	As of				
	March 31, 2021	**March 31, 2022**	**March 31, 2023**	**December 31, 2022**	**December 31, 2023**
CRWAR* (%)(1)	44.1%	45.4%	42.7%	44.9%	39.7%
CRWAR - Tier I capital (%)(2)	42.6%	44.2%	41.7%	43.9%	38.9%
CRWAR - Tier II capital (%)(3)	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 to Risk Weighted Asset Ratio) % = Tier 1 Capital and Tier II Capital/ Risk Weighted Assets
(2) CRWAR (Capital to Risk Weighted Asset Ratio) – Tier I Capital % = Tier 1 Capital / Risk Weighted Assets
(3) CRWAR (Capital to Risk Weighted Asset Ratio) – Tier II Capital % = Tier II Capital / Risk Weighted Assets
** On standalone basis*

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to various types of market risks during the normal course of business such as liquidity risk, credit risk and interest rate risk.

Liquidity risk

Liquidity risk is the current and prospective risk arising out of an inability to meet financial commitments as they fall due, through available cash flows or through the sale of assets at fair market value. It includes both the risk of unexpected increases in the cost of funding an asset portfolio at appropriate maturities and the risk of being unable to liquidate a position in a timely manner at a reasonable price.

We manage liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of committed credit lines. Given the need to fund diverse products, we maintain flexibility in funding by maintaining availability under committed credit lines to meet obligations when due. We regularly monitor the position of cash and cash equivalents vis-à-vis projections. We also consider the maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of balance sheet liquidity ratios while reviewing the liquidity position.

We manage our liquidity risk in accordance with our Asset Liability Management Policy. This policy is framed as per the current regulatory guidelines and is approved by the Board of Directors. We periodically review the asset liability management policy to incorporate changes as required by regulatory stipulation or to realign the policy with changes in the economic landscape. Our Asset Liability Committee formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the Asset Liability Management Policy.

Interest risk

Our core business is providing housing and other mortgage loans. We borrow through various financial instruments to finance our core lending activity. These activities expose us to interest rate risk.

We measure interest rate risk through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, we also measure exposure to fluctuations in interest rates by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of balance sheet positions. We prepare an interest rate sensitivity gap report by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioral maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. We monitor the interest rate risk through these measures on a quarterly basis. The following table shows the split of our assets and borrowings in terms of interest basis (i.e., fixed or floating rate) as of December 31, 2023:

Type	Gross AUM	Borrowings
Fixed	17.0%	21.4%
Floating	83.0%	78.6%

Credit risk

Credit risk is the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any contract, principally the failure to make required payments of amounts due to us. In our lending operations, we are principally exposed to credit risk. The credit risk is governed by the Credit Policy approved by the Board of Directors. The Credit Policy outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits.