

August 29, 2025

To,
The Manager,
National Stock Exchange of India Limited ('NSE'),
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra(E),
Mumbai-400051.

Dear Madam/Sir,

Sub: Submission of Annual Report of the Company.

Pursuant to Regulation 53(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2024-25.

You are requested to kindly take the above on record.

Thank you.

Yours Sincerely,

For Toyota Financial Services India Limited

Rajat Ilkal
Company Secretary & Compliance Officer
ICSI Membership No.: A69311

Enclosed: As above



**FOURTEENTH ANNUAL REPORT
2024-25**

**CORPORATE INFORMATION:**

CIN: U74900KA2011FLC058752

REGISTERED OFFICE ADDRESS:

Toyota Financial Services India Limited
7th Floor, Tower - C, Sattva Global City,
Mysuru Road, Kengeri,
Bengaluru-560059.

STATUTORY AUDITORS FOR FY 2024-25:

M/s. Price Waterhouse LLP
Chartered Accountants
(ICAI firm registration number -301112E/E300264)
NESCO IT Park, Gate No. 3, Western Express Highway,
Goregaon East, Mumbai-400063 (Maharashtra).

SECRETARIAL AUDITORS:

M/s. V Sreedharan and Associates
Practicing Company Secretaries,
No. 293, 3rd Floor, 10th Main Road, 3rd Block,
Jayanagar, Bengaluru-560011 (Karnataka).

INTERNAL AUDITORS:

Mr. A P Alagarsamy
Internal Auditor (In house)

DEBENTURE TRUSTEE:

M/s. Vistra ITCL (India) Limited
IL & FS Financial Centre,
Plot No. C-22, G Block Bandra,
Kurla Complex, Bandra (East),
Mumbai-400051 (Maharashtra).

CHIEF FINANCIAL OFFICER:

Mr. Surya Narayan Patro

COMPANY SECRETARY & COMPLIANCE OFFICER:

Mr. Rajat Ilkal
ICSI Membership Number: A69311

**REGISTRAR & TRANSFER AGENT:
(For Non-Convertible Securities)**

M/s. KFin Technologies Limited
Karvy Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad-500032 (Telangana).

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BOARD'S REPORT

Dear Members,

Your Board of Directors is pleased to present the performance and affairs of your Company for the Financial Year (FY) ended March 31, 2025.

Report on the Performance and Financial Position:

Your Company's financial summary for FY ended March 31, 2025, is provided below:

(Amount in INR Million)

Particulars	FY ended March 31, 2025	FY ended March 31, 2024
Total Income	15,252.72	10,481.06
Total Expenditure (excluding depreciation)	14,839.82	9,500.31
Profit / (Loss) Before Depreciation & Tax	412.90	980.75
Less: Depreciation	265.76	230.36
Profit / (Loss) before tax	147.14	750.39
Less: Tax Expense	71.33	203.52
Profit / (Loss) after tax	75.81	546.87
Other comprehensive (Loss)/income (net of tax)	-5.69	-1.60
Total comprehensive income after tax	70.12	545.27
Appropriations from profit after tax	-	-
Transfer to Special Reserve under section 45-IC of the Reserve Bank of India Act, 1934	15.16	109.37
Balance carried forward to Balance Sheet	54.96	435.90

Your Company's financial and operational performance for the reporting period has been discussed in the Management Discussion and Analysis (MDA) Report, which forms part of this Report and is annexed as Annexure 1.

Share Capital:

Your Company reported the following changes in its Equity Share Capital during the reporting period:

(Amount in INR Million)

Sl. No.	Type of Equity Share Capital	Equity Share Capital as on March 31, 2024	Increase during the year	Equity Share Capital as on March 31, 2025
1.	Authorized Share Capital	13,581.47	10,527.95	24,109.42
2.	Issued, Subscribed and Paid-Up Share Capital	13,581.47	2,980.07	16,561.54

Note: Your Company has only one class of shares, i.e., Equity Shares with face value of INR 10 each.

Amount carried to Reserves:

The Statutory Reserve represents the reserve fund created in accordance with Section 45-IC of the Reserve Bank of India Act, 1934 (the RBI Act). As per the requirements of Section 45-IC, the Company is mandated to transfer not less than 20% of its net profits each year to this reserve. Utilization of the Statutory Reserve is permitted only for such purposes as may be specified by the Reserve Bank of India (RBI) from time to time. Your Company has transferred INR 15.16 Million from the surplus of profits to the Statutory Reserve for FY 2024-25, in compliance with Section 45-IC of the RBI Act.

Dividends:

Your Board of Directors has not recommended any dividend for FY 2024-25, in alignment with the Company's strategic focus on business expansion and long-term growth.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund:

Your Company was not required to transfer any amount to the Investor Education and Protection Fund during the reporting period, as there is no unpaid or unclaimed dividend.

Material changes affecting the Financial Position:

Your Company confirms that no material changes or commitments have occurred, which would affect its financial position, between the close of FY ended March 31, 2025, and the date of this Report.

Change in nature of the Business (if any):

Your Company continued to carry on its core business activities vehicle financing, dealer financing, and vehicle leasing during the reporting period, with no change in the nature of its operations.

Details of Board/Committee(s) Composition, Meeting etc.:

Your Company has provided details regarding the meetings of the Board of Directors and its Committees, as well as the appointments and resignations of Directors and Key Managerial Personnel during FY, in the Corporate Governance Report, which forms part of this Report and is annexed as Annexure 2.

Additionally, a statement outlining the Board of Directors' opinion on the integrity, expertise, and experience including the proficiency of the Independent Directors appointed during the reporting period is also provided in the Corporate Governance Report, which forms part of this Report and is annexed as Annexure 2.

Directors' Responsibility Statement as per Section 134(3)(C):

Your Directors, in compliance with Section 134(3)(c) of the Companies Act, 2013 (the Act), confirm and state as follows:

- a. That in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b. That your Directors have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period under review.
- c. That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. That the annual financial statements have been prepared on a going concern basis.
- e. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. That your Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such a system was adequate and operating effectively.

Details of Appointment of Women Director:

Your Company, in compliance with Section 149(1) of the Act, has appointed Ms. Rajni Anil Mishra as the Women Independent Director on the Board of the Company following the retirement of Ms. Sunita Rajiv Handa.

Details of appointment of Independent Director(s) and Declaration given by Independent Director(s), Meeting of the Independent Directors and Familiarization Program:

The details are included in the Corporate Governance Report, which forms part of this Report and the same is annexed as Annexure 2.

Company's Policy on Director's Appointment and Remuneration:

Your Company, in compliance with the provisions of Section 178(3) of the Act, has formulated a policy governing the appointment, reappointment, and evaluation of Directors. This policy outlines the criteria to be adhered to for selection and continued engagement of individuals on the Board and also provides a framework for the performance evaluation of each Director as well as the Board collectively. Some of the key criteria stipulated under this policy for the appointment and continuation of Directors include:

- a. Directors appointed to the Board must meet the 'Fit and Proper' criteria, as prescribed by RBI.
- b. Director must submit a declaration in the format prescribed by RBI:
 - At the time of appointment
 - Annually thereafter
 - Whenever there is any change in previously declared information
- c. The Nomination and Remuneration Committee may request additional information, if deemed necessary, to complete the due diligence process.
- d. Director must possess relevant qualifications, expertise, or a proven track record in areas such as Finance, Law, Management, Sales, Marketing, Administration, Research, Corporate Governance, Technical Operations, or other disciplines related to the Company's business.
- e. Director uphold the highest standards of personal and professional ethics, integrity, and values.
- f. Director must be willing and able to devote sufficient time and energy in carrying out their duties and responsibilities.
- g. Director must enter into a deed of covenant with the Company in the format prescribed by RBI.

Your Company's policy provides additional criteria for appointment of Independent Directors to ensure an Independent Director meet all criteria of independence specified in Section 149(7) of the Act and the rules made thereunder.

Your Company has provided details of the formal annual evaluation carried out by the Board of Directors, covering its own performance, that of its Committees, and individual Directors, in the Corporate Governance Report, which forms part of this Report and the same is annexed as Annexure 2.

Compensation Policy:

Your Company has a Board of Directors' approved Compensation Policy in accordance with the circular issued by RBI. The Policy outlines the framework for determining the compensation payable to Key Managerial Personnel (KMP) and Senior Management (SM), ensuring alignment with the organization's risk profile and the overall performance of employees.

Details of Remuneration of the Directors and KMPs:

Your Company has provided the details of remuneration paid to its Directors and KMPs for FY 2024-25 in the Corporate Governance Report, which forms part of this Report and the same is enclosed as Annexure 2.

Code of Conduct:

Your Company has adopted a Board approved Code of Conduct applicable to all Directors and SM. The Code serves as a guiding framework for ethical and professional behavior and is available on the Company's website at <https://www.toyotafinance.co.in/downloads/code-of-conduct-for-directors-and-sr-management.pdf>.



Your Company confirms that all Directors and SM personnel have affirmed compliance with the Code of Conduct approved and adopted by the Board of Directors. They have also declared that they have not entered into any material financial or commercial transactions that could have a potential conflict of interest with the Company. A declaration to this effect, duly signed by the Managing Director and Chief Executive Officer (MD & CEO), is annexed to this Report as Annexure 3.

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification:

Your Company has enclosed the certification issued jointly by CEO and CFO, in accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations). This certification forms part of the Report and is annexed as Annexure 4.

Subsidiary Companies:

Your Company does not have any subsidiary, joint venture, or associate company.

Deposits:

Your Company, being a Non-Deposit Accepting Non-Banking Financial Company (NBFC), is not required to comply with the provisions of Chapter V of the Act, relating to acceptance of public deposits. Accordingly, the disclosure regarding deposits is not applicable.

Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013:

Your Company, being NBFC registered with RBI, the loan made, guarantee given or security provided are in the ordinary course of its business. In accordance with the exemption provided under Section 186(11)(a) of the Act, read with the Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, such activities are not subject to the provisions of Section 186 of the Act, except sub-section (1). Accordingly, the particulars of loans have not been disclosed in this Report.

Related Party Transactions:

Your Company has disclosed contracts/arrangements with related parties under Section 188(1) of the Act, in Form AOC-2, annexed as Annexure 5. Moreover, your Company has disclosed the details of Related Party Transactions in the Annual Audited Financial Statements, which form part of the Annual Report.

Your Company continues to place all Related Party Transactions before the Audit Committee for prior approval, in accordance with the Policy on Related Party Transactions approved by the Board of Directors. The details of such transactions are disclosed along with the Financial Statements for the reporting year. The adopted Policy on Related Party Transactions is available on the Company's website at <https://www.toyotafinance.co.in/downloads/policy-related-party-transactions.pdf>.

Further, there is no transaction or pecuniary relationship with the Non-Executive Directors other than those disclosed in this Report.

Annual Return:

Your Company, in compliance with Section 92(3) and Section 134(3)(a) of the Act, and Regulation 62(1)(k) of the SEBI LODR Regulations, will place a copy of the Annual Return as on March 31, 2025, on its website at [https:// www.toyotafinance.co.in/investors/disclosure-under-regulation-62-of-the-lodr.html#Annual-Return](https://www.toyotafinance.co.in/investors/disclosure-under-regulation-62-of-the-lodr.html#Annual-Return).

Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo:

a. Conservation of Energy:

Your Company is not engaged in an energy-intensive industry and does not operate any manufacturing facilities. Accordingly, the particulars prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014, are not applicable and hence have not been provided in this Report. However, your Company continues to take appropriate measures to conserve energy and enhance energy efficiency across its infrastructure.

b. Technology absorption:

Your Company has been a pioneer in adopting advanced information technology and innovative tools to elevate the customer experience. By digitizing key business processes, it is streamlining operations and saving valuable time for customer. The integration of digital channels has further enhanced communication, fostering stronger engagement and improved service delivery.

c. Foreign Exchange Earnings and Outgo:

(Amount in INR Million)

Foreign Exchange Earnings	Foreign Exchange Outgo (Expenditure in foreign currency)
0.00	288.35

Details of Risk Management Policy as per Section 134(3)(n) of the Companies Act, 2013:

Your Company considers Risk Management to be an essential component of its business strategy and decision-making framework. The approach and key elements of Risk Management are discussed in detail in the MDA Report, which forms part of this Report and is annexed as Annexure 1.

Corporate Social Responsibility (CSR):

Your Company has duly constituted CSR Committee in accordance with the provisions of Section 135(1) of the Act. The present Members of the CSR Committee are Mr. P B Venugopal, Ms. Rajni Anil Mishra, and Mr. Venkatraman Prakash. A CSR Policy has been formulated and adopted in compliance with the applicable provisions of the Act.

During FY, an amount of INR 24.33 Million was budgeted towards ongoing CSR projects. Against this, your Company has spent INR 0.20 Million on activities as detailed in Annexure 6.

Details of Significant and Material Orders passed by the Regulators or Courts or Tribunals:

Your Company has not received any significant or material orders from Regulators, Courts, or Tribunals that would adversely impact its going concern status or future operations during the reporting period.

Disclosure under the Sexual Harassment of the Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has a Policy on Prevention of Workplace Harassment in alignment with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been duly constituted to address any complaints pertaining to sexual harassment in the workplace. The details of complaints received and resolved during FY 2024-25 are as follows:

Sl. No.	Particulars	Number of Complaints
a.	Number of complaints of sexual harassment received in the year	1
b.	Number of complaints disposed-off during the year	1
c.	Number of cases pending for more than ninety days	0

Statement on Maternity Benefit Compliance:

Your Company has complied with the applicable provisions of the Maternity Benefit Act, 1961, during the reporting period.

Number of Employees in the Company as on March 31, 2025:

The details of number of employees as on March 31, 2025, is as under:

Female	Male	Transgender	Total
97	668	0	765

Details of Vigil Mechanism:

Your Company has formulated and implemented a Whistle Blower Policy and an Anti-Bribery Policy to promote ethical conduct and transparency. The Company regularly organizes workshops and training sessions to raise awareness and educate employees about these policies. During FY 2024-25, 2 (Two) incidents were reported under the said policies and were addressed as per established procedures. The Whistle Blower Policy is accessible on the Company's website at <https://www.toyotafinance.co.in/downloads/whistle-blower-policy.pdf>.

Statutory Auditors:

M/s. Price Waterhouse LLP, Chartered Accountants (Firm Registration No. 301112E/E300264), were appointed as Statutory Auditors of the Company for a period of 3 (Three) years at the 13th (Thirteenth) Annual General Meeting of the Company held on September 13, 2024.

M/s. Price Waterhouse LLP has submitted its resignation as the Statutory Auditor of the Company, effective August 07, 2025 (close of business hours). The Audit Committee and Board of Directors took note of this resignation at the respective Meetings held on August 07, 2025. Further, the details of the proposed Joint Statutory Auditors are provided in the Notice of the 14th (Fourteenth) Annual General Meeting which forms part of this Report.

Statutory Auditors Report & Audit Observation:

The Statutory Auditors Report for FY 2024-25 is self-explanatory and does not contain any qualifications, reservations, or adverse remarks. Your Company confirms that the Financial Statements for the said FY have received an unmodified audit opinion. Further, the internal financial controls of your Company with reference to the Financial Statements have been found adequate and operating effectively.

Appointment of Secretarial Auditor and their Report:

Your Company, pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has appointed M/s. V Sreedharan and Associates, Practicing Company Secretaries, to carry out the Secretarial Audit for FY 2024-25. The Secretarial Auditors have conducted the audit and submitted their report in Form MR-3, which is annexed to this Report as Annexure 7.

The observations made by the Secretarial Auditors in their Report are set out below:

National Stock Exchange of India Limited levied a fine of INR 10,000/- (with applicable taxes) for the following two incidents:

- a. Shortfall of one working day in the intimation of the record date for the payment of interest of Non-Convertible Debentures (NCDs), ISIN: INE692Q07423 in the month of July 2024.

- b. Incorrect intimation of the record date for interest payment on NCDs (ISIN: INE692Q07449) in the month of September 2024. Subsequently, the Company has ensured compliance with the provisions of Regulation 60(2) of SEBI LODR Regulations, by submitting the revised intimation within the prescribed timeframe.

Your Company duly remitted the fine amounts on September 12, 2024, and November 11, 2024, respectively. In accordance with the Board of Directors' direction, appropriate steps have been taken to strengthen its processes and prevent inadvertent delays.

Cost Records:

Your Company is not required to maintain cost records or conduct a cost audit under Section 148 of the Act, as the said provisions are not applicable.

RBI Guidelines:

Your Company is registered with RBI as Non-Deposit Accepting NBFC under Section 45-IA of the RBI Act. The Board of Directors hereby reports that the Company has not accepted any public deposits during reporting period, nor were any public deposits outstanding as on the balance sheet date. Further, pursuant to the Master Direction – Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023, dated October 19, 2023, Your Company has been classified as an NBFC-Middle Layer.

Credit Rating:

Your Company's credit rating continues to remain at AAA (Stable) for the long-term instruments and A1+ for the short-term instruments as rated by both CRISIL Limited and ICRA Limited.

General Disclosures:

Your Board of Directors state that none of the following events took place during FY 2024-25:

- a. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b. Issue of sweat equity shares.
- c. Disclosures required under Section 67 of the Act.

Investors Complaint:

Your Company is registered on the SEBI Complaints Redressal System (SCORES) platform for effective handling of investor grievances and Online Dispute Resolution platform. Your Company has not received any complaints through SCORES, email, or other channels during the reporting period.

Mr. Hemant Rastogi, Chief Treasury Officer, is the designated officer responsible for overseeing investor grievance redressal and ensuring compliance with SEBI's guidelines. Your Company remains committed to maintaining transparency, responsiveness, and timely resolution of investor concerns.

Nodal Officer under the Companies (Management and Administration) Second Amendment Rules, 2023:

Your Company, in accordance with Rule 9(4) of the Companies (Management and Administration) Second Amendment Rules, 2023, has designated Mr. Rajat Ilkal, Company Secretary and Compliance Officer, as the Designated Officer responsible for furnishing and extending co-operation in providing information to the Registrar of Companies or any other authorized officer with respect to beneficial interest in shares of the Company.

Secretarial Standards:

Your Company has complied with the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India.

Reporting of fraud by Auditors of the Company under section 143(12) of the Companies Act, 2013:

Your Company confirms that no fraud was reported by the Auditors to the Audit Committee or the Board of Directors under the Act during the reporting period.

Penalties/Punishment/Compounding of Offences under the Companies Act, 2013:

Your Company confirms that there were no penalties, punishments, or compounding of offences under the Act during the reporting period.

Breach of Covenant:

Your Company has not received any notice from any lenders or investors for breach of covenants of loan or debt securities issued during the reporting period.

Corporate Governance Report:

The Corporate Governance Report forming part of this Report is annexed as Annexure 2.

Insolvency and Bankruptcy Code, 2016:

Your Company confirms that there were no proceedings initiated or pending against it under the Insolvency and Bankruptcy Code, 2016, during the reporting period.

Valuation Requirements for One-Time Settlement or Loans:

Your Company did not undertake any one-time settlement during the reporting period. Accordingly, the disclosure regarding the difference in valuation amounts at the time of one-time settlement and while availing loans from Banks or Financial Institutions is not applicable.

Acknowledgement:

Your Board of Directors places on record their sincere appreciation and gratitude to RBI, SEBI, IRDAI, MCA and ROC and other government and regulatory authorities for their continued co-operation, support and guidance. Your Board of Directors would like to take this opportunity to express their sincere gratitude to all the customers, members, employees, bankers and dealers for reposing their trust, commitment, loyalty and confidence in the Company. Your Directors express their gratitude for the advice, guidance and assistance received from time to time, from the auditors and statutory authorities.

For Toyota Financial Services India Limited

Sd/-

Venkatraman Prakash
Chairperson & Independent Director
DIN: 00102091

Date: August 07, 2025
Place: Bengaluru, India

For Toyota Financial Services India Limited

Sd/-

P B Venugopal
Managing Director & Chief Executive Officer
DIN: 10387035

Date: August 07, 2025
Place: Bengaluru, India

MANAGEMENT DISCUSSION AND ANALYSIS

State of Company:

Your Company is incorporated on May 20, 2011, is a wholly owned subsidiary of Toyota Financial Services Corporation, Japan, which in turn is part of Toyota Motor Corporation, Japan. Headquartered in Bengaluru, Karnataka, your Company is a Systemically Important, Non-Deposit taking Non-Banking Financial Company (NBFC) regulated by the Reserve Bank of India (RBI). Your Company is categorized under the Middle Layer of RBI Scale Based Regulations. Your company is a captive finance entity within the Toyota Group, primarily focused on offering financial products and mobility solutions to Toyota dealers and customers. In addition, it provides retail auto financing loans to Maruti Suzuki India Limited (MSIL) customers and those purchasing used vehicles. The company is also actively involved in vehicle leasing operations.

Your Company continues to prioritize customer ease by offering wide range of auto loan products/schemes such as Smart Finance (low monthly installments with a final balloon payment), Flexi Finance (low monthly installments paired with large annual payments), Easy Finance (instalments that increase annually), and Classic Finance (standard equal monthly payments). Your Company continues to assist its dealer network in enhancing customer satisfaction by integrating value-added products into financing packages. These include Toyota Genuine Accessories, insurance products, car care products and extended warranties, which are offered alongside vehicle loans to improve accessibility and convenience for customers.

Your Company's growth trajectory is backed by its strong credit framework, varied product suite, and expansion into high-potential segments like used vehicle financing. Financial products are delivered by trained personnel located at Toyota dealership outlets, enabling quicker and smoother loan processing for customers. In FY 2024–25, your Company expanded its footprint to 57 additional locations and launched tailored financing programs for rural and semi-urban markets. Investments in automation and digital technology continue to optimize operational efficiency especially in customer onboarding and credit evaluation resulting in lower Turn Around Time (TAT) and higher customer satisfaction. These initiatives affirm your Company's mission to evolve into a digitally empowered, customer-focused institution.

Your Company is steadily scaling its Leasing & Mobility solution offerings under the brand name KiNTO. Through KiNTO India's dedicated digital platform, customers can select their preferred Toyota vehicle and receive seamless leasing approvals through digital journey.

Your Company remained focused on expanding both its geographic footprint and digital capabilities by investing in fintech-driven solutions aimed at delivering enhanced Toyota experience to a broader customer base. As of March 2025, your Company operates through 341 outlets, covering approximately 94% of Toyota's total sales in India. During FY 2024-25, your Company disbursed 57,216 contracts for new Toyota vehicles, representing 18.8% of Toyota sales nationwide. The auto loan portfolio includes 182,876 active contracts as of March 2025.

Your Company continues to scale its used vehicle financing operations by actively leveraging the Toyota U-Trust network, currently present across 132 dealerships, as well as the reach of Toyota Mobility Solutions and Services India Private Limited. This strategic development is supported by the introduction of segment-specific products and strengthened distribution frameworks tailored to shifting consumer trends.



Your Company, under the Lexus Financial Services brand, continues to deliver best-in-class financial products and services tailored to the needs of Lexus customers in India.

Your Company's inventory and term loan offerings play a pivotal role in supporting Toyota dealerships' financing requirements across new car sales, used car inventory, spare parts, and facility expansion. With Toyota Kirloskar Motor Private Limited (TKM) preparing for accelerated growth through vehicle innovations and dealership network extension. Your Company is strategically placed to explore the evolving landscape of inventory finance, recognizing that the sustainability of its portfolio depends on effective risk governance and consistent profitability measures in a rapidly shifting automotive environment.

Your Company maintains a strong outlook for its retail business, driven by ongoing initiatives in process digitization, workforce productivity enhancement, network expansion, and deeper collaboration. These efforts are expected to significantly improve market penetration and operational efficiency.

Results of Operations:

Your Company reported outstanding gross loans and advances of INR 187,602 Million as of March 2025, reflecting a growth of approximately 38% over the previous FY's figure of INR 135,873 Million. Revenue from operations stood at INR 15,233 Million, primarily comprising interest and fee income, compared to INR 10,460 Million in the previous FY. Finance cost increased to INR 10,268 Million from INR 6,684 Million. Net Interest Income expanded by INR 1,187 Million over the previous FY. Operational expenses—including provisions for asset impairment, loss on sale/write-off of bad debts, employee benefits, depreciation, and other costs—were INR 4,837 Million, up from INR 3,047 Million. Despite operational growth, Profit After Tax declined from INR 547 Million to INR 76 Million, primarily due to contraction in net interest margin and elevated credit costs.

Portfolio Quality:

Your Company reduced its gross Non-Performing Assets (NPA) to 2.96% as of March 2025, down from 3.00% in March 2024, reflecting improved asset quality through collection and delinquency management initiatives and achieved a decline in the net NPA ratio to 1.31% for FY 2024-25, compared to 1.34% in the previous FY, after accounting for credit loss provisions.

Your Company maintains a robust repayment monitoring framework for delinquent customers and employs tailored collection strategies through its call center and multiple field collection agencies operating nationwide and also continues to augment its recovery infrastructure by expanding outreach and optimizing loan recovery processes to enhance overall collection efficacy.

Your Company adheres to the Indian Accounting Standards (Ind AS 109) – Financial Instruments, making impairment provisions on outstanding loan assets in accordance with the Expected Credit Loss (ECL) methodology, while also ensuring timely compliance with all relevant guidance, clarifications, and directions issued by RBI in this regard, as and when applicable.

Global Economic Outlook:

At the global level, economic growth has remained steady and moderate, supported by continued monetary easing and inflation aligning with targets across both advanced and emerging economies. However, the outlook for sustained global development remains challenged by heightened policy uncertainties, climate change induced natural disasters, and shifting trade dynamics.

Tariff-related pressures and a slower pace of disinflation have kept financial markets cautious. Emerging market economies display mixed growth patterns amid currency depreciation and Foreign Portfolio Investor (FPI) driven sell-offs. While domestic demand in China remains subdued, growth is expected to moderate across East Asia, the Pacific, Europe, and Central Asia. In contrast, domestic consumption is anticipated to fuel economic expansion across Latin America, the Caribbean, the Middle East, North Africa, South Asia, and Sub-Saharan Africa.

Global inflation has continued to ease, aided by declining energy and food prices, the lagged impact of prior monetary tightening, and improving supply chain conditions. With labour markets softening and core commodity prices stabilizing, inflation is projected to decline in 2025. Nonetheless, the global political climate presents considerable uncertainty, making a wide range of inflation outcomes plausible.

Monetary easing in the United States of America (USA) has resulted in widening interest rate differentials between advanced and emerging economies. Consequently, net portfolio capital inflows into emerging markets have slowed, while the U.S. dollar has strengthened against emerging market currencies. If sustained, this trend may present inflationary and financial stability risks to these economies. Additionally, rising impaired assets in low-income countries remain a concern, underscoring the need for prudent risk management frameworks and rigorous underwriting standards.

According to projections by the World Bank, global economic growth is expected to stabilize at 2.7% in 2025-26, tempered by ongoing geopolitical tensions, adverse climatic shifts, assertive trade policies, and entrenched inflationary pressures.

Indian Economy:

The Indian economy demonstrated positive momentum during FY, driven by strong performance in agriculture and services on the supply side, and sustained demand from private consumption, core merchandise, and services exports. The Union Government continued to strike a balanced approach between fiscal consolidation, welfare schemes, and economic growth.

Global uncertainties stemming from developments in USA trade policy led to volatility in financial markets, with both emerging market equities and the Indian stock market experiencing a gradual decline, primarily influenced by foreign investor sell-offs. Investor sentiment was further dampened by subdued corporate earnings and elevated valuations.

India's export growth moderated in FY 2024-25, although a resilient services trade surplus helped cushion the impact of slower merchandise export performance. Within the capital account, gross FDI inflows rose year-on-year; however, net Foreign Direct Investment (FDI) declined sharply owing to increased repatriation and outbound investments. Despite continued sell-offs by foreign portfolio investors (FPIs), the Indian rupee remained comparatively stable against peer currencies.

As of March 07, 2025, the Capital-to-Risk Weighted Assets Ratio stood at 16.7%, reflecting strength in banking sector fundamentals. Liquidity conditions remained in deficit from January 2025 through mid-March 2025, before shifting to surplus in April 2025 following regulatory Open Market Operations (OMO) and Variable Rate Repo (VRR) activities. While net interest margins saw some moderation, key profitability indicators such as return on assets (1.4%) and return on equity (14.1%) reached decade highs in H1 FY 2024–25. Asset quality remained sound, with the gross Non-Performing Asset (NPA) ratio of Scheduled Commercial Banks (SCBs) steady at 2.6% as of September 2024, maintaining a 12-year low. NBFCs also exhibited systemic resilience across key performance parameters.

Gross Fixed Capital Formation increased by 9.2% in FY 2023–24, largely supported by investments from the general government and public sector undertakings, while private corporate investment remained cautious amidst global headwinds. Over the three-year period from FY 2021–22 to FY 2023–24, savings and investment as a share of GDP averaged 30.9% and 32.2%, respectively, resulting in a current account deficit of 1.3%. Real GDP growth during this period averaged 8.8%, implying an incremental capital-output ratio of less than 4.

Consumer Price Index (CPI) inflation eased to 3.6% in February 2025, led by a notable decline in food prices. Average inflation during H1 FY 2024-25 was recorded at 4.6%, following a spike to 6.2% in October 2024. Food inflation steadily declined due to falling vegetable and pulse prices, alongside proactive administrative measures by the government. Price volatility was primarily driven by food price movements and base effects. RBI reaffirmed its commitment to achieving inflation of 4.0% on a durable basis and projected CPI inflation at 4.5% for FY 2024–25. During FY, the RBI continued with its stance of ‘withdrawal of accommodation’ and maintained a pause on policy rates.

According to the Second Advance Estimates of National Income for FY 2024-25, real Gross Domestic Product (GDP) is projected to grow by 6.5%, with private final consumption expenditure expected to rise by 7.6%, driven by a recovery in rural demand. As per the RBI’s Monetary Policy Report (April 2025), rising private consumption, upbeat fixed investment activity, revival in government and corporate capital cycles, and healthy balance sheets in both banking and corporate sectors are expected to support real GDP growth of 7.0% in FY 2024-25.

Auto Sector:

In FY 2024–25, total retail vehicle sales rose by 6.46%, reaching 26.1 Million units, compared to 24.5 Million units in the previous FY. Segment-wise, two-wheeler sales registered a growth of 7.71%, three-wheeler sales increased by 4.54%, and Passenger Vehicle (PV) sales grew by 4.87%. Meanwhile, tractor sales declined by 1.04%, and Commercial Vehicle (CV) sales saw a marginal contraction of 0.17%.

A key highlight of FY was the robust performance in rural markets, which significantly outpaced urban segments across multiple categories. Two-wheeler sales in rural areas expanded by 8.39%, surpassing the 6.77% growth recorded in urban markets. The contrast was even more pronounced for three-wheelers, with rural sales increasing by 8.70% compared to just 0.28% growth in urban regions. Similarly, passenger vehicles posted a rural growth rate of 7.93%, nearly double the 3.07% growth observed in cities.

FY 2024-25 Outlook:

Dealers across India remain cautiously optimistic as they look ahead to FY 2025-26, with expectations anchored around upcoming model launches and a resurgence in consumer interest for electric vehicles. However, this optimism is tempered by persistent challenges, particularly in vehicle financing. Tightened credit norms and elevated borrowing costs have emerged as key constraints, prompting stakeholders to advocate for further monetary easing by RBI to support retail demand and improve affordability.

NBFC & Auto Finance Industry:

The country’s leading NBFCs are preparing for another year of muted growth in disbursements and Assets Under Management (AUM), as their core lending segments PVs and CVs are projected to expand at a low single-digit pace during the current FY.

India’s PV segment recorded a modest growth of 4.8% in FY 2024-25, reaching 4.2 Million units, while the CV segment remained flat at 1.01 Million units. According to the Federation of Automobile Dealers Associations (FADA), both segments are expected to maintain subdued growth trajectories in FY 2025-26, constrained by soft consumer demand, inventory overhang, and prevailing macroeconomic headwinds.

Collections:

Your Company undertook a comprehensive review of its collection performance for FY 2024–25, which reflected a combination of operational challenges and proactive strategic efforts to optimize recovery processes. Your Company responded to these challenges by implementing a series of innovative and targeted approaches aimed at strengthening collection efficiency and minimizing delinquency impact. Your Company remained focused on enhancing overall effectiveness through process improvements, outreach expansion, and technological interventions to support its broader asset quality objectives.

Initiatives Implemented by your Company:

Your Company undertook a series of strategic initiatives during FY 2024–25 to strengthen its collection framework and enhance customer engagement:

- Enhanced communication channels by leveraging digital platforms and personalized outreach, enabling more proactive and responsive customer interaction.
- Strategically empanelled new collection and repossession vendors based on the geographic distribution of delinquent accounts, improving regional coverage and operational agility.
- Streamlined payment processes by integrating with the Bharat Bill Payment System (BBPS), allowing customers to make payments seamlessly through any UPI-enabled application.
- Utilized advanced data analytics tools to examine payment behavior, identify friction points, and fine-tune collection strategies for greater effectiveness.
- Fostered cross-functional collaboration between sales and customer service teams to ensure aligned efforts in collections and holistic customer support.
- Proactively tracked regulatory developments and revised internal compliance protocols to meet evolving legal requirements and mitigate compliance-related risks.
- Implemented a Customer Relationship Management (CRM) system to improve customer communication and service efficiency.

Borrowings:

Your Company strategically expanded its borrowing portfolio during FY 2024–25, in alignment with strong disbursement growth and business momentum. The borrowing profile remained well-diversified, with long-term funds raised through domestic Non-Convertible Debentures (NCDs), bank loans, and External Commercial Borrowings (ECBs) from both banks and Group Companies.

Your Company's borrowing portfolio as of March 31, 2025, reflected a well-diversified mix of funding sources, comprising 31% from domestic Non-Convertible Debentures, 10% from Commercial Papers (CPs), 40% from bank loans, 5% from Group External Commercial Borrowings (ECB Loans), and 15% from fully hedged ECB Loans. This strategic blend underscores your Company's continued focus on maintaining a balanced and resilient capital structure.

Your Company continued to maintain an optimal blend of long-term and short-term borrowings to ensure a balanced asset-liability position. Your Company retained its prudent financial posture by prioritizing liquidity risk management throughout FY 2024–25. It consistently maintained adequate cash, cash equivalents, and High-Quality Liquid Assets (HQLA), supplemented by unutilized bank lines to absorb any potential liquidity shocks.

Your Company remained compliant with RBI's mandate for NBFCs regarding the Liquidity Coverage Ratio (LCR), by actively investing in HQLA. Additionally, it nurtured strong relationships with multiple banking partners and accessed a range of credit facilities, including committed lines. Your Company continues to enjoy a "Superior/Strong" liquidity indicator, while upholding its AAA (Stable) credit rating, reaffirmed by both CRISIL Limited and ICRA Limited.

Risk Management:

Your Company recognizes risk management as a critical component of its strategic framework and has embedded it into all core operational activities. The primary objective is to maintain an acceptable risk profile, thereby ensuring long-term sustainability, financial viability, and the ability to consistently deliver high-quality financial services to its customers.

Your Company is exposed to various categories of risk including Credit Risk, Liquidity and Market Risk, and Operational Risk. In response, substantial resources are being invested to build a robust and efficient Enterprise Risk Management (ERM) framework. During FY 2024-25, your Company conducted meetings of the Risk Management Committee of the Board (RMCB) in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The ERM framework is anchored in a function-wise risk assessment and encompasses the Company's Risk Appetite Statement. This structure serves as the foundation for risk identification, reporting, escalation, and mitigation protocols. Risks are tracked through Key Risk Indicators (KRIs), and any breach of defined thresholds prompts detailed review, control measures, and regular self-assessments all of which are reported to the Board of Directors.

Some of the key risks identified are:

Credit Risk primarily arises from customer delinquencies. Your Company conducts monthly meetings of the Risk Management Committee (RMC), segmenting the portfolio to analyze trends and assess risk levels. These insights inform strategic portfolio expansion decisions and support improvements in collections, charge creation, and credit underwriting practices. Additionally, your Company applies ECL methodology to estimate future losses on financial assets. The ECL approach enhances risk transparency, strengthens decision-making, and aligns credit provisioning with forward-looking macroeconomic indicators.

Liquidity risk represents the potential difficulty in meeting financial obligations, particularly due to mismatches in asset-liability maturity profiles or sudden funding requirements. To manage this, your Company has established an Asset Liability Management Committee (ALCO), which ensures:

- Diversification of borrowing sources across instruments, maturities, and counterparties.
- Adherence to a Board-approved ALM Policy in alignment with RBI's Liquidity Risk Management framework for NBFCs.
- Implementation of a Contingency Funding Plan to address severe liquidity disruptions.

Interest Rate Risk stems from discrepancies between the terms of lending and borrowing, resulting in potential changes in future cash flows or fair value of financial instruments due to interest rate fluctuations. It includes Earnings Risk and Economic Value Risk.

Your Company, through ALCO, manages interest rate exposure by:

- Monitoring KRIs and interest rate sensitivity as per RBI norms.
- Assessing earnings at risk from parallel shifts in the yield curve (e.g., 100 bps).
- Utilizing Cross-Currency Interest Rate Swaps to hedge exposures related to External Commercial Borrowings (ECBs).

Currency Risk arises from fluctuations in foreign exchange rates, particularly relating to foreign currency receivables, payables, and borrowings. Your Company has raised overseas loans under RBI's ECB guidelines and has prudently hedged the currency and interest rate exposure using SWAP contracts, thereby minimizing unhedged foreign currency risks.



Compliance Risk arises when an organization fails to adhere to applicable laws, regulations, standards, or internal policies, potentially resulting in legal sanctions, financial loss, and reputational damage. Your Company has proactively mitigated this risk by deploying a robust Compliance Management Tool, which facilitates automated tracking of statutory and regulatory obligations. In addition, governance mechanisms such as periodic Compliance Committee Meetings ensure timely identification and remediation of compliance gaps, enabling adherence to key regulatory expectations and industry best practices.

