The table below sets forth our disbursements and collection efficiencies for the quarters indicated:

(₹ in millions)

Particulars	FY2021				FY2022			
	Jun 2020	Sep 2020	Dec 2020	Mar 2021	Jun 2021	Sep 2021	Dec 2021	Mar 2022
Disbursements	2,951.5	9,278.2	10,099.9	13,117.6	2,256.3	11,570.2	9,947.0	16,145.8
Total EMI to be collected	4,886.0	4,976.0	5,205.0	5,422.0	5,621.0	5,627.0	5,789.0	6,026.0
Total EMI collected	3,257.0	4,247.0	5,031.0	5,372.0	5,261.0	5,662.0	5,730.0	6,130.0
Collection Efficiency	**66.7%**	**85.3%**	**96.7%**	**99.1%**	**93.6%**	**100.6%**	**99.0%**	**101.7%**

(₹ in millions)

	FY2023				FY2024		
Particulars	Jun 2022	Sep 2022	Dec 2022	Mar 2023	Jun 2023	Sep 2023	Dec 2023
Disbursements	11,013.5	13,545.1	14,895.0	19,516.2	14,379.8	17,252.6	17,408.2
Total EMI to be collected	6,340.0	6,547.0	6,859.0	7,202.0	7,671.0	8,057.0	8,459.0
Total EMI collected	6,176.0	6,498.0	6,825.0	7,239.0	7,553.0	8,072.0	8,386.0
Collection Efficiency	**97.4%**	**99.3%**	**99.5%**	**100.5%**	**98.5%**	**100.2%**	**99.1%**

Our improved collection efficiencies since the second quarter of FY2021 and the relatively stable collection efficiencies from FY2022 to the nine months ended December 31, 2023 provided basis for our strong liquidity position. Our liquidity position as of March 31, 2021 comprised cash and cash equivalents of ₹ 3,835.0 million and other bank balances of ₹ 17,877.8 million, compared to cash and cash equivalents of ₹ 5,741.7 million and other bank balances of ₹ 11,359.9 million as of March 31, 2022, and cash and cash equivalents of ₹ 4,051.4 million and other bank balances of ₹ 15,128.4 million as of March 31, 2023. Our liquidity position as of December 31, 2022 comprised cash and cash equivalents of ₹ 5,746.7 million and other bank balances of ₹ 10,971.6 million, compared to cash and cash equivalents of ₹ 1,884.7 million and other bank balances of ₹ 10,332.8 million as of December 31, 2023.

As a result of our strong liquidity position, we did not avail the benefit of moratorium from any of our lenders during March 2020 to August 2020 and were able to utilize our liquidity to prepay some of our high cost loans in FY2021, FY2022 and FY2023, which helped in reducing our costs of borrowing for FY2021, FY2022 and FY2023.

Further, the Supreme Court of India passed an interim order in September 2020 in a public interest litigation, whereby it directed that accounts which were not declared NPA until August 31, 2020 shall not be declared as NPA until further orders. However, such accounts had been classified by us as Stage 3 assets and provisions recognized accordingly in our financial statements. On March 23, 2021 the Supreme Court of India vacated the interim order of not classifying NPAs and accordingly we have classified NPAs post March 23, 2021 in accordance with the regulatory guidance.

Availability of Cost Effective Funding Sources

The availability of cost-effective funding sources impacts our financial condition and profitability. We rely on our revenue from operations, equity in the form of shareholder funds, and debt, in the form of term loans, bank overdraft and working capital facilities; proceeds from the issuance of NCDs and commercial paper; refinancing from the NHB; and subordinated debt borrowings from banks, mutual funds, insurance companies and other domestic, financial institutions to meet our capital requirements. Further, we also assign loans through direct assignment to banks and financial institutions, which enables us to optimize our cost of borrowings, funding and liquidity requirements, capital management and asset liability management. With the objective to leverage our distribution network and widen our sources of funds, we enter into co-lending agreements with other banks, whereby we source and disburse loans in our usual course of business in accordance with our existing policies and may request these banks to participate in the specific home loans or loans against property with pre-agreed parameters. Our funding sources are varied, as we believe that a diversified debt profile ensures that we are not overly dependent on any one type or source for funding.

Our debt service costs and overall cost of funds depend on many external factors, including developments in the Indian credit markets and, in particular, interest rate movements and the existence of adequate liquidity in the debt markets. Internal factors that affect our cost of funds include our credit ratings and available credit limits. For FY2021, FY2022 and FY2023 and the nine months ended December 31, 2022 and December 31, 2023, our average cost of borrowings was 8.2%, 7.2%, 7.0%, 7.0% and 7.6%, respectively. Any increase in our cost of funds may require us to increase interest rates on new loans originated to customers in the future to maintain our net interest margins, which may, in turn, decrease the competitiveness of our products and affect our results of operations and prospects.

We intend to continue to diversify our funding sources, identify new sources and pools of capital and implement robust asset liability management policies with the aim of further optimizing our borrowing costs and help sustain our net interest income. In line with our strategy, we have increased the share of NHB refinancing in our Total Borrowings from 16.4% as at March 31, 2021 to 27.3% as at December 31, 2023 and have also accessed international sources of funding to maintain our diversified