

	Gross AUM					Borrowing				
	March 31,			December 31,		March 31,			December 31,	
	2021	2022	2023	2022	2023	2021	2022	2023	2022	2023
Fixed	8.8%	13.4%	14.8%	16.2%	17.0%	27.3%	25.9%	24.7%	25.4%	21.4%
Floating	91.2%	86.4%	85.2%	83.8%	83.0%	72.7%	74.1%	75.3%	74.6%	78.6%

Similarly, competition pressures may require us to reduce our cost of lending to our customers without a proportionate reduction in our cost of borrowing from our lenders. Further, if we do not pass on the reduced interest rates to our borrowers, it may result in some of the borrowers prepaying the loan to take advantage of the reduced interest rate environment, thereby impacting our growth and profitability. If interest rates rise, some or all of our lenders may increase the interest rates at which we borrow resulting in an increase in our effective cost of funds. We may or may not be able to pass on the increased interest rates to our borrowers simultaneously with the increase in our borrowing rates, or at all, thereby affecting our net interest income and we may find it difficult to compete with our competitors, who may have access to low-cost funds or lower cost deposits. Additionally, an increase in interest rates may result in some of our borrowers prepaying their loans by arranging funds from other less expensive sources, thereby impacting our growth and profitability. For further details, see “- *The Indian housing finance industry is highly competitive and if we are not able to compete effectively, it could adversely affect our business and results of operations.*” on page 50.

Further, an increase in general interest rates in the economy could reduce the overall demand for housing finance and impact our growth. While there has been no such instance in FY2021, FY2022 and FY2023 and nine months ended December 31, 2023, which have had a material adverse impact on our growth, we cannot assure you that we will be able to adequately manage our interest rate risk in the future, and if we are unable to do so, this could have an adverse effect on our net interest income, which could in turn have a material adverse effect on our business, results of operations, cash flows and financial condition.

8. *Our indebtedness and conditions and restrictions imposed by our financing arrangements could adversely affect our ability to conduct our business and operations.*

The following table sets forth details of our total borrowings as of March 31, 2021, 2022 and 2023 and December 31, 2022 and December 31, 2023:

	As of				
	March 31, 2021	March 31, 2022	March 31, 2023	December 31, 2022	December 31, 2023
Debt Securities	21,403.1	17,642.9	25,421.3	23,594.4	23,417.4
Borrowings (other than debt securities)	81,104.1	88,189.7	95,427.3	92,870.3	107,245.7
Banks	64,123.2	63,586.0	65,406.7	64,837.2	71,413.9
NHB	16,980.9	23,853.7	30,020.6	28,033.1	35,831.5
Cash Credit/Overdraft	-	750.0	-	-	0.3
Deposits	405.6	79.9	31.2	35.2	16.8
Subordinated Liabilities	831.9	833.4	654.7	654.8	596.0
Total borrowings (as per balance sheet)	103,744.7	106,745.9	121,534.5	117,154.7	131,275.9

We have entered into agreements with certain banks and financial institutions for short-term and long-term borrowings. Some of our agreements require us to obtain consent from our lenders for undertaking various actions, including, for example:

- Entering into any schemes of mergers, amalgamations, compromise or reconstruction;
- Disposal of our Promoter's shareholding in the Company including effecting any change in the management control of the company involving transfer of ownership;
- Entering into any borrowing arrangement with any bank, financial institution, company or person or otherwise accepting deposits which increase the indebtedness of the company beyond the permitted limits as per sanction terms;
- Effecting any change in our capital structure, including fundraising in the capital market either in the form of debt or equity, pledging our Promoter's shareholding;
- Changing the substantial nature of the business of our Company;
- Undergoing any material change in our management or business;
- Initiating any amendments to our Memorandum or Articles of Association;