

2nd January 2023

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To,
BSE Limited, (Security Code: 532720)
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

National Stock Exchange of India Ltd., (Symbol: M&MFIN)
Exchange Plaza, 5th Floor, Plot No. C/1, "G" Block,
Bandra - Kurla Complex,
Bandra (East) Mumbai- 400 051

Dear Sirs,

Sub: Updates for the month of December 2022

You are requested to take note of the following updates for the month of December 2022:

In December 2022, on the backdrop of positive macro environment, the business continued its momentum with disbursement of approximately Rs. 4,650 crores delivering a 67% Y-o-Y growth. The Q3 disbursements at approximately Rs. 14,450 crores registered a growth of 80% Y-o-Y. The YTD disbursement of approximately Rs. 35,750 crores registered a Y-o-Y growth of 95%.

Healthy disbursement trends have led to Business Assets at approximately Rs. 77,000 crores, growth of ~ 4.3% over September 2022. This has resulted in growth of ~ 18.5% vs March 2022.

The Collection Efficiency (CE) was at 98% for December 2022. The current quarter's CE was similar to that of last year at 95%.

Stage-3 and Stage-2 assets have seen sequential improvement in the current month and quarter. Stage 3 assets is expected at approximately 6.2% and Stage 2 assets at approximately 8.5% as at December end.

Gross Non-Performing Assets ('GNPA') (as per Income Recognition, Asset Classification and Provisioning norms) is estimated to be higher than Stage 3 asset by ~ Rs. 1,300 crores, reconfirming the management belief that no additional provisions may be required over and above the Expected Credit Loss ('ECL') provision for FY23.

The company continued to maintain comfortable liquidity chest of about 4 months' requirement.

Thanking you,
For **Mahindra & Mahindra Financial Services Limited**

Brijbala Batwal
Company Secretary and Compliance Officer