TOYOTA
FINANCIAL SERVICES

August 25, 2026

To,
The Manager,
National Stock Exchange of India Limited,
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, the Company hereby submits the Annual Report of the Company for the financial year 2025-26.

You are requested to kindly take the above on record.

Thank you.

Yours Sincerely,

For and on behalf of Toyota Financial Services India Limited

RAJAT ILKAL Digitally signed by RAJAT ILKAL Date: 2026.08.25 20:31:25 +05'30'

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

Enclosed: As above.

TOYOTA FINANCIAL SERVICES INDIA LIMITED
Registered Office: 7th Floor, Tower-C, Sattva Global City, Mysuru Road, Kengeri, Bengaluru-560059
P: +91 80 4344 2800 | cs@tfsin.co.in | www.toyotafinance.co.in | CIN: U74900KA2011FLC058752

THE FIFTEENTH ANNUAL REPORT
FY 2025-26

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CORPORATE INFORMATION:

CIN: U74900KA2011FLC058752

REGISTERED OFFICE ADDRESS:

Toyota Financial Services India Limited
7th Floor, Tower - C, Sattva Global City,
Mysuru Road, Kengeri, Bengaluru-560059.
Website: https://www.toyotafinance.co.in/

JOINT STATUTORY AUDITORS FOR FY 2025-26:

M/s. Brahmayya & Co.
Chartered Accountants,
(ICAI firm registration number-000515S)
Khivraj Mansion, 10/2, Kasturba Road,
Bengaluru–560001.

M/s. B K Khare & Co.
Chartered Accountants,
(ICAI firm registration number-105102W)
706/708, Sharda Chambers, New Marine
Lines, Mumbai-400020.

CHIEF FINANCIAL OFFICER:

Mr. Surya Narayan Patro

SECRETARIAL AUDITORS:

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

COMPANY SECRETARY & COMPLIANCE OFFICER:

Mr. Rajat Ilkal
ICSI Membership Number: A69311

INTERNAL AUDITORS:

Mr. Dipankar Mallick
Internal Auditor (In house)

DEBENTURE TRUSTEE:
Vistra ITCL (India) Limited
The Qube 2nd floor A wing Hasan Pada Road,
Mittal Industrial Estate, Marol Andheri East,
Mumbai-400059.
https://www.vistraitcl.com/contact
https://www.vistraitcl.com/investor-grievances

REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENT:
(For Non-Convertible Securities)
KFin Technologies Limited
Karvy Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad-500032.
Website: https://www.kfintech.com

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BOARD'S REPORT

Dear Members,
Your Board of Directors is pleased to present the financial and operational performance of your Company for the Financial Year (FY) ended March 31, 2026.

Highlights on the financial and operational performance:
Your Company's financial summary for FY ended March 31, 2026, is provided below:

(Amount in INR Million)

Particulars	FY ended March 31, 2026	FY ended March 31, 2025
Total Income	20,583.30	15,252.72
Total Expenditure (excluding depreciation)	18,407.28	14,839.82
Profit/(Loss) Before Depreciation & Tax	2,176.02	412.90
Less: Depreciation	310.16	265.76
Profit/(Loss) before tax	1,865.86	147.14
Less: Tax Expense	483.94	71.33
Profit/(Loss) after tax	1,381.92	75.81
Other comprehensive (Loss)/income (net of tax)	(1.16)	(5.69)
Total comprehensive income after tax	1,380.76	70.12
Appropriations from profit after tax	-	-
Transfer to Special Reserve under section 45-IC of the Reserve Bank of India Act, 1934	276.38	15.16
Balance carried forward to Balance Sheet	1,104.38	54.96

Your Company's financial and operational performance for the reporting period has been discussed in detail in the Management Discussion and Analysis (the MDA) Report, which forms an integral part of this Report and the same 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	As on March 31, 2025	Increase during the year	As on March 31, 2026
1.	Authorized Share Capital	24,109.42	5,400.00	29,509.42
2.	Issued, Subscribed and Paid-Up Share Capital	16,561.54	4,761.90	21,323.44

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). Pursuant to 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. Accordingly, your Company has transferred INR 276.38 Million from the surplus of profits to the Statutory Reserve for FY 2025-26.

Dividends:
Your Board of Directors has not recommended any dividend for FY 2025-26, 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 and commitments, if any, affecting the financial position:
Your Company confirms that no material changes or commitments have occurred, affecting the financial position of the Company which has occurred between the end of FY to which the financial statements relate and the date of this Report.

Change in nature of the Business (if any):
Your Company continued to carry on with its core business activities viz. 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 (KMP) during FY, in the Corporate Governance Report, which forms an integral part of this Report and the same 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 an integral part of this Report and the same 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 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 FY 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 Directors have prepared annual accounts 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Details of appointment of Women Director:
Your Company continues to have Ms. Rajni Mishra on its Board as the Woman Independent Director, in compliance with the provisions of Section 149(1) of the Act.

Details of appointment of Independent Director(s) and Declaration given by Independent Director(s), Meeting of the Independent Directors and Familiarization Program:
Your Company has provided these details in the Corporate Governance Report, which forms an integral 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, Committees and 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 they meets 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 an integral part of this Report and the same is annexed as Annexure 2**.**

Compensation Policy:
Your Company has a Board approved Compensation Policy in compliance with RBI Regulations. The Policy outlines the framework for determining the compensation payable to KMP and Senior Management Personnel (SMP), ensuring alignment with the organization's risk profile and the overall performance of employees.

Details of remuneration of the Directors:

Your Company has provided the details of remuneration paid to its Directors for FY 2025-26 in the Corporate Governance Report, which forms an integral part of this Report and the same is annexed as Annexure 2.

Code of Conduct:

Your Company, in compliance with the requirement of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI LODR Regulations), has adopted a Board approved Code of Conduct applicable to all Directors and SMP. 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 SMP 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), which forms an integral part of this Report and the same is annexed as Annexure 3.

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

Your Company has annexed the certification issued jointly by CEO and CFO, in compliance with the requirements of the SEBI LODR Regulations, which forms an integral part of this Report and the same 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-Banking Financial Company (NBFC) registered with RBI, is exempt from the provisions of Chapter V of the Act, relating to acceptance of public deposits. Accordingly, the disclosure regarding deposits is not applicable to the Company.

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. Pursuant to 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 disclosure regarding such particulars is not applicable to the Company.

Related Party Transactions (RPTs):

Your Company has disclosed contracts/arrangements/transactions with related parties under Section 188(1) of the Act, in Form AOC-2, which forms an integral part of this Report and the same is annexed as Annexure 5. Details of RPTs are also disclosed in the Annual Audited Financial Statements, which forms an integral part of this Report.

Your Company continues to place all RPTs before the Audit Committee for prior approval, in compliance 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 period. The Policy on RPTs 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 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 and Regulation 62(1)(k) of the SEBI LODR Regulations, will place a copy of the Annual Return as on March 31, 2026, on its website at 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. Accordingly, the disclosure regarding such particulars is not 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's experience. By digitizing key business processes, it is streamlining operations and saving valuable time for customers. 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	454.67

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 an integral part of this Report and the same 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 CSR Committee are Mr. P B Venugopal, Mr. Hiroyasu Ito and Ms. Rajni Mishra. A CSR Policy has been formulated and adopted in compliance with the applicable provisions of the Act.

During FY, an amount of INR 20.88 Million was budgeted towards ongoing CSR projects. CSR Activities and spendings for FY 2025-26 are detailed in the Annual Report on CSR Activities, which forms an integral part of this Report and the same is annexed as 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 formulated and adopted 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 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 2025-26 are as follows:

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

Statement on Maternity Benefit Compliance:
Your Company has complied with the applicable provisions relating to maternity benefits under the Maternity Benefit Act, 1961, or the corresponding provisions of the Code on Social Security, 2020, as applicable during the reporting period.

Number of Employees in the Company as on March 31, 2026:
The details of number of employees as on March 31, 2026, are as under:

Female	Male	Transgender	Total
156	916	0	1,072

Details of Vigil Mechanism/Whistle Blower Policy:
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 training sessions to raise awareness and educate employees about these policies. During FY 2025-26, there were no incidents to report under the said policies. The Whistle Blower Policy is available on the Company's website at https://www.toyotafinance.co.in/downloads/whistle-blower-policy.pdf.

Statutory Auditors:
M/s. Price Waterhouse LLP had submitted its resignation as the Statutory Auditor of the Company, effective August 07, 2025 (close of business hours). The Audit Committee and the Board of Directors took note of this resignation at the respective Meetings held on August 07, 2025.

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), were appointed as Joint Statutory Auditors of the Company for a period of continues 3 (Three) years at the 14th (Fourteenth) Annual General Meeting of the Company held on September 23, 2025, till the conclusion of the 17th (Seventeenth) Annual General Meeting of the Company to be held in the calendar year 2028.

Statutory Auditors Report & Audit Observation:
The Statutory Auditors Report for FY 2025-26, which was reviewed and taken on record by the Audit Committee and the Board of Directors at the respective Meetings held on May 21, 2026, is self-explanatory and does not contain any qualifications, reservations, or adverse remarks. Your Board of Directors 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 2025-26.

The Secretarial Auditors Report for FY 2025-26, which was reviewed and taken on record by the Audit Committee and the Board of Directors at the respective Meetings held on May 21, 2026, is self-explanatory and does not contain any qualifications, reservations, or adverse remarks and the same is annexed to this Report as Annexure 7.

Maintenance of 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 on the business activities carried out by the Company.

RBI Guidelines:
Your Company is a Systemically Important Non-Deposit Taking NBFC registered with RBI vide Certificate of Registration No. N-02.00253, classified as an Investment and Credit Company and categorised as a NBFC-Middle Layer under the RBI's Scale Based Regulation framework. The Company has complied with, and continues to comply with, applicable RBI regulations, directions and guidelines.

IRDAI Guidelines:
Your Company is registered with the Insurance Regulatory and Development Authority of India (IRDAI) as a Corporate Agent and has complied with, and continues to comply with, the applicable provisions of the IRDAI regulations, directions and guidelines.

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 Company states that none of the following events took place during FY 2025-26:
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 registered on the SEBI Complaints Redressal System (SCORES) and Online Dispute Resolution platforms (ODR) for effective handling of investor grievances and your Company has not received any complaints through SCORES, ODR, 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 regulations. 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 compliance 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:
Your Company is committed to maintaining the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by SEBI. The Corporate Governance Report forms integral part of this Report and the same 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 Directors place on record their sincere appreciation and heartfelt gratitude to RBI, SEBI, IRDAI, MCA, the Registrar of Companies, and other government and regulatory authorities for their continued guidance, support and cooperation.

Your Directors also express their heartfelt gratitude to the Company's customers, members, employees, bankers, dealers and other stakeholders for their continued trust, confidence, commitment and support. Your Directors further acknowledge with appreciation the valuable advice, guidance and assistance received from the Company's auditors from time to time.

For and on behalf of Toyota Financial Services India Limited

Sd/-	**Sd/-**
Rajni Mishra **Chairperson & Independent Director** **DIN: 08386001**	**P B Venugopal** **Managing Director & Chief Executive Officer** **DIN: 10387035**
Date: August 12, 2026 **Place: Bengaluru, India**	**Date: August 12, 2026** **Place: Bengaluru, India**

TOYOTA
FINANCIAL SERVICES

Annexure 1

MANAGEMENT DISCUSSION AND ANALYSIS

State of Company:

Your Company is incorporated on May 20, 2011, as a wholly owned subsidiary of Toyota Financial Services Corporation, Japan, which in turn a wholly owned subsidiary of Toyota Motor Corporation, Japan. Headquartered in Bengaluru, Karnataka, the Company operates as a Systemically Important Non-Deposit Taking NBFC registered with RBI, classified as an Investment and Credit Company and categorized as a NBFC-Middle Layer under the RBI's Scale Based Regulation framework. As a captive financing arm of the Toyota Group in India, the Company plays a strategic role in supporting vehicle sales and enhancing customer accessibility through a comprehensive suite of financing and mobility solutions. Its core business activities include providing financial products and services to Toyota dealers and customers, retail vehicle financing for Maruti Suzuki India Limited (MSIL) customers and financing solutions for the used vehicle segment. The Company is also actively engaged in vehicle leasing operations, reinforcing its commitment to delivering diversified mobility solutions and supporting the evolving transportation needs of customers.

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). In addition, the 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. 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-centric financial service provider.

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 2026, the Company operated through a network of 422 Toyota dealerships, covering approximately 94.90% of Toyota Kirloskar Motor Private Limited's (TKM) total sales across India. During FY 2025–26, the Company disbursed 67,508 contracts for new Toyota vehicles, accounting for 18.20% of total Toyota new vehicle sales nationwide. The Company's auto loan portfolio comprised approximately 182,000 active contracts at the end of FY.

Your Company continues to scale its used vehicle financing operations by actively leveraging the Toyota U-Trust network, currently present across 140 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 continues to offer premium financial solutions and services specifically designed to meet the needs of Lexus customers in India, thereby enhancing the luxury ownership experience.

Your Company's inventory and term loan offerings play a pivotal role in supporting Toyota dealerships' financing requirements across new vehicle sales, used vehicle inventory, spare parts, accessories and facility expansion. With 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 continued to deliver strong business growth, during FY 2025–26, supported by a steady expansion in its lending portfolio and improvement in asset quality. Gross loans and advances, outstanding increased to INR 230,983 Million as of March 31, 2026, registering a growth of approximately 23% compared to INR 187,602 Million in the previous FY.

Your Company's revenue from operations grew significantly to INR 20,577 Million from INR 15,233 Million in FY 2024–25, primarily driven by higher interest income and fee-based earnings arising from the expansion of the loan book. Correspondingly, finance costs increased to INR 12,815 Million, compared to INR 10,268 Million in the previous FY, reflecting the higher funding requirements to support business growth.

Your Company reported a notable improvement in its earnings profile, with Net Interest Income (NII) increasing by INR 2,797 Million over the previous FY. Operating expenses, including provisions for impairment of financial assets, losses on sale/write-off of bad debts, employee benefits expense, depreciation, and other administrative expenses, increased to INR 5,902 Million from INR 4,837 Million, in line with the scale-up in business operations.

Your Company achieved a substantial improvement in profitability, despite the increase in operating expenses, with Profit After Tax (PAT) rising to INR 1,382 Million from INR 76 Million in the previous FY. The strong growth in profitability was primarily driven by an improvement in net interest margins, enhanced portfolio performance, and lower delinquency levels, reflecting the Company's continued focus on prudent risk management and operational efficiency.

Portfolio Quality:
Your Company continued to strengthen its asset quality during FY 2025–26, driven by focused collection efforts and effective delinquency management practices. As a result, the Gross Non-Performing Asset (GNPA) ratio improved to 2.79% as of March 31, 2026, compared to 2.96% as of March 31, 2025. Further, after considering credit loss provisions, the Net Non-Performing Asset (NNPA) ratio declined to 1.11% from 1.31% in the previous FY, reflecting the Company's prudent credit risk management and strengthening portfolio performance.