Operational Risk arises from potential failures in internal systems, processes, personnel, or as a result of external events. Your Company has adopted a structured and proactive risk management approach to mitigate risks such as information leakage, IT disruptions, fraud, legal non-compliance, and physical damage to assets. These risks are regularly assessed and addressed through RMC meetings, with incidents reported to senior management and corrective measures initiated by relevant teams. Your Company has further institutionalized these practices by implementing a board-approved Operational Risk Management Framework (ORMF) to identify, evaluate, and manage key operational risk indicators.

Information Technology and Cyber Risk emerge from the evolving threat landscape, including phishing attempts, malware attacks, and other cyber intrusions. Your Company monitors KRIs daily and monthly to stay ahead of such threats. These risks are escalated to RMC and periodically reviewed by senior leadership to ensure adequate mitigation and response measures are in place.

Business Continuity Risk refers to the challenges posed by unforeseen crises that could disrupt core operations. Your Company has embedded resilient protocols through its comprehensive Crisis Management Policy and Handbook. Annual preparedness drills including Business Continuity Tabletop simulations and IT Disaster Recovery exercises equip designated personnel to handle crises effectively. A detailed Business Impact Analysis (BIA) was conducted during FY 2024-25, leading to revised Business Continuity and Recovery objectives. Your Company successfully achieved its Recovery Time Objective (RTO) and Recovery Point Objective (RPO) for FY, reflecting a strong organizational commitment to operational resilience.

Overall, the Risk Management strategy of your Company is comprehensively integrated across governance bodies including RMC, ALCO, and other designated sub-committees. This multi-layered oversight, coupled with the implementation of structured policies and monitoring mechanisms, forms the foundation of your Company's ERM Framework, enabling proactive identification, assessment, and mitigation of risks across business functions.

Internal Financial Control:

Your Company has instituted a robust system of internal controls designed to ensure the orderly and efficient conduct of its operations. These controls reinforce adherence to the Company's policies, protect assets, and facilitate the prevention and detection of frauds and errors. The system also ensures the accuracy and integrity of accounting records and supports the timely generation of reliable financial information and disclosures, in line with applicable legal and regulatory requirements. Furthermore, your Company has undertaken assessments to confirm that its internal financial controls are functioning effectively and contributing to the overall soundness of its financial reporting framework.

Information Technology/Project Office:

Your Company's IT infrastructure and systems continued to operate with stability, maintaining system availability exceeding 99.90%. This high level of reliability ensured uninterrupted support for business operations throughout the period.



In line with strategic priorities, your Company sustained its focus on Digital Transformation initiatives aimed at elevating customer experience and driving operational efficiencies. Notably, your Company successfully launched an integrated mobile application to digitize and simplify the customer acquisition journey. This app enables a seamless end-to-end loan process from application to disbursement serving both customers and sales teams.

Furthermore, your Company implemented a centralized Customer Relationship Management (CRM) platform. This solution is designed to unify customer-facing channels and deliver a differentiated and consistent service experience.

Your Company also remained vigilant in complying with all IT-related regulatory requirements. As part of its resilience measures, it conducted disaster recovery drills aligned with business continuity protocols, ensuring preparedness and operational integrity.

Information Security:

Your Company continues to prioritize Information Security as a critical component of its risk management and operational resilience strategy. During FY, security operations remained stable, with no reported security incidents. The Company further enhanced its security posture by implementing advanced controls, including Asset Management and Identity & Access Management (IAM) systems. Ongoing security awareness programs were conducted, such as regular phishing simulations, to strengthen employee preparedness and vigilance. In the ongoing FY, your Company remains committed to further reinforcing its Information Security framework by adopting the industry recognized “Zero Trust” model, emphasizing robust controls across Identity, Device, Network, Data, and Application domains.

Human Resources:

Your Company continues to make consistent progress toward cultivating an agile workforce capable of building a sustainable, future-ready organization. As of the end of FY 2024-25, your Company recorded a total headcount of 765 employees. During the year, 139 employees were successfully hired and onboarded, reflecting the Company’s commitment to talent acquisition and organizational growth. Meanwhile, FY 2024-25 also witnessed 138 employee exits, marking a near-balanced talent movement as part of natural workforce dynamics.

HR Initiatives:

To foster a productive, future-ready, and collaborative workforce, your Company remained focused on preserving critical functional expertise while elevating organizational culture. This effort was anchored in a comprehensive Talent Management Framework built around the three strategic pillars of “GAIN-TRAIN-RETAIN.”

Talent Management and People Development:

Your Company has developed a robust Talent Management Framework focused on building a future-ready workforce by nurturing internal talent and encouraging career growth. Through initiatives such as the Career Aspiration Development Process (CADP), employees are empowered to articulate their career ambitions. A structured, role-based organizational model, supported by job rotations and a revamped development cycle, ensures diverse growth opportunities. The CLIMB Program was introduced to support performance improvement among underperforming employees, while cross-affiliate collaboration through Mutual Talent Development within Toyota entities further enriches employee capability.

The Toyota Way - Learning & Development:

In alignment with the principles of the Toyota Way, your Company intensified its focus on “People Development” throughout FY 2024-25. Training needs were evaluated through a comprehensive identification and skill-gap analysis process. Learning modules centered on global Toyota Way content

including Toyota Way Foundations, Toyota Production System (TPS), Toyota Best Practices (TBP), Ji-Kotei-Kanketsu (JKK), and On-the-Job Development (OJD) provided employees with exposure to world-class operational excellence. Over FY 2024-25, 3 (Three) training sessions were successfully conducted, reaching 69 (Sixty-Nine) employees.

Employee Engagement and Workplace Culture:

Your Company's commitment to employee engagement and alignment with Toyota Way values resulted in an overall engagement score of 93 (Ninety-Three) on par with the regional benchmark and exceeding high-performing norms. Through employee-friendly policies, modern office infrastructure, and a focus on work-life balance, your Company fostered a healthy and supportive working environment. To further enhance organizational loyalty, your Company launched a Car Scheme offering subsidized interest rates, boosting brand affinity. In a progressive step towards inclusivity, your Company introduced the SHEROEs Employee Resource Group, aimed at championing gender equality and promoting diversity across the organization.

Corporate Social Responsibility:

Your Company continues to demonstrate steadfast commitment toward community development through focused CSR initiatives, with active involvement of employees at every stage. During FY, efforts were centered around three key areas: education, support for underprivileged children, and rural development. The overarching objective remains to uplift communities by providing access to quality education infrastructure and empowering children from underserved backgrounds.

A notable initiative undertaken in FY 2024-25 was the commencement of a government school construction in Makli village, Ramanagara. This joint project, driven by your Company and Toyota Kirloskar Auto Parts Private Limited, was initiated in response to a request from the Deputy Commissioner and Chief Executive Officer of Ramanagara District. The initiative has been recognized as an ongoing CSR activity under statutory guidelines and formally approved by the Board of Directors of your Company.

The project is structured for execution over 3 (Three) FYs with planned completion by October 2026 and aims to establish a model educational institution for the region one that exemplifies inclusive access, modern infrastructure, and long-term community impact.

Significant Changes in Key Financial Ratios:

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of key financial ratios that have undergone significant changes (i.e., variations of 25% or more) in comparison to the preceding FY, along with relevant explanations for such changes, are presented below:

Particulars	March 31, 2025	March 31, 2024	% Change	Reason for such change
Net Profit Margin (%)	0.50	5.15	(90.36)	Decline in net interest margin and increase in credit cost.

For Toyota Financial Services India Limited

Sd/-
Venkatraman Prakash
Chairperson & Independent Director
DIN: 00102091

Date: August 07, 2025
Place: Bengaluru, India

For Toyota Financial Services India Limited

Sd/-
P B Venugopal
Managing Director & Chief Executive Officer
DIN: 10387035

Date: August 07, 2025
Place: Bengaluru, India

CORPORATE GOVERNANCE REPORT

1. A brief statement on the Company's philosophy on Code of Governance:

Your Company is committed to maintaining high standards of corporate governance, which it considers essential for ensuring long-term success and safeguarding the interests of all stakeholders. The Company strives to achieve excellence not only in legal and regulatory compliance but also in effective management through well-defined policies, guidelines, and procedures that conform to applicable laws. Your Company's compliance philosophy is built on the following core principles:

- Obeying all applicable laws, rules, regulations, and codes of conduct, including Fair Practice Code.
- Ensuring protection of confidential information related to the Company, its customers, employees and other stakeholders.
- Managing conflicts of interest with integrity and transparency.
- Treating customers fairly, with a focus on delivering efficient and responsible service.
- Good people, combined with good processes, lead to good results.

2. Board of Directors and Key Managerial Personnel (KMP):

The names and profiles of the Directors of your Company as on March 31, 2025, are as under:

Name of the Directors	Brief Profile
Mr. Venkatraman Prakash	Mr. Venkatraman Prakash has done M.Sc. in Mathematics from Mumbai University. He has about 30 years of insightful experience and expertise in the banking sector. During his tenure at ICICI Bank, he was nominated as Director on the Board of several assisted companies both listed and unlisted. At ICICI Bank he has also served as a General Manager & Head of South India for wholesale banking. Moreover, he was associated with various other banks such as United Amara Bank, Yangon, Myanmar as a Deputy CEO; Lakshmi Villas Bank as an Executive Director; Standard Chartered Bank as a Director & Head of Mid Corporates Business for South India. Further he has considerable experience of working in State Bank of India. He has also served as a Retainer with Boutique Investment Banks in India as a "Deal Originator" in the Mid Corporate Segment, originating and executing Mergers & Acquisition transactions. He has acted as advisor to a Risk Analytics Company offering Risk Management Solutions to the Banking Industry. He was also involved in designing Course content for training of Wholesale Banking Relationship Managers.
Mr. P B Venugopal	Mr. P B Venugopal has about 30 years of experience working in the automobile industry. He has been part of Toyota for group about 15 years and was closely associated with the Company's start-up team when the Company was formed in India and was one of the start-up advisors to start Finance business in India. He was involved in establishing multiple processes for the Company. He was also closely associated with the Company's Business operations from Toyota Kirloskar Motor Private Limited under various roles in the last 15 years. His extensive experience would contribute to the business of the Company.
Mr. Kazuo Noda	Mr. Kazuo Noda has bachelor's degree in economics. He has about 30+ years of experience in banking and financial services industry. He was associated with Daiwa Bank Corp, Ltd. (1990 – 2000), BMW Japan Finance Corp. (2000 – 2004) and Sanyo Electric Credit Corp. (2004 – 2007). He joined Toyota group in the year 2007 as Senior Manager – Risk Management Group. He was designated as Group Manager of Treasury Group, Toyota Finance Corporation (Japan) and he was also a Director on the Board of Toyota Motor Finance Netherland.

Ms. Rajni Anil Mishra	Ms. Rajni Anil Mishra has a master's degree in commerce (M.com) from M S University, Vadodara. She has nearly four decades of insightful experience as a Banker. She has worked for the largest public sector bank in the country, State Bank of India and in two of its erstwhile Associate banks, State Bank of Saurashtra and State Bank of Hyderabad, from November 1979 to January 2017. During her tenure, she had held various assignments in leadership roles in different offices of State Bank of India and its Associate Banks. She last served as the Chief General Manager of SBI Bangalore Circle, comprising of entire Karnataka State overseeing 1,000+ branches and 1 lakh crore+ business. She has been instrumental in the Circle, being recognized as the top performer in Retail as well as MSME Credit growth. She facilitated the launch of the first dedicated Start up Branch of the Bank in Bangalore. She has also served as General Manager and Secretary to the Central Board at Corporate Headquarters in Mumbai handling all the Board level Credit Committees. As a Zonal Head and as Head of large branches she has been instrumental in identifying potential areas and products for business expansion and revenue growth. As Branch Head and Regional Head, she has successfully implemented various digital and IT-enabled initiatives towards improved productivity. She was a regular invitee at the SIDBI, FICCI, RBI, COWE and NABARD workshops for interacting with the industry and providing guidance.
Mr. Tetsuo Higuchi	Mr. Tetsuo Higuchi has a bachelor's degree in law and has also completed Master of Business Administration. He has 28+ years of experience in the banking and financial sector industry. He was associated with Mizuho Bank from 1995 to 2006. He joined Toyota group in the year 2006 as a manager. He was designated as a Deputy Chief Executive Officer of Toyota Motor Asia Pacific Pte Ltd., Director of Toyota Financial Services Philippines Corporation, Toyota Capital Malaysia Sdn. Bhd., Toyota Leasing (Thailand) Co., Ltd and Toyota Financial Services Korea Co., Ltd.

The details of Directors as on March 31, 2025, are as under:

Name of the Directors	Designation	DIN	Director since	No. of other Directorships*	Core skills/expertise/competencies	No. of shares held#
Mr. Venkatraman Prakash	Chairperson and Independent Director (ID)	00102091	14.11.22	1. True IPE-LLP – Designated Partner 2. Precot Limited – Independent Director	Leadership, Strategy, Finance, Legal, Banking, Governance, Mergers & Acquisition, Risk	Nil
Mr. P B Venugopal	Managing Director & Chief Executive Officer (MD & CEO)	10387035	01.02.24	Nil	Leadership, Strategy, Finance, Sales & Marketing, Operations, Company Administration	1
Mr. Kazuo Noda	Whole-Time Director (WTD) & Deputy CEO	09823103	24.05.23	Nil	Leadership, Strategy, Finance, Sales & Marketing, Operations, Company Administration	1

Name of the Directors	Designation	DIN	Director since	No. of other Directorships*	Core skills/expertise/competencies	No. of shares held#
Ms. Rajni Anil Mishra	Independent Director	08386001	10.09.24	1. Suprajit Engineering Limited – Independent Director 2. Indo-MIM Limited – Independent Director 3. Cupid Limited – Independent Director 4. Aspinwall And Company Limited – Independent Director 5. Ujjivan Small Finance Bank Limited – Independent Director	Leadership, Strategy, Finance, Information Technology, Banking, Governance	Nil
Mr. Tetsuo Higuchi	Non-Executive Director (NED)	10265141	11.08.23	Nil	Leadership, Strategy, Finance, Sales & Marketing, Operations, Company Administration	1

* The Directorships held by the Directors, as mentioned above, do not include Directorship(s) in foreign companies and in Section 8 companies under the Companies Act, 2013 (the Act).

Beneficial ownership in the shares of the Company is held by Toyota Financial Services Corporation (TFSC), Japan, the Holding Company.

List of the Key Managerial Personnel (KMP) as on March 31, 2025, are as below:

Name of the KMP	Designation	DIN	KMP since	No. of other Directorships*	No. of shares held#
Mr. P B Venugopal	MD & CEO	10387035	01.02.24	Nil	1
Mr. Kazuo Noda	WTD & Deputy CEO	09823103	24.05.23	Nil	1
Mr. Surya Narayan Patro	Chief Financial Officer (CFO)	NA	01.01.25	Nil	Nil
Mr. Rajat Ilkal	Company Secretary (CS) and Compliance Officer	NA	12.02.25	Nil	Nil

* The Directorships held by the Directors, as mentioned above, do not include Directorship(s) in foreign companies and in Section 8 companies under the Act.

Beneficial ownership in the shares of the Company is held by Toyota Financial Services Corporation (TFSC), Japan, the Holding Company.

@ Mr. Kazuo Noda has been appointed as Whole-Time Director under Section 196 of the Act. However, he is not designated as KMP under the provisions of Section 203 of the Act.



- a. Mr. Ganesh Chandrasekaran resigned from the position of Company Secretary and Compliance Officer of the Company effective close of business hours on July 25, 2024 (close of business hours). The Board of Directors places on record its appreciation for the valuable services rendered by Mr. Ganesh Chandrasekaran during his tenure.
- b. Ms. Sunita Rajiv Handa retired upon completion of her second term as an Independent Director of the Company, effective September 09, 2024 (close of business hours). Subsequently, Ms. Rajni Anil Mishra was appointed as a Woman Independent Director of the Company, effective September 10, 2024. The Board of Director places on record its appreciation for the valuable services rendered by Ms. Sunita Rajiv Handa during her tenure.
- c. Mr. Shashidhara S was appointed as the Company Secretary and Compliance Officer of the Company effective October 01, 2024.
- d. Mr. Surya Narayan Patro was appointed as the CFO of the Company effective January 01, 2025, following the job rotation of Mr. Anupam Vasdani, who served as CFO until the close of business hours on December 31, 2024. The Board of Directors places on record its appreciation for the valuable services rendered by Mr. Anupam Vasdani during his tenure.
- e. Mr. Rajat Ilkal was appointed as the CS and Compliance Officer of the Company effective February 12, 2025, following the transition in role of Mr. Shashidhara S, who served as CS and Compliance Officer until the close of business hours on February 11, 2025. The Board of Directors places on record its appreciation for the valuable services rendered by Mr. Shashidhara S during his tenure.

Details of appointment/reappointment of IDs and Declaration given by IDs: Ms. Sunita Rajiv Handa retired upon completion of her 2nd (Second) term as an Independent Director of the Company, effective September 09, 2024 (close of business hours). Subsequently, Ms. Rajni Anil Mishra was appointed as a Woman Independent Director of the Company, effective September 10, 2024.

Your Company has received necessary declarations/disclosures from each ID pursuant to Section 149(7) of the Act and Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations), confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR Regulations. Each ID has further affirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge duties with objective independent judgment and without any external influence. These declarations were placed before the Board of Directors and duly taken on record. In accordance with Section 150 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, all IDs of the Company have registered themselves with the Independent Directors' databank maintained by the Indian Institute of Corporate Affairs, Manesar. There has been no change in the circumstances affecting their status as IDs of the Company.

- f. Your Company, pursuant to the provisions of Section 203 of the Act, confirms that the following individuals were designated as Key Managerial Personnel as on March 31, 2025:
 - Mr. P B Venugopal, MD & CEO,
 - Mr. Surya Narayan Patro, CFO and
 - Mr. Rajat Ilkal, CS.

Note: Mr. Surya Narayan Patro was appointed as CFO effective January 01, 2025.

Mr. Rajat Ilkal was appointed as Company Secretary effective February 12, 2025.

Composition of the Board of Directors and Committees of the Board of Directors:

Details of the composition of the Board of Directors and its Committees as on March 31, 2025, are as under:

Directors	Ms. Rajni Anil Mishra (ID)	Mr. P B Venugopal (MD & CEO)	Mr. Kazuo Noda, (WTD & Deputy CEO)	Mr. Venkatraman Prakash (ID)	Mr. Tetsuo Higuchi (NED)
Board of Directors	✓	✓	✓	✓ Chairperson	✓
Audit Committee	✓ Chairperson	X	X	✓	✓
Nomination & Remuneration Committee	✓ Chairperson	X	X	✓	✓
Corporate Social Responsibility (CSR) Committee	✓	✓ Chairperson	X	✓	X
Information Technology (IT) Strategy Committee	✓ Chairperson	✓	✓	X	X
Risk Management Committee	X	✓ Chairperson	✓	✓	X
Stakeholders Relationship Committee	✓	✓	X	✓ Chairperson	X

Note:

IT Strategy Committee: In addition to the Board Members, the Committee has Mr. Sathyanarayana H N, Executive Vice President, Mr. Surya Narayan Patro, Chief Financial Officer, Mr. Khizar Momin, Chief Technology Officer and Mr. Ravindranatha Reddy P A, Chief Information Security Officer as its permanent Members.

Details of the 7 (Seven) Board Meetings held during FY 2024-25 along with details of attendance at the last AGM, are as under:

Name of the Directors	Board Meeting dates							No. of Meetings	Attended during the year	% of Attendance	AGM September 13, 2024
	23.05.24	30.07.24	12.08.24	01.10.24	08.11.24	20.12.24	11.02.25				
Ms. Sunita Rajiv Handa, Chairperson [#]	Y	Y	Y	NA	NA	NA	NA	3	3	100	NA
Mr. Venkatraman Prakash, Chairperson ^{&}	Y	Y	Y	Y	Y	Y	Y	7	7	100	Y
Mr. P B Venugopal	Y	Y	Y	Y	Y	Y	Y	7	7	100	Y
Mr. Kazuo Noda	Y	Y	Y	Y	Y	Y	Y	7	7	100	Y
Mr. Tetsuo Higuchi	N	N	Y	N	N	N	Y	7	2	28.57	Y
Ms. Rajni Anil Mishra [^]	NA	NA	NA	Y	Y	Y	Y	4	4	100	Y

Y - Attended; N - Leave of Absence/Not Attended; NA - Not Applicable.

[#]Retired effective from 09.09.24 (Close of business hours).

[&] Chairperson effective 10.09.24.

[^]Appointed effective from 10.09.24.

- None of the Directors on the Board holds Directorship in more than 7 (Seven) equity listed and high value debt listed companies. Further, none of the IDs of the Company serve as ID in more than 7 (Seven) equity listed and high value debt listed companies. None of the IDs serve as a Whole-Time Director/Managing Director in any listed entity. None of the Directors holds directorship in more than 20 (Twenty) Indian companies, with not more than 10 (Ten) public limited companies. None of the Directors is a Member of more than 10 (Ten) committees or acts as Chairperson of more than 5 (Five) Committees (being Audit Committee and Stakeholders Relationship Committee), as per Regulation 26(1) of the SEBI LODR Regulations across all the public limited companies in which he/she is a Director. Necessary disclosures regarding committee positions in other public limited companies, if any, as on March 31, 2025, have been made by the Directors.
- The Board of Directors periodically reviews the compliance reports of all laws applicable to the Company. During FY 2024-25, information as mentioned in Part A of Schedule II of the SEBI LODR Regulations, has been placed before the Board of Directors for their consideration.
- None of the Directors are related inter-se.
- The Board of Directors has constituted Committees with specific terms of reference to focus on specific areas. These include the Audit Committee, Nomination and Remuneration Committee, Information Technology Strategy Committee, Corporate Social Responsibility Committee, Risk Management Committee and Stakeholders Relationship Committee.
- The Company Secretary is the Secretary of all the aforementioned Committees. The Board and the Committees also take decisions by circular resolutions which are noted by the Board/respective Committees at their next meetings.
- All the Board of Directors and Committee meetings were duly convened and held and the Minutes of the same were properly recorded. The Minutes and the gist of Minutes of Meetings of all Committees were circulated to the Board of Directors.
- In the opinion of the Board of Directors, Ms. Rajni Anil Mishra and Mr. Venkatraman Prakash are persons of integrity, having requisite expertise and experience (including the proficiency) and the IDs continue to fulfil the criteria prescribed for an ID as stipulated in Regulation 16(1)(b) of the SEBI LODR Regulations and Section 149(6) of the Act and are independent of the management of the Company. The IDs have also completed the proficiency test for IDs as mandated under the Act.
- During FY 2024-25, one Meeting of the IDs was held on February 07, 2025, where all the IDs attended the Meeting. The IDs, inter-alia, reviewed the performance of the Non-IDs, Board as a whole, the Chairperson and the MD & CEO of the Company.
- The details of familiarization programs imparted to the IDs during FY 2024-25 are available on the website of the Company at <https://www.toyotafinance.co.in/downloads/details-of-familiarization-programme.pdf>.
- None of the IDs resigned during FY 2024-25.

Audit Committee (AC):

Terms of Reference:

The terms of reference of the AC are in line with the regulatory requirements mandated in the Companies Act, 2013 and includes oversight of your Company's financial reporting process, recommending to the Board of Directors, the appointment, re-appointment of Statutory Auditor, Internal Auditors and the fixation of audit fees, review and monitor the Statutory Auditor's independence and performance and effectiveness of audit process, review and approval of Related Party Transactions (RPTs), scrutiny of inter-corporate loans and investments, evaluation of internal financial controls etc., and carrying out any other function as may be assigned to the Committee by the Board of Directors from time to time.

Details of composition of the AC and its 5 (Five) Meetings held during FY 2024-25, are as under:

Name of the Directors	Capacity	AC Meeting dates					No. of Meetings	Attended during the year	% of Attendance
		23.05.24	12.08.24	08.11.24	20.12.24	11.02.25			
Mr. Venkatraman Prakash	Member [^]	Y	Y	Y	Y	Y	5	5	100
Ms. Sunita Rajiv Handa	Member	Y	Y	NA	NA	NA	2	2	100
Ms. Rajni Anil Mishra	Chairperson [#]	NA	NA	Y	Y	Y	3	3	100
Mr. Tetsuo Higuchi	Member	N	Y	N	N	Y	5	2	40

Y - Attended; N - Leave of Absence/Not Attended; NA - Not Applicable

[^] Chairperson till 09.09.24.

[#] Chairperson effective from 10.09.24.

- The composition of the AC is in line with the provisions of Section 177 of the Act, and Regulation 18 of the SEBI LODR Regulations. All the Members have the ability to read and understand financial statements and have relevant finance and/or audit experience.
- During FY 2024-25, the Board of Directors accepted all recommendations of the AC.
- The previous AGM of the Company was held on September 13, 2024, and was attended by Ms. Rajni Anil Mishra, Chairperson of AC.

Nomination and Remuneration Committee (NRC):

Terms of Reference:

The terms of reference of the NRC are in line with the regulatory requirements mandated in the Act and includes identification of persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board of Directors their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual Directors, reviewing compensation of the Managing Directors, Whole Time Directors and Non-Executive Directors, ensure 'fit and proper' status of proposed/ existing Directors, deliberate on the matters of succession planning of the Executive Directors and Senior Management etc., and shall also carry out such other duties as may be delegated to it by the Board of Directors from time to time.

Details of composition of the NRC and its 6 (Six) Meetings held during FY 2024-25, are as under:

Name of the Members	Capacity	NRC Meeting dates						No. of Meetings	Attended during the year	% of Attendance
		23.05.24	12.08.24	01.10.24	08.11.24	20.12.24	11.02.25			
Mr. Venkatraman Prakash	Member [^]	Y	Y	Y	Y	Y	Y	6	6	100
Ms. Sunita Rajiv Handa	Member	Y	Y	NA	NA	NA	NA	2	2	100
Ms. Rajni Anil Mishra	Chairperson [#]	NA	NA	Y	Y	Y	Y	4	4	100
Mr. Tetsuo Higuchi	Member	N	Y	N	N	N	Y	6	2	33.33

Y - Attended; N - Leave of Absence/Not Attended; NA - Not Applicable

[^] Chairperson till 09.09.24.

[#] Chairperson effective from 10.09.24.

- The composition of the NRC is in line with the provisions of Section 178 of the Act and Regulation 19 of SEBI LODR Regulations.
- During FY 2024-25, the Board of Directors accepted all recommendations of the NRC.
- The previous AGM of the Company was held on September 13, 2024, and was attended by Ms. Rajni Anil Mishra, Chairperson of NRC.

- **Performance Evaluation of the Board and its Committees:**

Your Company has the policy for Directors Appointment, Re-Appointment and Evaluation which is available at <https://www.toyotafinance.co.in/downloads/directors-appointment-re-appointment-and-evaluation-policy.pdf>.

The formal annual evaluation of performance of the Board of Directors and Committees was carried out for FY 2024-25 as under:

Evaluation of Performance by Board of Directors	Evaluation by Nomination and Remuneration Committee	Evaluation by IDs
Board as a whole	Individual Directors	Non-IDs
Committees of Board of Directors	-	Board as a whole
Individual Directors	-	Executive Directors
IDs	-	-

- IDs were evaluated based on criteria like participation in Board of Directors/Committee meetings, managing relationships, knowledge and skill and personal attribution.
- Managing Director was evaluated based on the criteria like leadership, strategy formulation, strategy execution, financial planning/performance, relationship with Board Members, human resource management/relations, external relationship, product knowledge and personal quality.
- Other Non-IDs were evaluated based on criteria like knowledgeability, diligence, participation and leadership.

Performance evaluation report of all the Directors was taken on record by Nomination and Remuneration Committee and Board of Directors at their respective Meetings held on February 11, 2025.

- **Succession Planning Policy:**

Your Company, in Compliance with the applicable RBI circular and SEBI LODR Regulations, has in place Board approved Succession Planning Policy and Plan. Succession planning involves the process of selecting and developing key talent to ensure the continuity of critical roles. It involves identification for the said roles, assessment of their potential and developing the next generation of leaders as potential successors for key leadership roles in the organization. The Company strives to maintain an appropriate balance of skills and experience, within the organization and the Board of Directors, in an endeavor to introduce new perspectives, whilst maintaining experience and continuity.

- **Senior Management:**

The Senior Management of the Company comprised of the following personnel as on March 31, 2025:

Sl. No.	Designation	Name of the Person
1.	Executive Vice President (EVP)	Mr. Sathyanarayana H N
2.	Executive Vice President (EVP)	Mr. Devinder Puri
3.	Chief Financial Officer (CFO)	Mr. Surya Narayan Patro
4.	Chief Compliance Officer (CCO)	Mr. Shogo Hayashi
5.	Chief Internal Audit Officer (CIAO)	Mr. A P Alagarsamy
6.	Chief Risk Officer (CRO)	Mr. Amit Singhal
7.	Chief Human Resource Officer (CHRO)	Mr. Harish Babu M
8.	Chief Information Security Officer (CISO)	Mr. Ravindranatha Reddy P A
9.	Company Secretary (CS)	Mr. Rajat Ilkal
10.	Chief Technology Officer (CTO)	Mr. Khizar Momin

Following changes in the designations have been taken place during FY 2024-25:

- Chief Operation Officer (COO) and Chief Business Officer (CBO) has been rebranded as EVP.
- Chief Information & Digital Officer has been rebranded as CTO.
- Chief Strategy Officer (CSO) position has been discontinued.
- Head of Internal Audit has been rebranded as CIAO.
- Mr. Sathyanarayana H N was appointed as COO effective April 11, 2024, and EVP effective January 01, 2025.

- Mr. Devinder Puri was appointed as CBO effective April 11, 2024, following the job rotation of Mr. Rangesh Srinivasan and EVP effective January 01, 2025.
- Mr. Surya Narayan Patro was appointed as CFO effective January 01, 2025, following the job rotation of Mr. Anupam Vasdani.
- Mr. Shogo Hayashi was appointed as CCO effective June 01, 2024, following the resignation of Ms. Padmaja Boyanapalli.
- Mr. Amit Singhal, CSO was appointed as CRO effective October 01, 2024, following the resignation of Mr. Samrat Ghosh.
- Mr. Harish Babu M was appointed as CHRO effective October 01, 2024, following the job rotation of Mr. Manoj Kumar.
- Mr. Samrat Ghosh was appointed as CISO effective April 01, 2024. Mr. Ravindranatha Reddy P A was appointed as CISO effective August 01, 2024, in place of Mr. Samrat Ghosh.
- Mr. Shashidhara S was appointed as CS & Compliance Officer effective October 01, 2024, following the resignation of Mr. Ganesh Chandrasekaran.
- Mr. Rajat Ilkal was appointed as CS & Compliance Officer effective February 12, 2025, due to transition in role of Mr. Shashidhara S.
- Mr. Khizar Momin was appointed as CTO effective April 11, 2024, following the job rotation of Mr. Harish Sharma C L.

Information Technology Strategy Committee (ITSC):

Terms of Reference:

The terms of reference of the ITSC includes approving IT strategy and policy documents, have effective strategic planning process in place, review the IT strategies, ensuring IT investments represent a balance of risks and benefits, Policy reviews, cyber security arrangements and any other matter related to IT Governance, institute effective governance mechanism and risk management process for all IT outsourced operations etc.

Details of composition of the ITSC and its 4 (Four) Meetings held during FY 2024-25 are as under:

Name of the Members	Capacity	ITSC Meeting dates				No. of Meetings	Attended during the year	% of Attendance
		23.05.24	12.08.24	08.11.24	11.02.25			
Ms. Sunita Rajiv Handa	Chairperson [^]	Y	Y	NA	NA	2	2	100
Ms. Rajni Anil Mishra	Chairperson [^]	NA	NA	Y	Y	2	2	100
Mr. Anupam Vasdani	Member [#]	Y	Y	Y	NA	3	3	100
Mr. Surya Narayan Patro	Member [#]	NA	NA	NA	Y	1	1	100
Mr. Kazuo Noda	Member	Y	Y	Y	Y	4	4	100
Mr. Khizar Momin	Member	Y	Y	Y	Y	4	4	100
Mr. P B Venugopal	Member	Y	Y	Y	Y	4	4	100
Mr. Ravindranatha Reddy P A	Member	Y	Y	Y	Y	4	4	100
Mr. Sathyanarayana H N	Member [§]	Y	Y	Y	Y	4	4	100
Mr. Samrat Gosh	Member [§]	Y	Y	NA	NA	2	2	100

Y - Attended; N - Leave of Absence/Not Attended; NA - Not Applicable

[§] Committee was re-constituted to induct Mr. Sathyanarayana H N and Mr. Samrat Ghosh as Members effective from 11.04.24.

[^] Committee was re-constituted to induct Ms. Rajni Anil Mishra as Chairperson of the Committee in place of Ms. Sunita Rajiv Handa effective from 10.09.24.

[#] Committee was re-constituted to induct Mr. Surya Narayan Patro as a Member of the Committee in place of Mr. Anupam Vasdani effective 01.01.25.

Corporate Social Responsibility (CSR) Committee:

Terms of Reference:

The terms of reference of the CSR Committee are in line with the regulatory requirements mandated in the Act and includes formulation and recommendation to the Board CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act, to recommend the amount of expenditure to be incurred on the CSR activities and to institute a transparent monitoring mechanism for implementation of the CSR activities.

Details of composition of the CSR Committee and its 3 (Three) Meetings held during FY 2024-25 are as under:

Name of the Directors	Capacity	CSR Committee Meeting dates			No. of Meetings	Attended during the year	% of Attendance
		23.05.24	08.11.24	11.02.25			
Mr. P B Venugopal	Chairperson	Y	Y	Y	3	3	100
Ms. Sunita Rajiv Handa	Member	Y	NA	NA	1	1	100
Ms. Rajni Anil Mishra	Member [^]	NA	Y	Y	2	2	100
Mr. Venkatraman Prakash	Member	Y	Y	Y	3	3	100

Y – Attended; N – Leave of Absence / Not Attended; NA – Not Applicable

[^] Committee was re-constituted to induct Ms. Rajni Anil Mishra as a member of the Committee in place of Ms. Sunita Rajiv Handa effective 10.09.2024.

- The composition of the CSR Committee is in line with the provisions of Section 135 of the Act.
- During FY 2024-25, the Board of Directors accepted all recommendations of the CSR Committee.

Risk Management Committee (RMC):

Terms of Reference:

The terms of reference of the RMC are in line with the regulatory requirements and includes discussion on the risks pertaining to various departments such as Operations, Credit, Treasury, Human Resources, Information Technology and Compliance, assess in detail the Retail and Wholesale Credit Risk, Liquidity Risk, IT Security Risk and Compliance Risk amongst others, monitor risks associated with Outsourcing arrangements, evaluate risks related to cyber security and review mitigation procedures of such risks, formulate and monitor implementation of Risk Management Policy of the Company. The Risk Management Policy shall be periodically reviewed by the RMC, keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken, appointment, removal and terms of remuneration of CRO.

Details of composition of the Committee and its two Meetings held during FY 2024-25 are as under:

Name of the Directors	Capacity	RMC Meeting dates		No. of Meetings	Attended during the year	% of Attendance
		12.08.24	11.02.25			
Mr. P B Venugopal	Chairperson	Y	Y	2	2	100
Mr. Kazuo Noda	Member	Y	Y	2	2	100
Ms. Sunita Rajiv Handa	Member	Y	NA	1	1	100
Mr. Venkatraman Prakash	Member [§]	NA	Y	1	1	100

Y - Attended; N - Leave of Absence / Not Attended; NA - Not Applicable

[§]Committee was re-constituted to induct Mr. Venkatraman Prakash as a member of the Committee effective 10.09.24, in place of Ms. Sunita Rajiv Handa.

- The composition of the RMC is in line with the provisions of Regulation 21 of SEBI Listing Regulations.

Stakeholders Relationship Committee (SRC):

Terms of Reference:

The terms of reference of the SRC are in line with the regulatory requirements and includes to monitor and resolve in a timely manner, the grievances/complaints of the security holders of the Company related to transfer/transmission of shares/securities, non-receipt of annual report, non-receipt of declared dividend, issue of new/duplicate certificates, general meetings, etc., review adherence to the service standards in respect of the services being rendered by the Registrar & Transfer Agent (RTA), review of measures taken for effective exercise of voting rights by Members of the Company, review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends, if any and ensuring timely receipt of dividend/annual reports/statutory notices, if any, by the Members of the Company.

Details of composition of the SRC and the Meeting held during FY 2024-25 are as under:

Name of the Directors	Capacity	SRC Meeting date	No. of Meetings	Attended during the year	% of Attendance
		11.02.25			
Mr. Venkatraman Prakash	Chairperson	Y	1	1	100
Mr. P B Venugopal	Member	Y	1	1	100
Ms. Rajni Anil Mishra*	Member	Y	1	1	100

Y - Attended; N - Leave of Absence / Not Attended; NA - Not Applicable

* Committee was re-constituted to induct Ms. Rajni Anil Mishra as a member of the Committee effective 10.09.24, in place of Ms. Sunita Rajiv Handa.

- The composition of the SRC is in line with the provisions of the Act and SEBI LODR Regulations.
- The previous AGM of the Company was held on September 13, 2024, and was attended by Mr. Venkatraman Prakash, Chairperson of SRC.
- Name, designation and address of the Compliance Officer:
Mr. Rajat Ilkal, Company Secretary.
7th Floor, Tower - C, Sattva Global City,
Mysuru Road, Kengeri,
Bengaluru - 560059.
Email: cs@tfsin.co.in.
Telephone No.: 080 - 4344 2800.
- Details of Complaints received from the Debenture holders and redressed during FY 2024-25 are as under:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	NIL	NIL	NIL

- During FY 2024-25, no complaint was received from the Equity Shareholders of the Company.
- Detail of the Debenture Trustees with full contact details:
M/s. Vistra ITCL (India) Limited
IL & FS Financial Centre,
Plot No. C-22, G Block Bandra,
Kurla Complex, Bandra (East),
Mumbai-400051 (Maharashtra).
Tel: +91 22 26593535.
<https://www.vistraitcl.com/investor-grievances>

3. General Body Meetings:

Details of last 3 (Three) Annual General Meetings are as under:

Sl. No.	Type of Meeting	Date, time and Place	Special Resolutions passed
1.	10 th (Tenth) Annual General Meeting	Date: 28.09.21 Time: 2:00 PM Place: Through Video Conference - Deemed to be held at registered office of the Company.	1. Issue of Non - Convertible Debentures. 2. Appointment of Ms. Sunita Rajiv Handa (DIN: 08215176) as an ID of the Company for an initial term of 1 (One) year effective from September 10, 2021, to September 09, 2022.
2.	11 th (Eleventh) Annual General Meeting	Date: 22.09.22 Time: 12:00 Noon Place: Through Video Conference - Deemed to be held at registered office of the Company.	1. Issue of Non - Convertible Debentures. 2. Re-appointment of Ms. Sunita Rajiv Handa (DIN: 08215176) as an ID of the Company for a second term of 2 (Two) years effective from September 10, 2022, to September 09, 2024. 3. Appointment of Mr. Masayoshi Hori (DIN: 09602549) as a Non-Executive Director of the Company.
3.	12 th (Twelfth) Annual General Meeting	Date: 26.09.23 Time: 12:00 Noon Place: Through Video Conference - Deemed to be held at the registered office of the Company.	1. Re-appointment of Mr. Venkatraman Prakash as the Independent Director of the Company for a second term of 2 (Two) years effective from November 14, 2023, to November 14, 2025. 2. Change in Borrowing Limit. 3. Issue of Non-Convertible Debentures. 4. Alteration of Article of Association of the Company.

Details of General Body Meetings held during FY 2024-25 are as under:

Sl. No.	Type of Meeting	Date, Time and Place	Special Resolutions passed
1.	13 th (Thirteenth) Annual General Meeting	Date: 13.09.24 Time: 2:00 PM Place: Through Video Conference - Deemed to be held at registered office of the Company.	1. Appointment of Mr. Rajni Anil Mishra (DIN: 08386001) as an Independent Director of the Company. 2. Overall Borrowing Limit of the Company. 3. Issue of Non – Convertible Debentures.
2.	1 st (First) Extra-ordinary General Meeting	Date: 14.06.24 Time: 3:00 PM Place: Through Video Conference - Deemed to be held at registered office of the Company.	Nil.
3.	2 nd (Second) Extra-ordinary General Meeting	Date: 30.07.24 Time: 11:00 AM Place: Through Video Conference - Deemed to be held at registered office of the Company	1. Preferential Issue of Equity Shares on a private placement basis.
4.	3 rd (Third) Extra-ordinary General Meeting	Date: 20.12.24 Time: 2:00 PM Place: Through Video Conference - Deemed to be held at registered office of the Company	1. Preferential Issue of Equity Shares on Private Placement basis.

- Whether any special resolution passed last year through postal ballot – details of voting pattern – None.
- Person who conducted the postal ballot exercise – Not applicable.
- Whether any special resolution is proposed to be conducted through postal ballot – None.
- Procedure for postal ballot – Not applicable.

4. Remuneration Details:

Details of Remuneration of the Executive Directors:

(Amount in INR Million)

Sl. No.	Particulars of Remuneration for FY 2024-25	Name of MD/WTD/ Manager	
		Mr. P B Venugopal	Mr. Kazuo Noda
		MD & CEO	WTD & Deputy CEO
1.	Gross salary (a) Salary under section 17(1) of the Income-tax Act, 1961 (IT Act) (b) Perquisites u/s 17(2) of IT Act (c) Profits in lieu of salary under section 17(3) of IT Act	16.61	25.58
2.	Bonus	-	-
3.	Details of fixed component and performance linked incentives	-	-
4.	Sweat Equity/Stock Options	-	-
5.	Commission - as % of profit Commission - others, specify	-	-
6.	Others, please specify	-	-
	Total	16.61	25.58

Details of Sitting Fees paid to the IDs:*(Amount in INR Million)*

Sl. No.	Particulars of Remuneration for FY 2024-25	IDs		
		Ms. Sunita Rajiv Handa	Mr. Venkatraman Prakash	Ms. Rajni Anil Mishra
1.	Gross salary (a) Salary under section 17(1) of the Income-tax Act, 1961 (IT Act) (b) Perquisites u/s 17(2) of IT Act (c) Profits in lieu of salary under section 17(3) of IT Act	-	-	-
2.	Benefits	-	-	-
3.	Bonus	-	-	-
4.	Details of fixed component and performance linked incentives	-	-	-
5.	Sweat Equity / Stock Options	-	-	-
6.	Commission - as % of profit Commission - others, specify	-	-	-
7.	Others, please specify (in Million) Sitting fee #	0.42	1.00	0.62
	Total	0.42	1.00	0.62

Sitting fee of INR 100,000 for Board Meeting, INR 40,000 for separate ID's Meeting, INR 30,000 for Audit Committee Meeting, and INR 10, 000 for all other Committee Meetings was paid to the IDs for attending the Board & Committee Meetings held during FY 2024-25.

- During FY 2024-25, IDs of your Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any, incurred by them for the purpose of attending Meetings of the Board of Directors /Committee of the Company. Further the Company has not paid remuneration to NEDs (other than IDs) and they had no pecuniary relationship or transactions with the Company. The criteria for making payment to NEDs is available at <https://www.toyotafinance.co.in/downloads/criteria-of-making-payment-to-non-executive-directors.pdf>.

5. Means of Communication:

- Quarterly results displayed on the Company's website at: <https://www.toyotafinance.co.in/investors/disclosure-under-regulation-62-of-the-lodr.html#Financial-Results>.
- Newspapers wherein results normally published: Business Standard (All India Edition).
- Any website, where displayed: <https://www.toyotafinance.co.in/investors/disclosure-under-regulation-62-of-the-lodr.html#Financial-Results>.
- Whether it also displays official news releases - No.
- Presentations made to institutional investors or to the analysts - Not Applicable.

6. General shareholder information:

Sl. No.	Particulars	Details/Comments/Remarks
a.	Annual General Meeting - date, time and venue	Kindly refer to the Notice of 14 th (Fourteenth) Annual General Meeting annexed to this report.
b.	Financial year	April 01, 2024, to March 31, 2025.
c.	Dividend payment date	The Company has not paid any dividend during FY 2024-25.

Sl. No.	Particulars	Details/Comments/Remarks
d.	The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)	The Secured, Rated, Redeemable, Non-Convertible Debentures issued by the Company on a private placement basis are listed on the National Stock Exchange of India Limited. Address: Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai-400051 (Maharashtra) Listing Fee as applicable has been paid for FY 2024-25.
e.	Stock code	The equity shares of the Company are not listed on the Stock Exchange; hence the Stock code is not applicable.
f.	Market price data- high, low during each month in last Financial Year	Not Applicable.*
g.	Performance in comparison to broad-based indices such as BSE sensx, CRISIL Index etc.	Not Applicable.*
h.	In case the securities are suspended from trading, the directors report shall explain the reason thereof	During FY 2024-25, none of the securities of the Company were suspended from trading.
i.	Registrar to an issue and share transfer agents	Name: KFin Technologies Limited Address: Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad-500032 (Telangana). Telephone Number: 040-67162222. Website: https://www.kfintech.com/ .
j.	Share transfer system	Equity Shares - Inhouse. Non-Convertible Debentures - Kfin Technologies Limited.
k.	Distribution of shareholding	Wholly Owned Subsidiary of Toyota Financial Services Corporation, Japan.
l.	Dematerialization of shares and liquidity	Not Applicable.*
m.	Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity	Not Applicable.*
n.	Commodity price risk or foreign exchange risk and hedging activities	Not Applicable.*
o.	Plant locations	Not Available. Since the Company is a Non-Banking Financial Company registered RBI.
p.	Address for correspondence	Toyota Financial Services India Limited, 7 th Floor, Tower C – Sattva Global City, Mysuru Road, Kengeri, Bengaluru-560059. Phone: 080-43442800.
q.	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant Financial Year, for all debt instruments of such entity or any fixed deposit program or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	Your Company's credit rating continues to remain at AAA (Stable) for long term instruments and A1+ for short term instrument as rated by both CRISIL Limited and ICRA Limited.

*The equity shares of the Company are not listed on the stock exchanges and hence certain details are not applicable to the Company.

7. Other Disclosures:

Sl. No.	Particulars	Details/Comments/Remarks
a.	Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large.	During FY 2024-25 there have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors that may have potential conflict with the interest of the Company.
b.	Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets, during the last three years;	During FY 2024-25, the National Stock Exchange of India Limited levied fine of INR 10,000 each in 2 (Two) instance for the deviation in compliance with provisions of Regulation 60(2) of SEBI LODR Regulations, 2015. Further, there were no other penalties or strictures were imposed on the Company by any stock exchange, SEBI or other statutory authority on matters relating to the capital markets.
c.	Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee.	Whistle blower policy can be accessed at following: whistle-blower-policy last-updated-on-february-11-2025.pdf During FY 2024-25, no personnel was denied access to the Audit Committee.
d.	Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.	The Company has complied with all the mandatory requirements of the SEBI LODR Regulations applicable to the Company. The Company has also complied with the following non-mandatory requirements as specified in Part E of Schedule II of the SEBI LODR Regulation. <ul style="list-style-type: none"> • Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: Mr. Venkatraman Prakash, ID has been appointed as Chairperson effective from September 10, 2024, and he is not related to MD & CEO. • Modified opinion(s) in audit report: During FY 2024-25, there was no modified audit opinion in the Auditor's Report on the Company's financial statements.
e.	Web link where policy for determining 'material' subsidiaries is disclosed	Not Applicable. The Company does not have any Subsidiary companies.
f.	Web link where policy on dealing with related party transactions	Related party transactions policy can be accessed at following link: https://www.toyotafinance.co.in/downloads/policy-related-party-transactions.pdf
g.	Disclosure of commodity price risks and commodity hedging activities.	The Company does not deal in any commodity and hence is not directly exposed to any commodity price risk.
h.	Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).	Regulation 32(7A) of SEBI LODR Regulations is not applicable to the Company since it is a debt listed entity. However, during the year the Company has raised funds through the issue of Non- Convertible Debentures. The Company has fully utilized the funds for the object for which the funds were raised.

Sl. No.	Particulars	Details/Comments/Remarks												
i.	Certificate from a company secretary in practice that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.	None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI or MCA or any such statutory authority. A certificate to this effect, duly signed by the Practicing Company Secretary is annexed as Annexure 8.												
j.	Where the Board had not accepted any recommendation of any committee of the Board, which is mandatorily required, in the relevant Financial Year, the same to be disclosed along with reasons thereof. Provided that the clause shall only apply where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under these Regulations.	No such instances of non-acceptance of recommendation of any committee by the Board of Directors during FY 2024-25.												
k.	Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.	Statutory Audit fees for FY 2024-25 are as under: <i>(Amount in INR Million)</i> <table border="1"> <tr> <td>As statutory auditor</td> <td>9.30</td> </tr> <tr> <td>As tax auditor</td> <td>0.30</td> </tr> <tr> <td>For other services</td> <td>0.45</td> </tr> <tr> <td>For reimbursement of expenses</td> <td>1.84</td> </tr> <tr> <td>Total</td> <td>11.89</td> </tr> </table>	As statutory auditor	9.30	As tax auditor	0.30	For other services	0.45	For reimbursement of expenses	1.84	Total	11.89		
As statutory auditor	9.30													
As tax auditor	0.30													
For other services	0.45													
For reimbursement of expenses	1.84													
Total	11.89													
l.	Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:	<table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Particulars</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>a.</td> <td>Number of complaints filed during FY 2024-25</td> <td>1</td> </tr> <tr> <td>b.</td> <td>Number of complaints disposed of during FY 2024-25</td> <td>1</td> </tr> <tr> <td>c.</td> <td>Number of complaints pending as on end of FY 2024-25</td> <td>Nil</td> </tr> </tbody> </table>	Sl. No.	Particulars	Details	a.	Number of complaints filed during FY 2024-25	1	b.	Number of complaints disposed of during FY 2024-25	1	c.	Number of complaints pending as on end of FY 2024-25	Nil
Sl. No.	Particulars	Details												
a.	Number of complaints filed during FY 2024-25	1												
b.	Number of complaints disposed of during FY 2024-25	1												
c.	Number of complaints pending as on end of FY 2024-25	Nil												
m.	Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount. Provided that this requirement shall be applicable to all listed entities except for listed banks.	The Company has not granted any loan or advances to any firms/companies in which directors are interested.												

n.	Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries	Not Applicable. The Company does not have any Subsidiary companies.
----	--	---

8. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed:

The Company has complied with all the requirements of Corporate Governance as specified in sub-paras (2) to (10) of Part C of Schedule V of the SEBI LODR Regulations.

9. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:

- The Company has appointed separate posts of Chairperson and the MD & CEO such that Chairperson is a Non-Executive Director and not related to MD & CEO. Mr. Venkatraman Prakash, ID, has been appointed as Chairperson effective from September 10, 2024, and he is not related to MD & CEO.
- The Company confirms that its Audited Financial Statements for FY 2024-25 have unmodified audit opinion.

10. Report on Corporate Governance:

The Company has complied with the disclosure requirements specified in Regulation 17 to 27 on a comply or explain basis and Regulation 26 of SEBI LODR Regulations.

11. Declaration signed by the Chief Executive Officer stating that the members of Board of Directors and Senior Management personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management:

Declaration signed by the Chief Executive Officer with regard to compliance with the Code of Conduct is annexed as Annexure 3.

12. Compliance certificate from either the auditors or Practicing Company Secretaries regarding compliance of conditions of corporate governance shall be annexed with the Directors' Report:

Compliance Certificate issued by Practicing Company Secretaries regarding compliance of conditions of Corporate Governance is annexed as Annexure 9.

13. Disclosures with respect to demat suspense account/ unclaimed suspense account:

The equity shares of the Company are not held in demat form. Hence, not applicable.

14. Disclosure of certain types of agreements binding listed entities

The Company being a high value debt listed entity, Regulation 30 of the SEBI LODR Regulation, 2015 is not applicable.

For Toyota Financial Services India Limited

Sd/-

**Venkatraman Prakash
Chairperson & Independent Director
DIN: 00102091**

**Date: August 07, 2025
Place: Bengaluru, India**

For Toyota Financial Services India Limited

Sd/-

**P B Venugopal
Managing Director & Chief Executive Officer
DIN: 10387035**

**Date: August 07, 2025
Place: Bengaluru, India**

**Annexure 3****DECLARATION BY MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER**

[As per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors,
Toyota Financial Services India Limited,
7th Floor, Tower - C, Sattva Global City,
Mysuru Road, Kengeri,
Bengaluru-560059.

I, P B Venugopal, Managing Director & Chief Executive Officer of Toyota Financial Services India Limited hereby declare that all the Board Members and Senior Managerial Personnel have affirmed compliance with the 'Code of Conduct for Director's & Senior Management for the financial year ended March 31, 2025.

For Toyota Financial Services India Limited

Sd/-

P B Venugopal
Managing Director & Chief Executive Officer
DIN: 10387035

Date: August 07, 2025
Place: Bengaluru, India

COMPLIANCE CERTIFICATE

(Under Regulation 17(8) of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Board of Directors,
Toyota Financial Services India Limited,
7th Floor, Tower - C, Sattva Global City,
Mysuru Road, Kengeri,
Bengaluru-560059.

We hereby certify that:

A. We have reviewed financial statements and the cash flow statement for FY 2024-25 and that to the best of our knowledge and belief:

- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee:

- (1) significant changes in internal control over financial reporting during the year.
- (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.
- (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

P B Venugopal
Managing Director & Chief Executive Officer
DIN: 10387035

Date: August 07, 2025
Place: Bengaluru, India

Sd/-

Surya Narayan Patro
Chief Financial Officer

Date: August 07, 2025
Place: Bengaluru, India

FORM NO. AOC 2

(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contract/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013, including certain arms-length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

- (a) Name(s) of the related party and nature of relationship - Not Applicable
- (b) Nature of contracts/arrangements/transactions - Not Applicable
- (c) Duration of the contracts/arrangements/transactions - Not Applicable
- (d) Salient terms of the contracts/arrangements/transactions including the value, if any - Not Applicable
- (e) Justification for entering into such contracts/arrangements/transactions - Not Applicable
- (f) Date(s) of approval by the Board, if any - Not Applicable
- (g) Amount paid as advances, if any - Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under the first proviso to section 188 - Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including duration and value if any	Date(s) of approval by the Board	Amount paid as advances, if any
Toyota Motor Finance (Netherlands) B.V. Group Company	External Commercial Borrowing (ECB) - loan facility	ECB from Toyota Motor Finance (Netherlands) B. V. for an amount not exceeding INR 24,016 Million	Approval of the Board of Directors on May 23, 2024	Nil
Toyota Kirloskar Motor Private Limited Group Company	Sale of cars, receipt of subvention, leasing of vehicles, purchase of vehicles, Integration Interface maintenance services, offer GFV/buy-back based financing, pay-out for disbursement of retail Loan, availing of shared services, renting of premises, procurement of Lexus vehicle, procurement of Toyota Innova Hycross Car, execution of associate agreement, etc.	Transaction with Toyota Kirloskar Motor Private Limited for an aggregate value of up to INR 1,331.89 Million, during FY 2024-25	Approval of the Board of Directors on August 12, 2024	Nil
Toyota Lakozy Auto Private Limited Group Company	Inventory funding and retail finance payout, purchase of cars and reimbursement of purchase price and registration charges, sale of cars and renting of premises for two workstations	Transaction with Toyota Lakozy Auto Private Limited for an aggregate value of up to INR 1,142.92 Million, during FY 2024-25	Approval of the Board of Directors on August 12, 2024	Nil

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including duration and value if any	Date(s) of approval by the Board	Amount paid as advances, if any
Toyota Motor Credit Corporation Group Company	ECB - loan facility	Transaction with Toyota Motor Credit Corporation for an amount not exceeding USD 200 Million (in any currency equivalent to USD 200 Million)	Approval of the Board of Directors on December 20, 2024	Nil

For Toyota Financial Services India Limited

Sd/-

Venkatraman Prakash
Chairperson & Independent Director
DIN: 00102091

Date: August 07, 2025
Place: Bengaluru, India

For Toyota Financial Services India Limited

Sd/-

P B Venugopal
Managing Director & Chief Executive Officer
DIN: 10387035

Date: August 07, 2025
Place: Bengaluru, India

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FY 2024-25
1. Brief outline on CSR Policy of the Company:

Your Company contributed to sustainable development of society by undertaking various projects and programs which will enhance the quality of life and well-being of diverse people clusters in society. Guided by the Companies Act, 2013 (the Act), and the Company's basic philosophy regarding CSR, depending upon the area that needs utmost attention and support for the development of society and to meet direct needs of the society, the Company decides upon the kind of programs/projects and/or activities that can be undertaken by the Company for a particular tenure. Implementation of such programs/projects/activities are done either directly through Company's personnel or through appointment of external agencies, trusts, institutions etc. depending upon the most suitable way or method of execution of such observed activity(ies). During the reporting period, the Company undertook various projects primarily focusing on the education of underprivileged children (for details, refer point 8 below).

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. P B Venugopal	Chairperson of CSR Committee, Managing Director & Chief Executive Officer (MD & CEO)	3	3
2.	Ms. Sunita Rajiv Handa	Member of CSR Committee, Independent Director [#]	1	1
3.	Ms. Rajni Anil Mishra	Member of CSR Committee, Independent Director [#]	2	2
4.	Mr. Venkatraman Prakash	Member of CSR Committee, Independent Director	3	3

[#]Committee was re-constituted to induct Ms. Rajni Anil Mishra as a member of the Committee in place of Ms. Sunita Rajiv Handa effective 10.09.2024.

3. Web-link where following items are placed on Company's website:

Sl. No.	Particulars	Web-link
1.	Composition of CSR committee	https://www.toyotafinance.co.in/downloads/composition-of-the-various-committees-of-the-board-of-directors.pdf
2.	CSR Policy	https://www.toyotafinance.co.in/downloads/corporate-social-responsibility-policy.pdf
3.	CSR projects approved by the Board of Directors	https://www.toyotafinance.co.in/downloads/board-approved-csr-project-for-fy-2024-25.pdf

4. Provide executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable : Not Applicable

5. CSR obligation for the financial year 2024-25:

Sl. No.	Particulars	Amount in INR
(a)	Average net profit of the company as per sub-section (5) of Section 135	1,216,722,172
(b)	Two percent of average net profit of the company as per sub-section (5) of Section 135	24,335,000
(c)	Surplus arising out of the CSR Projects or programs or activities of the previous financial years.	Nil
(d)	Amount required to be set-off for the financial year, if any.	Nil
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	24,335,000

6.

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **INR 200,600**

i. Details of CSR amount spent against ongoing projects for the financial year: **200,600**

ii. Details of CSR amount spent against other than ongoing projects for the financial year: **Nil**

(b) Amount spent in Administrative Overhead: **Nil**

(c) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(d) Total amount spent for the Financial Year (a(i)+a(ii)+b+c): **INR 200,600**

(e) CSR amount Spent or unspent for the financial year:

Total Amount Spent for the Financial Year in INR	Amount Unspent in INR			
	Total Amount transferred to Unspent CSR Account as per Section 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Name of the Fund	Amount	Date of transfer
200,600	24,134,400	NA	NA	NA

(f) Excess amount for set off, if any: **Nil**

Sl. No.	Particulars	Amount in INR
(i)	Two percent of average net profit of the Company as per Section 135(5)	24,335,000
(ii)	Total amount spent for the financial year	200,600
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three financial years: **Nil**

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: **No**. The construction of School building is under progress

If yes, enter the number of Capital assets created/acquired: **Not Applicable**

The details relating to asset(s) created or acquired through Corporate Social Responsibility amount spent in the financial year as below: Not Applicable

Sl. No.	Short particulars of the property or asset(s) (including complete address and location of the property)	Pin code of the property or asset(s)	Date of creation	Amount of CSR Amount spent	Details of the entity/authority / beneficiary of the registered owner		
					CSR registered No. if applicable	Name	Registered Address
NA.							

9. Specify reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

For Toyota Financial Services India Limited

Sd/-

P B Venugopal
Chairperson, CSR Committee
DIN: 10387035

Date: August 07, 2025
Place: Bengaluru, India

For Toyota Financial Services India Limited

Sd/-

Venkatraman Prakash
Member, CSR Committee
DIN: 00102091

Date: August 07, 2025
Place: Bengaluru, India



Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2025

*[Pursuant to Sub Section (1) of Section 204 of the Companies Act, 2013 and Rule 9
of the Companies (Appointment and Remuneration of Managerial Personnel)
Rules, 2014]*

To,
The Members,
Toyota Financial Services India Limited,
No. 21, Centropolis, First Floor,
5th Cross, Langford Road, Shanti Nagar,
Bengaluru-560025.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Toyota Financial Services India Limited** bearing a **CIN: U74900KA2011FLC058752** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the financial year ended on March 31, 2025 (the audit period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent in the manner and subject to the reporting made hereinafter:



We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings; the Company has not made any Overseas Direct Investment during the audit period.
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable to the Company during the review Period)**;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable to the Company during the review Period);**
- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not Applicable to the Company during the Audit Period);**
- e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the Audit Period);**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the Audit Period);** and
- i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



- vi) Other Laws Applicable Specifically to the Company namely:
- a. Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 (Updated as on May 05, 2025).
 - b. Master Direction - Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016 and **Master Direction - Reserve Bank of India (Filing of Supervisory Returns) Directions - 2024 (from February 27, 2024)**
 - c. Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016.
 - d. Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies)
 - e. Master Direction - Know Your Customer (KYC) Direction, 2016 (Updated as on November 06, 2024)
 - f. Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices
 - g. Scale Based Regulation (SBR) A Revised Regulatory Framework for NBFCs (the framework).
 - h. Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances.



- i. Master Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs.
- j. Master Direction - Reserve Bank of India (Internal Ombudsman for Regulated Entities) Directions, 2023
- k. Master Direction on Outsourcing of Information Technology Services, 2023
- l. Master Direction on Reserve Bank of India (Credit Information Reporting) Directions, 2025
- m. Framework for Compromise Settlements and Technical Write-offs
- n. Master Direction - Reserve Bank of India (Non-Banking Financial Company - Account Aggregator) Directions, 2016.
- o. Master Direction on Treatment of Wilful Defaulters and Large Defaulters.
- p. Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) Guidelines on Digital Lending.
- q. Insurance Regulatory and Development Authority of India (Appointment of Insurance Agents) Regulations, 2016 (Registration of Corporate Agents) Regulations, 2015, other circulars / guidelines as applicable.



We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.
- b. Listing Agreements entered into by the Company with National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above, except as stated below;

NSE Limited levied a fine of Rs. 10,000/- (along with applicable taxes) per instance for the following lapses,

- i. shortfall of one working day in the intimation of the record date for the payment of interest of Non-convertible debentures, ISIN: INE692Q07423 in the month of July 2024.*
- ii. incorrect intimation of the record date for interest payment on Non-Convertible Debentures (ISIN: INE692Q07449) in the month of September 2024. Subsequently, the Company has ensured compliance with the provisions of Regulation 60(2) of the SEBI (LODR) Regulations, 2015, by submitting the revised intimation within the prescribed timeframe.*

The Company has duly remitted the fine amounts on September 12, 2024 and November 11, 2024 respectively.

We have not examined compliance with applicable Financial Laws like Direct and Indirect Tax Laws since the same have been subject to review by statutory financial audit and other designated professionals.



We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except with respect to those agenda items which the Company deemed to be unpublished price sensitive information (UPSI), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the review of the compliance reports/ certificates, by the Company Secretary and Chief Compliance Officer which was taken on record by the Board of Directors, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following events/actions have a major bearing on the Company's affairs in pursuance of the above-mentioned laws, rules, etc.:

- a) Issue and allotment of 152,173,913 Equity Shares, of face value of INR 10/- (Rupee Ten) each Equity Shares, each at an issue price of INR 23/- (Rupees Twenty-Three Only), for an aggregate amount of INR 3,499,999,999 for cash, to Toyota Financial Services Corporation, Japan, the Holding Company, through Preferential Issue on a Private Placement basis.



- b) Increase in the Authorised Share Capital of the Company subsequent to alteration of Memorandum of Association of the Company.
- c) Issue and allotment of 145,833,333 fully paid-up equity shares of face value of INR 10/- each at an issue price of INR 24/- (Rupee Twenty-Five Only), for an aggregate amount INR 3,499,999,992 for cash, to Toyota Financial Services Corporation, Japan, the Holding Company, through Preferential Issue on a Private Placement basis.

For V SREEDHARAN & ASSOCIATES



(V Sreedharan)

Partner

FCS: 2347; CP No.833

Address: Plot No.293, #201, 2nd Floor, 10th Main Road
3rd Block, Jayanagar, Bengaluru-560011

Place: Bengaluru

Date: May 13, 2025

UDIN: F002347G000331271

Peer Review Certificate No. 5543/ 2024

This letter, which is annexed herewith as Annexure and it forms an integral part of the Secretarial Audit Report Form MR-3 and has to be read along with it.

'Annexure'

To,
The Members,
Toyota Financial Services India Limited,
No. 21, Centropolis, First Floor,
5th Cross, Langford Road, Shanti Nagar,
Bengaluru-560025.

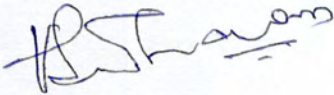
Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, and standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.



6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For V SREEDHARAN & ASSOCIATES



(V Sreedharan)

Partner

FCS: 2347; CP No.833

Address: Plot No.293, #201, 2nd Floor, 10th Main Road
3rd Block, Jayanagar, Bengaluru-560011



Place: Bengaluru

Date: May 13, 2025

UDIN: F002347G000331271

Peer Review Certificate No. 5543/ 2024

**Annexure 8****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,

The Members,

Toyota Financial Services India Limited,

No. 21, Centropolis, First Floor,

5th Cross, Langford Road, Shanti Nagar,

Bengaluru-560025.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Toyota Financial Services India Limited** bearing **CIN: U74900KA2011FLC058752** and having registered office at No. 21, Centropolis, First Floor, 5th Cross, Langford Road, Shanti Nagar, Bengaluru-560025 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025, have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA).



Details of Directors as on 31.03.2025:

Sl. No.	Name of Director	Designation	DIN	Date of appointment in Company
1.	Mr. Pala Bushanam Venugopal	Managing Director and Chief Executive Officer	10387035	01/02/2024
2.	Mr. Kazuo Noda	Whole-Time Director	09823103	24/05/2023
3.	Mr. Tetsuo Higuchi	Non-Executive Director	10265141	11/08/2023
4.	Mr. Venkatraman Prakash	Non-Executive Independent Director	00102091	14/11/2022
5.	Ms. Rajni Anil Mishra	Non-Executive Independent Director	08386001	10/09/2024

Ms. Sunitha Rajiv Handa (DIN: 08215176) retired from the position of Independent Director with effect from 09.09.2024.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification.



This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For V SREEDHARAN & ASSOCIATES
Company Secretaries



(V Sreedharan)
Partner
FCS: 2347; CP No. 833



Date: May 13, 2025
Place: Bengaluru
UDIN: F002347G000331412
Peer Review Certificate No. 5543/2024



Annexure 9

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

[Pursuant to the part E of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Corporate Identity No : U74900KA2011FLC058752

Nominal Capital : Rs. 24,109,419,000/-

To

The Members of Toyota Financial Services India Limited,

We have examined all the relevant records of **Toyota Financial Services India Limited** bearing **CIN: U74900KA2011FLC058752** for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended March 31, 2025. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

PAGE 1 OF 2



In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the said Regulations. As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with items C and E.

For V SREEDHARAN & ASSOCIATES



(V Sreedharan)

Partner

FCS: 2347; CP No.833

Address: Plot No.293, #201, 2nd Floor, 10th Main Road
3rd Block, Jayanagar, Bengaluru-560011



Place: Bengaluru

Date: May 13, 2025

UDIN: F002347G000331346

Peer Review Certificate No. 5543/ 2024



**Secretarial Compliance Report of Toyota Financial Services India Limited
for the year ended March 31, 2025**

[Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Toyota Financial Services India Limited (hereinafter referred as 'the listed entity'), having its Registered Office at No. 21, Centropolis, First Floor, 5th Cross, Langford Road, Shanti Nagar, Bengaluru-560025.

Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:



We have examined:

- (a) all the documents and records made available to us and explanation provided by Toyota Financial Services India Limited (“the listed entity”);
- (b) the filings/ submissions made by the listed entity to the stock exchanges;
- (c) website of the listed entity;
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification;

for the year ended March 31, 2025 (“Review Period”) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (herein referred to as LODR Regulations.)
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable to the Company during the review Period);



- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(Not Applicable to the Company during the review Period);
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period);
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the review Period);
- (f) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

And circulars/ guidelines issued thereunder;

and based on the above examination, we hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder ***except in respect of matters specified below, annexed as Annexure-I.***



b) The listed entity has taken following actions to comply with observations made in the previous reports- **Not Applicable**

Sl. No	Observations/ Remarks of the practicing Company Secretary in the previous reports	Observation made in the secretarial Compliance report for the year ended March 2023	Compliance Requirement (Regulations/ circulars / guidelines including specific purpose)	Details of violation/ deviations and action taken/ Penalty imposed, if any o the listed entity	Remedial actions if any, taken by the listed entity	Comments of the PCS on the action taken by the listed entity
Not applicable						

We hereby report that, during the Review Period the compliance status of the listed entity with the following requirements:

Sr. No	Particulars	Compliance Status (Yes/No/NA)	Observations/ remarks by PCS
1.	<p>Secretarial Standards</p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI) as notified by the Central Government under Section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>	Yes	NIL



2.	<p>Adoption and timely updation of the Policies:</p> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations / circulars / guidelines issued by SEBI. 	Yes	NIL
3.	<p>Maintenance and disclosures on Website:</p> <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website. 	Yes	NIL



4.	<p>Disqualification of Director:</p> <p>None of the Directors of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	NIL
5.	<p>Details related to Subsidiaries of listed entities have been examined w.r.t:</p> <p>(a) Identification of material subsidiary companies.</p> <p>(b) Disclosure requirement of material as well as other subsidiaries.</p>	Not applicable	<p>The listed entity does not have material subsidiaries as defined under Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015</p>
6.	<p>Preservation of Documents:</p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	NIL



9.	<p>Disclosure of events or information:</p> <p>The listed entity has provided all the required disclosure(s) under Regulation 50 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	Yes	NIL
10.	<p>Prohibition of Insider Trading:</p> <p>The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>	Yes	NIL
11.	<p>Actions taken by SEBI or Stock Exchange(s), if any:</p> <p>No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.</p>	No.	<p><i>NSE Limited has imposed a penalty of ₹10,000 (excluding applicable rate of GST) per instance on the Company for non-compliance with the provisions of Regulation 60(2) of the LODR Regulations, during the month of July 2024 and October 2024, respectively in accordance with the SEBI Master Circular dated May 21, 2024.</i></p>



12.	<p>Resignation of statutory auditors from listed entities and their material subsidiaries</p> <p>In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and or/ its material subsidiary (ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular (SEBI/HO/CFD/PoD2/CIR/P/2023/120) dated July 11, 2023 on compliance with the provisions of LODR Regulations by listed entities.</p>	Not applicable	<p>The auditors of the listed entity have not resigned during the review period.</p> <p>The company does not have any material subsidiaries.</p>
13.	<p>Additional Non-compliances, if any:</p> <p>No additional non-compliance observed for all SEBI regulation / circular / guidance note etc.</p>	Yes	NA

Assumptions & Limitation of scope and Review:

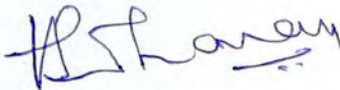
1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.



3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For V SREEDHARAN & ASSOCIATES

Company Secretaries



(V Sreedharan)

Partner

FCS: 2347; CP No. 833

**Address: Plot No.293, #201, 2nd Floor, 10th Main Road
3rd Block, Jayanagar, Bengaluru-560011**

Place: Bengaluru

Date: May 13,2025.

UDIN: F002347G000332765

Peer Review Certificate No. 5543/ 2024.



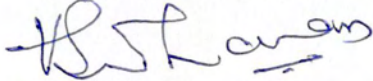
Annexure 1

a) The listed entity has complied with the provisions of the above Regulations and circulars / guidelines issued thereunder as stated in our report, **except in respect of matters specified below:**

Sr. No	Compliance Requirement (Regulations / circulars / guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations / Remarks of the Practicing Secretary of the Listed entity	Management Response	Remarks
1.	Regulation 60(2): The listed entity shall give notice in advance of atleast seven working days (excluding the date of intimation and the record date) to the recognised stock exchange(s) of the record date or of as many days as the stock exchange(s) may agree to or require specifying the purpose of the record date.	Regulation 60(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)	<i>The company delayed compliance with the provisions of Regulation 60(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the month of July 2024.</i>	NSE Limited	Levied a fine of Rs. 10,000	<i>There was a shortfall of one working day in the intimation of the record date for the payment of interest of Non-convertible debentures, ISIN, INE692Q07423 in the month of July 2024</i>	Rs. 10,000 plus GST	<i>The Company duly remitted the fine on September 12, 2024.</i>	Based on the directions from the Board of Directors, the Company has undertaken necessary steps to strengthen its processes to avoid such inadvertent delays.	-
2.	Regulation 60(2): The listed entity shall give notice in advance of atleast seven working days (excluding the date of intimation and the record date) to the recognised stock exchange(s) of the record date or of as many days as the stock exchange(s) may agree to or require specifying the purpose of the record date.	Regulations, 2015 (SEBI (LODR) Regulations, 2015).	<i>The Company has not complied with the provisions of Regulation 60(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the month of September 2024.</i>	NSE Limited	Levied a fine of Rs. 10,000	<i>The record date for interest payment on Non-Convertible Debentures (ISIN: INE692Q07449) was intimated incorrectly in September 2024.</i>	Rs. 10,000 plus GST	<i>The Company duly remitted the fine on November 11, 2024. Additionally, it has ensured compliance with the provisions of Regulation 60(2) of the SEBI (LODR) Regulations, 2015, by submitting the revised intimation within the prescribed timeframe.</i>		-



For V SREEDHARAN & ASSOCIATES
Company Secretaries



(V Sreedharan)

Partner

FCS: 2347; CP No. 833

Place: Bengaluru

Date: May 13, 2025

UDIN: F002347G000332765

Peer Review Certificate No. 5543/2024



Price Waterhouse LLP

Chartered Accountants

Independent Auditor's Report

To the Members of Toyota Financial Services India Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Toyota Financial Services India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information (together known as "Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



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T: +91 (22) 61197800

Registered office and Head office: Plot No. 56 & 57, Block DN, Sector-V, Salt Lake, Kolkata - 700 091

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAS - 3673) with effect from April 22, 2020. Post its conversion to Price Waterhouse LLP, its ICAI registration number is (FRN 301112E/E300264) (ICAI registration number before conversion was 301112E)

Price Waterhouse LLP

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Toyota Financial Services India Limited
Report on Audit of the Financial Statements
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Key audit matter

How our audit addressed the key audit matter

Impairment allowance against Loans ("Expected credit losses" or "ECL")

Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans

(Refer Notes 6, 30 and 43 (A) to the financial statements)

As at March 31, 2025, the outstanding balances of loans granted by the Company aggregated to Rs. 1,87,602.04 million and the associated impairment loss allowance recognised in the books aggregated to Rs. 4,772.05 million.

Impairment loss allowance under the ECL model are determined based on management's estimate of the expected credit losses within the loan portfolios at the balance sheet date and involves judgement in estimating variables like 'Probability of Default', 'Exposure at Default' (expected balance at default together with expected drawdown from committed lines), staging of loans and 'Loss Given Default' as specified under Ind AS 109 "Financial Instruments".

The loan balances are significant to the financial statements and involve exercise of judgement by the management around the determination of the impairment loss allowance in line with the ECL model specified under Ind AS 109.

Quantitative factors like days past due, behaviour of the loan portfolio, historical losses incurred on defaults, macro-economic data points and recovery post default and qualitative factors like nature of the underlying loan, deterioration in credit quality, risk segmentation, reduction in the value of security, correlation of macro-economic variables to determine expected losses, uncertainty over realisability of security, probability weights applied to reflect future economic conditions,

How our audit addressed the key audit matter

The audit procedures performed by us included the following:

- Understood and evaluated the design and tested the operating effectiveness of the key controls put in place by the management over:
 - i. the assumptions used in the calculation of ECL and its various aspects such as determination of Probability of Default, Loss Given Default, Exposure at Default, Staging of Loans, etc.;
 - ii. the completeness and accuracy of source data used by the management in the ECL computation;
 - iii. approval of changes to ECL methodology and models through governance framework; and
 - iv. Computation of ECL.
- Assessed the Company's accounting policy in respect of loans and related ECL provisioning for compliance with Ind AS 109.
- With the assistance of auditor's expert, verified the appropriateness of the methodology and models used by the Company and reasonableness of the assumptions used within the computation process to derive the



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INDEPENDENT AUDITOR'S REPORT

To the Members of Toyota Financial Services India Limited
Report on Audit of the Financial Statements
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judgement in relation to management overlays and related Reserve Bank of India (RBI) guidelines, to the extent applicable, etc. have been taken into account in the ECL computation.

In view of the significant management judgement around determination of impairment loss and the complexity of the ECL model, we determined this to be a key audit matter.

impairment loss allowance as per the requirements of Ind AS 109 and ECL policy of the Company;

- Tested, on a sample basis, the completeness and accuracy of the source data used;
- Recomputed the impairment loss allowance for a sample of loans across the portfolio, to verify arithmetical accuracy and compliance with the ECL methodology approved by the Board of Directors of the Company;
- Evaluated the reasonableness of the assumptions and judgement involved in management overlays forming part of the impairment loss allowance, and the related approvals including from those charged with governance; and
- Evaluated the adequacy of presentation and disclosures in relation to impairment loss allowance in the financial statements.

Information Technology ("IT") Systems and controls impacting Financial Statements

The Company operates a complex IT environment comprising multiple independent and interdependent systems that support its operational and financial processes. These systems are used to process and record a high volume of transactions across various functions. Given the significant reliance on these IT systems for financial reporting, the effectiveness of IT General Controls (ITGC) and IT dependent controls is essential to ensure that data is processed completely, accurately, and consistently.

Our procedure in relation to this matter included the following:

- Engaged our technology risk assurance specialists to obtain an understanding of the Company's IT environment, IT applications and related infrastructure relevant to financial reporting.
- Evaluated and tested the design and operating effectiveness of the relevant ITGC over the "in-scope"



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INDEPENDENT AUDITOR'S REPORT

To the Members of Toyota Financial Services India Limited
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We identified certain key IT systems ("in-scope" systems) that have an impact on the financial reporting process. The related controls testing is identified as a key audit matter due to the high level of automation, the number of systems involved, the complexity of the IT architecture and its impact on the financial reporting process of the Company.

systems. These included controls in the following domains:

- Program change management – assessed whether changes to programs were appropriately authorised, tested, and moved to the production environment in accordance with defined procedures, with adequate segregation of environments.
 - User access management – tested controls over user provisioning and de-provisioning, access reviews, password policies, and segregation of duties to ensure that privileged access to applications, operating systems, and databases was restricted to authorised personnel.
 - IT operations – assessed controls over job scheduling, system monitoring, and backup and recovery processes.
- Evaluated the design and tested the operating effectiveness of relevant key IT dependent controls within significant business processes. This included testing of automated controls, automated calculations and accounting procedures, interfaces, segregation of duties and system generated reports, as applicable.
- Communicated with management and those charged with governance and tested a combination of compensating controls, remediated controls and / or performed alternative audit procedures, where necessary.



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INDEPENDENT AUDITOR'S REPORT

To the Members of Toyota Financial Services India Limited
Report on Audit of the Financial Statements
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Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



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INDEPENDENT AUDITOR'S REPORT

To the Members of Toyota Financial Services India Limited

Report on Audit of the Financial Statements

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Auditor's responsibilities for the audit of the Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Toyota Financial Services India Limited
Report on Audit of the Financial Statements
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13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

14. The financial statements of the Company for the year ended March 31, 2024, were audited by another firm of chartered accountants under the Act who, vide their report dated May 23, 2024, expressed an unmodified opinion on those financial statements.

Our opinion on the Financial Statements is not modified in respect of the above matter.

Report on other legal and regulatory requirements

15. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

16. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.



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Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Toyota Financial Services India Limited

Report on Audit of the Financial Statements

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- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 16(b) above on reporting under Section 143(3)(b) and paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses on long-term contracts including derivative contracts – Refer Note 4, 6, 26 and 30 to the financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 51 to the financial statements);
 - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 52 to the financial statements); and
 - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.



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INDEPENDENT AUDITOR'S REPORT

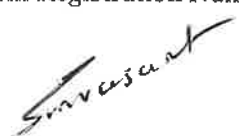
To the Members of Toyota Financial Services India Limited
Report on Audit of the Financial Statements
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- v. The Company has not declared or paid any dividend during the year.
- vi. Based on our examination, which included test checks, the Company has used multiple accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except for the following:
 - (i) in respect of four accounting softwares, the audit trail feature was not enabled for any direct database changes;
 - (ii) with respect to another accounting software used for payroll processing, which is operated by a third party service provider, in the absence of independent service auditor's report, we are unable to comment whether the audit trail feature of the aforesaid software was enabled and operated for the period between April 1, 2024 to September 26, 2024 for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company in respect of the software other than those described in (i) and (ii) above as per the statutory requirements for record retention.

- 17. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

For **Price Waterhouse LLP**
Chartered Accountants
Firm Registration Number: 301112E/E300264


Sharad Vasant
Partner
Membership Number: 101119

UDIN: 25101119BMIFCE6260

Sydney, Australia
May 22, 2025

Price Waterhouse LLP

Chartered Accountants

Annexure A to Independent Auditor's Report

Referred to in paragraph 16(g) of the Independent Auditor's Report of even date to the members of Toyota Financial Services India Limited on the Financial Statements as of and for the year ended March 31, 2025
Page 1 of 2

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Toyota Financial Services India Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.



Price Waterhouse LLP

Chartered Accountants

Annexure A to Independent Auditor's Report

Referred to in paragraph 16(g) of the Independent Auditor's Report of even date to the members of Toyota Financial Services India Limited on the Financial Statements as of and for the year ended March 31, 2025
Page 2 of 2

Meaning of Internal Financial Controls with reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

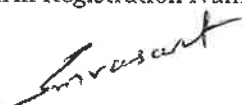
Inherent Limitations of Internal Financial Controls with reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse LLP**
Chartered Accountants
Firm Registration Number: 301112E/E300264



Sharad Vasant
Partner
Membership Number: 101119

UDIN: 25101119BMIFCE6260

Place: Sydney, Australia
May 22, 2025

Price Waterhouse LLP

Chartered Accountants

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of Toyota Financial Services India Limited on the financial statements for the year ended March 31, 2025

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In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment of the Company, other than Motor Vehicles given on operating lease, have been physically verified by Management during the year and no material discrepancies have been noticed on such verification, and, in our opinion, the frequency of verification is reasonable. With respect to Motor Vehicles given on operating lease, Management has not conducted the physical verification. However, Management has relied on the Motor Vehicles' periodic maintenance service reports received from external vendors as evidence of physical existence of such Motor Vehicles.
- (c) The Company does not own any immovable properties (Refer Note 11 to the financial statements). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or Intangible Assets does not arise.
- (e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The Company is engaged primarily in lending activities and consequently does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. (a) Reporting under clause 3(iii)(a) of the Order is not applicable to the Company as it is a non-banking financial company registered with the Reserve Bank of India engaged in the business of granting loans.



Price Waterhouse LLP

Chartered Accountants

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of Toyota Financial Services India Limited on the financial statements for the year ended March 31, 2025
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- (b) In respect of the loans, investments / advances in nature of the loan, in our opinion, the terms and conditions under which such loans were granted/ investments were made are not prejudicial to the Company's interest. Further, the Company has not provided any guarantee or security during the current year.
- (c) In respect of the loans/ advances in nature of loan, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Considering that the Company is a non-banking financial company engaged in the business of granting loans to retail and corporate customers for vehicles purchase, the entity-wise details of the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been reported because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business. Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognised necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 6 and 43(A) to the financial statements), the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.
- (d) In respect of the loans/ advances in nature of loans, the total amount overdue for more than ninety days as at March 31, 2025 is Rs. 2,455.13 million. In such instances, in our opinion, based on information and explanations provided to us, reasonable steps have been taken by the Company for the recovery of the principal amounts and the interest thereon. Refer Note 43(A) in the financial statements which includes details of number of cases and the gross carrying amount of principal and interest overdue of loans / advances categorised in stage 3 as at March 31, 2025.
- (e) Reporting under clause 3(iii)(c) of the Order is not applicable to the Company as it is a non-banking financial company registered with the Reserve Bank of India engaged in the business of granting loans.
- (f) There were no loans/ advances in nature of loans which were granted during the year, including to promoters/ related parties that were repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion, the Company has complied with the provisions of Section 185 and sub-section (1) of Section 186 of the Act in respect of the loans and investments made. The Company has not provided guarantees and security during the year. The provisions of sub-sections (2) to (11) of Section 186 are not applicable to the Company as it is a non-banking financial company registered with the RBI engaged in the business of granting loans.
- v. The provisions of sub-section (1) of Section 73 are not applicable to the Company as it is a non-banking financial company registered with the Reserve Bank of India, engaged in the business of giving loans. Further, the Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.



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Chartered Accountants

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of Toyota Financial Services India Limited on the financial statements for the year ended March 31, 2025

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- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, service tax, cess and other statutory dues, as applicable, with the appropriate authorities.
- (b) The particulars of statutory dues referred to in sub-clause (a) as at March 31, 2025 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In Million)	Period to which the amount relates	Forum where the dispute is pending	Remarks, If any
Integrated Goods and service Tax 2017	GST	3.98	2017-18	Commissioner of Indirect Tax	NA

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, the term loans have been applied for the purposes for which they were obtained. Also, refer Note 17 to the financial statements.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) According to the information and explanations given to us and procedures performed by us, the company does not have any subsidiaries, joint ventures or associate companies. Accordingly, the provisions stated under paragraph 3(ix)(e) of the order is not applicable to the company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.



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Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of Toyota Financial Services India Limited on the financial statements for the year ended March 31, 2025

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- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has made a private placement of shares during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, except for 4 instances aggregating Rs. 2.86 million and for which the Management has taken appropriate steps for recovery of dues, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management. Also, refer note 44(g)(vi) to the financial statements.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received one whistle-blower complaint during the year, which have been considered by us for any bearing on our audit and reporting under this clause.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.



Price Waterhouse LLP

Chartered Accountants

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of Toyota Financial Services India Limited on the financial statements for the year ended March 31, 2025

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- xvi. (a) The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a Non-Banking Financial Company – Investment Credit Company.
- (b) The Company has conducted non-banking financial activities during the year and the Company holds a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios (Refer Note 43 B, 44(a), 46 to financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. (a) The Company has not undertaken any "other than ongoing projects" in pursuance of its Corporate Social Responsibility Policy. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing project to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. Also, refer Note 33 to the financial statements.



Price Waterhouse LLP

Chartered Accountants

Annexure B to Independent Auditors' Report

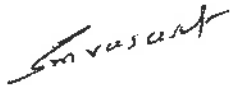
Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of Toyota Financial Services India Limited on the financial statements for the year ended March 31, 2025
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- xxi. The reporting under clause 3(xxii) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse LLP**

Chartered Accountants

Firm Registration Number: 301112E/E300264



Sharad Vasant

Partner

Membership Number: 101119

UDIN: 25101119BMIFCE6260

Sydney, Australia

May 22, 2025

Toyota Financial Services India Limited
Balance sheet as at 31 March 2025

(Amounts are in Rs. Million)

Particulars	Notes	31 March 2025	31 March 2024
ASSETS			
I Financial assets			
(a) Cash and cash equivalents	3	4,196.56	3,121.19
(b) Derivative financial instruments	4	171.77	173.58
(c) Trade receivables	5	13.32	17.62
(d) Loans	6	1,82,829.99	1,32,383.71
(e) Investments	7	4,671.33	4,355.76
(f) Other financial assets	8	49.96	41.24
Total financial assets		1,91,932.93	1,40,093.10
II Non-financial assets			
(a) Current tax assets (net)	9	134.06	81.49
(b) Deferred tax assets (net)	10	845.47	585.68
(c) Property, plant and equipment	11	807.25	536.38
(d) Right-of-use assets	12	228.12	93.82
(e) Intangible assets under development	13	-	38.11
(f) Other intangible assets	13	170.95	113.01
(g) Other non-financial assets	14	1,363.57	646.54
Total non-financial assets		3,549.42	2,095.03
Total Assets		1,95,482.35	1,42,188.13
LIABILITIES AND EQUITY			
I Liabilities			
i Financial liabilities			
(a) Derivative financial instruments	4	1,507.07	1,227.72
(b) Trade payables	15	730.73	636.54
(i) total outstanding dues of micro enterprises and small enterprises		60.25	50.36
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		670.48	586.18
(c) Debt securities	16	64,765.58	39,209.25
(d) Borrowings (other than debt securities)	17	93,279.26	72,823.71
(e) Lease liabilities	18	229.88	96.64
(f) Other financial liabilities	19	1,371.95	1,672.58
Total financial liabilities		1,61,884.47	1,15,666.44
ii Non-financial liabilities			
(a) Current tax liabilities (net)	20	-	-
(b) Provisions	21	176.07	157.14
(c) Other non-financial liabilities	22	101.76	107.62
Total non-financial liabilities		277.83	264.76
II Equity			
(a) Equity share capital	23	16,561.54	13,581.47
(b) Other equity	24	16,758.51	12,675.46
Total equity		33,320.05	26,256.93
Total Liabilities and Equity		1,95,482.35	1,42,188.13

Material Accounting Policy Information

2

Notes to the financial statements

3 - 56

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For Price Waterhouse LLP
Chartered Accountants
Firm Registration Number: 301112E / E300264

Sharad Vasant
Partner
Membership Number: 401119

Sydney, Australia
22 May 2025

For and on behalf of the Board of Directors of
Toyota Financial Services India Limited

P B Venugopal
Managing Director & CEO
DIN: 10387035
Bangalore
22 May 2025

Surya Narayan Patro
Chief Financial Officer

Bangalore
22 May 2025

Venkatraman Prakash
Director
DIN: 00102091
Bangalore
22 May 2025

Rajat Ilkal
Company Secretary
Membership No. A69311
Bangalore
22 May 2025



Toyota Financial Services India Limited
Statement of Profit and Loss for the year ended 31 March 2025

(Amounts are in Rs. Million)

Particulars	Notes	Year ended	
		31 March 2025	31 March 2024
Revenue from operations			
(i) Interest income	25	14,498.14	9,832.59
(ii) Rental income		183.76	155.71
(iii) Fees and commission income		27.27	13.40
(iv) Net gain on fair value changes	26	-	-
(v) Other charges	27	524.33	458.29
(I) Total Revenue from operations		15,233.50	10,459.99
(II) Other income	28	19.22	21.07
(III) Total Income (I+II)		15,252.72	10,481.06
Expenses			
(i) Finance cost	29	10,268.37	6,683.52
(ii) Net loss on fair value changes	26	272.45	123.01
(iii) Impairment on financial instruments	30	2,157.98	803.96
(iv) Employee benefit expenses	31	935.14	845.82
(v) Depreciation, amortisation and impairment	32	265.76	230.36
(vi) Other expenses	33	1,205.88	1,044.00
(IV) Total expenses		15,105.58	9,730.67
(V) Profit / (loss) before tax (III-IV)		147.14	750.39
(VI) Tax expense			
1. Current tax			
a. Current Year	10	314.48	209.93
b. Earlier year tax adjustment		14.77	-
2. Deferred tax	10	(257.92)	(6.41)
Total tax expense		71.33	203.52
(VII) Profit / (loss) after tax for the year (V-VI)		75.81	546.87
(VIII) Other comprehensive income			
A Items that will not be reclassified to profit or loss			
i. Remeasurements of the defined benefit plans		(5.91)	(1.53)
ii. Income tax impact of above		1.45	0.38
Sub Total		(4.46)	(1.15)
B Items that will be reclassified to profit or loss			
i. Fair value changes on investments		(1.65)	(0.60)
ii. Income tax impact on above		0.42	0.15
Sub Total		(1.23)	(0.45)
Other comprehensive (loss) / income (A+B)		(5.69)	(1.60)
(IX) Total comprehensive income / (loss) for the year (VII+VIII)		70.12	545.27
(X) Earnings for equity share			
Basic (INR)	34	0.05	0.47
Diluted (INR)	34	0.05	0.47
Face value per share (INR)		10.00	10.00
Material Accounting Policy Information	2		
Notes to the financial statements	3 - 56		
The accompanying notes form an integral part of the financial statements			
As per our report of even date attached			

For Price Waterhouse LLP
Chartered Accountants
Firm Registration Number: 301112E / E300264

Sharad Vasant
Partner
Membership Number: 101119

Sydney, Australia
22 May 2025

For and on behalf of the Board of Directors of
Toyota Financial Services India Limited

P B Venugopal
Managing Director & CEO
DIN: 10387035
Bangalore
22 May 2025

Surya Narayan Patro
Chief Financial Officer

Bangalore
22 May 2025

Venkatraman Prakash
Director
DIN: 00102091
Bangalore
22 May 2025

Rajat Ilkal
Company Secretary
Membership No. AG9311
Bangalore
22 May 2025



Toyota Financial Services India Limited
Statement of cash flow for the year ended 31 March 2025

(Amounts are in Rs. Million)

Particulars	Year ended	
	31 March 2025	31 March 2024
A. Cash flow from operating activities		
Profit/(loss) before tax	147.14	750.39
Adjustments for :		
Depreciation, amortisation and impairment	265.76	230.36
Net (gain) on derecognition of property, plant and equipment	(16.14)	(11.68)
Net loss/(gain) on fair value changes	361.06	252.67
Interest income	(14,498.14)	(9,832.59)
Interest on lease liability	5.66	7.64
Interest on debt securities	3,935.14	2,700.36
Interest on borrowings (other than debt securities)	6,327.37	3,975.23
Impairment on financial instruments	2,157.98	803.96
Others (includes Interest on Security deposits)	(2.99)	(2.85)
Operating profit before working capital changes	(1,317.16)	(1,126.51)
Changes in working capital :		
Increase/(Decrease) in trade payables	94.19	125.23
Increase/(Decrease) in other financial liabilities	(300.63)	1,228.19
Increase/(Decrease) in other non-financial liabilities	(5.85)	36.22
Increase/(Decrease) in provisions	13.03	26.47
Net flow from Investments fair valued through P&L	1,001.85	(1,001.85)
Decrease/(Increase) in loans	(52,377.59)	(46,469.11)
Decrease/(Increase) in trade receivables	4.30	19.10
Decrease/(Increase) in other financial assets	(8.72)	12.45
Decrease/(Increase) in other non-financial assets	(717.03)	(289.63)
Interest received	14,212.82	9,501.40
Interest paid on debt securities	(2,936.28)	(1,467.16)
Interest paid on borrowings (other than debt securities)	(5,469.19)	(3,851.12)
Cash used in operations	(47,806.26)	(43,256.32)
Taxes paid (including tax deducted at source)	(381.82)	(193.40)
Net cash used in operating activities	(48,188.08)	(43,449.72)
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(502.49)	(420.00)
Purchase of other intangible assets	(112.99)	(38.11)
Sale of property, plant and equipment	95.61	150.04
Proceeds from sale of investments fair valued through OCI	5,717.64	14,672.43
Purchase of investments fair valued through OCI	(6,948.13)	(15,447.00)
Net cash used in investing activities	(1,750.36)	(1,082.64)
C. Cash flow from financing activities		
Proceeds from issue of equity share capital (inclusive of securities premium)	6,993.00	6,093.90
Debt securities issued	47,057.48	35,510.22
Debt securities repaid	(22,500.00)	(23,150.00)
Borrowings other than debt securities received	96,480.53	55,714.89
Borrowings other than debt securities repaid	(75,579.63)	(29,940.96)
Payment of lease Liability	(65.28)	(58.91)
Net cash generated from financing activities	52,386.10	44,169.14
Net increase/(decrease) in cash and cash equivalents(A)+(B)+(C)	2,447.66	(363.22)
Cash and cash equivalents, beginning of the year	1,748.02	2,111.24
Cash and cash equivalents, end of the year (refer below)	4,195.68	1,748.02

Notes to the statement of cash flow :

Cash and cash equivalents comprise of:

(a) Cash on hand	(refer note 3)	0.00	0.00
(b) Balances with banks			
In current accounts	(refer note 3)	443.38	117.52
Demand deposits (less than 3 months maturity)	(refer note 3)	3,753.18	3,003.67
		4,196.56	3,121.19
(c) Borrowings (other than debt securities)			
Book overdraft	(refer note 17)	(0.88)	(1,373.17)
TOTAL (a)+(b)+(c)		4,195.68	1,748.02



Toyota Financial Services India Limited
Statement of cash flow for the year ended 31 March 2025

Notes to the statement of cash flow (continued) :

Particulars	(Amounts are in Rs. Million)		
	Debt Securities	Borrowings (other than debt securities)	Lease Liabilities
Balance as at the beginning of the year	39,209.25	72,823.71	96.64
Cash flows	25,556.33	21,759.09	(59.62)
Non cash changes-			
Acquisition	-	-	192.86
Foreign exchange movement	-	(1,303.54)	-
Fair value change	-	-	-
Balance as at the end of the year	64,765.58	93,279.26	229.88

- 2) Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.
- 3) The above statement of cash flow has been prepared under the indirect method set out in IND AS 7 on Cash Flow Statements specified under Section 133 of the Companies Act, 2013.
- 4) Figures in bracket indicate cash outflow.
- 5) Figures for the previous periods have been regrouped, wherever necessary, to make them comparable with the current period.

Material Accounting Policy Information 2
Notes to the financial statements 3 - 56

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For Price Waterhouse LLP
Chartered Accountants
Firm Registration Number: 301112E / E300264

Sbarad Vasant
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Partner
Membership Number: 101119

Sydney, Australia
22 May 2025

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Chief Financial Officer

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22 May 2025

For and on behalf of the Board of Directors of
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Yenkatraman Prakash
Yenkatraman Prakash
Director
DIN: 00102091
Bangalore
22 May 2025

Rajat Ilkal
Rajat Ilkal
Company Secretary
Membership No. A69311
Bangalore
22 May 2025



Toyota Financial Services India Limited
Statement of Changes in Equity (SOCIE) for the period ended 31 March 2025

A. Equity share capital

(Amounts are in Rs. Million)				
Balance as at 01 April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31 March 2024
11,101.47	-	-	2,480.00	13,581.47
Balance as at 01 April 2024	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31 March 2025
13,581.47	-	-	2,980.07	16,561.54

B. Other equity

Particulars	Reserves and Surplus			Items of other comprehensive income		Total
	Statutory Reserve	Securities Premium	Retained Earnings	Remeasurements of the defined benefit plans	Fair value change on Investment	
Balance as at 31 March 2023	852.67	5,295.03	2,370.05	(1.46)	-	8,516.29
Profit for the year	-	-	546.87	-	-	546.87
Other comprehensive income (net of taxes)	-	-	-	(1.15)	(0.45)	(1.60)
Transfer to statutory reserve under section 45-1C of RBI Act, 1934	109.37	-	(109.37)	-	-	-
Additional share premium during the year	-	3,620.00	-	-	-	3,620.00
Share issue cost (Stamp duty)	-	(6.10)	-	-	-	(6.10)
Balance as at 31 March 2024	962.04	8,908.93	2,807.55	(2.61)	(0.45)	12,675.46
Profit for the year	-	-	75.81	-	-	75.81
Other comprehensive income (net of taxes)	-	-	-	(4.46)	(1.23)	(5.69)
Transfer to statutory reserve under section 45-1C of RBI Act, 1934	15.16	-	(15.16)	-	-	-
Additional share premium during the year	-	4,019.93	-	-	-	4,019.93
Share issue cost (Stamp duty)	-	(7.00)	-	-	-	(7.00)
Balance as at 31 March 2025	977.20	12,921.86	2,868.20	(7.07)	(1.68)	16,758.51

Note 24 describes the purpose of each reserve within equity.

Material Accounting Policy Information 2
Notes to the financial statements 3 - 56
The accompanying notes form an integral part of the financial statements
As per our report of even date attached

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Firm Registration Number: 301112E / E300264

Sharad Vasant
Partner
Membership Number: 101119

Sydney, Australia
22 May 2025

For and on behalf of the Board of Directors of
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Rajat Ikkal
Company Secretary
Membership No. A69311
Bangalore
22 May 2025



1. Company Overview

1.1 Reporting Entity

Toyota Financial Services India Limited was incorporated on 20 May 2011 under the Companies Act, 1956 and is a wholly-owned subsidiary of Toyota Financial Services Corporation, Japan, the ultimate holding Company being Toyota Motors Corporation, Japan. The Company has its registered office in Bengaluru, India. The Company has been set up to undertake auto financing business and related activities in India. The Company received certificate of registration from the Reserve Bank of India (RBI) to commence operations as Non-Banking Finance Company on 2 May 2012. During the year ended 31 March 2016 RBI has amended the certificate of registration and has classified the company as Non-Deposit taking Non-Banking Finance Company - Asset Finance Company (now Investment and Credit Company i.e. NBFC-ICC) with effect from 13 November 2015 and classified as NBFC- Middle Layer under Scale Based Regulations (SBR) for NBFCs.

1.2 Statement of Compliance, basis of preparation and presentation of financial statements

The financial statements have been prepared on a going concern basis, in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') and Companies (Indian Accounting Standards) Rules, 2015 and the other relevant provisions of the act/Master Directions, Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulations) Directions, 2023 as amended and guidelines/circulars issued by Reserve Bank of India for Non-Banking Finance Companies.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use. These Annual financial statements have been reviewed by the Audit Committee and approved by the Board of Directors and authorised for issue on 23 May 2024.

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows.

The financial statements are prepared on a going concern basis as the Management is satisfied that the company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

1.3 Functional and Presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are rounded off to the nearest millions, unless otherwise indicated.

1.4 Basis of Measurement

The financial statements have been prepared on a historical cost basis, except for certain financial instruments and employee benefit plans that are measured at fair value as required or allowed by relevant accounting standards.

1.5 Significant areas of estimation, critical judgments and assumptions in applying accounting policies

The preparation of financial statements in accordance with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. The Company's management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Accounting estimates can change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of the changes in circumstances surrounding the estimates. Any changes in the accounting estimates are reflected in the period in which such change in circumstances are made and, if material their effect are disclosed in the notes to the financial statements.

The key estimates and assumptions used in preparation of financial statements are:

i. Business Model Assessment

Classification and measurement of financial assets depends on the results of the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii. Fair value of Financial Instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items.



iii. Impairment of financial instruments/Expected credit loss 'ECL' on loans

ECL allowances represent management's best estimate of losses incurred and/or expected to be incurred in the loan portfolios at the Balance Sheet date. Management is required to exercise judgment in making assumptions and estimates when calculating loan related impairment allowances on both individually and collectively. The estimation methods include the use of statistical analyses of historical information (quantitative and qualitative), supplemented with significant management judgment, to assess whether current economic and credit conditions are such that the actual level of incurred losses is likely to be greater or less than historical experience and reasonable and supportable forward-looking information.

In determining whether there is objective evidence that a loss event has occurred, judgment is exercised in evaluating all relevant information on indicators of impairment, including the consideration of whether payments are contractually past-due and the consideration of other factors indicating deterioration in the financial condition and outlook of borrowers affecting their ability to pay.

iv. Amortized Cost of Loans

The Company has considered directly attributable and incremental fees associated with origination of loans. Such fees have been amortized using the Effective Interest Rate (EIR) method over the actual contractual life. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life cycle of the instruments, as well as expected change to company's base rate and other fee income/expense that are integral parts of the instruments.

v. Recognition of Deferred Tax

A deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized based on the experience and future projections. The management assumes that taxable profits will be available while recognizing deferred tax assets.

vi. Measurement of provisions and contingencies

Judgment is involved in determining whether a present obligation exists and in estimating the probability, timing and amount of any outflows. Provisions for legal proceedings and regulatory matters typically require a higher degree of judgment than other types of provisions. The amount provisioned can remain very sensitive to the assumptions used. There could be a wide range of possible outcomes for any pending legal proceedings, investigations or inquiries. As a result, it is often not practicable to quantify a range of possible outcomes for individual matters. Provisions for customer remediation also require significant levels of estimation and judgment which are guided by legal advice, wherever applicable, the stage of the matter and historical evidence from similar instances.

vii. Measurement of Defined Benefits Obligation

The measurement of obligations related to defined benefit plans requires to use several statistical and other factors that attempts to anticipate future events. These factors include assumptions about the discount rate, the rate of future compensation increases, withdrawal rate, mortality rate etc.

viii. Determination of the estimated useful lives of tangible assets

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.



2 Material Accounting Policy Information

The Company has applied the following Material Accounting Policy Information to all periods presented in these financial statements.

i. Revenue Recognition

Interest income from financial assets is recognized on an accrual basis using effective interest rate (EIR) method. Interest revenue continues to be recognized at the original effective interest rate applied on the gross carrying amount for assets falling under impairment stages 1 and 2 as against on net amortized cost for the assets falling under impairment stage 3.

Processing fees, subvention income and commission expenses that are integral to the effective interest rate on a financial asset are included in the effective interest rate.

The company recognises revenue from contracts with customers based on a comprehensive assessment model as set out in Ind AS 115 "Revenue from contracts with customers".

Other fees and commission income are recognized at the time of completion of contracts or when it is probable to happen and the amount can be reasonably estimated.

Recovery from bad debts written off is recognized on actual realization from customers.

For revenue recognition from leasing transactions of the Company, refer Note 2 (vii) on Leases below.

Interest on fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate.

Dividend is recognized when the right to receive the dividend is established.

Net gain on fair value change: - Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognized as an unrealized gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognized in "Net gains or fair value changes" under revenue from operations and if there is a net loss the same is disclosed "Expenses", in the statement of profit and loss.

ii. Finance Cost

Finance costs include interest expense calculated using the Effective Interest Rate (EIR) method, finance charges in respect of assets acquired and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

Interest expense on financial liabilities is recognized on an accrual basis using Effective Interest Rate (EIR) method.

Arranger fees, stamp duty charges and other fees that are integral to the effective interest rate on a liability are included in the Effective Interest Rate (EIR).

Other fees and expenses such are recognized as and when they are incurred.

iii. Financial Assets and Liabilities

a. Financial Assets

Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus or minus transaction costs that are directly attributable and incremental to the origination/acquisition of the financial asset.

A financial asset is measured at amortized cost if it meets both of the following conditions

- i. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- ii. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest outstanding on the principal amount outstanding (SPPI).

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR and reported as part of interest income in the Statement of Profit or Loss. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains or losses and impairment are recognised in Statement of Profit or Loss. Any gain or loss on derecognition is recognised in Statement of Profit or Loss.

Financial Asset at Fair Value Through Other Comprehensive Income (FVOCI)

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- i. the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- ii. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest outstanding on the principal amount outstanding (SPPI).

These assets are subsequently recognised at fair value. Interest income under effective interest method, foreign exchange gain or loss and impairment recognised in Statement of Profit or Loss. Other net gains and losses are recognised in OCI. On derecognition, gains or losses accumulated in OCI are reclassified to Statement of Profit or Loss.

Financial Asset at Fair Value Through Profit and Loss (FVTPL)

Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified to be measured at FVTPL. Financial assets at FVTPL are subsequently measured at fair value. Net gains or losses, including any interest or dividend income, are recognised in Statement of Profit or Loss.

In addition, the Company may also elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is done only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

The Company classifies its financial assets as subsequently measured at either amortized cost or fair value based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.



b. Financial Liabilities

Initial Recognition and Measurement

All financial liabilities are recognized initially at fair value plus or minus transaction costs that are directly attributable and incremental to the issue of the financial liabilities.

Subsequent Measurement

All financial liabilities are subsequently measured at amortized cost except for financial liabilities at FVTPL. Such liabilities including derivatives liabilities are subsequently measured at fair value.

c. Impairment of Financial Instruments

Methodology for Computation of Expected Credit Losses 'ECL'

The Company recognizes loss allowances for ECL on the following financial instruments that are not measured at FVTPL or at FVOCI*:

*refer note 43 for the credit risk assessment of the Company for trade receivables, investments and other financial assets.

Measurement of ECL on Loans

ECL is a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive) that are possible within 12 months after the reporting date;
- financial assets with significant increase in credit risk but not credit impaired: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive) that result from all possible default events over the contractual life of the financial asset.
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- Undrawn loan limits are not recorded in the balance sheet. However, these financial instruments are in the scope of expected credit loss ('ECL') calculation.
- In measurement of its ECL, the Company considers the prudential floor for ECL as mentioned in the directions issued by Reserve Bank of India.

For credit-impaired assets under the non-retail portfolio the management keeps specific provision for expected credit loss based on a case to case assessment considering value of the collateral held as security and other relevant information pertaining to the case.

Significant Increase in Credit Risk (SICR)

At each reporting date, the Company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. To make the assessment, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information such as financial condition, market position, business environment and quality management of the borrower and analysis, based on Company's historical experience and expert credit assessment and including forward-looking information.

Few evidences of SICR which lead to the movement of an asset to Stage 2 are as follows:

- Any counterparty with principal or interest payments 30+ days past due but less than 90 days past due.
- Any customer segment collectively assessed to have SICR based on management discretion.
- High risk events/attributes of customer (bankruptcy or other similar events).

Credit-Impaired Financial Assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower;
- a breach of contract such as default or past due events;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.
- fraud or suspected fraud as reported to RBI and repossessed.

A loan that has been renegotiated due to deterioration in the borrower's condition is usually considered to be credit-impaired unless there is enough evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a loan that is 90 days past due or more is also considered as credit-impaired.

Presentation of ECL Allowance in Balance Sheet

Loss allowance for ECL on financial assets measured at amortized cost is presented as a deduction from the gross carrying amount of the asset, in the balance sheet.



Write off

Financial assets are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof and in accordance with the Board approved policy.

However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in statement of profit and loss.

d. De-recognition of Financial Assets and Financial Liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in Statement of Profit or Loss.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

e. Modifications of Financial Assets and Financial Liabilities

Financial Assets

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.

If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in Statement of profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income using EIR method.

Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.

Financial Liabilities

The Company derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in statement of profit or loss.

f. Offsetting Financial Assets and Financial Liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when the Company has a legal right to offset the amounts and intends to settle on net basis or to realize the asset and settle the liability simultaneously.

g. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.

The Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

Derivative Financial Instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange risk. The derivatives held by the Company are Cross currency swaps (CCS)/Forward. Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each Balance Sheet date. The resulting gain/loss is recognized in the statement of profit and loss immediately. A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognized as a financial liability.



iv. Employee benefits

i. Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Post-employment benefits

a. Defined Contribution Plans

The Company's contribution paid/ payable during the year towards provident fund is charged to Statement of Profit and Loss every year. In accordance with the applicable law, all employees of the Company are entitled to receive benefits under the Provident Fund Act, 1952. The Company contributes an amount on a monthly basis at a determined rate to the pension scheme administered by the Regional Provident Fund Commission ("RPFC") and the Company has no liability for future Provident Fund benefits other than its annual contribution, since it is a defined contribution plan.

b. Defined Benefit Plans

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. Gratuity and Leave benefits to employees are defined benefit obligations. The cost of providing benefits is determined annually by a qualified actuary using the projected unit credit method. The discount rate used to arrive at the present value of estimated future cash flows is arrived at by reference to market yields on balance sheet date on government bonds of term consistent with estimated term of the obligations. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurement of all defined benefit plans, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income in the year they are incurred.

Other long term employee benefits - Benefits under compensated absences constitutes other employee benefits. Employee entitlements to annual leave are recognised when they accrue to the eligible employees. Any accrual is made for the estimated liability for annual leave as a result of services provided by the eligible employees upto the Balance Sheet date.

v. Property, Plant and Equipment

Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

Advances paid towards the acquisition of Property Plant and Equipment (PPE) outstanding at each balance sheet date are disclosed separately under other non-financial assets.

Capital Work in Progress comprises the cost of PPE that are not ready for its intended use at the reporting date.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within the statement of profit or loss.

Subsequent Costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is recognized in Statement of profit or loss. Assets acquired on lease are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The estimated useful lives for the current and comparative periods are as follows:

Classes of assets	Useful life (Years) as per Schedule II
Leaschold improvements	The shorter of useful life or tenor of underlying lease.
Office equipment	5
Furniture and fixtures	10
Vehicles- office	8
Vehicles- lease	The tenor of underlying lease (refer note 11).
Computers (other than servers and networks)	3
Servers and networks	6



The depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Depreciation on additions /disposals is provided on a pro-rata basis i.e. from / up to the date on which asset is ready for use /disposed of.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

vi. Intangibles

Intangible assets other than goodwill are measured at cost less accumulated amortization and any impairment losses.

Expenditure on internally developed software is recognised as an asset when the Company is able to demonstrate that the product is technically feasible, its intention and ability to complete the development and use the intangible in the manner that will generate future economic benefits, and can reliably measure the cost to complete the development. The capitalized costs of internally developed software include all costs directly attributable to developing the software and capitalized borrowing costs, and are amortized over its useful life. Internally developed software is stated at capitalized cost less accumulated impairment losses.

Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in Statement of profit or loss as incurred.

Software is amortized on a straight-line method in Statement of profit and loss over its estimated useful life, from the date on which it is available for use.

Intangibles under development represents the cost of intangibles that are not ready for its intended use at the reporting date.

The estimated useful life of software for the current and comparative periods:

Asset	Useful life (Years) as per Schedule II
Computer Software	5

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

vii. Leases

i. The Company as Lessee

The Company lease asset primarily consist of leases for buildings and IT assets.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether-

- i. the contract involves the use of an identified asset
- ii. the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. the Company has the right to direct the use of the asset.

The Company recognise a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the company incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in rate, if there is a change in the Company estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Modification of lease due to change in scope or consideration or lease term requires remeasurement of lease liability. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognise the lease payments associated with these leases as an expense over the lease term.

ii. The Company as Lessor

At the inception of the lease, the Company classifies each of its leases as either a finance lease or an operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Assets given on operating lease are included in Property, Plant & Equipment (PPE). Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. The net investment is calculated by discounting the gross lease investment at the interest rate implicit in the lease. The principal amount received reduces the net investment in the lease and interest is recognised as revenue. This recognition is based on a consistent periodic rate of return on the company's net investment in the lease.



viii. Impairment (non-financial asset)

The carrying amounts of the Company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds the recoverable amount, which is the higher of the fair value less costs to sell and value in use. The fair value less costs to sell is arrived based on available data from binding sales transactions at arm's length, for similar assets. The value in use is based on a discounted cash flow (DCF) model, whereby the future expected cash flows discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

Impairment losses are recognized in statement of profit or loss, when the carrying value of an asset or cash generating unit ('CGU') exceeds the estimated recoverable amount. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro-rata basis. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and only to the extent that the asset's carrying value does not exceed the carrying value that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

ix. Foreign Currency Transactions:

Transactions in foreign currencies are translated to the respective functional currency of the Company at exchange rates at the dates of the transactions or at the average rate if such rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in Statement of profit or loss. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.

Borrowing transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the prevailing closing spot rate.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

x. Provisions and Contingencies related to claims, litigation, etc.

A provision is recognised if, as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(i) Onerous Contracts

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

(ii) Contingencies related to claims, litigation, etc.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that may arise from past events but probably will not require an outflow of resources to settle the obligation.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resource is remote, no provision is made and disclosed under contingent liability.

Contingent assets are neither recognised nor disclosed in the financial statements.

xi. Income Taxes

Income tax expense comprises current, earlier year tax adjustments and deferred tax. It is recognized in statement of profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

a. Current Tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.



b. Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and its tax base. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets are reviewed at each reporting date and based on management's judgment, are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the balance sheet date, to recover or settle the carrying amount of its assets and liabilities. The effect of changes in the tax rates on deferred tax assets and liabilities is recognised as income or expense in the period that includes the enactment or substantive enactment date. Deferred tax assets and liabilities are offset only if:

- a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

xii. Goods and Services Tax Input Credit

Goods and Services Tax input credit is recognised in the books of accounts in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing/utilising the credits. Expenses and assets are recognised net of the Goods and Services Tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

xiii. Earnings Per Share (EPS)

The Company presents basic and diluted EPS data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss that is attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss that is attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, except where the results are anti-dilutive.

xiv. Cash and Cash Equivalent

Cash and cash equivalents include cash on hand, balance with bank and fixed deposits with banks with original maturity of three months or less, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are carried at amortized cost in the balance sheet.

xv. Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for,
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

xvi. Collateral Valuation and Repossession

To mitigate its credit risk on financial assets, the Company uses the collateral, where possible. The collateral comes in various forms, such as guarantees, land and building, receivables, inventories.

To the extent possible, the Company uses active market data and external valuers for valuing financial assets held as collateral. Non-financial collateral, such as land and building, is valued based on data provided by third parties such as mortgage brokers/valuers. The Company physically repossess mortgaged and the hypothecated assets and take into custody or liquidates the assets to settle outstanding debt. Any surplus funds from sale proceeds are returned to the customers/ obligors. Collaterals related to credit impaired assets are revalued for assessment/provisioning purposes and distress value is considered.



xvii. Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses whose results are regularly reviewed by the Company's chief operating decision maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Company's CEO (being the CODM) include items that are directly attributable to a segment as well as those that can be allocated on a reasonable basis.

As of now there is no any reportable segment.

xviii Dividend to share holders

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised. As per the Companies Act, 2013 in India, a distribution is authorised when it is approved by the shareholders.

xix. Borrowings at amortised cost

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs and amortized over the period of the facility to which it relates.

xx. Trade Payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per the contractual terms.



(Amounts are in Rs. Million)

Particulars	31 March 2025		31 March 2024		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Fair Value - Assets	Fair Value - Liabilities
3 Cash and cash equivalents					
Cash on hand		0.00		0.00	
Balances with banks in current accounts		443.38		117.52	
Bank deposits (with original maturity less than 3 months)		3,753.18		3,003.67	
		<u>4,196.56</u>		<u>3,121.19</u>	

Particulars	31 March 2025			31 March 2024		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
4 Derivative financial instruments (at FVTPL)						
Part I						
(i) Currency and interest derivatives:						
Cross currency swaps	12,693.98	150.29	650.49	13,968.09	173.58	905.44
Forwards	17,723.16	21.48	856.58	1,582.02	-	322.28
Total	<u>30,417.14</u>	<u>171.77</u>	<u>1,507.07</u>	<u>15,550.11</u>	<u>173.58</u>	<u>1,227.72</u>
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
Undesignated derivatives	30,417.14	171.77	1,507.07	15,550.11	173.58	1,227.72
Total Derivative	<u>30,417.14</u>	<u>171.77</u>	<u>1,507.07</u>	<u>15,550.11</u>	<u>173.58</u>	<u>1,227.72</u>

Fair Value Liabilities as given above is net off variation margin of INR 88.10 Mn (PY INR 194.60 Mn).

The above table shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

The Company has borrowed floating and fixed rate foreign currency External Commercial borrowings and used derivative instruments to manage exposures to interest rate risk and currency risk. The Company recognizes and measures these derivative instruments at fair value, with changes in fair value being recognised in the statement of profit and loss.

The Company's exposure to currency and interest rate risk are disclosed in note no. 43

Particulars	31 March 2025		31 March 2024		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Fair Value - Assets	Fair Value - Liabilities
5 Trade receivables					
Receivables considered good - secured				-	-
Receivables considered good - unsecured				13.32	17.62
Less: Impairment loss allowance				-	-
				<u>13.32</u>	<u>17.62</u>

* Includes due from related parties (refer note no. 39)

No trade receivable is due from Directors or other officer of the Company either severally or jointly with any other person. Trade receivables due from firm or private companies respectively in which any Director is a partner or Director or a member is disclosed in note 39.

There are no trade receivables which are under dispute.

Ageing of trade receivables :

Particulars	31 March 2025							Total
	Outstanding for following periods from the transaction date							
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	more than 3 years	
Receivables considered good - unsecured	-	3.21	9.83	0.28	-	-	-	13.32
Less: Impairment loss allowance	-	-	-	-	-	-	-	-
Total	-	<u>3.21</u>	<u>9.83</u>	<u>0.28</u>	-	-	-	<u>13.32</u>
Particulars	31 March 2024							Total
	Outstanding for following periods from the transaction date							
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	more than 3 years	
Receivables considered good - unsecured	1.88	-	14.93	0.81	-	-	-	17.62
Less: Impairment loss allowance	-	-	-	-	-	-	-	-
Total	<u>1.88</u>	-	<u>14.93</u>	<u>0.81</u>	-	-	-	<u>17.62</u>



		(Amounts are in Rs. Million)	
Particulars	31 March 2025	31 March 2024	
6 Loans (at amortised cost)			
(A)			
(i) Term loans	1,74,094.83	1,27,741.64	
(ii) Inventory financing	10,740.38	7,378.27	
(iii) Finance lease	2,766.83	753.27	
Total (A) Gross	1,87,602.04	1,35,873.18	
Less: Impairment loss allowance	(4,772.05)	(3,489.47)	
Total (A) Net	1,82,829.99	1,32,383.71	
(B)			
(i) Secured by tangible assets	1,87,602.04	1,35,873.18	
(ii) Covered by bank/ government guarantee /others	-	-	
(iii) Unsecured	-	-	
Total (B) Gross	1,87,602.04	1,35,873.18	
Less: Impairment loss allowance	(4,772.05)	(3,489.47)	
Total (B) Net	1,82,829.99	1,32,383.71	
(C)			
(I) Loans in India			
(i) Public sector	-	-	
(ii) Automobile financing	1,87,602.04	1,35,873.18	
Total (C) (I) Gross	1,87,602.04	1,35,873.18	
Less: Impairment loss allowance	(4,772.05)	(3,489.47)	
Total (C) (I) Net	1,82,829.99	1,32,383.71	
(II) Loans outside India	-	-	
Less: Impairment loss allowance	-	-	
Total (C) (II) Net	-	-	
Total (C) (I) and (C) (II)	1,82,829.99	1,32,383.71	
*Includes auto dealer financing			
The Company exposure to credit risk and interest rate risk are disclosed in note no. 43			
As on 31 March 2025, Loans amounting to Rs 55,434.52 million (i.e.Gross basis -excluding ECL Provision) has been hypothecated against the NCD issuance.			
The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are (a) repayable on demand or (b) without specifying any terms or period of repayment.			
7 Investments			
(I) In India			
Recorded at Fair value through Statement of Profit and Loss			
Investment in Mutual Funds	-	1,001.85	
Recorded at Fair value through Other Comprehensive Income			
Government securities	4,671.33	3,353.91	
	4,671.33	4,355.76	
(II) Outside India	-	-	
Gross Investments (I+II)	4,671.33	4,355.76	
Less: Impairment loss allowance	-	-	
Net Investments	4,671.33	4,355.76	
The Company exposure to credit risk and interest rate risk are disclosed in note no. 43			
8 Other financial assets			
Unsecured, considered good			
Rental deposits	47.14	40.32	
Loans to employees	0.21	0.37	
Insurance deposit	2.61	0.55	
	49.96	41.24	
9 Current tax assets (net)			
Considered good			
Advance tax and tax deducted at source (Net of provision for tax INR 540 Mn)	134.06	81.49	
(Previous year INR 1383 Mn)	134.06	81.49	



10 **Deferred tax assets (net) and tax expense** (Amounts are in Rs. Million)

Particulars	31 March 2025	31 March 2024
Deferred tax asset		
- On provisions for impairment loss	1,061.82	776.23
- On mark to market on derivative instruments	202.04	111.17
- On provision for compensated absences	12.72	9.20
- On provision for provident fund liability	4.85	4.85
- On lease liability	57.86	24.32
- On remeasurements of the defined benefit plans/Investments	2.88	1.01
- On others	0.53	0.57
Deferred tax liabilities		
- On depreciation	(37.37)	(11.68)
- On EIR of loan assets	(386.87)	(299.01)
- On Right of use assets	(55.52)	(22.37)
- On debenture and commercial paper issue expenses	(4.78)	(5.89)
- On others	(12.69)	(2.72)
Deferred tax assets (net)	845.47	585.68
Movement in net deferred tax asset during the year	259.79	6.94

Particulars	31 March 2025		31 March 2024	
	Recognized in profit or loss	Recognized in OCI	Recognized in profit or loss	Recognized in OCI
- On provisions for impairment loss	285.59	-	83.72	-
- On mark to market on derivative instruments	90.87	-	63.59	-
- On provision for compensated absences	3.52	-	0.40	-
- On lease liability	0.39	-	(0.95)	-
- On depreciation	(25.69)	-	(12.94)	-
- On EIR of loan assets	(87.86)	-	(116.18)	-
- On debenture and commercial paper issue expenses	1.11	-	(3.37)	-
- On remeasurements of the defined benefit plans/Investments	-	1.87	-	0.53
- On others	(10.01)	-	(7.86)	-
Movement in net deferred tax asset during the year	257.92	1.87	6.41	0.53

Particulars	31 March 2025	31 March 2024
A. Amounts recognized in statement of profit and loss		
Current tax expense		
In respect of current year	314.48	209.93
In respect of prior years	14.77	-
	329.25	209.93
Deferred tax expense		
Origination and reversal of temporary differences arisen in current year	(257.92)	(6.41)
	71.33	203.52
B. Amounts recognized in other comprehensive income		
Income tax relating to items that will not be reclassified to profit or loss		
Remeasurements of defined benefit liability (asset)	1.45	0.38
Income tax relating to items that will be reclassified to profit or loss		
Fair value changes on Investments	0.42	0.15
Tax expense recognised in Other comprehensive income	1.87	0.53
C. Reconciliation of effective tax rate		
Profit / (loss) before tax	147.14	750.39
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	37.03	188.87
Tax effect of:		
Non-deductible expenses	17.86	23.29
Tax effect of earlier years	14.77	-
Others	1.67	(8.64)
Total income tax expense	71.33	203.52



Toyota Financial Services India Limited
Notes to the financial statements for the year ended 31 March 2025

11 Property, plant and equipment

PARTICULARS	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 01 April 2024	Additions	Deductions/ Disposals/ Adjustments	Balance as at 01 April 2024	Charge for the period	Deductions/ Disposals/ Adjustments	Balance as at 31 March 2025	Balance as at 31 March 2024
Leasehold improvements	30.18	-	-	11.21	11.98	-	6.99	18.97
Computers & servers	105.12	27.64	12.37	64.49	25.79	12.37	42.48	40.63
Furniture and fixtures	15.18	-	-	2.93	1.57	-	10.68	12.25
Vehicles	38.04	133.41	29.64	11.20	17.34	12.26	125.53	26.84
Office equipment	14.73	15.43	-	7.69	4.06	-	18.41	7.04
Leased vehicles	545.83	326.01	121.34	115.18	91.41	59.25	603.16	430.65
TOTAL	749.08	502.49	163.35	212.70	152.15	83.88	807.25	536.38

PARTICULARS	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 01 April 2023	Additions	Deductions/ Disposals/ Adjustments	Balance as at 01 April 2023	Charge for the year	Deductions/ Disposals/ Adjustments	Balance as at 31 March 2024	Balance as at 31 March 2023
Leasehold improvements	15.26	29.96	15.04	11.72	11.64	12.15	18.97	3.54
Computers & servers	90.05	25.91	10.84	52.04	23.23	10.78	40.63	38.01
Furniture and fixtures	11.00	9.97	5.79	5.83	1.72	4.62	12.25	5.17
Vehicles	17.86	20.18	-	7.63	3.57	-	26.84	10.23
Office equipment	10.38	6.92	2.57	7.57	2.41	2.29	7.04	2.81
Leased vehicles	469.01	327.06	250.24	145.65	85.81	116.28	430.65	323.36
TOTAL	613.56	470.00	284.48	230.44	128.38	146.12	536.38	383.12

The Company does not hold any immovable property as at 31 March 2025 and 31 March 2024. All the lease agreements are duly executed in the favour of the Company for properties where the Company is the lessee.



12 Right-of-use assets

Particulars	31 March 2025		31 March 2024	
	Office Premises	IT Asset	IT Asset	Total
Balance as at the beginning of the year	93.44	0.38	58.37	58.37
Add Additions during the year	192.86	-	91.80	92.37
Less Deductions during the year	-	-	0.57	1.18
Less Depreciation charge for the year	58.36	0.20	55.55	55.74
Balance as at the end of year	227.94	0.18	93.44	93.82

13 Other Intangible assets and Intangible assets under development

(a) Other Intangible assets:

PARTICULARS	Gross Block		Accumulated Depreciation Charge for the period	Net Block	
	Balance as at 01 April 2024	Additions		Balance as at 01 April 2024	Balance as at 31 March 2025
Computer software	282.29	112.99	55.05	169.28	170.95
Total	282.29	112.99	55.05	169.28	170.95

PARTICULARS	Gross Block		Accumulated Depreciation Charge for the year	Net Block	
	Balance as at 01 April 2023	Additions		Balance as at 01 April 2023	Balance as at 31 March 2024
Computer software	267.88	14.41	46.24	123.04	113.01
Total	267.88	14.41	46.24	123.04	113.01

(b) Intangible assets under development:

PARTICULARS	Balance as at 31 March 2025	Balance as at 31 March 2024
Intangible assets under development:	-	38.11

i) Ageing of intangible assets under development

Particulars	31 March 2025				31 March 2024			
	Less than 1 year	1- 2 years	2 - 3 years	Total	Less than 1 year	1- 2 years	2 - 3 years	Total
(i) Projects in progress	-	-	-	-	38.11	-	-	38.11
(ii) Projects temporarily suspended	-	-	-	-	-	-	-	-
Total	-	-	-	-	38.11	-	-	38.11

ii) Completion schedule for intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	31 March 2025				31 March 2024			
	Less than 1 year	1- 2 years	2 - 3 years	Total	Less than 1 year	1- 2 years	2 - 3 years	Total
(i) Projects in progress	-	-	-	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

The Company does not have any project temporary suspended or any CWIP and intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence CWIP schedule is not applicable.



(Amounts are in Rs. Million)

Particulars	31 March 2025	31 March 2024
14 Other non-financial assets		
Balances with government authorities (Goods and Service tax)	1,044.96	471.31
Prepaid expenses	73.89	66.95
Advance payment to vendors	209.47	97.71
Capital advances	19.16	5.59
Stamp and stamp papers on hand	14.54	4.04
Advance payment to employees	0.57	0.93
Other advances	0.98	0.01
	1,363.57	646.54
15 Trade payables		
Total outstanding dues of Micro, Small and Medium Enterprises (A)	60.25	50.36
Total outstanding dues of creditors other than Micro, Small and Medium Enterprises (B)	670.48	586.18
Total (A+B)	730.73	636.54

The Company exposure to currency and liquidity risk are disclosed in note no. 43

a) Ageing of trade payables :

Particulars	31 March 2025							Total
	Outstanding for following periods from the transaction date							
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1- 2 years	2 - 3 years	more than 3 years	
Undisputed trade payables								
Micro, small and medium enterprises	44.82	15.43	-	-	-	-	-	60.25
Others	150.56	210.86	110.53	55.89	19.93	22.12	100.59	670.48
Total	195.38	226.29	110.53	55.89	19.93	22.12	100.59	730.73

Particulars	31 March 2024							Total
	Outstanding for following periods from the transaction date							
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1- 2 years	2 - 3 years	more than 3 years	
Undisputed trade payables								
Micro, small and medium enterprises	26.83	23.53	-	-	-	-	-	50.36
Others	123.12	266.91	30.76	30.13	30.03	13.88	91.35	586.18
Total	149.95	290.44	30.76	30.13	30.03	13.88	91.35	636.54

There are no disputed trade payables.

b) Dues to Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allotted after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at year end has been made in the financial statements based on information received and available with the Company. Further in the view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the said Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	31 March 2025	31 March 2024
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year,	60.25	50.36
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year,	0.03	0.10
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.18	0.03
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act,	0.18	0.03

The above information regarding micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.



(Amounts are in Rs. Million)

Particulars	31 March 2025		31 March 2024	
16 Debt Securities (at amortised cost)				
Non convertible debentures (Secured)		50,377.66		37,231.23
Commercial paper (Unsecured)		14,387.92		1,978.02
		64,765.58		39,209.25
Debt securities in India		64,765.58		39,209.25
Debt securities outside India		-		-
		64,765.58		39,209.25

The Company's exposure to interest rate risk and liquidity risk are disclosed in note no.43
Schedule of repayment of non convertible debenture and commercial paper are disclosed in note no. 16 (a) and 16 (b)

a) Schedule of repayment of privately placed redeemable Non convertible debenture. (at amortised cost)

Type of Security	No. of Securities	Face Value	Balance as at		Due date of redemption	Rate of interest (%)
			March 31, 2025	March 31, 2024		
INE692Q07373	1,500	10,00,000	1,556.81	1,556.47	26-09-2025	7.55
INE692Q07399	3,000	10,00,000	3,084.27	3,083.75	19-12-2025	8.00
INE692Q07407	15,000	1,00,000	1,503.96	1,503.25	19-06-2026	8.35
INE692Q07415	30,000	1,00,000	3,223.59	3,224.31	28-05-2026	8.10
INE692Q07423	37,500	1,00,000	3,969.41	3,969.26	03-07-2026	8.00
INE692Q07431	25,000	1,00,000	2,633.66	2,633.39	28-07-2028	8.09
INE692Q07449	50,000	1,00,000	5,224.43	5,224.95	07-09-2026	8.15
INE692Q07456	15,000	1,00,000	1,522.27	1,521.47	21-01-2026	8.25
INE692Q07464	15,000	1,00,000	1,542.20	1,542.06	21-11-2028	8.25
INE692Q07480	32,500	1,00,000	3,257.56	3,257.83	19-03-2027	8.36
INE692Q07472	15,000	1,00,000	1,522.56	1,522.34	19-01-2029	8.32
INE692Q07498	20,000	1,00,000	2,009.00	2,005.21	25-01-2027	8.30
INE692Q07506	26,500	1,00,000	2,829.59	-	31-05-2027	8.17
INE692Q07514	12,500	1,00,000	1,321.22	-	16-07-2029	8.20
INE692Q07522	30,000	1,00,000	3,119.42	-	29-09-2027	8.18
INE692Q07530	20,000	1,00,000	2,043.17	-	17-12-2027	7.99
INE692Q07548	50,000	1,00,000	5,008.63	-	21-03-2028	8.06
INE692Q07555	50,000	1,00,000	5,005.91	-	22-02-2028	8.05
INE692Q07340	2,000	10,00,000	-	2,084.92	28-06-2024	5.68
INE692Q07357	2,000	10,00,000	-	2,034.25	02-12-2024	5.99
INE692Q07381	2,000	10,00,000	-	2,067.77	21-10-2024	7.83
			50,377.66	37,231.23		

The secured, redeemable, Non-Convertible Debentures ('NCDs') of the Company - both listed as well as unlisted are secured through first ranking exclusive charge by way of hypothecation over the loan receivables. Asset cover available as on 31 March 2024 on the Non-Convertible Debentures issued by the Company is 1.1. The NCDs issued by the Company are listed on the National Stock Exchange (NSE).

The Company has power to reissue Non-Convertible Debentures as per applicable law and in line with terms & conditions of respective Debenture Trust Deeds.

b) Schedule of repayment of Commercial Paper (at amortised cost)

Particulars	31 March 2025	31 March 2024
Commercial Paper	15,000.00	2,000.00
Less : unamortised Discount	612.08	21.98
	14,387.92	1,978.02

Type of Security	No. of Securities	Face Value	Balance as at		Due date of redemption	Rate of interest (%)
			March 31, 2025	March 31, 2024		
CP/FY24-25/08	4,000	5,00,000	1,962.25	-	30-06-2025	8.00
CP/FY24-25/11	2,000	5,00,000	969.58	-	25-08-2025	8.00
CP/FY24-25/12	6,000	5,00,000	2,880.12	-	15-10-2025	7.83
CP/FY24-25/13	2,000	5,00,000	965.24	-	19-09-2025	7.80
CP/FY24-25/15	4,000	5,00,000	1,889.05	-	23-12-2025	8.10
CP/FY24-25/16	4,500	5,00,000	2,107.71	-	06-02-2026	7.95
CP/FY24-25/17	5,000	5,00,000	2,432.27	-	14-08-2025	7.55
CP/FY24-25/18	1,000	5,00,000	483.98	-	08-09-2025	7.55
CP/FY24-25/19	1,500	5,00,000	697.72	-	13-03-2026	7.90
CP/FY23-24/02	4,000	5,00,000	-	1,978.02	24-05-2024	7.89
			14,387.92	1,978.02		

No non-convertible debentures and commercial papers is guaranteed by directors and/or others. During the year presented, there were no defaults in the repayment of principal and/or interest.



(Amounts are in Rs. Million)

Particulars	31 March 2025	31 March 2024
17 Borrowings (other than debt securities) (at amortised cost)		
(a) Term loans (unsecured)		
(i) from banks	86,345.63	64,753.94
(b) Loans from related parties	6,932.75	6,696.60
(c) Loans repayable on demand (unsecured)		
(i) from banks	0.88	1,373.17
	<u>93,279.26</u>	<u>72,823.71</u>
Borrowings in India	62,830.81	52,642.07
Borrowings outside India	<u>30,448.45</u>	<u>20,181.64</u>
	<u>93,279.26</u>	<u>72,823.71</u>

Borrowings (other than debt securities) include INR and foreign currency External Commercials Borrowings 'ECBs'. Foreign currency ECBs have been borrowed at floating / fixed rate and hedged using cross currency swap/Forward.

The Company's exposure to interest rate risk and liquidity risk are disclosed in note no.43

Schedule of repayment of term loan, loans from related party and bank overdraft are disclosed below.

All the above Term Loans and ECBs are repayable on bullet payment basis except:

a.Term Loan amounting to INR 10,481.24 million is repayable on quarterly instalment and

b.Term Loan amounting to INR 4,648.63 million is repayable on half yearly instalment.

Schedule of repayment

Rate of Interest	Maturity	No.of Installments	31 March 2025	31 March 2024
Fixed	Upto 1 year	1	22,425.15	14,919.12
Fixed	Upto 1 year	3	1,049.99	-
Fixed	Upto 1 year	4	1,025.00	1,737.52
Fixed	1-2 years	1	17,420.73	13,739.17
Fixed	1-2 years	3	-	1,049.99
Fixed	1-2 years	4	625.00	400.00
Fixed	2-3 years	1	16,086.09	11,370.86
Fixed	2-3 years	4	625.00	-
Fixed	3-4 years	1	156.25	-
Tbill +Spread	Upto 1 year	1	17,567.42	13,607.12
Tbill +Spread	Upto 1 year	2	500.00	200.00
Tbill +Spread	Upto 1 year	4	2,000.00	2,000.00
Tbill +Spread	1-2 years	1	4,650.00	5,000.00
Tbill +Spread	1-2 years	2	1,550.00	200.00
Tbill +Spread	1-2 years	4	2,000.00	2,000.00
Tbill +Spread	2-3 years	2	1,999.14	800.00
Tbill +Spread	2-3 years	4	2,000.00	2,000.00
Tbill +Spread	3-4 years	1	599.49	-
Tbill +Spread	3-4 years	2	1,000.00	799.93
Tbill +Spread	3-4 years	4	-	2,000.00
Tbill +Spread	4-5 years	2	-	1,000.00
			<u>93,279.26</u>	<u>72,823.71</u>

Interest rates on overdraft is as determined by the Bank based on T-bill Rates and appropriate spread from time to time or as agreed with the banks. The Interest rate is 7.50% p.a. for the overdraft outstanding as at 31 March 2025.

The interest rates range from 7.13% to 8.10% for working capital demand loans and 6.95% to 8.35% for term loans and 7.51% to 8.59% (including exchange gain/loss) for the ECB as at 31 March 2025.

The Company has utilised/utilises the funds for which it was/is raised.

The borrowings have not been guaranteed by directors or others. Also, the Company has not defaulted in repayment of principal and interest.

There are no working capital limits sanctioned/disbursed in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets.

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.



Toyota Financial Services India Limited
Notes to the financial statements for the year ended 31 March 2025

		(Amounts are in Rs. Million)	
Particulars	31 March 2025	31 March 2024	
18 Lease liabilities			
Balance as at the beginning of the year	96.64	60.53	
Add: Additions during the year	192.86	87.38	
Add: Interest charge for the year	5.66	7.64	
Less: Deductions during the year	-	-	
Less: Lease payment made during the year	65.28	58.91	
Balance as at the end of the year	<u>229.88</u>	<u>96.64</u>	
19 Other financial liabilities			
Earnest money deposit	127.55	48.08	
Payable to dealers	1,243.82	1,623.82	
Other financial liabilities	0.58	0.68	
	<u>1,371.95</u>	<u>1,672.58</u>	
20 Current tax liabilities (net)			
Provision for tax (net of advance tax and tax deducted at sources)	-	-	
	<u>-</u>	<u>-</u>	
21 Provisions			
Provision for expected credit loss on undisbursed loan commitments	0.41	0.67	
Provision for leased assets (Operating Lease)	4.50	5.50	
Provision for employee benefits			
- Bonus	103.22	107.67	
- Gratuity	17.40	6.75	
- Compensated absences	50.54	36.55	
	<u>176.07</u>	<u>157.14</u>	
The status of gratuity plan and amount recognised based on actuarial valuation are disclosed in note no.40			
22 Other non-financial liabilities			
Rent equalisation	2.06	0.96	
Statutory liabilities	99.70	106.66	
	<u>101.76</u>	<u>107.62</u>	



(Amounts are in INR Million, except number of shares)

Particulars	31 March 2025	31 March 2024
23 Equity share capital		
Authorized equity shares		
2,410,941,900 (31 March 2024: 1,358,146,870) Equity Shares of INR 10 each	24,109.42	13,581.47
	<u>24,109.42</u>	<u>13,581.47</u>
Issued, subscribed and fully Paid up equity shares		
1,65,61,54,116 (31 March 2024: 1,358,146,870) equity shares of INR 10 each	16,561.54	13,581.47
	<u>16,561.54</u>	<u>13,581.47</u>

(a) Reconciliation of number of shares	31 March 2025	31 March 2024
Particulars	No of shares	No of shares
Balance at the beginning of the year		
Equity Shares	1,35,81,46,870	1,11,01,46,870
Add: Shares Issued during the year		
Equity Shares	29,80,07,246	24,80,00,000
Balance at the end of the year		
Equity Shares	<u>1,65,61,54,116</u>	<u>1,35,81,46,870</u>

During the year 152,173,913 equity shares of Rs 10 each have been allotted on 28 August 2024 for cash, at a premium of Rs 13 each (Total of Rs 3,500 Mn) pursuant to a resolution of shareholders passed at Extraordinary General Meeting held on 30 July 2024 and 145,833,333 equity shares of Rs 10 each have been allotted on 07 February 2025 for cash, at a premium of Rs.14 each (Total of Rs 3,500 Mn) pursuant to a resolution of shareholders passed at Extraordinary General Meeting held on 20 December 2024.

Previous Year - During FY 23-24, 100,000,000 equity shares of Rs 10 each have been allotted on 26 October 2023 for cash, at a premium of Rs.14 each (Total of Rs 2,400 Mn) pursuant to a resolution of shareholders passed at Extraordinary General Meeting held on 03 October 2023 and 148,000,000 equity shares of Rs 10 each have been allotted on 18 March 2024 for cash, at a premium of Rs. 15 each (Total of Rs 3,700 Mn) pursuant to a resolution of shareholders passed at Extraordinary General Meeting held on 30 January 2024.

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

During the period of five years immediately preceding 31 March 2025, no shares have been bought back and no shares have been allotted as fully paid up by way of bonus shares or pursuant to contracts without payment being received in cash.

(c) Shares held by holding Company and its nominees

Particulars	31 March 2025	31 March 2024
1,65,61,54,116 (31 March 2024: 1,358,146,870) equity shares held by Toyota Financial Services Corporation, Japan and its nominees, ultimately held by Toyota Motor Corporation, Japan.	1,65,61,54,116	1,35,81,46,870
Percentage holding	100.00%	100.00%

(d) Shares held by Promoters and its nominees

Particulars	31 March 2025	31 March 2024
1,65,61,54,116 (31 March 2024: 1,358,146,870) equity shares held by Toyota Financial Services Corporation, Japan and its nominees, ultimately held by Toyota Motor Corporation, Japan.	1,65,61,54,116	1,35,81,46,870
Percentage holding	100.00%	100.00%

(e) Details of shares held by shareholders holding more than 5% of aggregate shares in the Company

Particulars	31 March 2025	31 March 2024
Equity Shares:		
Toyota Financial Services Corporation, Japan and its nominees, ultimately held by Toyota Motor Corporation, Japan.	1,65,61,54,116	1,35,81,46,870
Percentage holding	100.00%	100.00%

(f) No shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment.



(Amounts are in INR Million, except number of shares)

Particulars	31 March 2025	31 March 2024
24 Other equity		
Statutory reserve	977.20	962.04
Security premium account	12,921.86	8,908.93
Retained earnings	2,868.20	2,807.55
Other comprehensive income	(8.75)	(3.06)
	<u>16,758.51</u>	<u>12,675.46</u>

For detailed movement of reserves refer statement of changes in equity (SOCIE).

Nature and purpose of reserves

1. Statutory reserve

In terms of Section 45-1C of the RBI Act, NBFCs are required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year. This reserve could be used for purposes as stipulated by the Reserve Bank of India from time to time.

2. Securities premium

Securities premium reserve is used to record the premium on issue of shares. It is utilised in accordance with the provisions of the Companies Act,

3. Retained earnings

Retained earnings are the profits that the Company has earned to date, less any dividends or other distributions paid to shareholders.

4. Other comprehensive income (OCI)

Other Comprehensive Income refers to items of income and expenses that are not recognised as a part of the statement of profit and loss. However, the entity may transfer those amounts recognised in other comprehensive income within equity. Remeasurements of the net defined benefit and fair value changes on investments are considered in other comprehensive income.



Toyota Financial Services India Limited
Notes to the financial statements for the year ended 31 March 2025

Particulars	(Amounts are in Rs. Million)	
	Year ended 31 March 2025	Year ended 31 March 2024
25 Interest income		
Interest on loans (at amortised cost)	14,164.33	9,586.94
Interest on deposits with banks (at amortised cost)	62.91	56.07
Interest on investment (at FVOCI)	270.90	189.58
	<u>14,498.14</u>	<u>9,832.59</u>
26 Net gain/loss on fair value changes		
Net gain on financial instruments at fair value through profit or (loss)		
- Investment	88.61	129.66
- Derivative instruments (including conversion of ECB loans) **	(361.06)	(252.67)
	<u>(272.45)</u>	<u>(123.01)</u>
27 Other charges		
Foreclosure charges	236.75	200.34
Late payment interest	98.28	99.52
Bounce charges	73.67	68.04
Documentation charges	20.34	18.29
Others	95.29	72.10
	<u>524.33</u>	<u>458.29</u>
28 Other income		
Net gain on derecognition of property, plant and equipment	16.14	11.68
Interest on income tax refund	-	6.02
Miscellaneous income	0.09	0.52
Interest on Security Deposit	2.99	2.85
	<u>19.22</u>	<u>21.07</u>
29 Finance costs (on financial liabilities measured at amortised cost)		
Interest on debt securities	3,935.14	2,700.36
Interest on borrowings (other than debt securities) **	6,327.37	3,975.23
Interest on lease liability	5.66	7.64
Other interest expense	0.20	0.29
	<u>10,268.37</u>	<u>6,683.52</u>
30 Impairment on financial instruments (on financial assets measured at amortised cost)		
Loans		
- Loan loss provisioning #	1,185.12	386.87
- Bad debt written off (Net off recoveries) * #	972.86	417.09
	<u>2,157.98</u>	<u>803.96</u>
* Net off recoveries from bad debts written off cases	354.54	347.95
# Including the impairment allowance as of the derecognition date	<u>855.69</u>	<u>635.67</u>
31 Employee benefit expenses		
Salaries and wages	856.56	767.69
Contribution to Provident and other funds	43.46	37.88
Gratuity	11.49	9.51
Staff welfare expenses	23.63	30.74
	<u>935.14</u>	<u>845.82</u>

The status of gratuity plan and amount recognised based on actuarial valuation are disclosed in note no.40

**The Company has borrowed fixed rate foreign currency External Commercial borrowings and used derivative instruments to manage exposures to interest rate risk and currency risk. The Company recognizes and measures these derivative instruments at fair value, with changes in fair value being recognised in the statement of profit and loss. Net gain on fair value changes includes mark to market gain/loss on derivative instrument and translation gain/loss on conversion of ECB loan.



Toyota Financial Services India Limited
Notes to the financial statements for the year ended 31 March 2025

Particulars	(Amounts are in Rs. Million)	
	Year ended 31 March 2025	Year ended 31 March 2024
32 Depreciation, amortisation and impairment		
Depreciation on property, plant and equipment	152.16	128.38
Amortisation of intangible assets	55.05	46.24
Depreciation on right-of-use assets	58.55	55.74
	265.76	230.36
33 Other expenses		
Collection charges	323.08	250.61
Information technology services	265.07	276.06
Legal and professional charges	311.06	218.19
Rent, taxes and energy costs	49.27	52.89
Postage and courier	22.71	22.37
Communication costs	18.24	21.24
Travelling and conveyance	55.87	38.43
Repairs and maintenance	9.96	22.97
Printing and stationery	14.54	18.60
Recruitment expenses	12.33	10.34
Advertisement and publicity	2.64	10.41
Expenditure towards corporate social responsibility (CSR) activities	24.34	22.44
Credit rating fees and other expenses	17.97	11.37
Auditor's fees and expenses		
as statutory auditor	9.30	6.40
as tax auditor	0.30	0.30
for certification	0.45	0.90
for reimbursement of expenses	1.84	1.67
Director's fees	2.22	2.40
Conference expenses	-	14.33
Net (gain) / loss on foreign currency transaction and translation (other than those considered as finance cost)	0.54	(0.10)
Other expenditure	64.15	42.18
	1,205.88	1,044.00

Includes transactions with related parties. Refer note no. 39

*** Details of corporate social responsibility expenditure**

A CSR committee has been formed by the Company as per the Companies Act, 2013. CSR expenses have been incurred throughout the year on the activities as specified in Schedule VII of the said Act. The focus area of CSR initiatives undertaken by the Company are education, health and environment.

a. Amount required to be spent by the Company during the year	24.34	22.44
b. Amount approved by the Board to be spent during the year	0.24	22.44
c. Amount spent during the year on		
(i) Construction/acquisition of any asset	0.20	21.92
(ii) On purposes other than (i) above	-	0.52
d. Shortfall at the end of the year	0.04	-
e. Total of previous years shortfall	-	-
f. Reason for shortfall	Ongoing project	Not applicable
g. Nature of CSR activities	The focus area of CSR initiatives undertaken by the Company are education.	
h. Details of related party transactions	-	-
i. where a provision is made with respect to a liability incurred by entering into a contractual obligation	Yes	-
j. Accrual towards unspent obligations (Shortfall) in relation to ongoing project	24.14	-

Details of ongoing CSR projects under Section 135(6) of the Act:

a. Balance in separate CSR unspent account as at 1st April 2024	-	-
b. Amount deposited in separate CSR unspent account during the year	24.14	-
c. Amount spent from separate CSR unspent account during the year	-	-
d. Balance in separate CSR unspent account as at 31st March 2025	24.14	-



Toyota Financial Services India Limited
Notes to the financial statements for the year ended 31 March 2025

34 Earnings per share

Basic earnings per share

The calculation of basic earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

(Amounts are in Rs.Million, except per share data)		
Earnings	31 March 2025	31 March 2024
Profit / (loss) for the year	75.81	546.87
Shares		
Basic outstanding shares	1,35,81,46,870	1,11,01,46,870
Effect of shares issued during the year	29,80,07,246	24,80,00,000
Weighted average number of shares for computing basic EPS	1,46,93,76,272	1,15,89,77,471
Earning per share		
Basic (in Rs.)	0.05	0.47
Diluted (in Rs.) *	0.05	0.47
Face value per share (Rs.)	10.00	10.00

* There are no dilutive shares issued by the Company as on 31 March 2025 and 31 March 2024.

35 Contingent liabilities and commitments (to the extent not provided for)

(Amounts are in Rs. Million)		
Particulars	31 March 2025	31 March 2024
(i) Contingent liabilities:		
(a) Claims against the Company not acknowledged as debt*		
- Consumer claim against company	-	0.05
- Indirect tax matter under dispute for FY2017-18	3.98	3.98
(b) Guarantees excluding financial guarantees	-	-
(c) Other money for which the Company is contingently liable		
- Bank guarantee provided by Bank on behalf of the Company	2.50	2.50
Total	6.48	6.53
(ii) Other Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	16.83	58.05

* The amount included above represents best possible estimate arrived at on the basis of available information. The management believes that it has a reasonable case in its defence of the proceedings and accordingly no further provision has been created.

The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.



37 Lease

In adopting Ind AS 116, the Company has applied the below practical expedients:

The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics. The Company has discounted lease payments using the applicable incremental borrowing rate for measuring the lease liability.

The Company has treated the leases with remaining lease term of less than 12 months as "short term leases".

A. Lease disclosures as Lessee

Particulars	(Amounts are in Rs. Million)	
	31 March 2025	31 March 2024
(a) The expense relating to short-term leases during the year	2.23	1.79
(b) The expense relating to leases of low-value assets during the year	0.18	0.11
(c) The expense relating to variable lease payments not included in the measurement of lease liabilities	-	-
(d) Income from subleasing right-of-use assets	-	-
(e) Gains or losses arising from sale and leaseback transactions	-	-
(f) Depreciation charge for right-of-use assets	58.56	55.74
(g) Interest expense (included in finance cost)	5.66	7.64
(h) Future lease payments-		
within one year	71.76	53.93
after one year but not more than five years	197.60	36.18
more than five years	-	-
(i) Future lease payments for low-value assets -		
within one year	0.18	0.11
after one year but not more than five years	-	-
more than five years	-	-
(j) Total Lease Payment	65.28	58.91

B. Operating leases as Lessor

The Company finances vehicles under Operating Lease for which lease rentals are charged on a monthly basis from customers. Maturity analysis of undiscounted lease rentals is provided below.

Particulars	31 March 2025	31 March 2024
(a) Lease income recognised in the Statement of Profit and Loss during the year	183.76	155.71
(b) Future lease income-		
within one year	217.27	136.36
after one year but not more than five years	308.94	260.78
more than five years	-	-

The gross carrying amount, accumulated depreciation and net carrying amount of vehicles given on lease as at 31 March 2024 and 31 March 2023 are disclosed in note 11.

C. Finance leases as Lessor

The Company finances vehicles under Finance Lease. The Company enters into finance lease agreements ranging between one to five years. The reconciliation between the total gross investment in the lease at the balance sheet date and the present value of minimum lease payments receivable at the balance sheet are as follows:

Particulars	31 March 2025	31 March 2024
Minimum lease payment (a)	3,479.92	1,017.38
Unearned finance income (b)	713.09	264.11
Present value of minimum lease payments (a-b)	2,766.83	753.27

Gross investment in lease and present value of minimum lease payments for each of the following periods are as follows:

Particulars	31 March 2025	31 March 2024
Less than one year (a)	1,025.74	136.51
Between one and five years (b)	2,454.18	880.87
Present value of minimum lease payments(a)+(b)	3,479.92	1,017.38

Other relevant disclosures for finance leases as lessor:

Particulars	31 March 2025	31 March 2024
Accumulated allowance for uncollectible minimum lease payments receivable	270.27	3.02

38 Segment reporting

The Company is engaged primarily in the business of vehicle financing and there are no separate reportable segments as per Ind AS 108 "Operating Segments".

a) The Company provides a wide portfolio of financial products including four-wheeler loan, pre-owned car loan, inventory funding and leasing.

b) The entire income of the Company is generated from customers who are domiciled in India.

c) The Company does not derive revenues, from any single customer, amounting to ten per cent or more of Company's revenues.



39 Related parties

A. Nature of relationship and names of related parties:

(i) Ultimate Holding Company	Toyota Motor Corporation, Japan
(ii) Holding Company	Toyota Financial Services Corporation, Japan
(iii) Fellow Subsidiaries with which the Company had transactions (parties under common control)	Toyota Kirloskar Motor Private Limited Toyota Motor Credit Corporation Toyota Motor Asia (Singapore) Pte Limited (Formerly Toyota Motor Asia Pacific Pte Limited) Toyota Motor Finance (Netherlands) B.V. Toyota Logistics Kishor India Private Limited Cataler India Auto Parts Private Limited Toyota Accessories Development ME (TADME) India Private Limited
(iv) Other affiliated companies with which the Company had transactions (parties under same group)#	Toyota Tsusho Systems, Singapore Toyota Tsusho Systems, Thailand Toyota Tsusho Systems India Private Limited Toyota Lakozy Auto Private Limited JTEKT Bearings India Private Limited (Formerly Koyo Bearings India Private Limited) AT India Auto Parts Private Limited
(v) Key Management Personnel	Mr. Pala Bushanam Venugopal - Managing Director and CEO (Appointed w.e.f. 01 February 2024) Mr. Narayanaswamy Raja - Managing Director and CEO (Retired w.e.f. 31 January 2024) Mr. Anupam Vasdani - Chief Financial Officer (Resigned w.e.f. 31 December 2024) Mr. Surya Narayan Patro - Chief Financial Officer (Appointed w.e.f. 1 January 2025) Mr. Rajagopal Nithya Prabhu - Company Secretary (Resigned w.e.f. 29 December 2023) Mr. Ganesh Chandrasekaran - Company Secretary (Resigned w.e.f. 25 July 2024) Mr. Shashidhara Subramanian - Company Secretary (Appointed w.e.f. 1 October 2024) Mr. Shashidhara Subramanian - Company Secretary (Resigned w.e.f. 11 February 2025) Mr. Rajat Ilkal - Company Secretary (Appointed w.e.f. 12 February 2025)
(vi) Directors	Mr. Kazuo Noda - Whole Time Director (Appointed w.e.f. 24 May 2023) Ms. Sunita Rajiv Handa - Independent Director (Resigned w.e.f. 9 September 2024) Ms. Rajni Anil Mishra - Independent Director (Appointed w.e.f. 10 September 2024) Mr. Masayoshi Hori - Non-Executive Director (Resigned w.e.f. 07 Aug 2023) Mr. Tetsuo Higuchi - Non-Executive Director (Appointed w.e.f. 11 Aug 2023) Mr. Venkatraman Prakash - Independent Director

Represents entities/parties identified as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

B. Transactions with Key Managerial Personnel:

i. Key Managerial Personnel compensation

Key Managerial Personnel compensation comprised of the following :

Particulars	(Amounts are in Rs. Million)	
	31 March 2025	31 March 2024
Remuneration to Managing Director		
Short-term employee benefits	16.61	19.41
Remuneration to Chief Financial Officer		
Short-term employee benefits	10.97	12.39
Remuneration to Company Secretary		
Short-term employee benefits	2.42	3.16
Remuneration to Whole time Director		
Short-term employee benefits	25.58	21.41
Remuneration to Non-Executive Director		
(i) Mr. Masayoshi Hori	-	-
(ii) Mr. Tetsuo Higuchi	-	-
Directors sitting fees		
(i) Ms. Sunita Rajiv Handa	0.42	1.14
(ii) Mr. Venkatraman Prakash	1.00	1.06
(iii) Ms. Rajni Anil Mishra	0.62	-

ii. Loans to Key Managerial Personnel

Loans to Managing Director	1.00
Vehicle Loan (Sanctioned amount)	-
Vehicle Loan Receivable	0.77
Vehicle Loan Repaid	0.01
Interest Income	-



Toyota Financial Services India Limited
Notes to the financial statements for the year ended 31 March 2025

Related parties (Continued)

iii Other related parties transactions

The aggregate value of transactions and outstanding balances related to transactions with other related parties were as follows

(Amounts are in Rs. Million)		
Particulars	31 March 2025	31 March 2024
Toyota Kirloskar Motor Private Limited		
(i) Expenses-		
Professional fee	45.23	0.45
IT network communication	1.17	0.99
Others	2.69	0.06
(ii) Income-		
Professional fee	3.61	-
Incentive Fees	-	2.40
Lease income	1.14	2.70
(iii) Capital advance		
	19.16	5.59
(iv) Purchase of fixed asset		
	183.53	233.81
(v) Sale of fixed asset		
	58.45	15.83
Toyota Financial Services Corporation, Japan		
Professional fees	2.96	2.09
Staff welfare	0.60	0.67
Training expenses	0.06	0.63
Equity Share Capital Infusion	7,000.00	6,100.00
Other Income (Reimbursement)	0.01	-
Toyota Logistics Kishor India Private Limited		
Vehicle Transport services	-	0.34
Toyota Motor Credit Corporation		
Information technology services	2.04	1.38
Toyota Motor Asia (Singapore) Pte Limited (Formerly Toyota Motor Asia Pacific Pte Limited)		
Professional fees	8.19	4.30
Information technology services	-	0.87
Toyota Tsusho Systems, Singapore		
Information technology services	0.51	0.50
Toyota Tsusho Systems, Thailand		
Information technology services	0.67	0.58
Toyota Tsusho Systems India Private Limited		
Information technology services	27.66	24.41
Lease income	7.92	0.69
Toyota Motor Finance (Netherlands) B.V.		
Borrowings (at applicable conversion rate on borrowing date)	-	2,079.10
Interest on Borrowings (at applicable conversion rate on reporting date)	20.85	20.71
Toyota Lakozy Auto Private Limited		
i. Income		
Interest Income	1.29	0.02
ii. Expenses		
Rent expenses	0.50	0.46
Commission paid	21.44	24.40
Others reimbursement	3.80	6.64
JTEKT Bearings India Private Limited (Formerly Koyo Bearings India Private Limited)		
Lease Income	1.37	1.05
Cataler India Auto Parts Private Limited		
Lease Income	0.64	-
Toyota Accessories Development ME (TADME) India Private Limited		
Finance Lease	2.45	-
Lease Income	0.24	-
AT India Auto Parts Private Limited		
Lease Income	3.39	0.02



Toyota Financial Services India Limited
Notes to the financial statements for the year ended 31 March 2025

Related parties (Continued)

Particulars	(Amounts are in Rs. Million)	
	31 March 2025	31 March 2024
Outstanding Balances:		
Toyota Kirloskar Motor Private Limited		
Trade Receivables	3.49	1.05
Trade Payables	16.09	0.47
Toyota Financial Services Corporation, Japan		
Trade Payables*	2.73	4.54
Trade Receivables	0.01	-
Toyota Motor Credit Corporation		
Trade Payables	0.48	0.28
Toyota Motor Asia (Singapore) Pte Limited (Formerly Toyota Motor Asia Pacific Pte Limited)		
Trade Payables	3.82	1.87
Toyota Tsusho Systems, Singapore		
Trade Payables	-	-
Toyota Tsusho Systems, Thailand		
Trade Payables	-	-
Toyota Motor Finance (Netherlands) B.V.		
Borrowings (at applicable conversion rate -on reporting date)	6,930.46	6,694.33
Interest on Borrowings (at applicable conversion rate -on reporting date)	2.30	2.27
Toyota Lakozy Auto Private Limited		
Trade Payables	3.67	5.60
Loan Receivable (Inventory finance)	-	34.43
JTEKT Bearings India Private Limited (Formerly Koyo Bearings India Private Limited)		
Trade Receivables	0.38	0.23
AT India Auto Parts Private Limited		
Trade Receivables	0.18	0.02
Cataler India Auto Parts Private Limited		
Trade Receivables	-	-
Toyota Accessories Development ME (TADME) India Private Limited		
Lease Receivables	2.34	-
Toyota Tsusho Systems India Private Ltd		
Trade Payables	-	-
Trade Receivables	0.13	0.85

* includes payment of expat home country salaries routed through the Holding Company (Toyota Financial Service Corporation, Japan) amounting to INR 0.81 Million (Previous year: INR 2.20 Million).

Terms and conditions of transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

None of these balances are secured except loans and lease receivables.

No expenses have been recognized(except ECL provision as per company's ECL policy) in the current year or prior year for bad and doubtful debts in respect of amounts owed by related parties.

The above disclosures include related parties as per Ind AS 24 on "Related Party Disclosures", the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The remuneration to Key Management Personnel doesn't include the provisions made for gratuity and compensated absences, as they are obtained on actuarial basis for the Company as a whole.



40 Employee benefits

Defined contribution plan

The Company makes provident fund and employee state insurance scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised INR 37.89 millions (previous year INR 33.75 millions) for provident fund contributions and INR 0.10 millions (previous year INR 0.09 millions) for employee state insurance scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plan

Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement whichever is earlier. The benefits vest after five years of continuous service.

The Company has a defined benefit plan for post-employment benefits in the form of Gratuity. The Company has taken a group gratuity policy with Life Insurance Corporation ('LIC') which is funded. Gratuity Fund is administered through LIC and is a recognised fund under the Income Tax Act, 1961. The Company accounts for gratuity based on an actuarial valuation which is carried out by an independent actuary on quarterly basis. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method. The adequacy of the accumulated fund balance available with LIC is compared with the gratuity liability as per the independent actuarial valuation at the year end and any shortfall, if any, is recognised in the financial statements.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amount recognised in the Company's financial statement as at the balance sheet date :

Particulars	(Amounts are in Rs. Million)	
	31 March 2025	31 March 2024
A. Change in present value of obligations		
Present value of defined benefit obligation at the beginning of the year	56.46	45.22
Current service cost	11.25	9.55
Interest cost	3.73	3.12
Remeasurements due to		
Actuarial loss / (gain) arising from change in financial assumptions	0.87	0.18
Actuarial loss / (gain) arising from change in demographic assumptions	1.04	-
Actuarial loss / (gain) arising on account of experience changes	2.23	1.06
Past service cost	-	-
Benefits paid	(6.55)	(2.67)
Present value of defined benefit obligation at the end of the year	69.03	56.46
B. Change in the fair value of plan assets		
Fair value of plan assets at the beginning of the year	49.71	41.40
Expected return on plan assets	3.49	3.16
Remeasurements due to		
actual return on plan assets less interest on plan asset	(1.78)	(0.32)
Benefits paid	(6.55)	(2.67)
Employer contributions	6.75	8.14
Fair value of plan assets at the end of the year	51.62	49.71
C. Change in net defined liability		
Fair value of plan assets at the end of the year	51.62	49.71
Present value of funded defined benefit obligation	(69.03)	(56.46)
Net asset / (liability)	(17.41)	(6.75)
D. Expense recognized in the statement of profit and loss		
Current service cost	11.25	9.55
Interest cost	3.73	3.12
Interest income on plan assets	(3.49)	(3.16)
Past Service Cost	-	-
Net gratuity expense	11.49	9.51
E. Remeasurements recognized in the OCI		
- experience adjustments	2.23	1.06
- actuarial assumptions	3.68	0.47
	5.91	1.53
F. Categories of plan assets		
Property	-	-
Government Debt Instruments	-	-
Other Debt Instruments	-	-
Equity Instruments	-	-
Insurer managed funds	51.62	49.71
Others	-	-
G. Expected cash flows for the following year		
Expected total benefit payments		
Year 1	4.79	5.61
Year 2	6.65	5.53
Year 3	5.13	6.96
Year 4	5.20	6.03
Year 5	5.19	5.58
Above 5 Years	27.72	29.95



Employee benefits (continued)

H. Actuarial Assumptions

Particulars	31 March 2025	31 March 2024
Discount Rate	6.50%	7.00%
Salary escalation rate	9.50%	9.5% for first 2 years and 10% thereafter
Expected Return on plan assets	7.00%	7.00%
Attrition Rate - Age (Years)		
21-30	20.00%	18.00%
31-40	20.00%	14.00%
41-50	7.00%	13.00%
51-59	5.00%	10.00%
Mortality rate	Indian Assured Life Mortality (2006-08) Ultimate	Indian Assured Life Mortality (2006-08) Ultimate
Retirement Age	60 Years	60 Years

Assumptions regarding future mortality experience are set in accordance with published statistics and mortality tables. The defined benefit plan expose the Company to actuarial risks, such as longevity and Interest rate risk, Investment Risk, Liquidity Risk, Market risk and Legislative Risk. The weighted average duration of the defined benefit obligation was 7 years (PY 31 March 2024: 6.00 years).

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. increase in the maximum limit on gratuity of Rs. 20,00,000)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors. The overall expected rate of return on assets is determined based on market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Particulars	(Amounts are in Rs. Million)	
	31 March 2025	31 March 2024
Expected contribution to the funds next year		
Gratuity Fund	17.41	6.75

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in weighted principal assumption are as below :

Particulars	31 March 2025		31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (50 bps movement)	(2.78)	2.97	(1.84)	1.95
% change	-4.02%	4.31%	-3.26%	3.45%
Withdrawal rate (50 bps movement)	(0.52)	0.54	(0.35)	0.37
% change	-0.75%	0.78%	-0.62%	0.66%
Salary escalation rate (50 bps movement)	2.30	(2.23)	1.59	(1.54)
% change	3.33%	-3.23%	2.82%	-2.73%

Sensitivity of significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of defined benefit obligations by 50 basis points, keeping all the other actuarial assumptions constant. Although the analysis does not take into account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumption shown.

Compensated absences

Particulars	(Amounts are in Rs. Million)	
	31 March 2025	31 March 2024
Present value of unfunded obligation	50.54	36.55
Expenses recognised in Statement of Profit and Loss	23.19	4.99
Discount Rate	6.50%	7.00%
Salary escalation rate	9.50%	9.5% for first 2 years and 10% thereafter



41 Capital Management

The primary objective of the Company's capital management policy is to ensure compliance with regulatory capital requirements. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI. Further, the Company's capital management policy focuses that the Company maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The funding requirements are met through equity, non convertible debentures, bank borrowings and other long-term/short-term borrowings. The Company's policy is aimed at appropriate combination of short-term and long-term borrowings. The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics. No changes have been made to the objectives and policies of the capital management from the previous years, however they are under constant review by the Board.

Regulatory capital consists of CET 1 capital comprises share capital, share premium, statutory reserve, retained earnings including current year loss, deduction of intangible assets and other regulatory adjustments relating to items that are not included in equity but are treated differently for capital adequacy purposes. The other component of regulatory capital is Tier 2 Capital comprises of impairment provision in respect of standard assets (Stage 1). Capital ratio is worked out as under :

Particulars	(Amounts are in Rs. Million)	
	31 March 2025	31 March 2024
Common Equity Tier 1 (CET1) capital	32,229.75	25,453.17
Tier 2 capital	1,150.46	889.42
Total Capital	33,380.21	26,342.59
Risk weighted assets	1,86,618.06	1,35,749.15
CET1 capital ratio	17.27%	18.75%
Total capital ratio	17.89%	19.41%



42 Financial instruments-fair value and risk management

Accounting classification and fair values

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

Fair value hierarchy

This section explains the judgement and estimates made in determining fair value of the financial instruments that are:

a) recognised and measured at fair value and

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair values, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial instruments measured at Fair Value Through Profit and Loss (FVTPL) and Fair Value Through Other Comprehensive Income (FVOCI) for which fair values are disclosed

The table below presents information pertaining to the carrying amounts and fair values of financial instruments.

Particulars				(Amounts are in Rs. Million)	
	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
31 March 2025					
Financial assets					
Derivative financial instruments (at FVTPL)					
Cross Currency swap/Forward*	-	171.77	-	171.77	171.77
Investment (at FVOCI)					
Government securities	4,671.33	-	-	4,671.33	4,671.33
Financial liabilities					
Derivative financial instruments (at FVTPL)					
Cross Currency swap/Forward*	-	1,507.07	-	1,507.07	1,507.07
*The swaps are priced based on interbank swap curve quoted against the corresponding IBOR tenor. Rupee cash flows are discounted using MIFOR curve.					
31 March 2024					
Financial assets					
Derivative financial instruments (at FVTPL)					
Cross Currency Interest Rate swap/Cross Currency swap#	-	173.58	-	173.58	173.58
Investment (at FVOCI)					
Government securities	3,353.91	-	-	3,353.91	3,353.91
Financial liabilities					
Derivative financial instruments (at FVTPL)					
Cross Currency Interest Rate swap/Cross Currency swap#	-	1,227.72	-	1,227.72	1,227.72

The swaps are priced based on interbank swap curve quoted against the corresponding IBOR tenor. Rupee cash flows are discounted using MIFOR curve.

Financial instruments measured at amortised cost for which fair values are disclosed

The table below summarizes the carrying amounts and fair values of those financial assets and liabilities not presented at fair value compared to carrying amounts shown in the financial statement.

Particulars				(Amounts are in Rs. Million)	
	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
31 March 2025					
Financial assets					
Loans	-	-	1,82,708.75	1,82,708.75	1,82,829.99
Financial liabilities					
Debt securities	-	50,888.57	14,387.92	65,276.49	64,765.58
Borrowings	-	-	92,955.22	92,955.22	93,279.26
31 March 2024					
Financial assets					
Loans	-	-	1,32,439.41	1,32,439.41	1,32,383.71
Financial liabilities					
Debt securities	-	37,407.33	1,978.02	39,385.35	39,209.25
Borrowings	-	-	72,370.64	72,370.64	72,823.71



Financial instruments-fair value and risk management (continued)

Valuation Framework

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1 : Inputs that are quoted at market prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 : The fair value of financial instruments that are not traded in active markets is determined using valuation techniques which maximise the use of observable market data either directly or indirectly, such as quoted prices for similar assets and liabilities in active markets, for substantially the full term of the financial instruments but do not qualify as Level 1 inputs. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3, i.e. Level 3 inputs incorporate market participants' assumptions about risk and the risk premium required by market participants in order to bear the risk. The Company develops Level 3 inputs based on the best information available in the circumstances.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the fair value are a reasonable approximation of their carrying cost. Such instruments include: cash and cash equivalent, trade receivable, trade payable, other financial asset, other financial liability, lease liability, commercial papers and short term borrowings. Such amounts have been classified as Level 3 on the basis that no adjustments have been made to the balances.

Loans

The fair values of loans and advances are estimated by discounted cash flow models. For fixed rate loans, the fair value represents the discounted value of the future cash flow considering the discount rate at average of last one month's lending rate of interest for the respective product segments. For floating rate interest loans, the expected cash flows represents the carrying amount of the loans.

Borrowing and Debt Securities

Non-Convertible Debentures have been valued based on Corporate bond spread matrix methodology prescribed by FIMMDA (under Corporate Bond Valuation Methodology)

The Fair value of fixed rate bank borrowings and ECB have been calculated through discounted cash flow methodology, discount rate being the market quote for the ECB and scheduled bank's MCLR rate for Term loans.



43 Financial Risk Management

The Company has exposure to the following risks from financial instruments:

- Credit risk
- Liquidity risk
- Market risk (currency risk, interest rate risk)

This note presents information about the Company's objectives, policies and processes for measuring and managing such risks.

Risk management framework:

The Company's Board of Directors have overall responsibility for establishment and oversight of the Company's risk management framework. The Board of Directors have constituted the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are constituted to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Board of Directors have also constituted the Asset Liability Management Committee (ALCO) to monitor and control liquidity risk and market risks.

The Company has a board approved Derivative (Foreign currency and Interest rate) risk management policy which guides the company on quantum of hedge and the hedging instruments that could be used and its reporting mechanism.

Risk	Exposure arising from	Measurement	Measurement, monitoring and management of risk
Credit Risk	Credit Risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises majorly from default of loans and advances to customers.	Credit Risk is measured mainly through Key Risk Indicators such as 30+ and 90+ days past due, Gross Non Performing Assets (GNPA), and Net Non Performing Assets (NPA)	Credit Risk is Monitored 1. Through the trend analysis, collection efficiency, overdue position, resolution plans, recovery plans, rate of default, vintage analysis of respective Credit Risk Indicators which is monitored by RMC. 2. Wherever there is a breach in defined threshold, root cause analysed and corrective action undertaken. 3. Red Threshold breach KRIs are presented to Board with counter measure, accountability and date of action. 4. The same is also managed through a robust policy framework, which outlines clear and consistent policies, principles and guidance for underwriters. 5. ICAAP committee reviews the outcomes of scenario based stress testing exercise based on a credit risk scenario model encompassing the macroeconomic scenario based stress testing.
Liquidity Risk	Liquidity Risk is the risk that the Company will encounter difficulty in meeting obligations from its financial liabilities. Liquidity risk arises in the following situations: 1. when there is a mismatch between assets and liabilities which is caused by a difference in the maturity profile of such assets and liabilities. 2. from unexpected increases in the cost of funding and inability to liquidate investments in a timely manner without incurring unacceptable losses. 3. when long term assets can not be funded at the expected term resulting in cashflow mismatch.	The Company uses various Key Risk Indicators (KRI) to measure Liquidity risk 1. Structural Liquidity Report (SLR) for static ALM, 2. Short Term Dynamic Liquidity report (STDL) to monitor adequacy of liquidity to fund normal operations, 3. Other KRIs such as stock ratios 4. Liquidity Coverage Ratio (LCR).	The Company has constituted Asset Liability Management Committee (ALCO) to monitor the risks arising out of ALM. Liquidity risk being critical for NBFCs, management takes due care to manage it appropriately and conducts ALCO meeting at regular intervals: 1. The Company has treasury management guidelines which defines Key Treasury Risk and prescribes appropriate levels of KRIs to monitor and control. 2. Management ensures the borrowing profile of the company has diversified borrowings instrument wise, source wise, maturity wise, HQLAs, liquidity buffers. 3. The Company continuously monitors liquidity in the market; and as a part of its ALM strategy maintains a liquidity buffer to reduce this risk and sufficient available Bank Lines as backup. 4. The Company also has a contingency plan to counter extreme liquidity situations under the guidance of ALCO and Board.



Financial Risk Management (Continued)

Risk	Exposure arising from	Measurement	Measurement, monitoring and management of risk
Market Risk - foreign currency exchange risk	Foreign currency exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise primarily on account of foreign currency receivables or payables and foreign currency borrowings.	The company measures through review of: Cash flow forecasting Sensitivity analysis	The Company has borrowed foreign currency loans and has hedged currency exposure including the interest payable in future through Cross Currency SWAPs/Forward. Hence the Company does not have any unhedged foreign currency exposure on any borrowings. Apart from above, the Company has foreign currency exposure towards its trade payables which are of relatively small value and hence the Company has not deployed any measures to quantify the losses arising out of fluctuation in foreign currency.
Market Risk - Interest Rate Risk	Exposure to interest rate risk is principally as a result of lending to customers at interest rates and in amounts and for periods, which may differ from its borrowing. In other words, the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. It covers Earnings Risk and Economic Value Risk. This may result in losses for the Company due to repricing.	Measurement of Earnings at Risk under traditional gap analysis - Interest rate sensitivity analysis (IRS) - analysis of the gap between assets and liability and classification of all assets and liabilities into various time period categories, according to contracted maturities or anticipated re-pricing dates. The difference in the assets and liabilities maturing or being repriced in any specific time period category is then used as an indication of the exposure of the Company to interest rate risk.	The Company seeks to match its interest rate positions to minimize interest rate risk. To reduce the risk of loss due to interest rate exposure the management undertakes the following: 1. Set and monitor the threshold levels of KRI. 2. Monitor Interest rate sensitivity. 3. Analyze earnings at risk caused by a shift in the yield curve (100 bps parallel shift). 4. Cross Currency Interest rate SWAPs to hedge the risk of floating rate ECBs.
Market Risk - Fair Value Risk	Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates. The company's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment.	The company measures through review of risk limits prescribed by TFSC Treasury Guidelines and other RBI prescribed risk ratios.	The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the company's risk management framework.



Financial Risk Management (continued)

A. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from its customers. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Credit risk management approach

The Company has established Credit Committee to periodically review and monitor credit risk. The committee comprises of senior management of the Company, It periodically reviews performance of receivables portfolio across various segments. Further, the Company lends to various segments based on the established credit policies.

Retail credit analysis is based on risk and exposure associated to segments like salary/self-employed, personal use/fleet/driver cum owner, individual/non individuals etc. Origination based delinquency i.e. tracking the delinquency from on-boarding month is done segment wise and special programme wise (marketing schemes of the Company) which is used to enhance the credit assessment process. Further assessments are based on specific credit terms like tenor, loan to value etc. Credit bureau score for individual/non individual/KMPs of non individual are considered further for the risk assessment at the time of sanctioning of loans. Exceptional risk approvals are based on hierarchy depending on the criticality of the risk.

The Company performs necessary due diligence on dealers viz. financial analysis, background checks, CIBIL, grading etc. to arrive at sanctioning of limit. The Company follows the grading tool where certain qualitative and quantitative factors are considered to arrive at grading which helps in ascertaining the credit risk of a particular dealer. This is used for decision making on limit sanction and precautions to be undertaken for a said dealer.

ii) Credit Quality of Financial Loans

The following table sets out information about credit quality of loans and investments measured at amortised cost based on days past due information. The amount represents gross carrying amount.

Particulars	(Amounts are in Rs. Million)					
	Term loans *		Inventory Financing		Finance Lease	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Gross carrying value of loan assets						
Stage 1						
Neither Past due nor impaired (0 DPD)	1,59,569.23	1,16,318.70	8,601.56	6,294.38	2,400.89	753.27
Past Due but not impaired (1 to 30 days)	8,363.43	6,879.71	1,178.39	174.61	-	-
Stage 2						
Past Due but not impaired (31 to 89 days)	1,886.87	1,379.88	-	-	40.90	-
Stage 3						
Past Due and Impaired (90 days or more)	4,275.30	3,163.35	960.43	909.28	325.04	-
	1,74,094.83	1,27,741.64	10,740.38	7,378.27	2,766.83	753.27

* Term loan includes retail auto loans.

iii) Expected Credit loss

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

The Company measures ECL based out of a probability based outcome using a multiple scenario approach such as Best Case, Base Case and Worst Case and assigning weightages to each of the scenario. (Also refer Note 2 – Material Accounting Policy Information).

Definition of Default

The Company considers a financial instrument defaulted and therefore Stage3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days overdue on its contractual payments.

The Company considers probability of default upon initial recognition of asset and whether there has been any significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Following indicators are incorporated:-

- DPD analysis as on each reporting date.
- significant increase in credit risk on other financial instruments of same borrower.
- significant changes in value of the collateral supporting the obligation or in the quality of third party guarantees.

Probability of default (PD)

Days past due (DPD) analysis is the primary input into the determination of the term structure of PD for exposures for retail loan and Finance lease. The Company collects performance and default information about its credit risk exposures analyzed by type of product or borrower. For dealer loans, the Company assigns internal ratings (grading) to the borrower based on credit assessment and PD is computed based on the yearly transition of ratings. The Company employs statistical models to analyze the data collected and generate estimates of the PD of exposures and how these are expected to change as a result of passage of time.

Exposure at Default (EAD)

Exposure at default (EAD) is estimation of the extent that the Company is exposed to borrower in the event of default.

EAD in the case of facilities with no limits will be the outstanding exposure which will be calculated as "principal + principal over due + due interest + Interest accrued but not due (as on reporting date)". To calculate the EAD for a Stage 1 loan, the Company assesses the possible default in future expected cashflows within 12 months for the calculation of the 12 months ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for future expected cashflows over the lifetime of the instruments. For undisbursed Inventory Finance lending commitments, the EAD includes the potential future amounts that may be drawn under the contract, which are estimated based on a credit conversion factor as per historical data points.

The Company determines EAD by modelling the range of possible exposure outcomes at various points in time, corresponding the multiple scenarios.

Loss Given Default (LGD)

Loss given default (LGD) represents estimated financial loss the Company is likely to incur in respect of default account and it is used to calculate provision requirement on EAD along with PD. The Company uses collection details on previously defaulted cases and value of the available collateral against the loans for calculating LGD including estimated direct cost of collection from default cases. Appropriate discounting rates are applied to calculate present value of future estimated collection net of direct collection cost. LGD thus calculated is used for all stages, i.e. stage 1, stage 2 and stage 3.



Financial Risk Management (continued)

Significant increase in credit risk (SICR)

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject 12 months ECL or life time ECL, the Company assesses whether there has been significant increase in credit risk since initial recognition. The Company also applies qualitative method for triggering a significant increase in credit risk for an asset, such as moving a customer / facility to the watch list, or the account becoming forborne. Regardless of the change in credit grades, if contractual payments are more than 30 days overdue, the credit risk is deemed to have increased significantly since initial recognition.

The Company has applied a three-stage approach to measure expected credit losses (ECL) on loans at amortised cost. Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Assets migrate through following three stages based on the changes in credit quality since initial recognition.

(a) Stage 1: 12-months ECL: For exposures where there is no significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

(b) Stage 2: Lifetime ECL, not credit-impaired : For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognised.

(c) Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost.

The below table shows the gross carrying amount of financial assets by credit ratings along with corresponding expected credit losses and the net carrying amount:

Particulars	Asset group	(Amounts are in Rs. Million)			
		Estimated gross carrying amount at default	Loss Rate	Expected credit losses	Carrying amount net of impairment provision
31 March 2025					
Stage 1 : Loss allowance measured at 12 month expected credit losses	Loans at Amortized cost	1,80,113.50	0.64%	1,150.47	1,78,963.03
Stage 2 : Loss allowance measured at life-time expected credit losses, not credit impaired	Loans at Amortized cost	1,927.77	24.52%	472.63	1,455.14
Stage 3 : Loss allowance measured at life-time expected credit losses, credit impaired	Loans at Amortized cost	5,560.77	56.63%	3,148.95	2,411.82
Total		1,87,602.04		4,772.05	1,82,829.99
31 March 2024					
Stage 1 : Loss allowance measured at 12 month expected credit losses	Loans at Amortized cost	1,30,420.66	0.68%	889.42	1,29,531.24
Stage 2 : Loss allowance measured at life-time expected credit losses, not credit impaired	Loans at Amortized cost	1,379.88	23.10%	318.78	1,061.10
Stage 3 : Loss allowance measured at life-time expected credit losses, credit impaired	Loans at Amortized cost	4,072.64	56.01%	2,281.27	1,791.37
Total		1,35,873.18		3,489.47	1,32,383.71

The Company has made additional provision for credit losses on account of increase in delinquency by way a management overlay of INR 10.18 Mn.



Financial Risk Management (continued)

Expected credit loss on Trade receivables and other financial assets

Based on the past trends, the Company has not written off significant amount of receivable from the parties. Such receivables carry insignificant probability of default, hence the credit risk is low. Other financial assets primarily include security deposits. Security deposits are measured at amortised cost and hence the credit risk is already factored in the fair value.

Cash and cash equivalents and Bank balance

Credit risk on cash and cash equivalents, deposits with banks/financial institutions is generally low, as the said deposits have been made with banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Investments

The Company has invested in Government Securities and Treasury Bills. Based on history of Government of India, there is no delay in servicing of interest/repayments. Hence, the credit risk is very low and the Company does not expect any delay in interest/redemption servicing in future (Refer Note 7).

