

3rd January, 2022

The General Manager-Department of
Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.
Scrip Code: 532720

The Manager-Listing Department,
National Stock Exchange of India Limited,
"Exchange Plaza", 5th Floor,
Plot No.C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.
Scrip Code : M&MFIN

Dear Sirs,

Sub: Erratum - Updates for the month of December 2021

We refer to our letter dated 3rd January, 2021 wherein we had furnished updates for the month of December 2021.

In this connection, kindly note that the 'total disbursement' for the 3rd Quarter (October-December 2021) has been inadvertently mentioned as approximately Rs. 18,100 Crore, registering a Y-o-Y growth of 39%, instead of approximately Rs. 7,980 Crore, registering a Y-o-Y growth of 27%.

Accordingly, the revised update would be as under:

In December 2021, the business continued its momentum with a disbursement of approximately Rs.2,750 Crore delivering a 42% Y-o-Y growth. For the 3rd Quarter (October-December 2021), the total disbursement stood at approximately Rs. 7,980 Crore, registering a Y-o-Y growth of 27%.

In December 2021, the collection efficiency (CE) improved further to 100%, up both year-on-year (December 2020 - CE was 96%) and sequentially (November 2021 - CE was 94%). For Q3, the collection efficiency works out to 95% (Collection Efficiency in Q3 of the last year was 88%).

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This improved customer payment behaviour has reflected in a month-on-month reduction in Stage 2 and in Stage 3, compared to November 2021. The Company expects this positive trend to continue in Q4. This will aid in further reduction in Stage 2 and Stage 3 contracts by March 2022 end. The Company stands committed to bring the Net Stage 3 below 4% by year end.

The Company continued to enjoy a comfortable liquidity position on its Balance Sheet as at 31st December, 2021, with a liquidity chest of well over 3.5 months.

We request you to please take the above on record and regret the inconvenience caused in this regard.

Thanking you,

Yours Faithfully,

Mahindra & Mahindra Financial Services Limited

Arnavaz M. Pardiwalla
Company Secretary & Compliance Officer