Your Company maintains a robust repayment monitoring and collections framework for managing delinquent accounts. Through a combination of centralized call center operations and an extensive network of field collection agencies across the country, your Company deploys targeted and customer-focused collection strategies to improve recoveries and minimize credit losses. Your Company continues to enhance its recovery infrastructure by expanding customer outreach initiatives and optimizing collection processes, thereby improving overall collection effectiveness and portfolio quality.

Your Company in compliance with the requirements of Indian Accounting Standards (Ind AS) 109 – Financial Instruments, recognizes impairment on its loan assets based on the Expected Credit Loss (ECL) methodology. Your Company ensures timely compliance with all applicable regulatory guidelines, circulars, clarifications, and directions issued by RBI relating to asset classification, provisioning, and impairment recognition, thereby maintaining a prudent and forward-looking approach to credit risk management.

Global Economic Outlook:
Your Company operated in an environment marked by ongoing geopolitical tensions in the Middle East, which tested the resilience of the global economy and significantly increased humanitarian costs. These developments led to downward revisions in global economic growth forecasts and upward revisions in inflation expectations, adversely affecting household real incomes. Further, the global economy's dependence on imports from the Middle East disrupted supply chains across markets, highlighting the interconnectedness and vulnerability of global trade networks.

According to the Organisation for Economic Co-operation and Development (OECD) Outlook (June 2026), the global economy could follow one of two paths: a time-limited disruption scenario or a prolonged disruption scenario. Your Company notes that the preliminary ceasefire agreement between the United States (US) and Iran, coupled with the partial reopening of the Strait of Hormuz, suggests that the disruptions may be temporary in nature. These developments have helped restore the flow of global oil trade, alleviate concerns over supply shortages, and support greater stability in international markets.

Your Company observed tighter financial conditions across both advanced and emerging market economies during the year, driven largely by geopolitical tensions in the Middle East. Rising energy prices, coupled with concerns regarding higher inflation and interest rates, resulted in an increase in sovereign and corporate bond yields, particularly for lower-rated borrowers, leading to higher risk premiums. The strengthening of US dollar further tightened financial conditions in several emerging markets by exerting pressure on local currencies. Increased market volatility also led to significant repricing across various asset classes, including equities, crypto-assets, and precious metals. However, recent diplomatic developments, including the proposed peace agreement between US and Iran, are expected to ease market uncertainties and provide near-term support to global financial stability and investor confidence.

Your Company notes that geopolitical uncertainties in the Middle East have contributed to increased capital outflows from several emerging market economies, particularly those heavily dependent on energy imports. Rising energy costs and heightened market volatility have posed significant challenges for policymakers in implementing measures to mitigate the impact of higher fuel prices, especially in the context of widening fiscal deficits across many emerging economies.

According to projections by the World Bank, global economic growth is expected to moderate to 2.5% in 2026, reflecting weaker economic prospects in countries directly affected by geopolitical hostilities and those reliant on imported energy. Nevertheless, recent progress towards easing geopolitical tensions has improved market sentiment and generated cautious optimism regarding the global economy's ability to balance inflationary pressures with the need to sustain economic growth.

Indian Economy:

The Indian Economy has remained robust despite moderation. Middle east conflicts led to higher energy prices and gas rationing, weaker global demand and higher production costs because of which Inflation has picked up, and growth projected to slow temporarily.

Consumer Price Index Inflation at 3.9% year on year in May 2026. Headline inflation has picked up since early 2026, driven primarily by food prices, but core inflation has remained broadly stable and below the mid-point of the central bank's target band of 4% ± 2%. Domestic inflation remains controlled due to import duty removals on select petrochemical inputs and reductions in excise duties on petrol and diesel.

Softer industrial production and easing of private consumption effected as higher food and energy prices weigh on households' real purchasing power. Rupee depreciation against US dollar since the beginning of the year has added to inflationary pressures by raising import costs, particularly for fuel and fertilizers, with partial pass-through to consumer prices.

The monetary policy committee retained a repo rate of 5.25% and the policy stance at neutral to support credit growth, despite global turmoil creating inflationary pressure. Fiscal policy is projected to become expansionary in FY 2026-27 to cushion the impact of higher energy prices. The FY 2026-27 budget envisaged a reduction in the fiscal deficit from 4.4% of GDP in FY2025-26 to 4.3% of GDP. However, measures adopted to mitigate the energy price shock are expected to widen the deficit by around 0.4% of GDP relative to the budgeted path. These measures will provide near-term support to household real incomes and limit the impact on consumption but will also slow the pace of public debt reduction, which is expected to reach 54.7% in FY2027-28. Fiscal policy is expected to return to a moderate consolidation path in FY2027-28 as energy prices stabilize and temporary support measures are phased out.

Indian financial markets demonstrated resilience, with money market rates evolving in line with the policy repo rate and prevailing liquidity conditions. Equity markets witnessed bi-directional movements in 2025-26, as supportive monetary and fiscal policy measures improved sentiment while negative global cues from geopolitical and tariff uncertainties, and artificial intelligence-related concerns weighed on risk appetite.

During 2025-26, the central government continued its fiscal consolidation and emphasis on capital expenditure, even as its total expenditure was contained within the budgeted target. State Governments also prioritized capital expenditure while containing revenue expenditure, thereby improving the quality of expenditure. A modest current account deficit and adequate forex reserves imparted resilience to the external sector amid subdued capital flows during the year.

Growth is expected to recover to 6.4% in FY 2027-28. Inflation is projected to rise to 4.8% in FY2026-27, driven by higher food and energy prices and exchange-rate depreciation, before easing in FY2027-28 as commodity prices stabilize and monetary policy tightens.

Auto Sector and Auto Finance Industry:
In FY 2025–26, total retail vehicle sales (excluding two-wheelers and three-wheelers) increased by 1.56%, reaching 5.65 Million units compared to 5.46 Million units in the previous FY. Segment-wise, Passenger Vehicle (PV) sales recorded a strong growth of 8.68%, rising to 4.90 Million units from 4.51 Million units in FY 2024–25. In contrast, Commercial Vehicle (CV) sales declined by 21.26%, with sales falling to 0.75 Million units from 0.96 Million units in the previous FY.

A key highlight of FY 2025–26 was the stronger growth witnessed in rural markets, particularly in PV segment. The robust demand from rural regions played a crucial role in supporting the overall growth of PV market during the year, reflecting improving rural incomes, better financing availability, and sustained consumer confidence.

FY 2026-27 Outlook:
Dealers across India remain cautiously optimistic as they look ahead to FY 2026-27, 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.

Collections:
Your Company undertook a comprehensive assessment of its collections and recovery performance during FY 2025–26. The review identified certain operational challenges while also highlighting opportunities to further strengthen existing processes and improve collection efficiency. Throughout the year, Your Company remained focused on enhancing recovery outcomes through targeted interventions, process improvements, and strategic initiatives aimed at mitigating delinquency risks, improving asset quality, and reinforcing the overall health of its portfolio.

Your Company identified the following key challenges during the year:
- Inconsistent follow-up and portfolio review mechanisms across field collection teams.
- Limited deployment of proactive delinquency management strategies that adequately account for seasonal trends and customer payment behaviour.
- Manpower shortages in certain critical locations, adversely impacting collection efficiency.
- Lower-than-expected settlement conversion rates affecting overall recovery performance.
- Dependence on a limited number of collection agencies and inadequate geographical coverage in certain rural markets.

Your Company implemented a series of focused initiatives during FY 2025–26 to address these challenges, with an emphasis on improving collection effectiveness, strengthening governance, and enhancing recovery performance. Key measures undertaken during the year included:

- Established a centralized review mechanism, supported by a dedicated field review team, to enhance monitoring, oversight, and governance of collection activities.
- Introduced proactive incentive programmes during seasonal periods to support delinquency control and improve collection outcomes.
- Optimized and augmented collection workforce capacity through timely recruitment initiatives in key locations to improve operational effectiveness.
- Enhanced forecasting capabilities by integrating asset-level analytics into internal forecasting models and engaging an external specialist to develop benchmarking-based collection forecasts.
- Initiated an automation project for settlement and waiver management to improve tracking, streamline follow-up processes, and enhance settlement conversion rates.

Your Company's initiatives reflect its continued commitment to strengthening collections infrastructure, enhancing portfolio performance, and leveraging technology-driven solutions to support sustainable business growth and effective credit risk management.

Initiatives Implemented by your Company:

Your Company undertook several strategic and operational initiatives during FY 2025–26 to strengthen business performance, enhance governance standards, improve customer and employee experience, and drive sustainable growth. These initiatives were focused on operational excellence, robust risk management, digital transformation, and fostering a high-performance organizational culture. Key initiatives undertaken during the year include:

- Collaborated closely with dealers and Original Equipment Manufacturer (OEM) to implement various initiatives aimed at driving business synergies and enhancing value delivery.
- Continued to strengthen its Governance, Risk and Compliance (GRC) framework through structured initiatives designed to proactively identify and mitigate risks, assess potential disruptions, and enhance business continuity preparedness.
- Conducted regular internal audits across departments to ensure compliance with established policies, regulatory requirements, and industry best practices.
- Accelerated its digital transformation journey through initiatives focused on improving operational efficiency, streamlining processes, and delivering seamless customer experiences.
- Placed significant emphasis on enhancing operational quality through process automation and system improvements.
- Implemented various human resource development programmes focused on employee upskilling, leadership development, and engagement.
- Undertook several initiatives to foster a more inclusive, collaborative, and positive work environment, contributing to improved productivity and employee satisfaction.
- Established a decentralized Credit team to streamline credit processes and operations, enhance productivity, reduce turnaround times, and deliver an improved customer experience.
- Strengthened collections operations through enhanced engagement with third-party recovery partners and the implementation of a systematic review framework to improve recoveries from delinquent customers and stabilize collection performance.
- Continued to strengthen its customer service framework through initiatives aimed at enhancing customer experience, improving responsiveness, and driving service excellence.

Borrowings:

Your Company strategically expanded its borrowing portfolio during FY 2025–26, 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). ECBs were sourced from both banks and Group Companies.

Your Company's borrowing portfolio as of March 31, 2026, reflected a well-diversified mix of funding sources, comprising 36% from domestic NCDs, 2% from Commercial Papers (CPs), 44% from bank loans, 1% from Group ECB Loans, and 16% 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 2025–26. 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 uphold its strong credit profile, with its long-term borrowings rated AAA (Stable) and short-term borrowings rated A1+, as 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 & Market Risk, and Operational Risk. To effectively identify, assess, monitor, and mitigate these risks, your Company continues to invest significant resources in strengthening its Enterprise Risk Management (ERM) framework. During FY 2025-26, 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 SEBI LODR Regulations).

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** arises from customer delinquencies. Your Company conducts monthly meetings of the Risk Management Committee (RMC), segmenting the portfolio to analyse 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. ECL approach enhances risk transparency, strengthens decision-making, and aligns credit provisioning with forward-looking macroeconomic indicators.

- **Liquidity risk** arises from the potential difficulty in meeting financial obligations, particularly due to mismatches in asset-liability maturity profiles or sudden funding requirements. Your Company has established an Asset Liability Management Committee (ALCO) to effectively manage asset-liability mismatches and liquidity risks, ensuring the following:
  - 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** arises 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 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** arises 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** arises from the challenges posed by unforeseen crises that could disrupt core operations. Your Company has embedded resilient protocols through its comprehensive Crisis Management Policy. Annual preparedness drills including Business Continuity Testing at Backup site, Tabletop simulations and IT Disaster Recovery exercises equip designated personnel to handle crises effectively. A detailed Business Impact Analysis (BIA) was conducted during FY 2025-26, 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.

- **Residual Value (RV)** Risk arises from potential variations between the estimated and realized value of underlying assets at contract maturity. Your Company monitors such exposures on an ongoing basis and employs appropriate risk management measures to mitigate potential impacts.

- **Reputation Risk** arises from potential adverse perceptions held by customers, regulators, investors, media and other stakeholders. Your Company manages this risk through transparent communication, sound governance, adequate controls and high standards of conduct.

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 compliance with applicable legal and regulatory requirements. 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 Information Technology (IT) infrastructure and systems continued to demonstrate strong resilience and stability, consistently maintaining system availability above 99.90%. This high level of reliability ensured seamless, uninterrupted support to business operations throughout the period.

Your Company continued to advance its digital transformation agenda in line with its strategic priorities by leveraging advanced technologies to enhance customer experience and improve operational efficiency. Building on the successful launch of its integrated mobile application, your Company further streamlined the customer acquisition process, enabling faster decision-making and delivering a seamless, intuitive, and responsive experience for both customers and sales teams. These initiatives have significantly reduced the turnaround time from application to disbursement while strengthening customer satisfaction and supporting the Company's growth objectives.

Your Company maintained a strong focus on regulatory compliance across all IT frameworks and remained fully aligned with applicable requirements. Strengthening its resilience posture, it conducted periodic disaster recovery drills in line with business continuity protocols, ensuring a high level of preparedness and safeguarding operational integrity.

Information Security:
Your Company continues to prioritize Information Security as a key part of its risk management and operational resiliency. During FY 2025–26, the security environment remained stable with no reported incidents, reflecting the effectiveness of existing controls and monitoring practices. In the wake of increasingly sophisticated threats, driven by AI-powered attacks, your Company started industry recognized “Zero-Trust” journey to step up security maturity levels across the infrastructure including Identity, Applications, Networks, Endpoints and Data. Your Company focussed on awareness programs towards building a more security-conscious workforce.

Your Company continued to strengthen its cyber security framework in FY 2026–27 by adopting a Zero-Trust security approach to address emerging risks associated with Frontier AI technologies. The Company also focused on enhancing its cyber resilience capabilities to effectively respond to and recover from cyber-attacks, ensuring business continuity and operational stability. Further, your Company continued its efforts towards compliance with the Digital Personal Data Protection Act, 2023 (DPDP Act) to safeguard customer privacy and meet regulatory requirements. Your Company also strengthened employee awareness and continues to promote a security-focused culture through regular training and awareness programs.

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 2025-26, your Company recorded a total headcount of 1,072 employees. During the year, 400+ employees were successfully hired and onboarded, reflecting the Company’s commitment to talent acquisition and organizational growth. Meanwhile, FY 2025-26 also witnessed 199 employee exits, marking a near-balanced talent movement as part of natural workforce dynamics.

HR Initiatives:
Your Company, to foster a productive, future-ready, and collaborative workforce, 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 Challenge, Limits and inspired through motivated behaviour 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:

Your Company, in alignment with the principles of the Toyota Way, intensified its focus on "People Development" throughout FY 2025-26. Training needs were evaluated through a comprehensive identification and skill-gap analysis process. Learning modules centred 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 2025-26, 9 training sessions were successfully conducted, reaching 146 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 94 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 Corporate Social Responsibility (CSR) initiatives, with active involvement of employees at every stage. During FY, efforts were centred 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.

