

YIELDS, SPREADS AND MARGINS

The following table sets forth, as of and for the periods indicated, our yields, spreads and interest margins:

(₹ in million, except percentages)

	As of/for the				
	FY 2021	FY 2022	FY 2023	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Interest income ⁽¹⁾	14,269.4	15,382.9	17,762.8	12,995.5	16,733.2
Finance cost ⁽²⁾	8,159.7	7,612.0	7,991.9	5,857.3	7,248.1
Total Interest-earning assets ⁽³⁾	126,970.8	138,347.9	161,568.0	154,553.2	175,703.2
Average interest-earning assets ⁽⁴⁾	121,874.9	132,659.4	149,958.1	146,450.6	168,635.6
Average Total Assets ⁽⁵⁾	129,983.8	140,030.7	154,968.4	151,337.4	173,267.2
Average interest-bearing liabilities ⁽⁶⁾	100,089.1	105,245.3	114,140.2	111,950.3	126,405.2
Total Income ⁽⁷⁾	15,755.5	17,285.6	20,435.2	14,882.1	18,951.7
Net interest income ⁽⁸⁾	7,595.8	9,673.6	12,443.3	9,024.8	11,703.6
Average yield on Loan Book ⁽⁹⁾	13.2%	12.8%	12.8%	12.8%*	14.0%*
Average cost of borrowings ⁽¹⁰⁾	8.2%	7.2%	7.0%	7.0%*	7.6%*
Spread ⁽¹¹⁾	5.0%	5.6%	5.8%	5.8%*	6.4%*
Net Interest Margin (%) ⁽¹²⁾	5.8%	6.9%	8.0%	8.0%*	9.0%*
Average yield on disbursements ⁽¹³⁾	13.3%	13.2%	13.6%	13.6%*	13.9%*
Incremental cost of borrowings (%) ⁽¹⁴⁾	6.8%	5.9%	7.1%	6.7%	7.9%
Incremental borrowings ⁽¹⁵⁾	36,510.0	38,340.0	39,020.0	25,660.0	35,900.0

Figures disclosed in the above table, except "Finance cost" are not measures of financial position, operating performance or liquidity defined by generally accepted accounting principles and may not be comparable to similarly titled measures presented by other companies. For reconciliation of non-GAAP measures, see "– Non-GAAP Reconciliations" on page 234.

- (1) Interest income:- Represents our interest income for the relevant year or period.
- (2) Finance Cost:- Represents our finance cost for the relevant year or period.
- (3) Total interest-earning assets:- Represents housing and other loans; balances with banks in deposit accounts with original maturity of less than three months; balances with banks in other deposit accounts with an original maturity of more than three months; fixed deposits with banks; and investment in bonds as of the last day of the previous year or period.
- (4) Average interest-earning assets:- Represent the simple average of total interest-earning assets as of the last day of the relevant year or period and total interest-earning assets outstanding as of the last day of the previous year or period.
- (5) Average Total Assets:- Represents the simple average of total assets outstanding as of the last day of the relevant year or period and total assets outstanding as of the last day of the previous year or period.
- (6) Average interest-bearing liabilities:- Represents the simple average of our total interest-bearing liabilities (which comprises Total Borrowings) outstanding as of the last day of the relevant year or period and our total interest-bearing liabilities outstanding as of the last day of the previous year or period.
- (7) Total Income:- Represents our total income for the relevant year or period.
- (8) Net Interest Income or "NII":- Represents total income less finance costs, for the relevant year or period.
- (9) Average Yield on Gross Loan Book:- Represents the ratio of interest income for a year or period to the average Gross Loan Book for the year or period. Gross Loan Book represents housing and other loans. Gross Loan Book is the simple average of our Loan Book outstanding as of the last day of the relevant year or period and our Loan Book outstanding as of the last day of the previous year or period.
- (10) Average cost of borrowing:- Represents finance cost for the relevant year or period as a percentage of Average Borrowings in such year or period. Average Borrowings is the simple average of our Total Borrowings outstanding as of the last day of the relevant year or period and our Total Borrowings outstanding as of the last day of the previous year or period.
- (11) Spread:- Represents average yield on Gross Loan Book less average cost of borrowings.
- (12) Net Interest Margin:- Represents the ratio of our total income for a year or period, less finance costs for the year or period to the Average Total Assets for the year or period.
- (13) Average yield on Disbursements:- Represents weighted average yield on Disbursement, weights being sanctioned amount of each loan disbursed during the year or period.
- (14) Incremental cost of borrowings:- Represents weighted average rate of interest on fresh borrowings in the relevant year or period.
- (15) Incremental Borrowings:- Represents fresh borrowings during the year or period.

* These financial data have been presented on an annualized basis in the following manner: reported figure multiplied by number of days in a FY divided by number of days in a year. The calculation does not take into account seasonality factors or any other factors which could impact period-on-period variations and may not reflect our actual performance for FY2023 and FY2024. The presentation of annualized financial data has limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of our operating results. Annualized financial data are not standard measures under the Ind AS and should not be considered in isolation or construed as alternatives to net income/loss, cash flow or any other measure of financial performance or as indicators of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. Annualized financial data presented herein may not be comparable to similarly titled measures presented by other companies.

ASSET QUALITY

Total Loan Book (Housing and other property loans and Loans to developers)

(₹ in million)

	As of				
	March 31, 2021	March 31, 2022	March 31, 2023	December 31, 2022	December 31, 2023
Gross loan balances					
Stage 1 Assets	99,848.4	112,973.0	132,943.9	127,869.5	152,811.7
Stage 2 Assets	6,848.6	6,512.0	5,805.7	5,742.8	6,143.3