An analysis of changes in gross carrying amount and corresponding ECL allowances is as follows:

(i) Movements in the Gross Carrying Amount is as follows:

Particulars	(Amounts are in Rs. Million)			
	12 month ECL	Lifetime ECL - not credit impaired	Lifetime ECL- credit impaired	Total
Balance as at 1 April 2023	83,056.90	2,799.91	3,648.51	89,505.32
Net movement due to repayments	(16,834.53)	(363.37)	(179.03)	(17,376.93)
Transfer to 12 Month ECL from lifetime	1,736.71	(1,612.64)	(124.07)	-
Transfer to lifetime ECL-not credit-impaired	(772.38)	801.21	(28.83)	-
Transfer to lifetime ECL-credit impaired	(1,144.94)	(287.45)	1,432.39	-
Financial assets derecognised (Note 4)	(10,081.93)	(422.20)	(1,037.16)	(11,541.29)
New financial assets acquired (Note 1 & 2)	74,460.83	464.42	360.83	75,286.08
Balance as at 31 March 2024	1,30,420.66	1,379.88	4,072.64	1,35,873.18
Net movement due to repayments	(27,294.31)	(224.62)	(129.65)	(27,648.58)
Transfer to 12 Month ECL from lifetime	296.28	(197.19)	(99.09)	-
Transfer to lifetime ECL-not credit-impaired	(1,221.16)	1,244.41	(23.25)	-
Transfer to lifetime ECL-credit impaired	(2,021.97)	(458.31)	2,480.28	-
Financial assets derecognised (Note 4)	(11,991.30)	(390.86)	(1,416.97)	(13,799.13)
New financial assets acquired	91,925.30	574.46	676.81	93,176.57
Balance as at 31 March 2025	1,80,113.50	1,927.77	5,560.77	1,87,602.04

(ii) Movements in the allowance for impairment in respect of loans is as follows:

Particulars	(Amounts are in Rs. Million)			
	12 month ECL	Lifetime ECL - not credit impaired	Lifetime ECL- credit impaired	Total
Balance as at 1 April 2023	693.49	265.88	2,029.41	2,988.78
Net movement due to repayments and net measurement	454.62	5.37	(57.68)	402.31
Transfer to 12 Month ECL from lifetime	50.41	(47.08)	(3.33)	-
Transfer to lifetime ECL-not credit-impaired	(180.87)	186.84	(5.97)	-
Transfer to lifetime ECL-credit impaired	(514.07)	(136.52)	650.59	-
Financial assets derecognised (Note 4)	(83.19)	(63.21)	(489.27)	(635.67)
New financial assets acquired (Note 1 & 2)	469.03	107.50	157.52	734.05
Balance as at 31 March 2024	889.42	318.78	2,281.27	3,489.47
Net movement due to repayments and net measurement	1,034.07	20.28	49.33	1,103.68
Transfer to 12 Month ECL from lifetime	9.21	(6.34)	(2.87)	-
Transfer to lifetime ECL-not credit-impaired	(296.62)	303.12	(6.50)	-
Transfer to lifetime ECL-credit impaired	(894.76)	(209.92)	1,104.68	-
Financial assets derecognised (Note 4)	(93.74)	(96.77)	(665.18)	(855.69)
New financial assets acquired	502.89	143.48	388.22	1,034.59
Balance as at 31 March 2025	1,150.47	472.63	3,148.95	4,772.05

Notes:

1. New assets acquired represents fresh disbursements made during the year. Classification of new assets acquired in stage 1, stage 2 and stage 3 is based on period / year end staging. Interest accrued on existing loans that remains unpaid at the end of the year, are classified under new assets acquired as per their opening stage category.
2. Assets acquired and repaid during the year have not been disclosed in the movement of gross carrying amount.
3. Stage 3 asset is net of interest income on impaired portion of loan assets amounting to INR 59.25 Mn (PY 37.78 Mn)
4. Financial assets derecognised includes accounts which are closed, foreclosed, written off & settled during the year.



Financial Risk Management (continued)

The Company has a pre-defined loan to value norms in the policy and the same is disbursed to control the risk of the Company. The Company maintains a loan to value range of 75% to 100% depending upon tenure and model.

The below tables provide an analysis of the current fair values of collateral held for stage 3 assets.

Type of collateral	Maximum exposure to credit risk	Vehicles*	Fair value of the collateral		ECL
			Land and buildings/ Others#	Net Exposure	
31 March 2025					
Loans	5560.77	3,600.49	1657.46	302.82	3,148.95
Total credit-impaired financial assets	5560.77	3,600.49	1657.46	302.82	3,148.95
31 March 2024					
Loans	4,072.64	2,370.66	1,660.14	41.84	2,281.27
Total credit-impaired financial assets	4,072.64	2,370.66	1,660.14	41.84	2,281.27

* Fair value of collateral represents EAD of Stage 3.

Land and building / others includes lien on FD.

Particulars	31 March 2025	March 31, 2024
Principal/Interest overdue for more than or equal to 90 days (Number of cases)	3,408	2,424
Principal overdue for more than or equal to 90 days (INR In Mn)	1,945.91	1,803.61
Interest overdue for more than or equal to 90 days (INR In Mn)	509.21	371.44

Write off

Financial assets are written off when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Company's procedures for recovery of amounts due.

Below is the details of the financial assets that were written off during the reporting period and are still subject to enforcement activity.

Particulars	31 March 2025	31 March 2024
Contractual outstanding	1,327.41	765.04
Amount written off during the year	1,327.41	765.04



Financial Risk Management (continued)

B. Liquidity risk

Liquidity Risk is the risk that the Company will encounter difficulty in meeting obligations from its financial liabilities. Liquidity risk arises in the following situations:

1. when there is a mismatch between assets and liabilities which is caused by a difference in the maturity profile of such assets and liabilities.
2. from unexpected increases in the cost of funding and inability to liquidate investments in a timely manner without incurring unacceptable losses.
3. when long term assets can not be funded at the expected term resulting in cashflow mismatch.

i. Liquidity risk management

Liquidity has to be tracked through maturity or cash flow mismatches. For measuring and managing net funding requirements, the use of a maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates is adopted as a standard tool. The Maturity Profile, is used for measuring the future cash flows of the Company in different time buckets. The time buckets distributed considered are as per RBI guidelines and monitored by Asset Liability management Committee (ALCO)

The Statement of Structural Liquidity is prepared by placing all cash inflows and outflows in the maturity ladder according to the expected timing of cash flows. A maturing liability will be a cash outflow while a maturing asset will be a cash inflow.

The Company strives to manage the negative gap (i.e. where outflows exceed inflows) in the particular time-bucket and cumulative gap up to selected maturity period should not exceed the prudential limits approved by the Board. The prudential limits for individual time buckets are based on a percentage of outflows of each time-bucket and the limit for the cumulative gaps are based on the percentage of cumulative gap to cumulative cash outflows up to the period.

In order to enable the Company to monitor its short-term liquidity on a dynamic basis over a time horizon spanning from 1 day to 6 months, short-term liquidity profiles is estimated on the basis of business projections and other commitments for planning purposes which is effectively used as a predictive tool for its future ALM requirements.

ii. Maturity of financial liabilities

The following are the expected maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest receipts and payments.

As at 31 March 2025 (Amounts are in Rs. Million)

Particulars	Note No	Carrying Amount	Gross Nominal Outflow/ Inflow	Expected cash flows							
				Up to one month	Over one month to 2 months	Over 2 months to 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 year upto 3 years	Over 3 years & up to 5 years	Over 5 years
Financial liabilities											
Derivative financial instruments	4	1,507.07	1,507.07	0.04	0.77	0.25	1.11	437.81	1,067.09	-	-
Trade Payables	15	730.73	730.73	456.68	-	-	-	274.05	-	-	-
Debt securities	16	64,765.58	73,892.83	243.00	216.51	2,000.00	7,871.02	14,622.73	41,533.77	7,405.80	-
Borrowings (other than debt securities)	17	93,279.26	1,03,400.72	6,278.20	5,712.22	4,263.39	12,932.01	19,494.70	52,922.92	1,797.28	-
Lease Liability	18	229.88	229.88	3.89	4.11	4.14	16.51	28.94	172.29	-	-
Other financial liabilities	19	1,371.95	1,371.95	1,244.40	0.11	0.24	3.91	2.97	108.75	11.57	-

As at 31 March 2024

Particulars	Note No	Carrying Amount	Gross Nominal Outflow/ Inflow	Expected cash flows							
				Up to one month	Over one month to 2 months	Over 2 months to 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 year upto 3 years	Over 3 years & up to 5 years	Over 5 years
Financial liabilities											
Derivative financial instruments	4	1,227.72	1,227.72	-	0.26	-	0.27	0.54	1,226.65	-	-
Trade Payables	15	636.54	636.54	438.10	-	-	-	198.44	-	-	-
Debt securities	16	39,209.25	46,066.24	243.00	2,000.00	2,112.98	1,023.00	5,451.70	28,833.96	6,401.60	-
Borrowings (other than securities)	17	72,823.71	79,664.95	5,807.20	2,688.23	2,911.36	7,576.86	17,368.23	39,247.43	4,065.64	-
Lease Liability	18	96.64	96.64	4.21	4.34	4.36	13.64	28.10	41.99	-	-
Other financial liabilities	19	1,672.58	1,672.58	1,672.58	-	-	-	-	-	-	-

Maturity pattern of liabilities has been compiled by the management on contractual cashflows.



Financial Risk Management (continued)

Liquidity risk (continued)

iii Liquidity Risk Management Framework

Disclosures required under Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies vide circular - RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20.

a. Funding Concentration based on significant counterparty

			31 March 2025		
Sr no	Number of significant counterparties *	Amount (INR Million)	% of Total deposits	% of Total Liabilities	
1	19	1,47,344	N.A.	91%	
			31 March 2024		
Sr no	Number of significant counterparties *	Amount (INR Million)	% of Total deposits	% of Total Liabilities	
1	14	1,04,983	N.A.	91%	

* The Company consider an exposure from a single counterparty or group of connected or affiliated counterparties of 1% and above to be significant counterparties.

b. Top 20 large deposits - The Company is a non deposit taking NBFC and hence not applicable.

c. Top 10 borrowings amounts to INR 41,106 millions and 26% of total borrowings.

(Previous year: Top 10 borrowings amounts to INR 35,357 millions and 32% of total borrowings.)

d. Funding Concentration based on significant instrument/product

			31 March 2025	
Sr no	Name of the instrument/product *	Amount (INR Million)	% of Total Liabilities	
1	External commercial borrowings	30,448	19%	
2	Bank borrowings	62,831	39%	
3	Non Convertible debentures	50,378	31%	
4	Commercial Papers	14,388	9%	
			31 March 2024	
Sr no	Name of the instrument/product *	Amount (INR Million)	% of Total Liabilities	
1	External commercial borrowings	20,182	17%	
2	Bank borrowings	52,642	45%	
3	Non Convertible debentures	37,231	32%	
4	Commercial Papers	1,978	2%	

* The Company consider an exposure from an instrument of 1% and above to be significant.

e. Stock Ratios

Sr no	Particulars	Total Public Funds	Total Liabilities	Total Assets
1	Commercial papers as a % of	9%	9%	7%
2	Non-convertible debentures (original maturity of less than one year) as a % of	NIL	NIL	NIL
3	Other Short-term liabilities (excluding 1 & 2 above and including current maturities of long term debt and other liabilities), if any as a % of	35%	34%	28%
4	Other short-term liabilities (other than debt liabilities), if any as a % of	2%	2%	1%

For the computation of all the above disclosures the following has been considered:

- Public funds includes funds raised either directly or indirectly through bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc.
- Total liabilities means total assets less equity capital and other equity.
- Total asset means total of asset side of the balance sheet.
- Borrowings have been considered at their carrying value.
- Short-term liabilities includes financial and non financial liabilities that will be settled within next 12 months.

f. Institutional set-up for liquidity risk management

The Board of Directors has the overall responsibility of managing risk related to Asset Liability mismatches. The Board has constituted Asset Liability Management Committee ('ALCO') to identify & monitor the liquidity. The Company's ALCO monitors asset liability mismatches to ensure that there are no imbalances or excessive concentrations on either side of the Balance Sheet, in accordance with the liquidity risk thresholds/ limits decided by the Board. The ALCO is comprised of MD & CEO (chairperson) and other senior management to enable effective ALM risk management strategy of the Company.

The Company has a Board approved Asset Liability Management policy 'ALM policy', defining the liquidity risk management framework in line with RBI's "guidelines on liquidity risk framework for NBFCs" which ensures that the Company maintains sufficient liquidity in line with the risk appetite framework, including a cushion of unencumbered, High Quality Liquid Assets to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. The Board approves the prudential limits defined in the ALM policy. The Company is maintaining LCR in line with regulatory requirements from December 2020.



Financial Risk Management (continued)

C. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rate and interest rate.

i. Foreign currency risk

All foreign exchange exposure on account of foreign exchange borrowings is hedged to safeguard against exchange rate risk using Cross Currency Swaps/Forwards. The Company does not have any material unhedged foreign currency transactions that would significantly impact the profitability of the Company.

a. Currency risk management

The Company does not have any material unhedged foreign currency transactions that would significantly impact the profitability of the Company. Any significant foreign exchange exposure on account of foreign exchange borrowings is hedged to safeguard against exchange rate risk.

b. Exposure to currency risk

The profile of currency exposure on financial assets and financial liabilities as at 31 March 2025 and 31 March 2024 are as below:

Particulars	31 March 2025 (Amounts are in INR Million, except foreign currency)					
	USD	JPY	SGD	USD in INR	JPY in INR	SGD in INR
Derivative financial instruments						
Foreign exchange derivative contracts	2,01,02,133.33	50,36,82,73,101.35	-	150.29	(1,573.68)	-
Exposure to foreign currency risk (assets) - (a)	2,01,02,133.33	50,36,82,73,101.35	-	150.29	(1,573.68)	-
Financial liabilities						
Payables	15,813.90	33,03,723.40	59,912.10	1.35	1.87	3.82
Foreign currency loan	2,00,00,000.00	50,32,86,95,000.00	-	1,709.25	28,707.89	-
Interest accrued on foreign currency loan	1,02,133.33	3,95,78,101.35	-	8.73	22.58	-
Exposure to foreign currency risk (liabilities) (b)	2,01,17,947.23	50,37,15,76,824.75	59,912.10	1,719.33	28,732.34	3.82
Net Exposure to foreign currency risk (c) = (b) - (a)	15,813.90	33,03,723.40	59,912.10			

Particulars	31 March 2024					
	USD	JPY	SGD	USD in INR	JPY in INR	SGD in INR
Derivative financial instruments						
Foreign exchange derivative contracts	4,01,81,416.67	22,14,01,59,596.85	-	173.58	(1,422.32)	-
Exposure to foreign currency risk (assets) - (a)	4,01,81,416.67	22,14,01,59,596.85	-	173.58	(1,422.32)	-
Financial liabilities						
Payables	10,738.00	71,45,965.80	31,500.00	0.89	3.94	1.87
Foreign currency loan	4,00,00,000.00	22,12,76,75,000.00	-	3,336.15	12,191.95	-
Interest accrued on foreign currency loan	1,81,416.67	1,24,84,596.85	-	15.13	6.88	-
Exposure to foreign currency risk (liabilities) (b)	4,01,92,154.67	22,14,73,05,562.65	31,500.00	3,352.17	12,202.77	1.87
Net Exposure to foreign currency risk (c) = (b) - (a)	10,738.00	71,45,965.80	31,500.00			

The Company has hedged all its foreign currency External Commercials Borrowings with Cross currency swaps/Forwards to effectively hedge its cash flow positions.

The Company's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed."

Sensitivity analysis

A reasonably possible strengthening/ weakening of the Indian Rupee against foreign currency as at the year end would have affected the measurement of financial instruments denominated in foreign currency and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Impact on profit after tax	
	Strengthening	Weakening
Effect in INR		
31 March 2025		
5% movement		
USD	(0.40)	0.40
JPY	(9.60)	9.60
SGD	(0.14)	0.14
	(10.14)	10.14
31 March 2024		
5% movement		
USD	(9.61)	9.61
JPY	(2.09)	2.09
SGD	(0.07)	0.07
	(11.77)	11.77



Financial Risk Management (continued)

Market Risk (Continued)

ii. Interest Rate Risk

Exposure to interest rate risk is principally as a result of lending to customers at interest rates and in amounts and for periods, which may differ from its borrowing. In other words, the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. It covers Earnings Risk and Economic Value Risk. This may result in losses for the Company due to repricing.

i. Interest rate risk management

The Company measures its interest rate exposure through the following:

1. Monitor Interest rate sensitivity as prescribed by RBI under IRS (Interest rate sensitivity) return
2. Analyze earnings at risk caused by a shift in the yield curve (100 bps parallel shift)

ii. Exposure to interest rate risk

Company's interest rate risk arises from variable rate financial assets or financial liabilities. The interest rate profile of the Company's interest bearing financial instruments is as follows.

Particulars	(Amounts are in Rs. Million)	
	31 March 2025	31 March 2024
Fixed-rate instruments (net of interest accrued, but not due)		
Financial assets	1,80,497	1,32,458
Financial liabilities	(1,22,477)	(79,631)
Net exposure	58,020	52,827
Variable-rate instruments (net of interest accrued, but not due)		
Financial assets	9,959	6,726
Financial liabilities	(33,796)	(30,877)
Net exposure	(23,837)	(24,151)

Financial assets consists of Loans, Investments and Fixed Deposit.

Financial liabilities consists of Debts securities, Borrowings (other than debt securities).

The Company has borrowed through External Commercial Borrowings and has hedged including the interest through Cross currency swaps/Forwards. Hence the Company does not have any interest rate exposure on any ECB borrowings.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Particulars	Impact on profit after tax	
	31 March 2025	31 March 2024
Variable rate instruments (net)		
100 bps increase	(178.38)	(180.73)
100 bps decrease	178.38	180.73

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.



44 Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 (Disclosures are made as per Ind AS financial statements except otherwise stated)

(Amounts included herein are based on current and previous year financials as per Ind AS)

(a) Capital

S.No.	Particulars	31 March 2025	31 March 2024
i)	CRAR (%)	17.89	19.41
ii)	CRAR - Tier I Capital (%)	17.27	18.75
iii)	CRAR - Tier II Capital (%)	0.62	0.66
iv)	Amount of Subordinated debt raised as Tier-II Capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

(b) Investments

(Amounts are in Rs. Million)

S.No.	Particulars	31 March 2025	31 March 2024
1	Value of investments		
	(i) Gross value of investments		
	(a) In India	4,671.33	4,355.76
	(b) Outside India	-	-
	(ii) Provisions for depreciation		
	(a) In India	-	-
	(b) Outside India	-	-
	(iii) Net value of investments		
	(a) In India	4,671.33	4,355.76
	(b) Outside India	-	-
2	Movement of provisions held towards depreciation on investments		
	(i) Opening balance	-	-
	(ii) Add: Provisions made during the year	-	-
	(iii) Less : Write-off / write-back of excess provisions during the year	-	-
	(iv) Closing balance	-	-

(c) Derivatives

(i) Forward rate agreement/ Interest rate swap

S.No.	Particulars	31 March 2025	31 March 2024
(i)	The notional principal of swap agreements	30,417.14	15,550.11
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	(1,423.40)	(1,248.73)
(iii)	Collateral required by the NBFC upon entering into Swaps	88.10	194.60
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	(1,335.30)	(1,054.13)

(ii) Exchange traded interest rate (IR) derivatives

S.No.	Particulars	31 March 2025	31 March 2024
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year	-	-
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March of respective years	-	-
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	-	-
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	-	-



Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 (Disclosures are made as per Ind AS financial statements except otherwise stated) (continued)

(Amounts included herein are based on current and previous year financials as per Ind AS)

(iii) Disclosures on risk exposure in derivatives

(A) Qualitative disclosures

The Company has formed a Derivative (Foreign Currency and Interest Rate) Risk Management Policy to enter into derivatives to manage the risk associated with external commercial borrowings. The following table highlights the key aspects of the policy:

- a) Treasury function is authorised to select appropriate derivative instrument;
- b) The Company shall fully hedge the risk on account of foreign currency fluctuation;
- c) The Company has put in place a reporting and monitoring mechanism for the risk associated with the derivative transaction;
- d) The Company has put in place accounting policy covering recording hedge transactions, premiums and discounts, valuation of outstanding contracts and provisioning (Also refer Note 2 – Material Accounting Policy Information).

(B) Quantitative disclosures

S.No.	Particular	(Amounts are in Rs. Million)			
		31 March 2025		31 March 2024	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)				
	For hedging	30,417.14	-	15,550.11	-
(ii)	Marked to Market Positions [1]*				
	a) Asset (+)	-	-	689.73	-
	b) Liability (-)	230.83	1,566.12	-	559.01
(iii)	Credit Exposure [2]	-	-	-	-
(iv)	Unhedged Exposures	-	-	-	-

* The Company has taken Cross currency swap/Forward. The MTM has been split between currency and interest portion.

(d) (i) Disclosures relating to Securitisation

S.No.	Particulars	31 March 2025	31 March 2024
1.	No of SPVs sponsored by the NBFC for securitisation transactions	-	-
2.	Total amount of securitised assets as per books of the SPVs sponsored	-	-
3.	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	-	-
	a) Off-balance sheet exposures	-	-
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures	-	-
	First loss	-	-
	Others	-	-
4.	Amount of exposures to securitisation transactions other than MRR	-	-
	a) Off-balance sheet exposures	-	-
	(i) Exposure to own securitizations	-	-
	First loss	-	-
	Loss	-	-
	(ii) Exposure to third party securitisations	-	-
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures	-	-
	(i) Exposure to own securitisations	-	-
	First loss	-	-
	Others	-	-
	(ii) Exposure to third party securitisations	-	-
	First loss	-	-



(ii) Details of Financial Assets sold to Securitisation/Reconstruction Company for Asset Reconstruction

S.No.	Particulars	31 March 2025	31 March 2024
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of	-	-
(v)	Aggregate gain / loss over net book value	-	-

(iii) Details of Assignment transactions undertaken

S.No.	Particulars	31 March 2025	31 March 2024
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of	-	-
(v)	Aggregate gain / loss over net book value	-	-

(iv) Details of Non performing financial assets purchased/sold

A. Details of non-performing financial assets purchased :

S.No.	Particulars	31 March 2025	31 March 2024
1.	a) No. of accounts purchased during the year	-	-
	b) Aggregate outstanding	-	-
2.	a) Of these, number of accounts restructured during the year	-	-
	b) Aggregate outstanding	-	-

B. Details of Non-performing Financial Assets sold :

S.No.	Particulars	31 March 2025	31 March 2024
1.	No. of accounts sold	-	-
2.	Aggregate outstanding	-	-
3.	Aggregate consideration received	-	-



Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 (Disclosures are made as per Ind AS financial statements except otherwise stated) (continued)

(Amounts included herein are based on current and previous year financials as per Ind AS)

(e) Exposures

(i) Exposure to real estate sector

(Amounts are in Rs. Million)

S.No. Category	31 March 2025	31 March 2024
<u>Direct Exposure</u>		
(i) Residential mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-
(ii) Commercial real estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	-	-
(iii) Investments in mortgage backed securities(MBS) and other securitised exposures -	-	-
a. Residential	-	-
b. Commercial Real Estate	-	-
<u>Indirect Exposure</u>		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
Total Exposure to real estate sector	-	-

The company has given term loans amounting to INR 1,121.61 Mn to dealers which has collaterals in the form of real estate exposure. Based on the submissions made by management to RBI in relation to disclosure of exposure under real estate exposure (Direct and Indirect), accordingly, the management has not considered such term loans as exposure to real estate sector.

(ii) Exposure to capital market

Particulars	31 March 2025	31 March 2024
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) Bridge loans to companies against expected equity flows / issues;	-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
(ix) Financing to stockbrokers for margin trading	-	-
(x) All exposures to Alternative Investment Funds.	-	-
(i) Category I	-	-
(ii) Category II	-	-
(iii) Category III	-	-
Total exposure to capital market	-	-

(iii) Details of financing of parent Company products

The Company is primarily engaged in vehicle/auto financing / leasing of fellow subsidiary products. Loans and Advances includes vehicle finance, which comprise primarily of either loans to customers for purchasing Toyota cars and accessories or loans to dealers engaged in dealing in Toyota cars and accessories.

(iv) Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not exceeded the prudential exposure limits of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) during the year.

(v) Unsecured advances

The total amount of advances for which intangible securities such as charge over the rights, licenses, authority etc. has been taken is Nil (Previous year: Nil).



Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 (Disclosures are made as per Ind AS financial statements except otherwise stated) (continued)

(Amounts included herein are based on current and previous year financials as per Ind AS)

(f) Miscellaneous

(i) Registration obtained from other financial sector regulators

The Company has obtained Corporate Agency license in February, 2019 from Insurance Regulatory and Development Authority of India for distributing insurance products. The same has been renewed for the period 18 Feb 2025 to 17 Feb 2028.

(ii) Disclosure of penalties imposed by RBI and other regulators

Penalties imposed by RBI and other regulators on the Company is Rs. Nil except as disclosed below:

As per Regulation 60 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, there was a delay in submission of the notice of record date. Company was liable to pay penalty of Rs.10,000 plus GST per ISIN

(i) Company had received notice for delay in record date intimation filing for ISIN INE692Q07423 on August 30, 2024. Company has made the payment on September 12, 2024

(ii) Company had received notice for delay in record date intimation filing for ISIN INE692Q07449 on October 30, 2024. Company has made the payment on November 11, 2024

(iii) Ratings assigned by credit rating agencies and migration of ratings during the year

S. No.	Instrument	31 March 2025		31 March 2024	
		CRISIL	ICRA	CRISIL	ICRA
1	Redeemable Non-Convertible Debentures	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
2	Commercial Papers	A1+	A1+	A1+	A1+
3	Bank facility (Long term)	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
4	Bank facility (Short term)		A1+		A1+

There have not been any rating migrations during the year.

(iv) Net profit or loss for the period, prior period items and changes in accounting policies

There are no prior period items included in the current year's statement of profit and loss.

(v) Revenue recognition

There is no revenue which has been postponed pending the resolution of significant uncertainties.

(vi) Remuneration to Non-Executive Director

Refer note 39 of the financial statements.

(vii) Related Party transaction

Details of all material transactions with related parties has been given in note 39 of the financial statements.

(g) Additional disclosures

(i) Provisions and contingencies

(Amounts are in Rs. Million)

Break up of 'Provisions and Contingencies' shown in the statement of profit and loss	31 March 2025	31 March 2024
Under 'Impairment on financial instruments'		
Provision towards NPA	867.68	233.32
Contingent provision for standard assets, including future potential losses	317.44	153.55
Under 'Tax expenses'		
Provision made towards Income tax (including deferred tax)	71.33	203.52
Under 'Employee benefit expenses'		
Provision for gratuity and compensated absences	40.59	11.74

(ii) Draw Down from Reserves

The Company has not made any draw down from reserves.

(iii) Concentration of deposits, advances, exposures and NPAs

(A) Concentration of deposit

The Company is a non deposit taking NBFC and has not obtained any deposit.

(B) Concentration of advances

Particulars	31 March 2025	31 March 2024
Total Advances to twenty largest borrowers	12,357.82	9,047.74
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	6.59%	6.66%

(C) Concentration of exposures

Particulars	31 March 2025	31 March 2024
Total exposure to twenty largest borrowers /customers	16,781.79	12,903.69
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	8.61%	9.02%

(D) Concentration of NPAs

Particulars	31 March 2025	31 March 2024
Total exposure to top four NPA accounts	1,871.38	1,637.44



Toyota Financial Services India Limited
Notes to the financial statements for the year ended 31 March 2025

Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 (Disclosures are made as per Ind AS financial statements except otherwise stated) (continued)

(Amounts included herein are based on current and previous year financials as per Ind AS)

(g) Additional disclosures (continued)

(E) Sector-wise NPAs

S. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		31 March 2025	31 March 2024
1	Agriculture & allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	-	-
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans*	2.96%	3.00%
7	Other personal loans	-	-

* Includes financing to Dealers / Other corporate customers on cars and accessories.

(F) Movement of NPAs

		(Amounts are in Rs. Million)	
S.No.	Sector	31 March 2025	31 March 2024
(i)	Net NPAs to net advances (%)	1.31	1.34
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	4,072.64	3,706.11
	(b) Additions during the year#	3,237.54	1,892.59
	(c) Reductions during the year *	1,749.41	1,526.06
	(d) Closing balance	5,560.77	4,072.64
(iii)	Movement of Net NPAs		
	(a) Opening balance	1,791.37	1,658.15
	(b) Additions during the year	1,598.40	918.22
	(c) Reductions during the year	977.95	785.00
	(d) Closing balance	2,411.82	1,791.37
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	2,281.27	2,047.95
	(b) Provisions made during the year	1,639.14	974.37
	(c) Write-off / write-back of excess provisions *	771.46	741.05
	(d) Closing balance	3,148.95	2,281.27

Additions does not include cases which have become NPA during the year and subsequently moved out of NPA in the same year.

* Balancing figure.

(iv) Overseas assets (for those with Joint Ventures and Subsidiaries abroad)

The Company does not have any Overseas Assets (for those with Joint Ventures and Subsidiaries abroad).

(v) Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company does not have any off-balance sheet SPVs sponsored.

(vi) Disclosure of Frauds reported during the year vide DNBS.PD.CC NO.256/03.10.042/2011-12 Dated 2 March 2012

		(Amounts are in Rs. Million)	
Particulars		31 March 2025	31 March 2024
a. Persons involved			
Customers		2.63	3.45
Employee		0.23	-
Collection Agency		-	-
Dealer		-	-
Total		2.86	3.45
b. Type of Fraud			
Misappropriation and criminal breach of trust		0.23	-
Fraudulent encashment/ manipulation of books of account		-	-
Cheating and forgery		2.63	3.45



Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 (Disclosures are made as per Ind AS financial statements except otherwise stated) (continued)

(Amounts included herein are based on current and previous year financials as per Ind AS)

(g) Additional disclosures (continued)

(vii) 1. Sectoral Exposure		(Amounts are in Rs. Million)					
S.No.	Sectors	31 March 2025			31 March 2024		
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1.	Agriculture and Allied Activities	-	-	-	-	-	-
2.	Industry	-	-	-	-	-	-
3.	Services	-	-	-	-	-	-
4.	Personal Loans/Vehicle Loan	-	-	-	-	-	-
	Includes financing to Dealers / Other corporate customers on cars and accessories.	1,87,602.04	5,560.77	2.96%	1,35,873.18	4,072.64	3.00%
5.	Others, if any (please specify)	-	-	-	-	-	-
2. Intra-group exposures							
Particulars		31 March 2025			31 March 2024		
(i)	Total amount of intra-group exposures	-			-		
(ii)	Total amount of top 20 intra-group exposures	-			-		
(iii)	Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	-			-		
3. Unhedged foreign currency exposure							
Particulars		31 March 2025			31 March 2024		
Unhedged foreign currency exposures*		7.04			6.70		

*refer Note 2 – Material Accounting Policy Information and Note 43-Financial Risk Management

4. Divergence in Asset Classification and Provisioning

No disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory inspection for the year ended 31 March 2024 and for the year ended 31 March 2023 as per the requirement of the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Direction, 2023 as amended from time to time.



Toyota Financial Services India Limited
Notes to the financial statements for the year ended 31 March 2025

Disclosures as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 (Disclosures are made as per Ind AS financial statements except otherwise stated) (continued)
(Amounts included herein are based on current and previous year financials as per Ind AS)

(g) Additional disclosures (continued)

5 RELATED PARTY DISCLOSURE	(Amounts are in Rs. Million)															
	Related Party		Parent		Subsidiaries		Associates/ Joint ventures		Key Management Personnel@		Relatives of Key Management Personnel@		Others*		Total	
Items	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Borrowings# the year)	-	-	-	-	6,694.33	6,694.33	-	-	-	-	-	-	-	-	6,694.33	6,694.33
Deposits	-	-	-	-	6,694.33	6,694.33	-	-	-	-	-	-	-	-	-	-
Placement of deposits#	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances#	-	-	-	-	2.34	34.43	-	-	-	-	-	-	-	-	2.34	34.43
Advances (maximum during the year)	-	-	-	-	36.88	34.43	-	-	0.77	-	-	-	-	-	36.88	35.20
Investments#	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	202.69	239.40	-	-	-	-	-	-	-	-	202.69	239.40
Sale of fixed/other assets	-	-	-	-	58.45	15.83	-	-	-	-	-	-	-	-	58.45	15.83
Interest paid	-	-	-	-	20.85	20.71	-	-	-	-	-	-	-	-	20.85	20.71
Interest received	-	-	-	-	1.29	0.02	-	-	0.04	-	-	-	-	-	1.29	0.06
Other Incomes	0.01	-	-	-	20.75	6.87	-	-	-	-	-	-	-	-	20.76	6.87
Others Expense	3.62	3.39	-	-	113.91	58.73	-	-	-	-	-	-	-	-	117.53	62.12

The outstanding at the year end. Also the maximum during the year are disclosed separately

@ Disclosures for directors and relatives of directors made separately in separate columns from other KMPs and relatives of other KMPs.

* Transactions exceeding 5 per cent of total related party transactions. Related parties would include trusts and other bodies in which the NBFC can directly or indirectly (through its related parties) exert control or significant influence.



Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 (Disclosures are made as per Ind AS financial statements except otherwise stated) (continued)

(Amounts included herein are based on current and previous year financials as per Ind AS)

(g) Additional disclosures (continued)

6 Disclosure of complaints	31 March 2025	31 March 2024
Complaints received by the NBFC from its customers		
1 Number of complaints pending at beginning of the year	14	22
2 Number of complaints received during the year	1347	1107
3 Number of complaints disposed during the year	1342	1115
3.1 Of which, number of complaints rejected by the NBFC	467	317
4 Number of complaints pending at the end of the year	19	14
Maintainable complaints received by the NBFC from Office of Ombudsman		
5 Number of maintainable complaints received by the NBFC from Office of Ombudsman		
5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	37	43
5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6 Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
	Current Year				
Ground - 1 - Collection	4	321	44.59%	2	-
Ground - 2 - Sales	-	105	-32.69%	2	-
Ground - 3 - Charges Waiver	-	102	13.33%	2	-
Ground - 4 - CIBIL	1	101	53.03%	1	-
Ground - 5 - EMI Moratorium / Restructure	3	90	8.43%	3	-
	Previous Year				
Ground - 1 - Collection	2	222	60.86%	4	-
Ground - 2 - Sales	1	156	132.83%	-	-
Ground - 3 - No Objection Certificate	-	97	-37.41%	2	-
Ground - 4 - Charges Waiver	2	90	25.00%	-	-
Ground - 5 - EMI Moratorium / Restructure	2	83	12.16%	3	-



Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 (Disclosures are made as per Ind AS financial statements except otherwise stated) (continued)
(Amounts included herein are based on current and previous year financials as per Ind AS)

(viii) Schedule to the Balance Sheet of a Non-Deposit Taking Non-Banking Financial Company

(Amounts are in ₹s. Million)

Particulars	31 March 2025		31 March 2024	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
Liabilities Side				
(1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:				
(a) Debentures #: Secured*	50,377.66	-	37,231.23	-
: Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
(b) Deferred credits	-	-	-	-
(c) Term loans*	86,345.63	-	64,753.94	-
(d) Intercompany loans and borrowing	6,932.75	-	6,696.60	-
(e) Commercial paper	14,387.92	-	1,978.02	-
(f) Other loans (working capital loans from banks and book overdraft)	0.88	-	1,373.17	-
(2) Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

* Including Interest accrued but not due

Balances as per financials as computed under IND AS under Effective Interest Rate 'EIR'

Asset Side

Particulars	31 March 2025	31 March 2024
(3) Break-up of loans and advances including bills receivables (other than those included in (4) below):		
(a) Secured	1,80,333.42	1,31,633.46
(b) Unsecured*	-	-
(4) Break-up of leased assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors:		
(a) Financial lease	2,496.57	750.25
(b) Operating lease	4.64	4.99
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed assets	-	-
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
(5) Break-up of investments :		
Current investments:		
1. Quoted		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	1,001.85
(iv) Government securities	4,671.33	3,353.91
(v) Others	-	-
2. Unquoted		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others	-	-

* Excludes advance income tax/tax deducted at source (net of provisions) and other advances (not related to lending activity)



Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023
(Disclosures are made as per Ind AS financial statements except otherwise stated) (continued)

(Amounts included herein are based on current and previous year financials as per Ind AS)

(h) Disclosure on restructured advances

31 March 2025		(Amounts are in Rs. Million)					
S. No.	Type of restructuring → Asset classification → Details	Standard	Sub Standard	Others* Doubtful	Loss	Total	
1	Restructured accounts as on April 1 of the year (opening figures) *	No. of borrowers	-	2.00	-	-	2.00
		Amount outstanding	-	2.67	-	-	2.67
		Provision thereon	-	0.25	-	-	0.25
2	Fresh restructuring during the year	No. of borrowers	2.00	-	-	-	2.00
		Amount outstanding	2.43	-	-	-	2.43
		Provision thereon	0.01	-	-	-	0.01
3	Recovery during the year	No. of borrowers	-	(2.00)	-	-	(2.00)
		Amount outstanding	-	(2.67)	-	-	(2.67)
		Provision thereon	-	(0.25)	-	-	(0.25)
4	Upgradations to restructured standard category during the year	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
5	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the year and hence need not be shown as restructured standard advances at the beginning of the next year	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
6	Down gradations of restructured accounts during the year	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
7	Write-offs of restructured accounts during the year	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
8	Restructured accounts as on March 31 of the year (closing figures)	No. of borrowers	2.00	-	-	-	2.00
		Amount outstanding	2.43	-	-	-	2.43
		Provision thereon	0.01	-	-	-	0.01

*excluded restructured accounts as per RBI circular pertaining to Resolution Framework for COVID-19-related Stress.

31 March 2024							
S. No.	Type of restructuring → Asset classification → Details	Standard	Sub Standard	Others* Doubtful	Loss	Total	
1	Restructured accounts as on April 1 of the year (opening figures)	No. of borrowers	-	2.00	-	-	2.00
		Amount outstanding	-	57.60	-	-	57.60
		Provision thereon	-	18.54	-	-	18.54
2	Fresh restructuring during the year	No. of borrowers	-	1.00	-	-	1.00
		Amount outstanding	-	1.62	-	-	1.62
		Provision thereon	-	0.01	-	-	0.01
3	Recovery during the year	No. of borrowers	-	(1.00)	-	-	(1.00)
		Amount outstanding	-	(56.55)	-	-	(56.55)
		Provision thereon	-	(18.30)	-	-	(18.30)
4	Upgradations to restructured standard category during the year	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
5	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the year and hence need not be shown as restructured standard advances at the beginning of the next year	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
6	Down gradations of restructured accounts during the year	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
7	Write-offs of restructured accounts during the year	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
8	Restructured accounts as on March 31 of the year (closing figures)	No. of borrowers	-	2.00	-	-	2.00
		Amount outstanding	-	2.67	-	-	2.67
		Provision thereon	-	0.25	-	-	0.25

*excluded restructured accounts as per RBI circular pertaining to Resolution Framework for COVID-19-related Stress.



Toyota Financial Services India Limited
Notes to the financial statements for the year ended 31 March 2025

Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 (Disclosures are made as per Ind AS financial statements except otherwise stated) (continued)

(Amounts included herein are based on current and previous year financials as per Ind AS)

(i) Asset liabilities management maturity pattern of certain items of asset and liabilities (at book values) as at 31 March 2025 and 31 March 2024.