Your Company's key CSR initiative, namely the construction of a government school in Makli Village, Ramanagara, continued to make significant progress during FY 2025-26. The project, being jointly undertaken by your Company and Toyota Kirloskar Auto Parts Private Limited, was originally initiated in FY 2024-25 in response to a request received from the Deputy Commissioner and Chief Executive Officer of Ramanagara District. Recognized as an ongoing CSR project in accordance with the applicable statutory provisions and duly approved by the Board of Directors, the construction activities advanced steadily during the year. CSR budget allocated for FY 2025-26 was also earmarked towards the continued execution of this project, reaffirming the Company's commitment to its successful completion. The Company remains committed to completing the project by March 2027, thereby contributing to the enhancement of educational infrastructure and opportunities for the local community.

Significant Changes in Key Financial Ratios:

Your Company, in compliance with the provisions of the SEBI LODR Regulations, presents below the details of key financial ratios that have witnessed significant changes (i.e., a variation of 25% or more) compared to the previous FY, along with explanations for such variations:

Particulars	March 31, 2026	March 31, 2025	Reason for such change
Net Profit Margin (%)	6.71	0.50	Improvement in net interest margin and reduced delinquency.

For and on behalf of Toyota Financial Services India Limited

Sd/-

Rajni Mishra
Chairperson & Independent Director
DIN: 08386001

Date: August 12, 2026
Place: Bengaluru

Sd/-

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

Date: August 12, 2026
Place: Bengaluru

Annexure 2

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. The Corporate Governance policy is available on the Company's website and can be accessed at corporate_governance_internal_guidelines.pdf.

Your Company's compliance philosophy is built on the principles of the Toyota Way, emphasizing Respect for People and Kaizen (Continuous Improvement), and is reflected through:

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

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

a. The names and profiles of the Directors of your Company as on March 31, 2026, are as under:

Name of the Directors	Brief Profile
Ms. Rajni Mishra	Ms. Rajni 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 Bengaluru 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 Bengaluru. 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. P B Venugopal	Mr. P B Venugopal has over 30 years of experience working in the automobile industry. He has been part of Toyota group for 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. Hiroyasu Ito	Mr. Hiroyasu Ito holds a bachelor's degree in economics from Nagoya University and an MBA from the University of Illinois. He was the Executive Vice President and Director at Toyota Finance Australia Limited and served as an Alternate Director for Toyota Finance New Zealand Limited. Mr. Hiroyasu Ito brings over 30 years of global experience in banking and financial services. His career includes senior leadership roles in treasury, risk management, internal audit, and corporate governance across Japan, the United States, Europe, and Australia. Prior to joining Toyota Financial Services in 2002, he held various managerial positions at The Tokai Bank Limited, specializing in risk advisory and international finance.
Mr. Tetsuo Higuchi	Mr. Tetsuo Higuchi has a bachelor's degree in law and has also completed Master of Business Administration. He has over 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.
Mr. Raghu Venkata Harish	Mr. Raghu Venkata Harish has over 30 years of experience in rural banking and financial services, working with banks, NBFCs, and business correspondent models. He founded SaGgraha Management Services and scaled it to serve 1.2 Million customers with INR 7,000 Crore disbursed loans. He has held senior roles at Fincare Small Finance Bank, Spandana, Fullerton India, and ICICI Bank. He has served on boards and advisory committees, contributing to policy and governance in financial inclusion. He is recognized with awards like 'Rural Champion of India – 2019' and holds degrees in Agriculture, Management, and an Executive Program from IIM Bengaluru.

b. The details of Directors as on March 31, 2026, are as under:

Name of the Directors	Designation	DIN	Director since	No. of other Directorships*	Core skills/expertise/ competencies	No. of shares held#
Ms. Rajni Mishra	Chairperson & Independent Director (ID)	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. P B Venugopal	Managing Director & Chief Executive Officer (MD & CEO)	10387035	01.02.24	Nil	Leadership Strategy, Finance, Sales & Marketing, Operations, Company Management	1
Mr. Hiroyasu Ito	Whole-Time Director & Deputy Chief Executive Officer (WTD & Deputy CEO)	11331404	01.01.26	Nil	Leadership Strategy, Finance, Sales & Marketing, Operations, Company Management	1

Name of the Directors	Designation	DIN	Director since	No. of other Directorships*	Core skills/expertise/ competencies	No. of shares held#
Mr. Tetsuo Higuchi	Non-Executive Director (NED)	10265141	11.08.23	Nil	Leadership Strategy, Finance, Sales & Marketing, Operations, Company Management	1
Mr. Raghu Venkata Harish	Independent Director (ID)	06792543	14.11.25	1. Keertana Finserv Limited - Independent Director 2. Keertana Financial Limited - Independent Director	Leadership, Strategy, Finance, Legal, Banking, Governance, Mergers & Acquisition, Risk	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 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.

c. List of the Key Managerial Personnel (KMP) as on March 31, 2026, are as below:

Name of 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. Hiroyasu Ito@	WTD & Deputy CEO	11331404	01.01.26	Nil	1
Mr. Surya Narayan Patro	Chief Financial Officer (CFO)	NA	01.01.25	Nil	1
Mr. Rajat Ilkal	Company Secretary (CS) and Compliance Officer (CO)	NA	12.02.25	Nil	Nil

* The Directorships held by the KMP, 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. Hiroyasu Ito 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.

d. Details of appointment/re-appointment of IDs and Declaration given by IDs:

- Ms. Rajni Mishra was re-appointed as a Woman Independent Director for a second term of 2 (Two) years, effective September 10, 2025.
- Mr. Raghu Venkata Harish was appointed as an Independent Director of the Company, effective November 14, 2025, following the completion of tenure of Mr. Venkatraman Prakash, until close of business hours on November 13, 2025.
  - Your Company has received necessary declarations/disclosures from each ID pursuant to Section 149(7) of the Act and Regulation 62N(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The 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 independence, objectivity, and sound judgment, 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, 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.

e. Your Company, pursuant to the provisions of Section 203 of the Act, confirms that the following individuals were designated as KMP as on March 31, 2026:
- Mr. P B Venugopal, MD & CEO,
- Mr. Surya Narayan Patro, CFO,
- Mr. Rajat Ilkal, CS & CO.

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

a. Details of the composition of the Board of Directors and its Committees as on March 31, 2026, are as under:

Directors	Ms. Rajni Mishra (ID)	Mr. P B Venugopal (MD & CEO)	Mr. Hiroyasu Ito (WTD & Deputy CEO)	Mr. Tetsuo Higuchi (NED)	Mr. Raghu Venkata Harish (ID)
Board of Directors	✓ (C)	✓	✓	✓	✓
Audit Committee	✓	X	X	✓	✓ (C)
Nomination & Remuneration Committee	✓	X	X	✓	✓ (C)
Corporate Social Responsibility (CSR) Committee	✓	✓ (C)	✓	X	X
Information Technology (IT) Strategy Committee	✓ (C)	✓	✓	X	X
Risk Management Committee	✓	✓ (C)	✓	X	X
Stakeholders Relationship Committee	X	✓	✓	X	✓ (C)
Review Committee for Wilful Defaulters	✓	✓ (C)	X	X	✓

(C) Chairpersonship ✓ Member x Not a Member.

b. Details of the 7 (Seven) Board Meetings held during FY 2025-26 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 Atten-dance	AGM Sept 23, 2025
	22.05.25	19.06.25	07.08.25	23.09.25	13.11.25	11.12.25	10.02.26				
Ms. Rajni Mishra Chairperson#	Y	Y	Y	Y	Y	Y	Y	7	7	100	Y
Mr. Venkatraman Prakash, Chairperson&	Y	Y	Y	Y	Y	NA	NA	5	5	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	NA	6	6	100	Y
Mr. Hiroyasu Ito@	NA	NA	NA	NA	NA	NA	Y	1	1	100	NA
Mr. Tetsuo Higuchi	Y	Y	Y	Y	N	Y	Y	7	6	85.71	Y
Mr. Raghu Venkata Harish^	NA	NA	NA	NA	NA	Y	Y	2	2	100	NA

Y - Attended; N - Leave of Absence/Not Attended; NA - Not Applicable.
Chairperson effective from 14.11.25.
& Retired effective 13.11.25 (Close of business hours). @ Appointed effective from 01.01.26.
% Retired effective 31.12.25 (Close of business hours). ^ Appointed effective from 14.11.25.

- The Company has received the necessary disclosures from its Directors regarding their directorships, committee memberships, and chairpersonships in other companies and entities. Based on such disclosures, the Directors are in compliance with the applicable laws and regulations relating to directorships and committee positions.
- The Board of Directors periodically reviews the compliance reports of all laws applicable to the Company. During FY 2025-26, 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 Board 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, Stakeholders Relationship Committee and Review Committee for Wilful Defaulters.
- The Company Secretary is the Secretary of all the aforementioned Committees. The Board of Directors and the Committees also take decisions by circular resolutions which are noted by the Board of Directors/respective Committees at their next meetings.
- All the Board of Directors and Committees 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 Mishra and Mr. Raghu Venkata Harish are persons of integrity, having requisite expertise and experience (including the proficiency) and 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.
- During FY 2025-26, one Meeting of IDs was held on February 04, 2026, where all IDs attended the Meeting. IDs, inter-alia, reviewed the performance of Non-IDs, Board as a whole, the Chairperson of the Board and MD & CEO of the Company.
- Pursuat to the SEBI LODR regulations, the details of familiarization programs imparted to IDs during FY 2025-26 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 2025-26.

4. Audit Committee (AC):

a. Terms of Reference:

The terms of reference of AC are in line with the regulatory requirements mandated under the Act, the SEBI LODR Regulations and other applicable laws and regulations, including but not limited to, oversight of your Company's financial reporting process, recommending to the Board of Directors, the appointment, re-appointment of Auditors and the fixation of audit fees, review and monitor the Auditors' independence and performance and effectiveness of audit process, review and approval of Related Party Transactions (RPTs), scrutiny of inter-corporate loans and investment, evaluation of internal financial controls and carrying out any other function as may be assigned to the Committee by the Board of Directors from time to time.

b. Details of composition of AC and its 7 (Seven) Meetings held during FY 2025-26, are as under:

Name of the Directors	Capacity	AC Meeting dates							No. of Meetings	Attended during the year	% of Atten-dance
		22.05.25	19.06.25	07.08.25	23.09.25	13.11.25	11.12.25	10.02.26			
Mr. Raghu Venkata Harish	Chairperson*	NA	NA	NA	NA	NA	Y	Y	2	2	100
Mr. Venkatraman Prakash	Member^	Y	Y	Y	Y	Y	NA	NA	5	5	100
Ms. Rajni Mishra	Member$	Y	Y	Y	Y	Y	Y	Y	7	7	100
Mr. Tetsuo Higuchi	Member	Y	Y	Y	Y	N	Y	Y	7	6	85.71

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

* Chairperson effective from 14.11.25.

^ Member till 13.11.25 (Close of business hours).

$ Chairperson till 13.11.25 and continued as a Member effective from 14.11.25.

- The composition of AC is in line with the provisions of Section 177 of the Act, and Regulation 62F read with 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 2025-26, the Board of Directors accepted all recommendations of AC.
- The previous AGM of the Company was held on September 23, 2025, and was attended by Ms. Rajni Mishra, Chairperson of AC.

5. Nomination and Remuneration Committee (NRC):

a. Terms of Reference:

The terms of reference of NRC are in line with the regulatory requirements mandated under the Act, the SEBI LODR Regulations and other applicable laws and regulations, including but not limited to, 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 MD, WTD and Non-Executive Directors, ensure 'fit and proper' criteria 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.

b. Details of composition of NRC and its 7 (Seven) Meetings held during FY 2025-26, are as under:

Name of the Members	Capacity	NRC Meeting dates							No. of Meetings	Attended during the year	% of Atten-dance
		22.05.25	19.06.25	07.08.25	23.09.25	13.11.25	11.12.25	10.02.26			
Mr. Raghu Venkata Harish	Chairperson*	NA	NA	NA	NA	NA	Y	Y	2	2	100
Mr. Venkatraman Prakash	Member^	Y	Y	Y	Y	Y	NA	NA	5	5	100
Ms. Rajni Mishra	Member#	Y	Y	Y	Y	Y	Y	Y	7	7	100
Mr. Tetsuo Higuchi	Member	Y	Y	Y	Y	N	Y	Y	7	6	85.71

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

* Chairperson effective from 14.11.25.

^ Member till 13.11.25 (Close of business hours).

Chairperson till 13.11.25 and continued as a Member effective from 14.11.25.

- The composition of NRC is in line with the provisions of Section 178 of the Act and Regulation 62G of the SEBI LODR Regulations.
- During FY 2025-26, the Board of Directors accepted all recommendations of NRC.
- The previous AGM of the Company was held on September 23, 2025, and was attended by Ms. Rajni Mishra, Chairperson of NRC.
- Performance Evaluation of Board, its committees and individual Directors.
- 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 Board, its committees and individual Directors were carried out for FY 2025-26 as under:
    - IDs were evaluated based on criteria like participation in Board of Directors/Committee meetings, managing relationships, knowledge and skill and personal attribution.
    - MD 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 reports were taken on record by NRC and Board of Directors at their respective Meetings held on February 10, 2026, and were noted as satisfactory.

c. Succession Planning Policy:

Your Company, in Compliance with the applicable RBI Regulations and the 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 Company. The Company strives to maintain an appropriate balance of skills and experience, within the Company and the Board of Directors, in an endeavor to introduce new perspectives, while maintaining experience and continuity.

a. Senior Management:

- The Senior Management of the Company comprised of the following personnel as on March 31, 2026:

Sl. No.	Designation	Name of the Person
1.	EVP - Governance, Risk and Compliance & Chief Risk Officer (CRO)	Mr. Amit Singhal
2.	EVP - Human Resource & Information technology (HR & IT)	Mr. P B Venugopal
3.	EVP - Business Enhancement	Mr. Sathyanarayana H N
4.	EVP - Business Planning & Chief Financial Officer (CFO)	Mr. Surya Narayan Patro
5.	EVP - Business Enabling	Mr. Vineet Kumar Srivastava
6.	Company Secretary (CS) & Compliance Officer (CO)	Mr. Rajat Ilkal
7.	Chief Compliance Officer (CCO)	Mr. A P Alagarsamy
8.	Chief Internal Audit Officer (CIAO)	Mr. Dipankar Mallick
9.	Chief Information Security Officer (CISO)	Mr. Ravindranatha Reddy P A
10.	Chief Technology Officer (CTO)	Mr. Pradeep Kumar M P
11.	Chief Human Resource Officer (CHRO)	Mr. Harish Babu M

EVP: Executive Vice President.

- Following changes in the designations have taken place during FY 2025-26:
  - Mr. Amit Singhal was additionally designated as EVP – Governance, Risk and Compliance effective January 01, 2026.
  - Mr. P B Venugopal was additionally designated as EVP - Human Resource & Information Technology - Concurrent effective from January 01, 2026.

