, the High Court of Bombay directed Kanagaraj to make representations to the RBI. Further to such representations, the RBI, by its order dated October 12, 2009 directed our Bank to provide details on such transfers of Equity Shares to the Disputed Non-Resident Shareholders and 11 Indian residents, and called upon our Bank to explain why such persons should not be considered a 'group' which had acquired more than 5.00% of the total paid-up share capital of our Bank without prior approval of the RBI in violation of the 2004 Bank Ownership Guidelines.	Kanagaraj	Through an order dated March 31, 2011, the RBI found such transfers to be in violation of the 2004 Bank Ownership Guidelines and consequently: (i) declined to acknowledge the holding of more than 5.00% of our Bank's share capital by such group; and (ii) directed that such group's aggregate shareholding in our Bank should be less than 5.00%.	Not determinable
3.	The Directorate of Enforcement has also issued a show cause notice dated November 9, 2017 to our Bank and certain other persons including our current Directors, Asok Kumar P.C.G., B.S Keshava Murthy, Nagarajan K, Vijayadurai B. and our erstwhile director and former vice president, A. Shidambaranathan in relation to the issue of bonus shares on May 26, 2016 to shareholders holding: (i) the Unacknowledged Shares; (ii) 10,589 Equity Shares that are alleged to have been transferred on January 4, 2017 in violation of the FEMA 1999 read with Regulation 3 and 10(A)(b)(i) of the TISPRO 2000; and (iii) an additional 54,700 Equity Shares held in an escrow account that has been alleged to have been opened and maintained in violation of the FEMA 1999. The show cause notice has alleged contraventions of the FEMA 1999 read with Regulation 4 and Regulation 6A of the TISPRO 2000 by our Bank and has asked our Bank to show cause as to why adjudication proceedings should not be held against our Bank including for: (a) levy of a penalty of ₹ 5,314,217,500 for the issue of bonus shares to (i) and (ii) above; and (b) levy of a penalty of ₹ 5,059,750,000 for the issue of bonus shares to (iii) above. The show cause notice also states that our current Directors, Asok Kumar P.C.G., Nagarajan K and Vijayadurai B. shall also be liable to pay a penalty. We were originally to reply within 30 days, however, we sought an extension of 60 more days, following which we submitted our reply by letter dated March 7, 2018, which was accepted by the Directorate of Enforcement notwithstanding the delay..	Directorate of Enforcement	Recently, in relation to the November 9, 2017 show cause notice, the Directorate of Enforcement issued a notice dated August 8, 2022 to us, certain of our current Directors namely, Asok Kumar P.C.G., B.S Keshava Murthy, Nagarajan K, Vijayadurai B, certain of our shareholders and other noticees of the earlier show cause notice dated November 9, 2017, initiating an inquiry against us as per Rule 4 of the Foreign Exchange Management (Adjudication Proceedings and Appeal) Rules, 2000 and requiring our Bank and the other noticees to appear for personal hearing on September 15, 2022. The matter is currently pending	10,373.97
4.	East River Holdings Limited, Robert and Ardis James Company Limited, Swiss Re Investors (Mauritius) Limited, Kamehameha Mauritius Limited, Cuna Group (Mauritius) Limited and FI Investments Limited, have filed appeals dated August 18, 2022 before the Securities Appellate Tribunal against the Bank and SEBI challenging the letter from SEBI dated May 12, 2022 granting exemption to our Bank under Regulation 300(1)(c) of the SEBI ICDR Regulations from refiling the offer document pursuant to the withdrawal of the offer for sale.	East River Holdings Limited, Robert and Ardis James Company Limited, Swiss Re Investors (Mauritius) Limited, Kamehameha Mauritius Limited, Cuna Group (Mauritius) Limited and FI Investments Limited	The matter has been listed for hearing on September 2, 2022. The matter is currently pending	Not determinable
5.	T. Rajakumar, our former director, alleging mismanagement in our Bank, and citing ongoing proceedings against our Bank by the Directorate of Enforcement and violations of banking regulations and the FEMA 1999, also filed a writ petition dated June 30, 2021 before the High Court of Madras, and sought directions to be issued to the SEBI to stop the initial public offer of our Bank until these proceedings are concluded. T. Rajakumar has also alleged inter alia that: (i) the persons who are allegedly in control of our Bank have not been disclosed as such in our Bank's annual report; (ii) there was a spurt in our Bank's business in Fiscal 2021; and (iii) there is no requirement for our Bank to undertake an initial public offering considering that it has sufficient capital adequacy. While the matter concerning the petition is currently pending, our Bank has filed a counter affidavit dated August 6, 2021 before the High Court of Madras denying all the allegations, alluding to other ongoing proceedings involving T. Rajakumar and seeking dismissal of the petition.	T. Rajakumar	The matter is currently pending.	Not determinable

**C. Disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any: N.A. The Bank is professionally managed and does not have an identifiable promoter.**

**D. Brief details of outstanding criminal proceedings against the Promoters: N.A. The Bank is professionally managed and does not have an identifiable promoter.**

**ANY OTHER IMPORTANT INFORMATION AS PER MANAGERS/BANK - NIL**

**DECLARATION BY OUR BANK**

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all the disclosures and statements in the Red Herring Prospectus are true and correct.

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