Particulars	(Amounts are in Rs. Million)										Total	
	1 to 7 days	8 to 14 days	Over 14 days to one month	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years		
31 March 2025												
Liabilities												
Borrowings	2,199.00	-	4,026.38	3,891.68	5,815.81	19,037.11	24,748.06	59,377.70	8,500.66	-	-	1,27,596.40
Foreign currency borrowings	-	-	9.66	1,728.40	2.49	-	4,991.07	23,716.82	-	-	-	30,448.44
Assets *												
Advances (net of provision)	4,784.73	3,227.92	5,287.46	6,304.07	5,518.94	15,197.24	27,943.55	76,980.96	32,126.88	5,458.24	-	1,82,829.99
Cash and cash equivalents	4,196.56	-	-	-	-	2,640.73	1,680.79	-	-	-	-	4,196.56
Investments	349.81	-	-	-	-	-	-	-	-	-	-	4,671.33
Foreign currency assets #	-	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities #	-	-	7.04	-	-	-	-	-	-	-	-	7.04
31 March 2024												
Particulars												
Liabilities												
Borrowings	1,493.12	1,000.00	3,282.18	4,236.63	4,567.68	7,089.45	13,704.64	47,183.15	9,294.47	-	-	91,851.32
Foreign currency borrowings	-	-	49.85	76.89	15.79	-	6,179.08	13,860.02	-	-	-	20,181.63
Assets *												
Advances (net of provision)	3,347.96	2,402.24	3,932.28	4,295.03	3,780.40	10,522.68	19,819.80	55,676.13	24,412.99	4,194.20	-	1,32,383.71
Cash and cash equivalents	1,219.12	650.47	1,251.60	-	-	-	-	-	-	-	-	3,121.19
Investments	1,001.85	898.84	-	-	-	1,020.14	1,434.93	-	-	-	-	4,355.76
Foreign currency assets #	-	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities #	-	-	6.70	-	-	-	-	-	-	-	-	6.70

* Excludes advance income tax deducted at source (net of provisions) and other advances (not related to lending activity).

The Company does not have any foreign currency assets and liabilities in relation to its principal operations except ECBs.

Cashflows denote expected cashflow of financial liabilities and assets. The amounts includes accrued interest payments & interest income.



45 Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 (Disclosures are made as per Ind AS financial statements except otherwise stated) as per Appendix II-A

31 March 2025		(Amounts are in Rs. Million)				
Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing assets						
Standard	Stage 1	1,80,113.50	1,150.47	1,78,963.03	718.31	432.16
	Stage 2	1,927.77	472.63	1,455.14	7.63	465.00
Subtotal for performing assets (A)		1,82,041.27	1,623.10	1,80,418.17	725.94	897.16
Non-performing assets (NPA)						
Substandard	Stage 1	-	-	-	-	-
Substandard	Stage 3	3,274.85	1,548.97	1,725.88	327.40	1,221.57
Doubtful						
up to 1 year	Stage 3	279.03	159.69	119.34	82.36	77.33
1 to 3 years	Stage 3	1,118.62	572.73	545.89	556.68	16.05
More than 3 years	Stage 3	156.02	135.31	20.71	135.31	-
Loss	Stage 3	732.25	732.25	-	732.25	-
Subtotal for NPA (B)		5,560.77	3,148.95	2,411.82	1,834.00	1,314.95
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms						
	Stage 1	1,053.05	0.41	1,052.64	-	0.41
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal (C)		1,053.05	0.41	1,052.64	-	0.41
Total (A+B+C)		1,88,655.09	4,772.46	1,83,882.63	2,559.94	2,212.52

The Company has assessed its Expected Credit Loss in line with the RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020. Accordingly, no impairment reserve is required to be created.

31 March 2024		(Amounts are in Rs. Million)				
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing assets						
Standard	Stage 1	1,30,419.04	889.41	1,29,529.63	512.30	377.11
	Stage 2	1,379.88	318.78	1,061.10	5.55	313.23
Subtotal for performing assets (A)		1,31,798.92	1,208.19	1,30,590.73	517.85	690.34
Non-performing assets (NPA)						
Substandard	Stage 1	1.62	0.01	1.61	0.01	-
Substandard	Stage 3	1,882.50	854.27	1,028.23	187.65	666.62
Doubtful						
up to 1 year	Stage 3	1,320.97	585.59	735.38	476.42	109.17
1 to 3 years	Stage 3	20.90	12.64	8.26	7.07	5.57
More than 3 years	Stage 3	133.95	114.45	19.50	114.45	-
Loss	Stage 3	714.32	714.32	-	714.32	-
Subtotal for NPA (B)		4,074.26	2,281.28	1,792.98	1,499.92	781.36
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms						
	Stage 1	724.17	0.67	723.50	-	0.67
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal (C)		724.17	0.67	723.50	-	0.67
Total (A+B+C)		1,36,597.35	3,490.14	1,33,107.21	2,017.77	1,472.37

The Company has considered 5% additional provision in respect of accounts which are default but standard upon extending asset classification benefit based on RBI circular DOR.No.BP.BC.63/21.04.048.2020-21 dated 17 April 2020 pertaining to Asset Classification and provisioning in terms of COVID19 Regulatory Package.



46 Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 (Disclosures are made as per Ind AS financial statements except otherwise stated)

Particulars	Quarter ended 31 March 2025		Quarter ended 31 December 2024		Quarter ended 30 September 2024		Quarter ended 30 June 2024		Quarter ended 31 March 2024	
	Total Unweighted Value (average)*	Total Weighted Value (average)**	Total Unweighted Value (average)*	Total Weighted Value (average)**	Total Unweighted Value (average)*	Total Weighted Value (average)**	Total Unweighted Value (average)*	Total Weighted Value (average)**	Total Unweighted Value (average)*	Total Weighted Value (average)**
High quality liquid assets										
1 Total high quality liquid assets	5,287.09	5,287.09	4,455.59	4,455.59	3,692.29	3,692.29	3,526.56	3,526.56	3,453.43	3,453.43
- Cash	228.61	228.61	207.54	207.54	217.91	217.91	108.11	108.11	106.38	106.38
- Government Securities	5,058.48	5,058.48	4,248.05	4,248.05	3,474.38	3,474.38	3,418.45	3,418.45	3,347.05	3,347.05
Cash outflows										
2 Deposits (for deposit taking companies)	7,905.31	9,091.11	6,301.36	7,246.56	6,700.91	6,700.91	4,804.34	5,525.00	3,404.77	3,915.49
3 Unsecured wholesale funding	230.06	322.07	1,307.02	1,503.07	491.76	565.53	861.52	990.74	2,416.54	2,779.02
4 Secured wholesale funding	-	-	-	-	-	-	-	-	-	-
5 Additional requirements, of which	-	-	-	-	-	-	-	-	-	-
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debit products	-	-	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	1,053.46	1,211.48	965.78	1,110.64	736.21	846.65	797.13	916.70	754.57	867.76
7 Other contingent funding obligations	960.14	1,041.17	871.74	1,002.51	679.21	781.10	1,180.30	1,357.35	1,092.46	1,256.32
8 Total cash outflows	10,198.97	11,728.83	9,445.90	10,862.78	7,734.06	8,894.19	7,643.29	8,789.79	7,668.34	8,818.59
Cash inflows										
9 Secured lending	7,152.34	5,364.26	12,984.00	9,738.00	5,795.16	4,346.37	5,007.11	3,755.34	4,568.17	3,426.13
10 Allow from fully performing exposures	20,522.34	15,391.76	18,444.71	13,833.53	17,729.46	13,297.09	18,362.42	13,771.82	20,862.91	15,647.18
11 Other cashflows***	27,674.68	20,756.02	31,428.71	23,571.53	23,534.62	17,633.46	23,369.53	17,527.16	25,431.08	19,073.31
12 Total cash inflows	5,287.09	5,287.09	4,455.59	4,455.59	3,692.29	3,692.29	3,526.56	3,526.56	3,453.43	3,453.43
13 Total HQLA	2,932.21	2,932.21	2,715.69	2,715.69	2,223.55	2,223.55	2,197.45	2,197.45	2,204.65	2,204.65
14 Total net cash inflows/(outflows)	180%	180%	166%	166%	166%	166%	160%	160%	157%	157%
15 Liquidity coverage ratio (%)										

* The average unweighted amounts are calculated by taking the simple average of Daily observations for calendar quarter.

** The average weighted amounts are calculated by applying the RBI predefined stress percentage to cash inflows and outflows.

*** Other cash inflows include available committed lines of credit.

Notes:

1 In order to strengthen and raise the standard of the Asset Liability Management (ALM) framework applicable to NBFCs, Reserve Bank of India ("RBI") has decided to revise the extant guidelines on liquidity risk management for NBFCs. RBI has issued a circular in that aspect vide circular RBI/2019-20/88, DOR NBFC (PD) CC. No.102/03.10.001/2019-20 dated 4 November 2019 which requires NBFCs to adhere to guidelines of liquidity coverage ratio. Liquidity coverage ratio (LCR) standard is introduced in order to ensure that a NBFCs has an adequate stock of unencumbered high quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. Total net cash outflows is defined as the total expected cash outflows minus total expected cash inflows for the subsequent 30 calendar days.

2 As per the RBI guidelines, all non-deposit taking NBFCs with asset size of ₹ 5,000 crore and above but less than ₹ 10,000 crore, shall be required to minimum LCR in the phased manner from 1 December, 2020 as given below.

From	1 December 2020	1 December 2021	1 December 2022	1 December 2023	1 December 2024
Minimum LCR	30%	50%	60%	85%	100%
As per the RBI guidelines, all non-deposit taking NBFCs with asset size of ₹ 10,000 crore shall be required to minimum LCR in the phased manner from 1 December, 2020 as given below.					
From	1 December 2020	1 December 2021	1 December 2022	1 December 2023	1 December 2024
Minimum LCR	50%	60%	70%	85%	100%

3 Liquidity management is driven by the ALM Policy, approved by the Board. The Treasury department of the Company reports to Asset Liability Management Committee (ALMCO).

4 The Company has HQLA in form of Cash balances, Government Securities & T-bills issued by Central Government. No haircut is required in the cases for the purposes of LCR as per RBI circular.

5 Primary components of the outflows are repayment of existing debts, undrawn uncommitted lines, other contractual funding obligations, etc. The Company has no collection from business receivables, fixed deposits with bank etc.



Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 (Disclosures are made as per Ind AS financial statements except otherwise stated)

Particulars	Quarter ended 31 March 2024		Quarter ended 31 December 2023		Quarter ended 30 September 2023		Quarter ended 30 June 2023		Quarter ended 31 March 2023	
	Total Value (average)*	Total Weighted Value (average)**	Total Unweighted Value (average)*	Total Weighted Value (average)**	Total Unweighted Value (average)*	Total Weighted Value (average)**	Total Unweighted Value (average)*	Total Weighted Value (average)**	Total Unweighted Value (average)*	Total Weighted Value (average)**
High quality liquid assets										
1 Total high quality liquid assets	3,453.43	3,453.43	2,807.24	2,807.24	2,648.91	2,648.91	2,844.97	2,844.97	2,661.53	2,661.53
- Cash	106.38	106.38	107.71	107.71	118.44	118.44	275.98	275.98	107.83	107.83
- Government Securities	3,347.05	3,347.05	2,699.53	2,699.53	2,530.47	2,530.47	2,568.99	2,568.99	2,553.70	2,553.70
Cash outflows										
2 Deposits (for deposit taking companies)	3,404.77	3,915.49	3,325.43	3,824.25	3,635.61	4,180.95	2,931.56	3,371.30	3,826.64	4,400.64
3 Unsecured wholesale funding	2,416.54	2,779.02	1,010.15	1,161.68	53.95	62.04	540.28	621.32	686.29	789.23
4 Secured wholesale funding	-	-	-	-	-	-	-	-	-	-
5 Additional requirements, of which	-	-	-	-	-	-	-	-	-	-
(i) Outflows related to derivative exposures and other	-	-	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	754.57	867.76	698.51	803.28	657.68	756.33	660.89	760.02	576.43	662.89
6 Other contractual funding obligations	1,092.46	1,256.32	1,035.75	1,191.12	770.22	885.75	880.74	1,012.85	709.79	816.26
7 Other contingent funding obligations	7,668.34	8,818.59	6,069.84	6,980.33	5,117.46	5,895.07	5,013.47	5,765.49	5,841.65	6,177.90
8 Total cash outflows	-	-	-	-	-	-	-	-	-	-
Cash inflows										
9 Secured lending	4,568.17	3,426.13	4,300.82	3,225.62	3,895.19	2,921.39	3,451.34	2,588.51	3,279.30	2,459.48
10 Inflow from fully performing exposures	20,862.91	15,647.18	21,167.50	15,875.63	20,734.72	15,551.04	15,606.59	11,704.95	13,044.38	9,783.29
11 Other cashflows***	25,431.08	19,973.37	25,468.32	19,107.25	24,629.91	18,472.43	19,057.93	14,293.46	16,323.68	12,242.77
12 Total cash inflows	-	-	-	-	-	-	-	-	-	-
13 Total HQLA	2,308.65	3,453.43	1,748.08	2,807.24	1,471.27	2,688.97	1,441.37	1,979.47	1,679.47	2,661.53
14 Total net cash inflows/(outflows)	157%	157%	161%	161%	180%	180%	197%	197%	158%	158%
15 Liquidity coverage ratio (%)										

* The average unweighted amounts are calculated by taking the simple average of Daily observations for calendar quarter

** The average weighted amounts are calculated by applying the RBI predefined stress percentage to cash inflows and outflows.

*** Other cash inflows include available committed lines of credit.

Notes:

1 In order to strengthen and raise the standard of the Asset Liability Management (ALM) framework applicable to NBFCs, Reserve Bank of India ("RBI") has decided to revise the extant guidelines on liquidity risk management for NBFCs. RBI has issued a circular in that aspect vide circular RBI/2019-20/88, DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 4 November 2019 which requires NBFCs to adhere to guidelines of liquidity coverage ratio. Liquidity coverage ratio (LCR) standard is introduced in order to ensure that a NBFCs has an adequate stock of unencumbered high quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. Total net cash outflows is defined as the total expected cash outflows minus total expected cash inflows for the subsequent 30 calendar days.

2 As per the RBI guidelines, all non-deposit taking NBFCs with asset size of ₹ 5,000 crore and above but less than ₹ 10,000 crore, shall be required to minimum LCR in the phased manner from 1 December, 2020 as given below.

From	1 December 2020	1 December 2021	1 December 2022	1 December 2023	1 December 2024
Minimum LCR	30%	50%	60%	85%	100%
As per the RBI guidelines, all non-deposit taking NBFCs with asset size of ₹ 10,000 crore shall be required to minimum LCR in the phased manner from 1 December, 2020 as given below.					
From	1 December 2020	1 December 2021	1 December 2022	1 December 2023	1 December 2024
Minimum LCR	50%	60%	70%	85%	100%

3 Liquidity management is driven by the ALM Policy, approved by the Board. The Treasury department of the Company reports to Asset Liability Management Committee (ALCO).

4 The Company has HQLA in form of Cash balances, Government Securities & T-bills issued by Central Government. No haircut is required on these assets for the purpose of LCR as per RBI circular.

5 Primary components of the outflows are repayment of existing debts, undrawn uncommitted lines, other contractual funding obligations, components of the inflows are collection from business receivables, fixed deposits with bank etc.



- 47 Disclosure pursuant to RBI Circular DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 pertaining to Resolution Framework for COVID-19-related Stress

(Amounts are in INR Million, except Number of accounts)

Type of borrower*	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 30 September 2024 (A)	Of (A), aggregate debt that slipped into NPA during the half year ended 31 March 25	Of (A) amount written off during the half year ended 31 March 2025	Of (A) amount paid by the borrowers during the half year ended 31 March 2025	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the 31 March 2025
Personal Loans	41.13	-	-	24.33	16.80
Corporate persons**	30.80	-	-	14.03	16.77
of which MSMEs	28.82	-	-	13.59	15.23
Others	-	-	-	-	-
Total	71.93	-	-	38.36	33.57

*Vehicle/Auto loans and related loans

** As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

- 48 The Company does not have any undisclosed transactions which is not recorded in the books of account that has been surrendered or disclosed as income during the current year and previous year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 49 The Company has not traded or invested in Crypto currency or Virtual Currency during the current year and previous year.
- 50 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988.
- 51 The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 52 The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 53 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 54 The below table shows transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(Amounts are in Rs. Million)

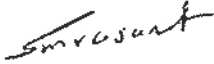
Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31 March 2025	Balance outstanding as at 31 March 2024	Relationship with the Struck off Company, if any
S B INFRABUILD PRIVATE LIMITED	Loans	0.43	0.43	Customer
DVS DEVELOPERS PRIVATE LIMITED	Loans	0.88	0.88	Customer
CABZ UTILITIES PRIVATE LIMITED	Loans	0.22	0.22	Customer
VARDAH BUILDERSPRIVATE LIMITED	Loans	0.74	0.74	Customer
M I BUILDWELL PRIVATE LIMITED	Loans	0.96	0.96	Customer
SAPTESHU TRADELINK PRIVATE LIMITED	Loans	1.23	1.23	Customer
ZAMINSHAKTI INFRACON PRIVATE LIMITED	Loans	1.98	1.98	Customer
RED LEAF EDUCATIONAL CONSULTANTS PRIVATE LIMITED	Loans	3.23	3.23	Customer
OCEANGREEN CITY PRIVATE LIMITED	Loans	2.82	2.82	Customer
AMRITVARSHA CONSTRUCTIONS PRIVATE LIMITED	Loans	0.20	0.42	Customer
GLOMANTIX PRIVATE LIMITED	Loans	0.48	0.86	Customer
AP MANAGEMENT CONSULTANTS PRIVATE LIMITED	Loans	0.33	-	Customer
BCC FUBA INDIA LIMITED	Loans	1.12	1.75	Customer
GODWIN RESORTS & HOTELS PRIVATE LIMITED	Loans	0.56	0.80	Customer
LETMEDRIVE INDIA PRIVATE LIMITED	Loans	-	0.61	Customer
SHUBH NIVESH REALTORS PRIVATE LIMITED	Loans	-	2.36	Customer
SRI LAKSHMI SAI TELECOM CONSTRUCTIONS PVT LTD	Loans	-	1.45	Customer
ECOADDITIVES INDIA PRIVATE LIMITED	Loans	-	0.05	Customer
TITAN BIOTECH LIMITED	Loans	-	5.76	Customer
SHRUTI MOTORS PRIVATE LIMITED	Loans	-	1.59	Customer
CREAM PACKS PRIVATE LIMITED	Loans	-	2.21	Customer
MMVA INDIA PRIVATE LIMITED	Loans	-	0.73	Customer



- 55 The Company is not a declared wilful defaulter by any bank or financial institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended 31 March 2025 and 31 March 2024.
- 56 There have been no events after the reporting date that require disclosure in these financial statements.

As per our report of even date attached

For Price Waterhouse LLP
Chartered Accountants
Firm Registration Number: 301112E / E300264



Sharad Vasant
Partner
Membership Number: 101119

Sydney, Australia
22 May 2025

For and on behalf of the Board of Directors of
Toyota Financial Services India Lim



P B Venugopal
Managing Director & CEO
DIN: 10387035
Bangalore
22 May 2025




Surya Narayan Patro
Chief Financial Officer

Bangalore
22 May 2025



Venkatraman Prakash
Director
DIN: 08102091
Bangalore
22 May 2025



Rajat Ilkal
Company Secretary
Membership No. A69311
Bangalore
22 May 2025



NOTICE OF THE FOURTEENTH ANNUAL GENERAL MEETING OF TOYOTA FINANCIAL SERVICES INDIA LIMITED

NOTICE is hereby given that the Fourteenth Annual General Meeting (AGM) of the Members of Toyota Financial Services India Limited will be held on Tuesday, September 23, 2025, at 10:00 AM (IST), through Video Conferencing (VC) via Microsoft Teams/Other Audio-Visual Means (OAVM), deemed to be held at the registered office of the Company situated at 7th Floor Tower - C, Sattva Global City, Mysuru Road, Kengeri, Bengaluru-560059, to transact the following business:

Ordinary Business:

- 1. To receive, consider and adopt the Audited Financial Statements of the Company together with the Report of the Board of Directors and Auditors thereon for the financial year ended March 31, 2025.**
- 2. To appoint a Director in place of Mr. Tetsuo Higuchi (DIN: 10265141), who retires by rotation and being eligible, offers himself for reappointment.**
- 3. To approve the appointment of M/s. Brahmayya & Co., Chartered Accountants (ICAI Firm Registration No. 000515S) and M/s. B. K. Khare & Co., Chartered Accountants (ICAI Firm Registration No. 105102W) as Joint Statutory Auditors and to fix their remuneration.**

To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the rules made thereunder, the Reserve Bank of India (RBI) guidelines on Appointment of Statutory Auditors of Non-Banking Financial Companies (NBFCs) issued on April 27, 2021, and any other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and the Board of Directors of the Company, M/s. Brahmayya & Co., Chartered Accountants (ICAI Firm Registration No. 000515S) and M/s. B. K. Khare & Co., Chartered Accountants (ICAI Firm Registration No. 105102W), be and are hereby appointed as the Joint Statutory Auditors of the Company, to hold the office for a period of 3 (three) consecutive years from the conclusion of the Fourteenth Annual General Meeting held in the year 2025, till the conclusion of the Seventeenth Annual General Meeting of the Company to be held in the year 2028, subject to the firm satisfying the eligibility norms each year, on such remuneration as may be decided by the Board of Directors in consultation with the Joint Statutory Auditors of the Company from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company (the term ‘the Board of Directors’, shall be deemed to include the Audit Committee or any other Committee constituted/empowered/to be constituted by the Board of Directors from time to time to exercise its powers conferred by this Resolution), be and are hereby severally authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to implementation of the aforesaid resolution including but not limited to determination of roles and responsibilities/scope of work of the Joint Statutory Auditors, negotiating, finalizing, amending, signing, delivering, executing, the terms of appointment including any contracts or documents in this regard and to alter and vary the terms and conditions of remuneration arising out of increase in scope of work, amendment in Accounting Standards or regulations and such other requirements resulting in change in the scope of work, etc. without being required to seek any further consent or approval of the Members of the Company.”

TOYOTA FINANCIAL SERVICES INDIA LIMITED

4. To approve the overall borrowing limit of the Company

To consider and if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of the Special Resolution passed by the Members of the Company at the Thirteenth Annual General Meeting of the Company held on September 13, 2024, and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 (the Act) and the rules made thereunder and all other applicable provisions of the Act, Securities and Exchange Board of India Regulations, Reserve Bank of India (RBI) Regulations, any other applicable laws (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Articles of Association of the Company, if any, the approval of the Members of the Company be and is hereby accorded, to borrow and raise, any sum or sums of monies inter alia by way of loan/financial assistance from various from bank(s), financial institution(s) and/or other lenders (as permitted under applicable laws) such as non-banking financial companies, corporates, in the form of term loans (short term/long term), cash credit, overdraft facility, working capital demand loan, guarantees, External Commercial Borrowings in Indian Rupees or equivalent thereof in any foreign currency(ies), Rupee Denominated Bonds issued outside India/abroad or otherwise or in any foreign currency(ies) as permitted by the applicable laws, by issue of Commercial Paper and Non-Convertible Debentures in one or more tranches/series and through securitization in any form, from time to time, on such terms and conditions and with or without security, including commercial terms as may be determined by the Board of Directors of the Company on the basis of the prevailing market conditions, and as may be required for the purposes of the business of the Company, in excess of the aggregate of the paid-up capital, free reserves, that is to say, reserves not set apart for any specific purpose and the securities premium of the Company, provided that such borrowings together with monies already borrowed, shall not at any point of time exceed INR 280 Billion (Rupees Two Hundred Eighty Billion Only) excluding all temporary loans obtained by the Company from its bankers in the ordinary course of its business.

RESOLVED FURTHER THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and the rules made thereunder, if any (including any statutory modification or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded, to authorize the Board of Directors of the Company to create/modify any mortgage, pledge, hypothecation or other charge or encumbrances, from time to time, over the whole or substantially whole of the Company’s undertaking including all present and future immovable and movable properties and assets of the Company whosoever situated, in favour of the banks, financial institutions, and other persons, whether in India or abroad, for securing loans, credits, guarantees or other facilities provided or to be provided by them to the Company and/or to secure debentures issued/to be issued by the Company and/or to secure offshore bonds (whether rupee denominated or otherwise) issued/to be issued by the Company whether in India or abroad, which borrowings and facilities and debentures and offshore bonds and securitization together with the existing ones shall not exceed an aggregate limit of INR 280 Billion (Rupees Two Hundred Eighty Billion Only).

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all the requisite, incidental, consequential steps to implement the above resolution and to perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, any question, query, or doubt that may arise in this regard, and to execute/publish all such notices, deeds, agreements, papers and writings as may be necessary and required for giving effect to this resolution.”

5. To approve issuance of Non-Convertible Debentures

To consider and if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

“RESOLVED THAT subject to the provisions of Section 180(1)(c), 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and rules made thereunder, Securities and Exchange Board of India Regulations, Reserve Bank of India (RBI) Regulations, any other applicable laws, Regulations, Guidelines, Directions (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Articles of Association of the Company, the approval of the Members of the Company be and is hereby accorded, to authorize the Board of Directors of the Company, for a period of 1 (one) year from the date hereof, to raise funds for eligible activities as per applicable laws, by way of issuance of Non-Convertible Debentures, secured or unsecured, fixed rate or market/benchmark linked, on private placement basis, in one or more tranches/series, on such terms and conditions including the price, coupon, premium/ discount, tenor, as may be determined by the Board of Directors of the Company, based on the prevailing market condition, provided that the aggregate amount to be raised through the issuance of the Non-Convertible Debentures (NCDs) pursuant to the authority under this resolution along with NCDs already issued by the Company shall not at any point of time exceed the limit of INR 140 Billion (Rupees One Hundred Forty Billion Only).

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things and to execute all such agreements, documents, instruments, applications, as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the aforesaid Resolution as it may in its sole discretion deem fit and to delegate all or any of its powers herein conferred to any of the Directors and/or Officers of the Company, to give effect to this Resolution.”

By order of the Board of Directors
For Toyota Financial Services India Limited

Sd/-

Date: August 29, 2025
Place: Bengaluru

Rajat Ilkal
Company Secretary & Compliance Officer
ICSI Membership Number: A69311

NOTES:

1. A Statement pursuant to Section 102 of the Companies Act, 2013, (the Act), relating to the Special Business to be transacted at the AGM is annexed hereto.
2. In compliance with the provisions of the Act and Ministry of Corporate Affairs (MCA) Circulars, the AGM of the Company is being held through VC/OAVM on Tuesday, September 23, 2025, at 10:00 AM (IST). The procedure for joining the AGM through VC/OAVM is mentioned in this Notice.
3. The deemed venue for the Fourteenth AGM will be the Registered Office of the Company.
4. Since the AGM will be conducted through VC/OAVM, the facility for appointment of Proxy by the Members of the Company is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
5. Corporate Members intending to have their authorized representatives to attend and vote at the AGM are requested to send a scanned copy of letter authorizing their representative to attend and vote on their behalf at the AGM to the Company at the following email ID: cs@tfsin.co.in.
6. In line with MCA Circulars, the Notice calling the AGM along with the Statement under Section 102 of the Act and Annual Report for FY 2024-25, are being sent through electronic mode to those Members of the Company whose email addresses are registered with the Company. The Members of the Company may note that the Notice, Statement under Section 102 of the Act and Annual Report for FY 2024-25 will also be available on the website of the Company at www.toyotafinance.co.in.
7. The statutory registers maintained under the Act and all documents referred to in the accompanying Notice and the statement shall be open for inspection at the Registered Office of the Company during normal business hours from 10:00 AM to 4:00 PM (IST) on all working days, up to and including the date of the AGM of the Company and will also be available for inspection at the AGM.

Instructions for Members of the Company for attending the AGM through VC are as under:

1. The Members of the Company will be provided with a facility to attend the AGM through two-way VC through the Microsoft Teams, and they may access the same through the link shared by the Company as part of this Notice. The attendance of the Members of the Company attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Act. The Notice convening the Fourteenth AGM will be uploaded on the website of the Company at www.toyotafinance.co.in.
2. The Members of the Company may join the AGM through Laptops, Smartphones, Tablets and iPads. Further, the Members of the Company will be required to use the Internet with a good speed to avoid any disturbance during the AGM.
3. The Members of the Company are encouraged to submit their questions in advance with respect to the business to be transacted at the AGM. These queries may be submitted from their registered e-mail address, mentioning their name to reach the Company's e-mail address at cs@tfsin.co.in before 11:00 AM (IST) on Monday, September 22, 2025. The designated email ID for casting vote, if demanded for poll at the AGM will be cs@tfsin.co.in.

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4. The Members of the Company who would like to express their views or ask questions during the AGM may pre-register themselves as a speaker by sending their request from their registered e-mail address mentioning their name at cs@tfsin.co.in before 11:00 AM (IST) on Monday, September 22, 2025.
5. The Members of the Company may join the AGM through VC facility through the link shared by the Company as part of this Notice, by following the instructions provided here. Such facility shall be kept open for the Members 15 minutes before the scheduled time of the commencement of the AGM and would be kept open 15 minutes after the AGM also.
6. The Members of the Company who need assistance before or during the AGM, can contact IT Service Desk of the Company on +1-800-258-9099/itservicedesk@tfsin.co.in or Mr. Rajat Ilkal on +91-080 4344 2800/cs@tfsin.co.in.

By order of the Board of Directors
For Toyota Financial Services India Limited

Sd/-

Date: August 29, 2025
Place: Bengaluru

Rajat Ilkal
Company Secretary & Compliance Officer
ICSI Membership Number: A69311

Annexure to Notice
Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act):

Item no. 3:

Pursuant to Reserve Bank of India Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), Urban Cooperative Banks (UCBs), and Non-Banking Financial Companies (NBFCs), including Housing Finance Companies (HFCs) (RBI guidelines), the Company shall appoint Statutory Auditors for a continuous period of 3 (Three) years, subject to the firm satisfying the eligibility norms on a continuous basis. Further, the Audit Firm completing tenure of three financial years in the NBFC are not eligible to continue to hold office as Statutory Auditors of the NBFC.

Accordingly, the Members of the Company at the Thirteenth Annual General Meeting (AGM) held on September 13, 2024, had approved appointment of M/s. Price Waterhouse LLP, Chartered Accountants (ICAI Firm Registration No. 301112E/E300264) as Statutory Auditors of the Company till the conclusion of the Sixteenth AGM of the Company to be held in year 2027. However, M/s. Price Waterhouse LLP, Chartered Accountants (ICAI Firm Registration No. 301112E/E300264) has tendered resignation as Statutory Auditors of the Company effective August 07, 2025 (Close of business hours).

Pursuant to RBI guidelines, NBFCs with an asset size of INR 15,000 Crore or more are required to appoint Joint Statutory Auditors. Based on the Audited Financial Statements of the Company for the financial year ended March 31, 2025, the Company has exceeded this threshold and is therefore obligated to comply with the requirement for Joint Statutory Auditors appointment.

In this regard, the Audit Committee and the Board of Directors of the Company, at their respective Meetings held on August 07, 2025:

- Noted the resignation of M/s. Price Waterhouse LLP, Chartered Accountants (ICAI Firm Registration No. 301112E/E300264).
- Approved and recommended the appointment of M/s. Brahmayya & Co., Chartered Accountants (ICAI Firm Registration No. 000515S) and M/s. B. K. Khare & Co., Chartered Accountants (ICAI Firm Registration No. 105102W) as Joint Statutory Auditors of the Company for a term of continuous period of 3 (Three) years, subject to the firm satisfying the eligibility norms each year.

Pursuant to the requirements of the Act, M/s. Brahmayya & Co., Chartered Accountants (ICAI Firm Registration No. 000515S), and M/s. B. K. Khare & Co., Chartered Accountants (ICAI Firm Registration No. 105102W), have confirmed that their proposed appointment would be within the limits prescribed under Section 141 of the Act. They have further affirmed that they are not disqualified from being appointed as Statutory Auditors under the Act and the applicable rules and regulations made thereunder and have also confirmed their eligibility in accordance with RBI guidelines.

The Audit fees/remuneration payable to the Joint Statutory Auditors shall be determined by the Audit Committee and/or the Board of Directors of the Company, in consultation with the Joint Statutory Auditors, from time to time.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financial or otherwise, in the resolution set out in Item No. 3 of the accompanying Notice.

The Audit Committee and the Board of Directors of the Company recommend the Resolution at Item No. 3 of the accompanying Notice for the approval of the Members of the Company as an Ordinary Resolution.

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Item no. 4:

Pursuant to Section 180(1)(c) of the Act, the Board of Director of a Company is not authorized to borrow money in excess of the aggregate of the paid-up capital, free reserves that is to say, reserves not set apart for any specific purpose and the securities premium of the Company, without the approval of the Members of the Company by way of Special Resolution.

Accordingly, the Members of the Company at their Meeting held on September 13, 2024, have approved the borrowing limit of INR 225 Billion (Rupees Two Twenty-Five Billion Only) along with separate sub-limit for borrowing from Bank/other lenders including External Commercial Borrowings (ECB).

However, considering the business growth and to capitalize on liquidity in financial markets, the Company propose to increase the overall borrowing limit up to INR 280 Billion (Rupees Two Hundred Eighty Billion Only) for availing loan/financial assistance from various bank(s), financial institution(s) and/or other lenders (as permitted under applicable laws) such as non-banking financial companies, corporates, in the form of term loans (short term/long term), cash credit, overdraft facility, working capital demand loan, guarantees, External Commercial Borrowings in Indian Rupees or equivalent thereof in any foreign currency(ies), Rupee Denominated Bonds issued outside India/overseas or otherwise or in any foreign currency(ies) as permitted by the applicable laws, by issue of Commercial Paper, Securitization (Pass Through Certificate and Direct Assignment) and by issue of Non-Convertible Debentures in one or more tranches/series, from time to time, on such terms and conditions and with or without security, including commercial terms as may be determined by the Board of Directors of the Company on the basis of the prevailing market conditions and as may be required for the purpose of the business of the Company.

Accordingly, the Members of the Company are requested to authorize the Board of Directors of the Company to borrow in excess of the aggregate of the paid-up capital, free reserves, that is to say, reserves not set apart for any specific purpose and the securities premium of the Company, provided that such borrowings together with monies already borrowed, shall not at any point of time exceed INR 280 Billion (Rupees Two Hundred Eighty Billion Only) excluding all temporary loans obtained by the Company from its bankers in the ordinary course of its business.

The borrowings of the Company are, in general, may be required to be secured by mortgage, pledge, hypothecation or other charge or encumbrances on all or any of the immovable and/or movable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s). Pursuant to the provisions of Section 180(1)(a) of the Act, to create/modify any mortgage, pledge, hypothecation or other charge or encumbrances, from time to time, over the whole or substantially whole of the Company's undertaking including all present and future immovable and movable properties and assets of the Company whosoever situated, in favour lenders for securing loans, credits, guarantees or other facilities provided or to be provided by them to the Company and/or to secure debentures issued/to be issued by the Company and/or to secure offshore bonds (whether rupee denominated or otherwise) issued/to be issued by the Company whether in India or outside India, requires the approval of the Members of the Company.

Accordingly, the approval of the Members of the Company is being sought to borrow funds up to INR 280 Billion (Rupees Two Hundred Eighty Billion Only) and if required, to secure such borrowings by mortgage, pledge, hypothecation or other charge or encumbrances on any of the immovable and/or movable properties and/or the whole or any part of the undertaking(s) of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financial or otherwise, in the resolution set out in Item No. 4 of the accompanying Notice.

The Board of Directors of the Company recommends the resolution set out in Item No. 4 of the accompanying Notice for the approval of the Members of the Company as a Special Resolution.

Item no. 5:

The Company has been raising funds by issuing redeemable Non-Convertible Debentures, secured or unsecured (hereinafter referred to as Debt Securities), on private placement basis, from time to time.

Pursuant to Section 71 of the Act, which governs the issuance of debentures, read with Section 42 relating to the offer or invitation for subscription of debt securities on a private placement basis, and the rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company may undertake private placement of its debt securities only upon obtaining prior approval of its Members by way of a Special Resolution. Further, the said rules stipulate that such Special Resolution must be passed in respect of all offers or invitations for debt securities proposed to be issued during the financial year, and accordingly, this approval is required to be obtained annually.

Accordingly, the Members of the Company are requested to provide necessary approvals to the Board of Directors of the Company for raising funds through the issuance of Debt Securities for a period of one year, within the borrowing limits approved by the Members of the Company. The proceeds of the issue will be utilized for eligible activities as per applicable laws and shall not be used for investment in capital markets and real estate or any other restricted purpose specified by RBI.

The said approval shall be the basis for the Board of Directors of the Company to determine the terms and conditions of any issuance of Debt Securities by the Company including the issue price, interest, repayment, security, use of proceeds or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board of Directors of the Company in its absolute discretion deem fit, for a period of one year from the date on which the Members of the Company have provided the approval by way of Special Resolution. All Debt Securities issued by the Company pursuant to such authority granted by the Members of the Company shall be priced on the basis of the prevailing market conditions and as may be approved by the Board of Directors of the Company at such time.

The Members of the Company are requested to approve the issuance of Debt Securities by the Company for a period of one year, up to INR 140 Billion (Rupees One Hundred Forty Billion Only).

The Debt Securities proposed to be issued by the Company will be issued for cash either at par or premium or at a discount to face value depending upon the prevailing market conditions.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financial or otherwise, in the resolution set out in Item No. 5 of the accompanying Notice.

The Board of Directors of the Company recommends the resolution set out in Item No. 5 of the accompanying Notice for the approval of the Members of the Company as a Special Resolution.

By order of the Board of Directors
For Toyota Financial Services India Limited

Sd/-

Date: August 29, 2025
Place: Bengaluru.

Rajat Ilkal
Company Secretary and Compliance Officer
ICSI Membership Number: A69311