- Mr. Surya Narayan Patro was additionally designated as EVP - Business Planning effective from January 01, 2026.
- Mr. Sathyanarayana H N was appointed as EVP - Business Enhancement, effective January 01, 2026, following the job rotation of Mr. Devinder Puri, who served as EVP - Business Enhancement, until the close of business hours on December 31, 2025.
- Mr. Vineet Kumar Srivastava was appointed as EVP - Business Enabling, effective January 01, 2026, following the job rotation of Mr. Sathyanarayana H N, who served as EVP - Business Enabling, until the close of business hours on December 31, 2025.
- Mr. A P Alagarsamy was appointed as CCO, effective March 01, 2026, following the transition in the role of Mr. Shogo Hayashi who served as CCO, until the close of business hours on February 28, 2026.
- Mr. Dipankar Mallick was appointed as CIAO, effective March 01, 2026, following the transition in the role of Mr. A P Alagarsamy who served as CIAO, until the close of business hours on February 28, 2026.
- Mr. Pradeep Kumar M P was appointed as CTO, effective October 06, 2025, following the transition in the role of Mr. Khizar Momin who served as CTO, until the close of business hours on October 05, 2025.
- Mr. Harish Babu M was CHRO until the close of business hours on March 31, 2026.

6. Information Technology Strategy Committee (ITSC):

a. Terms of Reference:

The terms of reference of ITSC are in line with the applicable regulatory requirements relating to Information Technology (IT) Governance, Information Security (IS) and Cyber Security, including but not limited to, approval and periodic review of IT strategy and policy documents, ensuring an effective IT strategic planning process is in place, reviewing and overseeing IT strategies, initiatives and investments to ensure an appropriate balance of risks and benefits, reviewing IT and IS policies, overseeing cyber security arrangements, IT governance frameworks and risk management processes, ensuring effective governance mechanisms and controls for IT outsourced operations, and considering any other matters relating to IT Governance, IS and incidental matters, as may be delegated to it by the Board of Directors from time to time.

b. Details of composition of ITSC and its 4 (Four) Meetings held during FY 2025-26 are as under:

Name of the Members	Capacity	ITSC Meeting dates				No. of Meetings	Attended during the year	% of Atten-dance
		22.05.25	07.08.25	13.11.25	10.02.26			
Ms. Rajni Mishra	Chairperson	Y	Y	Y	Y	4	4	100
Mr. P B Venugopal	Member	Y	Y	Y	Y	4	4	100
Mr. Kazuo Noda	Member$	Y	Y	Y	NA	3	3	100
Mr. Khizar Momin	Member@	Y	Y	NA	NA	2	2	100
Mr. Ravindranatha Reddy P A	Member	Y	Y	Y	Y	4	4	100
Mr. Sathyanarayana H N	Member	Y	Y	Y	N	4	3	75
Mr. Surya Narayan Patro	Member	Y	Y	Y	N	4	3	75
Mr. Pradeep Kumar M P	Member#	NA	NA	Y	Y	2	2	100
Mr. Hiroyasu Ito	Member%	NA	NA	NA	Y	1	1	100

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

$ Member till 31.12.25 (Close of business hours).

@ Member till 05.10.25 (Close of business hours).

Member effective from 06.10.25

% Member effective from 01.01.26.

Note: The Committee was re-constituted to include only Board Members as its members effective from March 01, 2026. The members are Ms. Rajni Mishra, Mr. P B Venugopal and Mr. Hiroyasu Ito.

TOYOTA FINANCIAL SERVICES

7. Corporate Social Responsibility (CSR) Committee:

a. Terms of Reference:
The terms of reference of CSR Committee are in line with the regulatory requirements mandated under the Act, including but not limited to, 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 CSR activities, to institute a transparent monitoring mechanism for implementation of CSR activities and shall also carry out such other duties as may be delegated to it by the Board of Directors from time to time.

b. Details of composition of CSR Committee and its 3 (Three) Meetings held during FY 2025-26 are as under:

Name of the Directors	Capacity	CSR Committee Meeting Dates			No. of Meetings	Attended during the year	% of Attendance
		22.05.25	13.11.25	10.02.26			
Mr. P B Venugopal	Chairperson	Y	Y	Y	3	3	100
Ms. Rajni Mishra	Member	Y	Y	Y	3	3	100
Mr. Venkatraman Prakash	Member@	Y	Y	NA	2	2	100
Mr. Kazuo Noda	Member#	NA	NA	NA	NA	NA	NA
Mr. Hiroyasu Ito	Member$	NA	NA	Y	1	1	100

Y – Attended; N – Leave of Absence / Not Attended; NA – Not Applicable
@ Member till 13.11.25 (Close of business hours).
# Member effective from 14.11.25, to 31.12.25 (Close of business hours).
$ Member effective from 01.01.26.

- The composition of CSR Committee is in line with the provisions of Section 135 of the Act.
- During FY 2025-26, the Board of Directors accepted all recommendations of CSR Committee.

8. Risk Management Committee (RMC):

a. Terms of Reference:
The terms of reference of RMC are in line with the applicable regulatory requirements, including but not limited to, overseeing the Company's risk management framework, reviewing key risks across Operations, Credit, Treasury, Human Resources, Information Technology, Information Security and Compliance, monitoring outsourcing and cyber security risks and related mitigation measures, formulating, reviewing and overseeing the implementation of the Risk Management Policy, and recommend change in CRO and remuneration thereof and shall also carry out such other duties as may be delegated to it by the Board of Directors from time to time.

b. Details of composition of RMC and its 2 (Two) Meetings held during FY 2025-26 are as under:

Name of the Directors	Capacity	RMC Meeting dates		No. of Meetings	Attended during the year	% of Attendance
		22.05.25	13.11.25			
Mr. P B Venugopal	Chairperson	Y	Y	2	2	100
Mr. Kazuo Noda	Member#	Y	Y	2	2	100
Mr. Venkatraman Prakash	Member@	Y	Y	2	2	100
Ms. Rajni Mishra	Member*	NA	NA	NA	NA	NA
Mr. Hiroyasu Ito	Member^	NA	NA	NA	NA	NA

Y - Attended; N - Leave of Absence/Not Attended; NA - Not Applicable
Member till 13.11.25 (Close of business hours).
@ Member till 31.12.25 (Close of business hours).
*Member effective from 14.11.25.
^ Member effective from 01.01.26.

- The composition of RMC is in line with the provisions of Regulation 62I of the SEBI LODR Regulations.
- During FY 2025-26, the Board of Directors accepted all recommendations of RMC.

9. Stakeholders Relationship Committee (SRC):

a. Terms of Reference:

The terms of reference of SRC are in line with the applicable regulatory requirements including but not limited to, monitor and resolve in a timely manner, the grievances/ complaints of the security holders of the Company, review adherence to the service standards in respect of the services being rendered by Registrar to an Issue and Share Transfer Agent, 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 (including debt servicing), if any, ensuring timely receipt of dividend/annual reports/statutory notices, if any, by the Members of the Company and shall also carry out such other duties as may be delegated to it by the Board of Directors from time to time.

b. Details of composition of SRC and its 1 (One) Meeting held during FY 2025-26 are as under:

Name of the Directors	Capacity	SRC Meeting date	No. of Meetings	Attended during the year	% of Attendance
		10.02.26			
Mr. Venkatraman Prakash	Chairperson@	NA	NA	NA	NA
Mr. Raghu Venkata Harish	Chairperson^	Y	1	1	100
Mr. P B Venugopal	Member	Y	1	1	100
Ms. Rajni Mishra	Member*	NA	NA	NA	NA
Mr. Kazuo Noda	Member#	NA	NA	NA	NA
Mr. Hiroyasu Ito	Member&	Y	1	1	100

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

@ Chairperson till 13.11.25 (Close of business hours).

^ Chairperson effective from 14.11.25.

* Member till 13.11.25 (Close of business hours).

Member effective from 14.11.25, to 31.12.25 (Close of business hours).

& Member effective from 01.01.26.

- The composition of SRC is in line with the provisions of the Act and Regulation 62H of the SEBI LODR Regulations.
- The previous AGM of the Company was held on September 23, 2025, and was attended by Mr. Venkatraman Prakash, Chairperson of SRC.

10. Review Committee for Wilful Defaulters (RCWD):

a. Terms of Reference:

The terms of reference of RCWD are in line with the applicable regulatory requirements including but not limited to, reviewing the proposals of the Identification Committee, examining representations and supporting material submitted by the borrower or guarantor, determining wilful default classification in accordance with RBI Directions, ensuring adherence to principles of natural justice and due process, and maintaining records of its deliberations and decisions and shall also carry out such other duties as may be delegated to it by the Board of Directors from time to time.

b. Details of composition of RCWD during FY 2025-26 are as under:

Name of the Directors	Capacity
Mr. P B Venugopal	Chairperson
Mr. Raghu Venkata Harish	Member
Ms. Rajni Mishra	Member

- The composition of RCWD is in line with the applicable RBI Regulations.

11. Compliance Officer, Investors Complaints and Debenture Trustees:

a. Name, designation and address of the Compliance Officer:
Mr. Rajat Ilkal, Company Secretary & Compliance Officer.
7th Floor, Tower - C, Sattva Global City,
Mysuru Road, Kengeri,
Bengaluru - 560059.
Email: cs@tfsin.co.in.
Telephone No.: 080-43442800.

b. Details of Complaints received from the Debenture holders and redressed during FY 2025-26 are as under:

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

c. During FY 2025-26, no complaint was received from the Equity Shareholders of the Company.

d. Detail of the Debenture Trustees with full contact details:
M/s. Vistra ITCL (India) Limited,
The Qube 2nd floor A wing Hasan Pada Road,
Mittal Industrial Estate, Marol Andheri East,
Mumbai-400059.
Tel: +91 22 26593535.
https://www.vistraitcl.com/investor-grievances

12. General Body Meetings:

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

Sl. No.	Type of Meeting	Date, time and Place	Special Resolutions passed
1.	11th (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 Independent Director of the Company. 3. Appointment of Mr. Masayoshi Hori (DIN: 09602549) as a Non-Executive Director of the Company.
2.	12th (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. 2. Change in Borrowing Limit. 3. Issue of Non-Convertible Debentures. 4. Alteration of Article of Association of the Company.
3.	13th (Thirteenth) Annual General Meeting	Date: 13.09.24 Time: 02:00 PM Place: Through Video Conference - Deemed to be held at the registered office of the Company.	1. Appointment of Ms. Rajni Mishra (DIN: 08386001) as an Independent Director of the Company. 2. Overall Borrowing Limit. 3. Issue of Non-Convertible Debentures.

b. Details of General Body Meetings held during FY 2025-26 are as under:

Sl. No.	Type of Meeting	Date, Time and Place	Special Resolutions passed
1.	14th (Fourteenth) Annual General Meeting	Date: 23.09.25 Time: 10:00 AM Place: Through Video Conference - Deemed to be held at registered office of the Company.	1. Overall Borrowing Limit. 2. Issue of Non-Convertible Debentures.
2.	1st (First) Extra-ordinary General Meeting	Date: 19.06.25 Time: 12:45 PM Place: Through Video Conference - Deemed to be held at registered office of the Company.	1. Issue of Equity Shares through private placement and on preferential basis.
3.	2nd (Second) Extra-ordinary General Meeting	Date: 19.08.25 Time: 11:30 AM Place: Through Video Conference - Deemed to be held at registered office of the Company.	1. Re-appointment of Ms. Rajni Mishra (DIN: 08386001) as an Independent Director of the Company.
4.	3rd (Third) Extra-ordinary General Meeting	Date: 30.09.25 Time: 09:30 AM Place: Through Video Conference - Deemed to be held at registered office of the Company.	Nil.
5.	4th (Fourth) Extra-ordinary General Meeting	Date: 11.12.25 Time: 10:20 AM Place: Through Video Conference - Deemed to be held at registered office of the Company.	1. Appointment of Mr. Raghu Venkata Harish (DIN: 06792543) as an Independent Director of the Company. 2. Appointment of Mr. Hiroyasu Ito (DIN: 1331404) as Director, designated as Whole-Time Director of the Company.
6.	5th (Fifth) Extra-ordinary General Meeting	Date: 26.03.26 Time: 11:00 AM Place: Through Video Conference - Deemed to be held at registered office of the Company.	Nil.

c. Whether any special resolution passed last year through postal ballot – details of voting pattern – Not Applicable (NA).
d. Person who conducted the postal ballot exercise – NA.
e. Whether any special resolution is proposed to be conducted through postal ballot – NA.
f. Procedure for postal ballot – NA.

13. Remuneration Details:

a. Details of Remuneration of the Executive Directors:

(Amount in INR Million)

Sl. No.	Particulars of Remuneration for FY 2025-26	Name of MD/WTD/Manager		
		Mr. P B Venugopal	Mr. Kazuo Noda*	Mr. Hiroyasu Ito$
		MD & CEO	WTD &Deputy 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	16.27	17.01	3.99
2.	Benefits	0.75	-	-
3.	Bonus	2.80	3.57	-
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	-	-	-
	Total	**19.82**	**20.58**	**3.99**

Note: The above disclosure has been prepared as per SEBI (LODR) requirements and may differ from the remuneration amounts disclosed in the financial statements.

*Retired effective from 31.12.25 (Close of business hours).

$Appointed effective from 01.01.26.

b. Details of Sitting Fees paid to IDs:

(Amount in INR Million)

Sl. No.	Particulars of Remuneration for FY 2025-26	IDs		
		Mr. Venkatraman Prakash%	**Ms. Rajni Mishra**	**Mr. Raghu Venkata Harish^**
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 - **Sitting fee**	0.97	1.41	0.42
	Total	**0.97**	**1.41**	**0.42**

%Retired effective from 13.11.25 (close of business hours).
^Appointed effective from 14.11.25
Note: Sitting fee of INR 100,000 for Board Meeting, INR 75,000 for Audit Committee Meeting, INR 40,000 for separate ID's Meeting and INR 10, 000 for all other Committees Meeting, were paid to IDs for attending the Board & Committee Meetings held during FY 2025-26.

- During FY 2025-26, 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.

13. Means of Communication:

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

14. General shareholder information:

Sl. No.	Particulars	Details/Comments/Remarks
a.	Annual General Meeting - date, time and venue	Kindly refer to the Notice of 15th (Fifteenth) Annual General Meeting annexed to this report.
b.	Financial year	April 01, 2025, to March 31, 2026.
c.	Dividend payment date	The Company has not paid any dividend during FY 2025-26.
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, Transferable, Non-Convertible Debentures and Commercial papers 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 2025-26.

TOYOTA FINANCIAL SERVICES

Sl. No.	Particulars	Details/Comments/Remarks
h.	In case the securities are suspended from trading, the directors report shall explain the reason thereof	During FY 2025-26, none of the securities of the Company were suspended from trading.
i.	Registrar to an issue and share transfer agent	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 with RBI.
p.	Address for correspondence	Toyota Financial Services India Limited, 7th 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 remains 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.

Note: (e) stock code, (f) market price data - high, low during each month in last financial year and (g) performance in comparison to broad-based indices such as BSE sensex, CRISIL Index etc were omitted w.e.f. 13.12.2024**.**

15. 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 2025-26 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 2025-26, no personnel were denied access to the Audit Committee.

