

Type of Borrowings including Assignment	As of March 31, 2021		As of March 31, 2022		As of March 31, 2023		As of December 31, 2022		As of December 31, 2023	
	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share
Fixed Rate Borrowings	35,325.0	27.3%	34,689.4	25.9%	38,130	24.7%	37,647.4	25.4%	36,349.5	21.4%
Floating Rate Borrowings	93,888.3	72.7%	99,353.5	74.1%	116,223	75.3%	110,371.5	74.6%	133,719.3	78.6%

Our average cost of borrowings reduced from 8.2% in FY2021 to 7.2% in FY2022, 7.0% for the nine months ended December 31, 2022, 7.0% in FY2023 and 7.6% for the nine months ended December 31, 2023. Our incremental cost of borrowings reduced from 6.8% in FY2021 to 5.9% in FY2022, and increased from 6.7% for the nine months ended December 31, 2022 to 7.1% in FY2023 and subsequently to 7.9% for the nine months ended December 31, 2023. We believe that we have been able to access cost-effective diversified debt financing due to our stable credit history, good credit ratings and conservative risk management policies.

### Capital to Risk Weighted Assets Ratios

As per the RBI Master Directions – HFC, HFCs are required to maintain a minimum capital ratio on an ongoing basis, consisting of Tier I Capital and Tier II Capital, of not less than 15% of its aggregate risk weighted assets and of risk adjusted value of off-balance sheet items. At a minimum, Tier I Capital of HFCs cannot be less than 10%. Further, the total Tier II Capital at any point of time, should not exceed 100% of Tier I Capital. The RBI also issued guidelines providing for risk weighting of assets based on the LTV ratio and a circular providing for an increased risk weight on consumer credit exposure (excluding home loans) from 100% to 125%.

The following table sets forth certain details of our CRWAR and other key metrics as of the dates indicated:

	As at March 31,			As at December 31,	
	2021	2022	2023	2022	2023
Total assets (₹ in million)	136,303.3	143,758.1	166,178.7	158,919.6	180,355.7
Risk weighted assets* (₹ in million)	62,454.9	70,243.2	83,391.3	79,794.0	99,707.8
Net worth (₹ in million)	26,927.6	31,466.3	36,976.0	35,556.8	42,491.0
CRWAR* (%) <sup>(1)</sup>	44.1%	45.4%	42.7%	44.9%	39.7%
CRWAR - Tier I Capital* (%) <sup>(2)</sup>	42.6%	44.2%	41.7%	43.9%	38.9%
CRWAR - Tier II Capital* (%) <sup>(3)</sup>	1.5%	1.2%	1.1%	1.0%	0.8%
Amount of subordinated debt qualified as Tier – II capital* (₹ in million)	660.0	492.0	360.0	360.0	240.0

Notes:

(1) CRWAR (Capital Risk Adjusted Ratio) = Tier I Capital and Tier II Capital / Risk Weighted Assets

(2) CRWAR (Capital Risk Adjusted Ratio) – Tier I Capital = Tier I Capital / Risk Weighted Assets

(3) CRWAR (Capital Risk Adjusted Ratio) – Tier II Capital = Tier II Capital / Risk Weighted Assets

\* On standalone basis

### Credit Ratings

Our credit ratings for the periods indicated are set forth below:

Instrument	Rating Agency	FY2021	FY2022	FY2023	December 2023	As of date of this Red Herring Prospectus
Long-term bank facilities	CARE Ratings	AA/Stable	AA/Stable	AA/Stable	AA/ Stable	AA/Stable
	ICRA Ratings	-	-	AA/ Stable	AA/ Stable	AA/ Stable
Long-term — NCDs	CARE Ratings	AA/Stable	AA/Stable	AA/Stable	AA/ Stable	AA/Stable
	Brickworks Ratings	AA/Stable	AA/Stable	AA/Stable	AA/ Stable	AA/Stable
	ICRA Ratings	-	-	AA/ Stable	AA/ Stable	AA/ Stable
	India Ratings	-	-	AA/ Stable	AA/ Stable	AA/ Stable
Bank loans	India Ratings	-	-	-	AA/ Stable	AA/ Stable
Subordinate debt	CARE Ratings	AA-/ Stable	AA-/ Stable	AA/ Stable	AA/ Stable	AA/ Stable
	Brickworks Ratings	AA/Stable	AA/ Stable	AA/ Stable	-	-
Fixed deposit	CARE Ratings	-	-	AA/ Stable	AA/ Stable	AA/ Stable
	CRISIL Ratings	FAA-/Stable	FAA-/Stable	-	-	-
Short-term — Commercial paper	CRISIL Ratings	A1+	A1+	A1+	-	-
	ICRA Ratings	A1+	A1+	A1+	A1+	A1+
Short-term issuer	India Ratings	A1+	A1+	-	-	-