<table>
<tr><td>d.</td><td>Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.</td><td>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.
• Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:
Ms. Rajni Mishra, ID has been appointed as Chairperson effective from November 14, 2025, and she is not related to MD & CEO.
• Modified opinion(s) in audit report:
During FY 2025-26, there was no modified audit opinion in the Auditor’s Report on the Company’s financial statements.</td></tr>
<tr><td>e.</td><td>Web link where policy for determining ‘material’ subsidiaries is disclosed</td><td>Not Applicable. The Company does not have any Subsidiary companies.</td></tr>
<tr><td>f.</td><td>Web link where policy on dealing with related party transactions</td><td>Related party transactions policy can be accessed at following link:
https://www.toyotafinance.co.in/downloads/policy-related-party-transactions.pdf</td></tr>
<tr><td>g.</td><td>Disclosure of commodity price risks and commodity hedging activities.</td><td>The Company does not deal in any commodity and hence is not directly exposed to any commodity price risk.</td></tr>
<tr><td>h.</td><td>Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).</td><td>Regulation 32(7A) of the 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 and Commercial Papers. The Company has fully utilized the funds for the object for which the funds were raised.</td></tr>
<tr><td>i.</td><td>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.</td><td>None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by 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.</td></tr>
<tr><td>j.</td><td>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.</td><td>No such instances of non-acceptance of recommendation of any committee by the Board of Directors during FY 2025-26.</td></tr>
<tr><td>k.</td><td>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.</td><td>Statutory Audit fees for FY 2025-26 are as under:
(Amount in INR Million)
<table>
<tr><th>Particulars</th><th>M/s. Brahmayya & Co.</th><th>M/s. B K Khare & Co.</th></tr>
<tr><td>As statutory auditor</td><td>4.25</td><td>4.25</td></tr>
<tr><td>As tax auditor</td><td>0.70</td><td>NA</td></tr>
<tr><td>For other services</td><td>0.57</td><td>0.57</td></tr>
<tr><td>For reimbursement of expenses</td><td>1.40</td><td>1.40</td></tr>
<tr><td>Total</td><td>6.92</td><td>6.22</td></tr>
</table></td></tr>
</table>

<table>
<tr><td rowspan="4">l.</td><td rowspan="4">Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:</td><th>Sl. No.</th><th>Particulars</th><th>Details</th></tr>
<tr><td>a.</td><td>Number of complaints filed during FY 2025-26</td><td>0</td></tr>
<tr><td>b.</td><td>Number of complaints disposed of during FY 2025-26</td><td>0</td></tr>
<tr><td>c.</td><td>Number of complaints pending as on end of FY 2025-26</td><td>0</td></tr>
<tr><td>m.</td><td>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.</td><td colspan="3">The Company has not granted any loan or advances to any firms/companies in which directors are interested.</td></tr>
<tr><td>n.</td><td>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</td><td colspan="3">Not applicable. The Company does not have any Subsidiary companies.</td></tr>
</table>

16. 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.

17. 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:

a. The Company has appointed separate posts of Chairperson and MD & CEO such that Chairperson is a Non-Executive Director and not related to MD & CEO. Ms. Rajni Mishra, ID, has been appointed as Chairperson effective from November 14, 2025, and she is not related to MD & CEO.

b. The Company confirms that its Audited Financial Statements for FY 2025-26 have unmodified audit opinion.

18. Report on Corporate Governance:

During the period under review, the Company has complied with all the mandatory requirements of the SEBI LODR Regulations, as applicable to the Company.

19. 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.

20. 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.

21. 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.

22. 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 and on behalf of Toyota Financial Services India Limited

Sd/-	**Sd/-**
Rajni Mishra **Chairperson & Independent Director** **DIN: 08386001**	**P B Venugopal** **Managing Director & Chief Executive Officer** **DIN: 10387035**
Date: August 12, 2026 **Place: Bengaluru, India**	**Date: August 12, 2026** **Place: Bengaluru, India**

Annexure 3

DECLARATION BY MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

[As per Part D of Schedule V of 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, 2026.

For and on behalf of Toyota Financial Services India Limited

Sd/-

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

Date: August 12, 2026
Place: Bengaluru, India

Annexure 4

COMPLIANCE CERTIFICATE

[Under Regulation 62D (14) read with Part B of Schedule II 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 2025-26 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.

For and on behalf of Toyota Financial Services India Limited

Sd/-	**Sd/-**
P B Venugopal **Managing Director & Chief Executive Officer** **DIN: 10387035**	**Surya Narayan Patro** **Chief Financial Officer**
Date: May 21, 2026 **Place: Bengaluru, India**	**Date: May 21, 2026** **Place: Bengaluru, India**

TOYOTA FINANCIAL SERVICES

Annexure 5

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:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the Contract/ Arrangements/ transaction	Salient terms of the contracts or arrangements or transactions including the value if any	Justification for entering into such contracts/ arrangements/ transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under the first proviso to section 188
Toyota Mobility Solutions & Services India Private Limited (TMSS) Group Company	Execution of Agreement for providing a Buy-back financing solution to Toyota customers.	The agreement is valid until further amendments or termination.	Execution of an Additional Balloon Risk Agreement with TMSS for providing buyback assurance, balloon instalment guarantee, and risk-sharing support under the Company's balloon finance program, including compensation for shortfalls between vehicle valuation and agreed balloon instalment value.	The arrangement would help the Company to promote attractive 'balloon-finance' based solutions by highlighting low instalment. The Company will get additional business due to this market offering.	August 07, 2025, for new vehicles. November 13, 2025, for used vehicles.	Nil	NA
Toyota Mobility Solutions & Services India Private Limited (TMSS) Group Company	Risk sharing under Additional Balloon Risk Buy-back Arrangement in event of delinquency.	1 year (FY 2025-26)	Risk-sharing arrangement with TMSS under the balloon finance program, whereby TMSS agrees to contribute up to a fixed amount towards losses arising from repossession, write-off, or settlement of customer accounts in the event of delinquency.	The arrangement would help the Company to promote attractive 'balloon-finance' based solutions by highlighting low EMI. The Company will get additional business due to this market offering.	August 07, 2025, for new vehicles. November 13, 2025, for used vehicles.	Nil	NA

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the Contract/ Arrangements/ transaction	Salient terms of the contracts or arrangements or transactions including the value if any	Justification for entering into such contracts/ arrangements/ transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under the first proviso to section 188
Toyota Mobility Solutions & Services India Private Limited (TMSS) Group Company	Risk sharing in the event of delinquency.	The agreement is valid until further amendments or termination. Transaction approval is for FY 2025-26.	Risk-sharing arrangement with TMSS under the vanilla and balloon finance programs, whereby TMSS agrees to share equally in losses arising from customer delinquency resulting in write-offs, in accordance with the agreed terms of the arrangement.	The arrangement with TMSS to support promotional financing programs, including attractive low-EMI and balloon finance offerings through interest rate support, thereby enhancing customer affordability and generating incremental business for the Company.	December 11, 2025	Nil	NA
Toyota Kirloskar Motor Private Limited (TKM) Group Company	Execution of Tri-partite Agreement among the Company, TKM and Dealers for Lexus Buy-back financing solution.	The agreement is valid until further amendments or termination.	Tripartite resale risk-sharing arrangement among the Company, TKM, and dealers, whereby the parties jointly contribute to a resale loss-sharing pool to cover losses incurred by dealers on the resale of vehicles financed under the buyback product, in accordance with agreed terms.	Introduction of a balloon finance product aimed at enhancing competitiveness and driving incremental business growth, with the flexibility for the Company to charge a higher interest rate compared to certain existing financing products.	August 07, 2025	Nil	NA

TOYOTA FINANCIAL SERVICES

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the Contract/ Arrangements/ transaction	Salient terms of the contracts or arrangements or transactions including the value if any	Justification for entering into such contracts/ arrangements/ transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under the first proviso to section 188
Toyota Kirloskar Motor Private Limited (TKM) Group Company	Execution of Agreement for providing a Buy-back financing solution to Lexus customers.	The agreement is valid until further amendments or termination.	Agreement with TKM for sharing additional balloon risk, whereby TKM shall compensate the Company for losses arising from customer delinquency at the end of the tenure, including losses due to repossession, settlement, or write-off of financed assets.	The arrangement would help the Company to promote attractive 'balloon-finance' based solutions by highlighting low EMI and increase Lexus penetration.	August 07, 2025	Nil	NA
Toyota Kirloskar Motor Private Limited (TKM) Group Company	Subvention.	1 year (FY 2025-26)	Subvention arrangement with TKM under which the Company provides financing to Toyota customers at a reduced interest rate, with TKM compensating the Company through subvention payments to enable the interest rate benefit while preserving the Company's base interest margin.	The arrangement would help the Company to promote attractive lower rate of interest & balloon-based finance solutions. The Company will get additional business under subvention.	November 13, 2025	Nil	NA
Toyota Kirloskar Motor Private Limited (TKM) Group Company	Balloon risk sharing in the event of delinquency under the Assured Buyback program.	The agreement is valid until further amendments or termination.	Risk-sharing arrangement with TKM under the balloon finance program, whereby TKM agrees to contribute up to a predetermined amount or percentage towards losses arising from customer delinquency, including losses due to repossession, write-off, or settlement of financed vehicles, in accordance with the agreed terms of the arrangement.	The arrangement with TKM to support balloon finance offerings through low-EMI structures, thereby enhancing customer affordability, strengthening market competitiveness, and generating incremental business opportunities for the Company.	December 11, 2025	Nil	NA

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	Duration of the Contract/ Arrangements/ transaction	Salient terms of the contracts or arrangements or transactions including the value if any	Date(s) of approval by the Board	Amount paid as advances, if any
Toyota Motor Finance (Netherlands) B.V. Group Company	Material Related Party Transactions - External Commercial Borrowing (ECB) - loan facility.	5 years	ECB from Toyota Motor Finance (Netherlands) B. V. for an amount not exceeding INR 24,016 Million.	May 23, 2024	Nil
Toyota Motor Credit Corporation (TMCC) Group Company	Material Related Party Transactions - External Commercial Borrowing (ECB) - loan facility.	10 years	Transaction with TMCC for an amount not exceeding USD 200 Million (in any currency equivalent to USD 200 Million).	December 20, 2024	Nil
Toyota Kirloskar Motor Private Limited (TKM) Group Company	Material Related Party Transactions for various transactions including but not limited to sale of cars, leasing of cars, purchase of cars, 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 cars, intercompany transfers, renting of workstations and Subvention.	1 year (FY 2025-26)	Transaction with TKM for an aggregate value of up to INR 3,500 Million.	August 07, 2025	Nil
Toyota Lakozy Auto Private Limited (TLAPL) Group Company	Material Related Party Transactions for various transactions including but not limited to Inventory funding and retail finance payout, purchase of cars and reimbursement of purchase price and registration charges.	2 years (FY 2025-26 and FY 2026-27)	Transaction with TLAPL for an aggregate value of up to INR 3,500 Million.	June 19, 2025 August 07, 2025	Nil
Toyota Tsusho Bharat Motor Private Limited (TTBM) Group Company	Material Related Party for various transactions including but not limited to Granting loan facilities and retail finance payouts, purchase of cars, sale of cars, leasing of cars.	1 year (FY 2025-26)	Transaction with TTBM for an aggregate value of up to INR 5,000 Million.	September 23, 2025	Nil

For and on behalf of Toyota Financial Services India Limited

Sd/-

Rajni Mishra
Chairperson & Independent Director
DIN: 08386001

Date: August 12, 2026
Place: Bengaluru, India

Sd/-

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

Date: August 12, 2026
Place: Bengaluru, India

TOYOTA FINANCIAL SERVICES

Annexure 6

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FY 2025-26

1. **Brief outline on CSR Policy of the Company:**
The Company has contributed to the sustainable development of society through the implementation of various projects and programs aimed at enhancing the quality of life and well-being of diverse communities. In alignment with the provisions of the Companies Act, 2013 ("the Act") and the Company's core philosophy on Corporate Social Responsibility (CSR), the Company identifies areas requiring greater attention and support and accordingly determines the nature of programs, projects, and activities to be undertaken during a particular period. These initiatives are implemented either directly through the Company's personnel or through external agencies, trusts, institutions, and other organizations, depending on the most effective and appropriate mode of execution. During the reporting period, the Company carried out several CSR initiatives, with a primary focus on promoting the education of underprivileged children (for details, please refer to 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.	Mr. Venkatraman Prakash	Member of CSR Committee, Independent Director[@]	2	2
3.	Ms. Rajni Mishra	Member of CSR Committee, Independent Director	3	3
4.	Mr. Kazuo Noda	Member of CSR Committee, Whole Time Director & Deputy Chief Executive Officer[#]	NA	NA
5.	Mr. Hiroyasu Ito	Member of CSR Committee, Whole Time Director & Deputy Chief Executive Officer[$]	1	1

NA – No Meetings Convened during the Tenure.
[@] Member till 13.11.25 (Close of business hours).
[#] Member effective from 14.11.25, to 31.12.25 (Close of business hours).
[$] Member effective from 01.01.26.

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-2024-25-2025-26.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 2025-26:

Sl. No.	Particulars	Amount in INR
(a)	Average net profit of the company as per sub-section (5) of Section 135	1,044,223,067
(b)	Two percent of average net profit of the company as per sub-section (5) of Section 135	20,885,000
(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)]	20,885,000

6. Amount Spent on CSR Projects:

Sl. No.	Particulars	Amount in INR
(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):	
	i. Details of CSR amount spent against ongoing projects for the financial year	Nil
	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)	Nil
(e)	CSR amount ~~spent or~~ unspent for the financial year	20,885,000

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
Nil	20,885,000*	NA	NA	NA

*Transferred to TFSIN Unspent CSR Account FY 2025-26 on April 27, 2026

(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)	20,885,000
(ii)	Total amount spent for the financial year	Nil
(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:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years.
				Name of the Fund	Amount	Date of transfer	
1.	2024-25	24,134,400*	12,881,566.79	-	-	-	11,252,833.21
2.	2023-24	-	-	-	-	-	-
3.	2022-23	-	-	-	-	-	-

*The Amount has been deposited in TFSIN Unspent CSR Account FY 2024-25.

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 and on behalf of Toyota Financial Services India Limited

Sd/-

P B Venugopal
Chairperson, CSR Committee
DIN: 10387035
Date: August 12, 2026 Place:
Bengaluru, India

Sd/-

Rajni Mishra
Member, CSR Committee
DIN: 08386001
Date: August 12, 2026
Place: Bengaluru, India

V SREEDHARAN AND ASSOCIATES
Company Secretaries
Plot No. 293, # 201, 2nd Floor, 10th Main Road,
3rd Block, Jayanagar, Bengaluru - 560 011
+ 91 80 49594533 compliance@sreedharancs.com

Annexure 7

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2026

[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,
7th Floor, Tower -C, Sattva Global City,
Mysore Road, Kengeri,
Bengaluru-560059.

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, 2026 (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 review 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 (up to 14th December, 2025) and the Securities Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulation, 2025 (from 15th December, 2025) regarding the Companies Act and dealing with the client.

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the review Period)**;

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the review Period)**; and

i. The 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 Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025

b. Master Direction - Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016.

c. Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016.

d. Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016.

e. Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Know Your Customer) Directions, 2025.

f. Master Direction - Information Technology Framework for the NBFC Sector.

g. Master Circular - Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025.

h. Master Directions - Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025.

i. Appointment of Internal Ombudsman by Non-Banking Financial Companies.

j. Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025.

k. Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Credit Information Reporting) Directions, 2025.

l. Framework for Compromise Settlements and Technical Write-offs Insurance Regulatory and Development Authority of India (Appointment of Insurance Agents) Regulations, 2016 (Registration of Corporate Agents) Regulations, 2015, other circulars / guidelines as applicable.

m. Reserve Bank of India (Non-Banking Financial Companies – Acquisition of Shareholding or Control) Directions, 2025.

n. Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025.

o. Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025 (Updated as on April 1, 2026)

p. Reserve Bank of India (Non-Banking Financial Companies – Credit Information Reporting) Directions, 2025

q. Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025 (Updated as on April 01, 2026)

r. Reserve Bank of India (Non-Banking Financial Companies - Concentration Risk Management) Directions, 2025 (Updated as on April 01, 2026)

s. Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025

t. Reserve Bank of India (Non-Banking Financial Companies – Securitisation Transactions) Directions, 2025

u. Reserve Bank of India (Non-Banking Financial Companies – Classification, Valuation and Operation of Investment Portfolio) Directions, 2025

v. Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025

w. Reserve Bank of India (Non-Banking Financial Companies – Treatment of Wilful Defaulters and Large Defaulters) Directions, 2025.

x. Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025.

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.

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.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc.

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 having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, etc.

a) Issue and allotment of 476,190,476 Equity Shares, of face value of INR 10/- (Rupee Ten) each Equity Shares, each at an issue price of INR 21/- (Rupees Twenty-One Only), for an aggregate amount of INR 9,999,999,996 for cash, to Toyota Financial Services Corporation, Japan, the Holding Company, through Preferential Issue on a Private Placement basis.

b) Alteration of Memorandum of Association of the Company consequent to increase in the Authorised Share capital of the Company.

For V SREEDHARAN & ASSOCIATES

Sd/-

(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 12, 2026
UDIN: F002347H000338540
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 -1'

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

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, standards are 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

Sd/-

(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 12, 2026
UDIN: F002347H000338540
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,
7th Floor, Tower - C, Sattva Global City,
Mysore Road, Kengeri,
Bengaluru-560059.

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 7th Floor, Tower - C, Sattva Global City, Mysore Road, Kengeri, Bengaluru-560059 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance 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, 2026, have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India (SEBI) and the Ministry of Corporate Affairs (MCA).

Details of Directors as on 31.03.2026:

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. Hiroyasu Ito	Whole-Time Director	11331404	01/01/2026
3.	Mr. Tetsuo Higuchi	Non-Executive Director	10265141	11/08/2023
4.	Ms. Rajni Anil Mishra	Non-Executive Independent Director	08386001	10/09/2024
5.	Mr. Raghu Venkata Harish	Non-Executive Independent Director	06792543	14/11/2025

- *Mr. V. Prakash was retired from the position of Independent Director w.e.f. November 13, 2025 (close of business hours), upon completion of his term.*
- *Mr. Raghu Venkata Harsih (DIN: 06792543) was appointed as Independent Director w.e.f. November 14, 2025.*
- *Mr. Kazuo Noda was retired as Whole-Time Director w.e.f. December 31, 2025 (close of business hours), upon completion of his term.*
- *Mr. Hiroyasu Ito (DIN:* 11331404*) was appointed as a Whole-Time Director w.e.f. January 01, 2026.*

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

Sd/-

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

Date: May 12, 2026
Place: Bengaluru
UDIN: F002347H000339288
Peer Review Certificate No. 5543/2024

V SREEDHARAN AND ASSOCIATES
Company Secretaries
Plot No. 293, # 201, 2nd Floor, 10th Main Road,
3rd Block, Jayanagar, Bengaluru - 560 011
+ 91 80 49594533 compliance@sreedharancs.com

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. 29,50,94,19,000/-

To
The Members of Toyota Financial Services India Limited,

We have examined all the relevant records of **Toyota Financial Services India Limited** having **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, 2026. 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.

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

Sd/-

(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 12, 2026
UDIN: F002347H000339211
Peer Review Certificate No. 5543/2024

Annexure 10

Secretarial Compliance Report of Toyota Financial Services India Limited for the year ended March 31, 2026

[Pursuant to Regulation 24A and 62M 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** having **CIN**: **U74900KA2011FLC058752** (hereinafter referred as 'the listed entity') having its Registered Office at 7th Floor, Tower-C, Sattva Global City, Mysore Road, Kengeri, Bengaluru-560059.

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, 2026, 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, 2026 ("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) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(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) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable to the Company during the review Period);**

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the review 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) The 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;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the review Period);** and

(i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (upto 14th December, 2025) and The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 (from 15th December, 2025) regarding the Companies Act and dealing with client; regarding the Act and dealing with client.

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 the matters specified below:- **Not Applicable**

Sl. No	Compliance requirement (Regulation/ 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	Remark
Not Applicable										

b) The listed entity has taken following actions to comply with observations made in the previous reports- Please refer to Annexure -I enclosed with this report

Sl. No	Observations/ Remarks of the practicing Company Secretary in the previous reports. (PCS)	Observation made in the secretarial Compliance report for the year ended March 2025	Compliance Requirement (Regulations/ circulars / guidelines including specific purpose)	Details of violation/ deviations and action taken/ Penalty imposed, if any of the listed entity	Remedial actions if any, taken by the listed entity	Comments of the PCS on the action taken by the listed entity
Please refer to the Annexure -1 enclosed with this report						

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

Sl. No	Particulars	Compliance Status (Yes/No/NA)	Observations/ remarks by PCS
1.	**Secretarial Standards** 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.	**Yes**	**NIL**
2.	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities.	**Yes**	**NIL**
	• 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.	**Maintenance and disclosures on Website:** • 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** **Yes** **Yes**	**NIL** **NIL** **NIL**
4.	**Disqualification of Director:** None of the Directors of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	**Yes**	**NIL**
5.	**Details related to Subsidiaries of listed entities have been examined w.r.t:** (a) Identification of material subsidiary companies. (b) Disclosure requirement of material as well as other subsidiaries.	**Not applicable**	The listed entity does not have material subsidiaries as defined under Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.
6.	**Preservation of Documents:** 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.	**Yes**	**NIL**
7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors, and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	**Yes**	**NIL**
8.	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions. (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/ rejected by the Audit committee.	**Yes** **Not applicable**	**NIL** **NIL**
9.	**Disclosure of events or information:** 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.	**Yes**	**NIL**
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	**Yes**	**NIL**
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** 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.	**Yes**	No action taken by SEBI or National Stock Exchange of India (NSE) during FY 2025-26. Hence same is not Applicable.

)

12.	**Resignation of statutory auditors from listed entities and their material subsidiaries** 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/49/14/14(7)2025-CFDPOD2/I/3762/2026) dated January 30, 2026 on compliance with the provisions of LODR Regulations by listed entities.	**Applicable**	The auditor of the listed entity resigned during the audit period under review and the listed entity is in compliance with the paragraph 6.1 of the said SEBI Circular and Paragraph 6.2 is not applicable. The listed entity does not have any material subsidiary.
13.	**Additional non-compliances, if any:** No additional non-compliance observed for all SEBI regulation / circular / guidance note etc.	**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) and 62M (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

Sd/-

(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 12, 2026
UDIN: F002347H000339057
Peer Review Certificate No. 5543/ 2024.

Annexure-1

b) The listed entity has taken following actions to comply with observations made in the previous reports:

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 2025**	**Compliance Requirement (Regulations/circulars guidelines including specific purpose)**	***Details of violation/ deviations and action taken/ Penalty imposed, if any of the listed entity***	**Remedial actions if any, taken by the listed entity**	**Comments of the PCS on the action taken by the listed entity**
1.	The Company has duly remitted the fine on September 12, 2024.	The Company has 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.	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.	*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 during the month of July 2024.*	Based on the directions from the Board Directors, the Company has undertaken necessary steps to strengthen its processes to avoid such inadvertent delays.	The requisite fine was paid by the Company and we have been informed by the Company that, the Board of Directors has taken note of the same and strengthened the internal process to avoid such inadvertent delays.
2.	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.	The Company has not complied with the provisions of the Regulation 60 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the month of September 2024.	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	*There was a shortfall of one working day in the intimation of the record date for the payment of interest of non-convertible debentures, INE692Q07449 in the month September 2024*		The requisite fine was paid by the Company and we have been informed by the Company that, the Board of Directors has taken note of the same and strengthened the internal process to avoid such inadvertent delays.

For V SREEDHARAN & ASSOCIATES
Company Secretaries

Sd/-

(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 12, 2026
UDIN: F002347H000339057
Peer Review Certificate No. 5543/ 2024

Brahmayya & Co.,
Chartered Accountants
Khivraj Mansion,
10/2 Kasturba Road,
Bengaluru, 560001
Phone: +91-80-22274551, 22274552

B.K. Khare & Co.,
Chartered Accountants
706-708, Sharda Chambers,
New Marine Lines
Mumbai 400020

INDEPENDENT AUDITORS' 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, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), and the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to 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 Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2026, and its profit (financial performance including other comprehensive income), and its cash flows and the statement of changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the financial statements 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 Auditors' 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 ("ICAI") 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 judgment, were of most significance in our audit of the Financial Statements of the current year. 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:

SR No.	Key Audit Matter	How the matter was addressed in our audit
1.	**Impairment Allowance against Loans ("Expected Credit Loss" or "ECL")** [Refer to the Accounting Policies Note 2(iii) Financial Assets and Labilities, the Balance Sheet, Note 06 & 43A to the Financial Statements]	
	As at March 31, 2026, outstanding balances of loans aggregated Rs. 2,25,059.52 million (net of expected credit losses of Rs. 5,923.10 million). Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL on such loans carried at amortised cost is a critical estimate involving a greater level of management judgement. As part of our risk assessment, we determined that the ECL on such loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The significant assumptions that we focused on in our audit included those with greater levels of management judgement and for which variations had the most significant impact on ECL. 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, 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.	Our audit procedures were focused on assessing the appropriateness of management's judgement and estimates used in the impairment allowance that included, but were not limited to, the following: ➢ Reviewed the Board Approved Policy and procedures & associates design/controls and expected credit loss memo concerning the assessment of credit and other risks. ➢ Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions. ➢ Assessing the design, implementation and operating effectiveness of key internal financial controls including monitoring process of overdue loans (including those which became overdue after the reporting date), measurement of provision, stage-wise classification of loans, identification of NPA accounts, assessing the reliability of management information. ➢ Evaluated the appropriateness of the Company's determination of Significant Increase in Credit Risk ("SICR") in accordance with the applicable accounting standard and the basis for classification of various exposures into various stages. ➢ Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights and computation of probability of default and loss given default percentages. ➢ Reviewed the critical assumptions and input data used in the estimation of expected credit loss for specific key credit risk parameters, such as the movement between stages, Exposure at default (EAD), probability of default (PD) or loss given default (LGD).

SR No.	Key Audit Matter	How the matter was addressed in our audit
		➢ Involved Information system resource to obtain comfort over data integrity and process of report generation through interface of various information systems. ➢ Tested controls placed over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied as detailed below: • Verified the completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors. • Checked the appropriateness of information used in the estimation of the Probability of Default ("PD") and Loss given Default ("LGD") for the different stages depending on the nature of the portfolio reconciled the total considered for ECL assessment with the books of accounts to ensure the completeness. • Performed test of details over model calculations testing through re-performance, where possible. • Evaluated the reasonableness of applicable assumptions included in LGD computation. ➢ Evaluated the adequacy of presentation and disclosures in relation to impairment loss allowance in the financial statements.
2.	**Information Technology ("IT") Systems and Controls**	
	The Company has a complex IT architecture to support its day-to-day business operations. High volume of transactions are processed and recorded on single or multiple applications. The reliability and security of IT systems plays a key role in the business operations of the Company. Since large volume of transactions are processed daily, IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting. We have identified 'IT systems and controls' as a key audit matter because of the high-level of automation, significant number of systems being used	Our Audit procedures included the following, but not limited to: Involved IT specialists as part of the audit for the purpose of testing the IT general controls and application controls (automated and semi-automated controls) to determine the accuracy of the information produced by the Company's IT systems. With respect to the "In-scope IT systems" identified as relevant to the audit of the financial statements and financial reporting process of the Company, we have evaluated and tested relevant IT general controls.

SR No.	Key Audit Matter	How the matter was addressed in our audit
	by the management and the complexity of the IT architecture and its impact on the financial reporting system.	On such "In-scope IT systems" we have performed the following procedures: Obtained an understanding of IT applications landscape implemented by the Company, including an understanding of the process, mapping of applications and understanding financial risks posed by people, process and technology. Tested design and operating effectiveness of key controls over user access management (including user access provisioning, de-provisioning, user access review, password configuration review and privilege access), change management (including compliance of change release in production environment to the defined procedures), program development (including review of data migration activity), computer operations (including testing of key controls pertaining to, backup, batch processing, incident management and data centre security. Also tested entity level controls pertaining to IT policy and procedure and business continuity plan assessment. Tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over the financial reporting system.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.
6. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
8. 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

9. The accompanying Financial Statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 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.

10. In preparing the Financial Statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

11. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements:

12. 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.

13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    (i) 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.

(ii) 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 system with reference to Financial Statements in place and the operating effectiveness of such controls.

(iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(iv) 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.

(v) 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.

14. 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.

15. 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.

16. 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 year 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 Matters

17. The Financial Statements of the Company for the year ended March 31, 2025 were audited by the predecessor auditor who have expressed an unmodified opinion vide their audit report dated May 22, 2025, whose reports have been furnished to us and which have been relied upon by us, for the purpose of our audit.

Report on Other Legal and Regulatory Requirements

18. 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 Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

    (i) 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.

    (ii) 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.

    (iii) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    (iv) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

    (v) On the basis of written representations received from the directors as on March 31, 2026 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

    (vi) 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 B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.

    (vii) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

20. 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 as on March 31, 2026 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, 2026.

(iv) The management has represented, to the best of its knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.

(v) The management has represented, to the best of its knowledge and belief, that no funds have been received by the Company from any persons or entities, including foreign entities ('the 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.

(vi) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the representations under para 20(iv) and 20(v) contain any material misstatement.

(vii) The Company has neither declared nor paid any dividend during the year.

(viii) Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software systems.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Brahmayya & Co.,
Chartered Accountants
ICAI Firm Registration No. 000515S

Sd/-

G. Srinivas
Partner
Membership No. 086761
UDIN: 26086761KDTEMD6222

Place: Bengaluru
Date: May 21, 2026

For B.K. Khare & Co.,
Chartered Accountants
ICAI Firm Registration No.105102W

Sd/-

Shirish Rahalkar
Partner
Membership No. 111212
UDIN: 26111212SOOYET3542

Place: Mumbai
Date: May 21, 2026

'Annexure A' to the Independent Auditors' Report

Annexure 'A' to the Independent Auditor's Report on the Financial Statements of Toyota Financial Services India Limited for the year ended March 31, 2026.

(Referred to in paragraph 18 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Toyota Financial Services India Limited.)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i)

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ('PPE') and relevant details of right of use assets.

The Company has maintained proper records showing full particulars of intangible assets including intangible assets under development.

(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 any of its Property, Plant and Equipment (including Right of Use Assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) No proceedings have been initiated during the year or pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company

(ii)

(a) The Company is engaged primarily in lending activities and consequently does not hold any physical inventories. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

(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) The provisions of paragraph 3(iii)(a) of the Order are not applicable to the Company as its principal business is to give loans.

(b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.

(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, 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, 43(A) and 45 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, 2026, is Rs. 2,821.61 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.

(e) The Company is a Non-Banking Finance Company, and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment. Hence, reporting under clause (iii)(f) is not applicable.

(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 provided 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) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013, for the business activities carried out by the Company. Hence reporting under paragraph 3(vi) of the Order is not applicable.

(vii)

(a) The Company has generally been regular in depositing undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, cess and other material statutory dues applicable to it, to the appropriate authorities. As explained to us, the Company does not have any dues on account of sales tax, service tax, duty of customs, duty of excise and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at March 31, 2026, for a period of more than six months from the date they became payable.

(b) The details of statutory dues referred to in sub- paragraph (a) above which have not been deposited with the concerned authorities as on March 31, 2026, on account of dispute are given below:

(₹ in million)

Name of the Statute	Nature of the Dues	Period to which the amount relates	Forum where the dispute is pending	Amount Involved	Amount Unpaid
Integrated Goods and service Tax 2017	GST	2017-18	Commissioner of Indirect Tax	3.98	3.98

(viii) According to the information and explanations given to us, there were no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

(ix)

(a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained, other than temporary parking of funds for a few days pending utilizations towards purpose for which the same are obtained.

(d) According to the information and explanations provided to us and based on the overall examination of Financial Statements, and further considering the Asset Liability management mechanism of the Company, no funds raised on short-term basis have, prima facie, been used for long-term purposes by the Company.

(e) On an overall examination of the Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.

(x)

(a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has made private placement of shares during the year in compliance with the requirements of Section 42 and 62 of the Companies Act, 2013, and the funds raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.

(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 74 instances aggregating Rs. 433.29 million, 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) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT - 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year.

(c) According to the information and explanations given to us there are no whistle blower complaints received by the Company during the year (and upto the date of this report). Accordingly reporting under this clause is not applicable.

(xii) The Company is not a Nidhi company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, etc., as required by the applicable accounting standards.

(xiv)

(a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them. 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.

(xvi)

(a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 ('RBI Act') as a Non-Banking Financial Company – Investment Credit Company and it has obtained the registration.

(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') and hence reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) As per the information provided in course of our audit, the Group to which the Company belongs, does not have any CIC.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xviii) There has been resignation of the statutory auditors of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

(xix) On the basis of the financial ratios, 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 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.

(c) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Financial Statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Brahmayya & Co.,
Chartered Accountants
Firm Registration No. 000515S

Sd/-

G. Srinivas
Partner
Membership No. 086761
UDIN: 26086761KDTEMD6222

Place: Bengaluru
Date: May 21, 2026

For B.K. Khare & Co.,
Chartered Accountants ICAI Firm
Registration No. 105102W

Sd/-

Shirish Rahalkar
Partner
Membership No. 111212
UDIN: 26111212SOOYET3542

Place: Mumbai
Date: May 21, 2026

Annexure 'B' to the Independent Auditors' Report

Annexure 'B' to the Independent Auditors' report on the Financial Statements of Toyota Financial Services India Limited for the year ended March 31, 2026.

(Referred to in paragraph "19 (vi)" under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("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, 2026, 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 with reference to Financial Statements 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 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 Companies Act, 2013 (the "Act").

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing ('SA's) prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls with reference to Financial Statements. 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 over financial reporting 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements includes 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 auditors' judgment, 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.

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

   (a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

   (b) 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 authorizations of management and directors of the Company;

   (c) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 respect to the 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2026, based on the criteria for internal control with reference to Financial Statements established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Brahmayya & Co.,
Chartered Accountants
ICAI Firm Registration No. 000515S

Sd/-

G. Srinivas
Partner
Membership No. 086761
UDIN: 26086761KDTEMD6222

Place: Bengaluru
Date: May 21, 2026

For B.K. Khare & Co.,
Chartered Accountants
ICAI Firm Registration No. 105102W

Sd/-

Shirish Rahalkar
Partner
Membership No. 111212
UDIN: 26111212SOOYET3542

Place: Mumbai
Date: May 21, 2026

Toyota Financial Services India Limited
Balance sheet as at 31 March 2026

(Amounts are in Rs. Million)

	Particulars	Notes	31 March 2026	31 March 2025
	ASSETS			
I	**Financial assets**			
(a)	Cash and cash equivalents	3	3,605.81	4,196.56
(b)	Derivative financial instruments	4	78.92	171.77
(c)	Trade receivables	5	25.07	13.32
(d)	Loans	6	2,25,059.52	1,82,829.99
(e)	Investments	7	4,611.44	4,671.33
(f)	Other financial assets	8	23.02	49.96
	Total financial assets		**2,33,403.78**	**1,91,932.93**
II	**Non-financial assets**			
(a)	Current tax assets (net)	9	209.45	134.06
(b)	Deferred tax assets (net)	10	918.27	845.47
(c)	Property, plant and equipment	11	1,146.06	807.25
(d)	Right-of-use assets	12	154.51	228.12
(e)	Intangible assets under development	13	3.42	-
(f)	Other intangible assets	13	118.49	170.95
(g)	Other non-financial assets	14	1,538.85	1,363.57
	Total Non-financial assets		**4,089.05**	**3,549.42**
	Total Assets		**2,37,492.83**	**1,95,482.35**
	LIABILITIES AND EQUITY			
I	**Liabilities**			
i	**Financial liabilities**			
(a)	Derivative financial instruments	4	1,364.88	1,507.07
(b)	Trade payables	15	625.90	424.01
	(i) total outstanding dues of micro enterprises and small enterprises		91.07	60.25
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		534.83	363.76
(c)	Debt securities	16	73,028.94	64,765.58
(d)	Borrowings (other than debt securities)	17	1,15,977.82	93,279.26
(e)	Lease liabilities	18	176.14	229.88
(f)	Other financial liabilities	19	1,106.03	1,678.67
	Total financial liabilities		**1,92,279.71**	**1,61,884.47**
ii	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	20	-	-
(b)	Provisions	21	333.33	176.07
(c)	Other non-financial liabilities	22	188.97	101.76
	Total non-financial liabilities		**522.30**	**277.83**
II	**Equity**			
(a)	Equity share capital	23	21,323.45	16,561.54
(b)	Other equity	24	23,367.37	16,758.51
	Total equity		**44,690.82**	**33,320.05**
	Total Liabilities and Equity		**2,37,492.83**	**1,95,482.35**

Material Accounting Policy Information — 2
Notes to the financial statements — 3 - 57
The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For Brahmayya & Co.
Chartered Accountants
Firms' Registration
No: 000515S

Sd/-

G. Srinivas
Partner
Membership No: 086761

Bengaluru
21 May 2026

For B.K. Khare & Co.
Chartered Accountants
Firms' Registration
No: 105102W

Sd/-

Shirish Rahalkar
Partner
Membership No: 111212

Mumbai
21 May 2026

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

Sd/-

P B Venugopal
Managing Director
and CEO
DIN: 10387035

Sd/-

Rajni Mishra
Chairperson and
Independent Director
DIN: 08386001

Sd/-

Surya Narayan Patro
Chief Financial Officer

Bengaluru
21 May 2026

Sd/-

Rajat Ilkal
Company Secretary
Membership No. A69311

Bengaluru
21 May 2026

Toyota Financial Services India Limited
Statement of Profit and Loss for the period ended 31 March 2026

(Amounts are in Rs. Million)

	Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
	Revenue from operations			
(i)	Interest income	25	18,992.23	14,498.14
(ii)	Rental income		249.40	183.76
(iii)	Fees and commission income		42.40	27.27
(iv)	Net gain on fair value change on financial instruments	26	634.79	-
(v)	Other operating income	27	658.48	524.33
(I)	**Total Revenue from operations**		**20,577.30**	**15,233.50**
(II)	Other income	28	6.00	19.22
(III)	**Total Income (I+II)**		**20,583.30**	**15,252.72**
	Expenses			
(i)	Finance cost	29	12,815.44	10,268.37
(ii)	Net loss on fair value change on financial instruments	26	-	272.45
(iii)	Impairment on financial instruments	30	2,553.83	2,157.98
(iv)	Employee benefit expenses	31	1,359.24	935.14
(v)	Depreciation, amortisation and impairment	32	310.16	265.76
(vi)	Other expenses	33	1,678.77	1,205.88
(IV)	**Total expenses**		**18,717.44**	**15,105.58**
(V)	**Profit / (loss) before tax (III-IV)**		**1,865.86**	**147.14**
(VI)	**Tax expense**			
	1. Current tax			
	a. Current Year		556.35	314.48
	b. Earlier year tax adjustment		-	14.77
	2. Deferred tax	10	(72.41)	(257.92)
	Total tax expense		**483.94**	**71.33**
(VII)	**Profit / (loss) after tax for the year (V-VI)**		**1,381.92**	**75.81**
(VIII	**Other comprehensive income**			
A	**Items that will not be reclassified to profit or loss**			
	i. Remeasurements of the defined benefit plans		(3.15)	(5.91)
	ii. Income tax impact of above		0.79	1.45
	Sub Total		**(2.36)**	**(4.46)**
B	**Items that will be reclassified to profit or loss**			
	i. Fair value changes on Investments		(8.11)	(1.65)
	ii. The effective portion of gains and loss on hedging instruments in a cash flow hedge		9.71	-
	iii. Income tax impact on above		(0.40)	0.42
	Sub Total		**1.20**	**(1.23)**
	Other comprehensive (loss) / income (A+B)		**(1.16)**	**(5.69)**
(IX)	**Total comprehensive income / (loss) for the year (VII+VIII)**		**1,380.76**	**70.12**
(X)	**Earnings for equity share**			
	Basic (INR)	34	0.68	0.05
	Diluted (INR)	34	0.68	0.05
	Face value per share (INR)		10.00	10.00
	Material Accounting Policy Information	2		
	Notes to the financial statements	3 - 57		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For Brahmayya & Co.	For B.K. Khare & Co.	For and on behalf of the Board of Directors of **Toyota Financial Services India Limited**	
Chartered Accountants	Chartered Accountants		
Firms' Registration No: 000515S	Firms' Registration No: 105102W		
Sd/-	Sd/-	Sd/-	Sd/-
G. Srinivas	**Shirish Rahalkar**	**P B Venugopal**	**Rajni Mishra**
Partner	Partner	Managing Director and CEO	Chairperson and Independent Director
Membership No: 086761	Membership No: 111212	DIN: 10387035	DIN: 08386001
Bengaluru	Mumbai		
21 May 2026	21 May 2026		
		Sd/-	Sd/-
		Surya Narayan Patro	**Rajat Ilkal**
		Chief Financial Officer	Company Secretary Membership No. A69311
		Bengaluru	Bengaluru
		21 May 2026	21 May 2026

Toyota Financial Services India Limited
Statement of cash flow for the year ended 31 March 2026

(Amounts are in Rs. Million)

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
A.	**Cash flow from operating activities**		
	Profit/(loss) before tax	1,865.86	147.14
	Adjustments for :		
	Depreciation, amortisation and impairment	310.16	265.76
	Net loss/(gain) on derecognition of property, plant and equipment	2.30	(16.14)
	Net (gain)/loss on fair value changes	(451.27)	361.06
	Interest income	(18,992.23)	(14,498.14)
	Interest on lease liability	12.05	5.66
	Interest on debt securities	5,450.53	3,935.14
	Interest on borrowings (other than debt securities)	7,351.92	6,327.37
	Impairment on financial instruments	2,553.83	2,157.98
	Others (includes Interest on Security deposits)	(2.39)	(2.99)
	Operating profit before working capital changes	**(1,899.24)**	**(1,317.16)**
	Changes in working capital :		
	Increase/(Decrease) in trade payables	201.90	(212.53)
	(Decrease)/Increase in other financial liabilities	(572.64)	6.09
	Increase/(Decrease) in other non-financial liabilities	87.20	(5.85)
	Increase/(Decrease) in provisions	154.09	13.03
	Decrease/(Increase) in investments fair valued through P&L	-	1,001.85
	Decrease/(Increase) in loans	(43,787.39)	(52,377.59)
	Decrease/(Increase) in trade receivables	(11.75)	4.30
	Decrease/(Increase) in other financial assets	26.94	(8.72)
	Decrease/(Increase) in other non-financial assets	(175.28)	(717.03)
	Interest received	18,807.87	14,212.82
	Interest paid on debt securities	(4,116.32)	(2,936.28)
	Interest paid on borrowings (other than debt securities)	(6,744.21)	(5,469.19)
	Cash used in operations	**(38,028.83)**	**(47,806.26)**
	Taxes paid (including tax deducted at source)	(631.73)	(381.82)
	Net cash used in operating activities	**(38,660.56)**	**(48,188.08)**
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment	(627.94)	(502.49)
	Purchase of other intangible assets	(14.13)	(112.99)
	Sale of property, plant and equipment	96.64	95.61
	Proceeds from sale of investments fair valued through OCI	5,333.81	5,717.64
	Purchase of investments fair valued through OCI	(5,313.04)	(6,948.13)
	Net cash used in investing activities	**(524.66)**	**(1,750.36)**
C.	**Cash flow from financing activities**		
	Proceeds from issue of equity share capital (inclusive of securities premium)	9,990.00	6,993.00
	Debt securities issued	27,929.15	47,057.48
	Debt securities repaid	(21,000.00)	(22,500.00)
	Borrowings other than debt securities received	92,292.80	96,480.53
	Borrowings other than debt securities repaid	(70,560.65)	(75,579.63)
	Payment of lease Liability	(56.20)	(65.28)
	Net cash generated from financing activities	**38,595.10**	**52,386.10**
	Net (decrease)/increase in cash and cash equivalents(A)+(B)+(C)	**(590.12)**	**2,447.66**
	Cash and cash equivalents, beginning of the year	**4,195.68**	**1,748.02**
	Cash and cash equivalents, end of the year (refer below)	**3,605.56**	**4,195.68**

Notes to the statement of cash flow :

Cash and cash equivalents comprise of:

(a) Cash on hand	**(refer note 3)**	-	-
(b) Balances with banks			
In current accounts	(refer note 3)	441.64	443.38
Demand deposits (less than 3 months maturity)	(refer note 3)	3,152.92	3,753.18
Other Bank balance (CSR related)	(refer note 3)	11.25	-
		3,605.81	4,196.56
(c) Borrowings (other than debt securities)			
Book overdraft	(refer note 17)	(0.25)	(0.88)
TOTAL (a)+(b)+(c)		**3,605.56**	**4,195.68**

Toyota Financial Services India Limited
Statement of cash flow for the year ended 31 March 2026

Notes to the statement of cash flow (continued) :

1) Changes in liabilities arising from financing activities-

(Amounts are in Rs. Million)

Particulars	Debt Securities	Borrowings (other than debt securities)	Lease Liabilities
Balance as at the beginning of the year	64,765.58	93,279.26	229.88
Cash flows	8,263.36	22,339.86	(56.20)
Non cash changes-			
Acquisition	-	-	5.46
Deletion	-	-	(15.05)
Interest on lease liability	-	-	12.05
Foreign exchange movement	-	358.70	-
Balance as at the end of the year	**73,028.94**	**1,15,977.82**	**176.14**

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.

Material Accounting Policy Information	2
Notes to the financial statements	3 - 57

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For Brahmayya & Co.
Chartered Accountants
Firms' Registration
No: 000515S

Sd/-

G. Srinivas
Partner
Membership No: 086761

Bengaluru
21 May 2026

For B.K. Khare & Co.
Chartered Accountants
Firms' Registration
No: 105102W

Sd/-

Shirish Rahalkar
Partner
Membership No: 111212

Mumbai
21 May 2026

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

Sd/-

P B Venugopal
Managing Director
and CEO
DIN: 10387035

Sd/-

Rajni Mishra
Chairperson and
Independent Director
DIN: 08386001

Sd/-

Surya Narayan Patro
Chief Financial Officer

Bengaluru
21 May 2026

Sd/-

Rajat Ilkal
Company Secretary
Membership No. A69311

Bengaluru
21 May 2026

Toyota Financial Services India Limited
Statement of Changes in Equity (SOCIE) for the period ended 31 March 2026

A. Equity share capital

(Amounts are in Rs. Million)

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

Balance as at 01 April 2025	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 2026
16,561.54	-	-	4,761.91	21,323.45

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	Cash flow hedging reserve	
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-IC 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**
Profit for the year	-	-	1,381.92	-	-	-	**1,381.92**
Other comprehensive income (net of taxes)	-	-	-	(2.36)	(6.07)	7.27	**(1.16)**
Transfer to statutory reserve under section 45-IC of RBI Act, 1934	276.38	-	(276.38)	-	-	-	-
Additional share premium during the year	-	5,238.10	-	-	-	-	**5,238.10**
Share issue cost (Stamp duty)	-	(10.00)	-	-	-	-	**(10.00)**
Balance as at 31 March 2026	**1,253.58**	**18,149.96**	**3,973.74**	**(9.43)**	**(7.75)**	**7.27**	**23,367.37**

Note 24 describes the purpose of each reserve within equity.

Material Accounting Policy Information	2
Notes to the financial statements	3 - 57

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For Brahmayya & Co.
Chartered Accountants
Firms' Registration
No: 000515S

Sd/-

G. Srinivas
Partner
Membership No: 086761

Bengaluru
21 May 2026

For B.K. Khare & Co.
Chartered Accountants
Firms' Registration
No: 105102W

Sd/-

Shirish Rahalkar
Partner
Membership No: 111212

Mumbai
21 May 2026

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

Sd/-

P B Venugopal
Managing Director
and CEO
DIN: 10387035

Sd/-

Rajni Mishra
Chairperson and
Independent Director
DIN: 08386001

Sd/-

Surya Narayan Patro
Chief Financial Officer

Bengaluru
21 May 2026

Sd/-

Rajat Ilkal
Company Secretary
Membership No. A69311

Bengaluru
21 May 2026

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 - Financial Statements: Presentation and Disclosures) Directions, 2025 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 21 May 2026.

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 / OCI 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
Leasehold 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:

a) has a legally enforceable right to set off the recognized amounts; and

b) 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 to 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 2026	31 March 2025
3	**Cash and cash equivalents**		
	Cash on hand	-	-
	Balances with banks in current accounts	441.64	443.38
	Bank deposits (with original maturity less than 3 months)	3,152.92	3,753.18
	Other Bank balance (CSR related)	11.25	-
		3,605.81	**4,196.56**

	Particulars	31 March 2026 Notional amounts	31 March 2026 Fair Value - Assets	31 March 2026 Fair Value - Liabilities	31 March 2025 Notional amounts	31 March 2025 Fair Value - Assets	31 March 2025 Fair Value - Liabilities
4	**Derivative financial instruments**						
	Part I						
	(i) Currency and interest derivatives (at FVTPL)						
	Cross currency swaps	6,237.82	32.24	90.07	12,693.98	150.29	650.49
	Forwards	18,445.12	-	1,123.02	17,723.16	21.48	856.58
	(ii) Currency and interest derivatives (at FVOCI)						
	Cross currency swaps	3,413.97	46.68	-	-	-	-
	Forwards	4,362.39	-	151.79	-	-	-
	Total	**32,459.30**	**78.92**	**1,364.88**	**30,417.14**	**171.77**	**1,507.07**
	Part II						
	Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
	Undesignated derivatives	32,459.30	78.92	1,364.88	30,417.14	171.77	1,507.07
	Total Derivative	**32,459.30**	**78.92**	**1,364.88**	**30,417.14**	**171.77**	**1,507.07**

Fair value as given above is net off variation margin of INR 309.40 Mn (PY INR 88.10 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 / OCI.

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

	Particulars	31 March 2026	31 March 2025
5	**Trade receivables**		
	Receivables considered good - secured	-	-
	Receivables considered good - unsecured	25.07	13.32
	Less : Impairment loss allowance	-	-
		25.07	**13.32**

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 2026							
	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	Total
Receivables considered good - unsecured	3.83	0.25	20.07	0.92	-	-	-	25.07
Less : Impairment loss allowance						-	-	-
Total	**3.83**	**0.25**	**20.07**	**0.92**	**-**	**-**	**-**	**25.07**

Particulars	31 March 2025							
	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	Total
Receivables considered good - unsecured	-	3.21	9.83	0.28	-	-	-	13.32
Less : Impairment loss allowance	-	-	-	-	-	-	-	-
Total	**-**	**3.21**	**9.83**	**0.28**	**-**	**-**	**-**	**13.32**

(Amounts are in Rs. Million)

	Particulars	31 March 2026	31 March 2025
6	**Loans** (at amortised cost)		
	(A)		
	(i) Term loans	2,09,550.02	1,74,094.83
	(ii) Inventory financing	17,661.98	10,740.38
	(iii) Finance lease	3,770.62	2,766.83
	Total (A) Gross	**2,30,982.62**	**1,87,602.04**
	Less: Impairment loss allowance	(5,923.10)	(4,772.05)
	Total (A) Net	**2,25,059.52**	**1,82,829.99**
	(B)		
	(i) Secured by tangible assets	2,30,982.62	1,87,602.04
	(ii) Covered by bank/ government guarantee /others	-	-
	(iii) Unsecured	-	-
	Total (B) Gross	**2,30,982.62**	**1,87,602.04**
	Less: Impairment loss allowance	(5,923.10)	(4,772.05)
	Total (B) Net	**2,25,059.52**	**1,82,829.99**
	(C)		
	(I) Loans in India		
	(i) Public sector	-	-
	(ii) Automobile financing*	2,30,982.62	1,87,602.04
	Total (C) (I) Gross	**2,30,982.62**	**1,87,602.04**
	Less: Impairment loss allowance	(5,923.10)	(4,772.05)
	Total (C) (I) Net	**2,25,059.52**	**1,82,829.99**
	(II) Loans outside India		
	Less: Impairment loss allowance	-	-
	Total (C) (II) Net	**-**	**-**
	Total (C) (I) and (C) (II)	**2,25,059.52**	**1,82,829.99**

*Includes auto dealer financing

The Company exposure to credit risk and interest rate risk are disclosed in note no. 43

As on 31 March 2026, Loans amounting to Rs 75,412.80 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	-	-
	Recorded at Fair value through Other Comprehensive Income		
	Government securities	4,611.44	4,671.33
		4,611.44	**4,671.33**
	(II) Outside India	-	-
	Gross Investments (I+II)	**4,611.44**	**4,671.33**
	Less: Impairment loss allowance	-	-
	Net Investments	**4,611.44**	**4,671.33**

The Company exposure to credit risk and interest rate risk are disclosed in note no. 43

8	**Other financial assets** (at amortised cost)		
	Unsecured, considered good		
	Rental deposits	20.91	47.14
	Loans to employees	0.18	0.21
	Insurance deposit	1.93	2.61
		23.02	**49.96**
9	**Current tax assets (net)**		
	Considered good		
	Advance tax and tax deducted at source (Net of provision for tax INR 872 Mn) (Previous year INR 540 Mn)	209.45	134.06
		209.45	**134.06**

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

Particulars	31 March 2026	31 March 2025
Deferred tax asset		
- On provisions for impairment loss	1,315.05	1,061.82
- On mark to market on derivative instruments	86.02	202.04
- On provision for compensated absences	30.97	12.72
- On provision for provident fund liability	4.85	4.85
- On lease liability	44.33	57.86
- On remeasurements of the defined benefit plans/Investments	0.79	2.88
- On others	10.59	0.53
Deferred tax liabilities		
- On depreciation	(55.77)	(37.37)
- On EIR of loan assets	(455.11)	(386.87)
- On Right of use assets	(37.76)	(55.52)
- On debenture and commercial paper issue expenses	(2.19)	(4.78)
- On others	(23.50)	(12.69)
Deferred tax assets (net)	**918.27**	**845.47**
Movement in net deferred tax asset during the year	**72.80**	**259.79**

Particulars	31 March 2026		31 March 2025	
	Recognized in profit or loss	Recognized in OCI	Recognized in profit or loss	Recognized in OCI
- On provisions for impairment loss	253.23	-	285.59	-
- On mark to market on derivative instruments	(118.50)	2.48	90.87	-
- On provision for compensated absences	18.24	-	3.52	-
- On lease liability	4.23	-	0.39	-
- On depreciation	(18.38)	-	(25.69)	-
- On EIR of loan assets	(68.25)	-	(87.86)	-
- On debenture and commercial paper issue expenses	2.59	-	1.11	-
- On remeasurements of the defined benefit plans/Investments	-	(2.09)	-	1.87
- On others	(0.75)	-	(10.01)	-
Movement in net deferred tax asset during the year	**72.41**	**0.39**	**257.92**	**1.87**

	Particulars	31 March 2026	31 March 2025
A.	**Amounts recognized in statement of profit and loss**		
	Current tax expense		
	In respect of current year	556.35	314.48
	In respect of prior years	-	14.77
		556.35	**329.25**
	Deferred tax expense		
	Origination and reversal of temporary differences arisen in current year	**(72.41)**	**(257.92)**
		(72.41)	**(257.92)**
	Tax expense recognized in the statement of profit & loss	**483.94**	**71.33**
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)	0.79	1.45
	Income tax relating to items that will be reclassified to profit or loss		
	Fair value changes on Investments / Hedge instrument	(0.40)	0.42
	Tax expense recognised in Other comprehensive income	**0.39**	**1.87**
C.	**Reconciliation of effective tax rate**		
	Profit / (loss) before tax	**1,865.86**	**147.14**
	Enacted income tax rate in India	**25.17%**	**25.17%**
	Computed expected tax expense	469.64	37.03
	Tax effect of:		
	Non-deductible expenses	10.97	17.86
	Tax effect of earlier years	-	14.77
	Others	3.33	1.67
	Total income tax expense	**483.94**	**71.33**

11 Property, plant and equipment

(Amounts are in Rs. Million)

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 01 April 2025	Additions	Deductions/ Disposals/ Adjustments	Balance as at 31 March 2026	Balance as at 01 April 2025	Charge for the period	Deductions/ Disposals/ Adjustments	Balance as at 31 March 2026	Balance as at 31 March 2026	Balance as at 31 March 2025
Leasehold improvements	30.18	69.15	30.18	69.15	23.19	15.05	28.18	10.06	59.09	6.99
Computers & servers	120.39	55.60	6.01	169.98	77.91	33.20	6.01	105.10	64.88	42.48
Furniture and fixtures	15.18	23.79	7.51	31.46	4.50	3.30	1.73	6.07	25.39	10.68
Vehicles	141.81	111.52	24.57	228.76	16.28	22.79	5.57	33.50	195.26	125.53
Office equipment	30.16	12.54	1.85	40.85	11.75	9.16	1.03	19.88	20.97	18.41
Leased vehicle (Operating lease)	750.50	355.34	137.02	968.82	147.34	100.22	59.21	188.35	780.47	603.16
TOTAL	**1,088.22**	**627.94**	**207.14**	**1,509.02**	**280.97**	**183.72**	**101.73**	**362.96**	**1,146.06**	**807.25**

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 01 April 2024	Additions	Deductions/ Disposals/ Adjustments	Balance as at 31 March 2025	Balance as at 01 April 2024	Charge for the year	Deductions/ Disposals/ Adjustments	Balance as at 31 March 2025	Balance as at 31 March 2025	Balance as at 31 March 2024
Leasehold improvements	30.18	-	-	30.18	11.21	11.98	-	23.19	6.99	18.97
Computers & servers	105.12	27.64	12.37	120.39	64.49	25.79	12.37	77.91	42.48	40.63
Furniture and fixtures	15.18	-	-	15.18	2.93	1.57	-	4.50	10.68	12.25
Vehicles	38.04	133.41	29.64	141.81	11.20	17.34	12.26	16.28	125.53	26.84
Office equipment	14.73	15.43	-	30.16	7.69	4.06	-	11.75	18.41	7.04
Leased vehicle (Operating lease)	545.83	326.01	121.34	750.50	115.18	91.41	59.25	147.34	603.16	430.65
TOTAL	**749.08**	**502.49**	**163.35**	**1,088.22**	**212.70**	**152.15**	**83.88**	**280.97**	**807.25**	**536.38**

The Company does not hold any immovable property as at 31 March 2026 and 31 March 2025. All the lease agreements are duly executed in the favour of the Company for properties where the Company is the lessee.

Toyota Financial Services India Limited
Notes to the financial statements for the period ended 31 March 2026

12 Right-of-use assets

Particulars	31 March 2026			31 March 2025		
	Office Premises	IT Asset	Total	Office Premises	IT Asset	Total
Balance as at the beginning of the year	227.94	0.18	228.12	93.44	0.38	93.82
Add: Additions during the year	5.46	-	5.46	192.86	-	192.86
Less: Deductions during the year	15.81	-	15.81	-	-	-
Less: Depreciation charge for the year	63.08	0.18	63.26	58.36	0.20	58.56
Balance as at the end of year	**154.51**	**(0.00)**	**154.51**	**227.94**	**0.18**	**228.12**

13 Other Intangible assets and Intangible assets under development

(a) Other Intangible assets:

(Amounts are in Rs. Million)

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 01 April 2025	Additions	Deductions/ Disposals/ Adjustments	Balance as at 31 March 2026	Balance as at 01 April 2025	Charge for the period	Deductions/ Disposals/ Adjustments	Balance as at 31 March 2026	Balance as at 31 March 2026	Balance as at 31 March 2025
Computer software	395.28	10.71	-	405.99	224.33	63.17	-	287.50	118.49	170.95
Total	**395.28**	**10.71**	**-**	**405.99**	**224.33**	**63.17**	**-**	**287.50**	**118.49**	**170.95**

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 01 April 2024	Additions	Deductions/ Disposals/ Adjustments	Balance as at 31 March 2025	Balance as at 01 April 2024	Charge for the year	Deductions/ Disposals/ Adjustments	Balance as at 31 March 2025	Balance as at 31 March 2025	Balance as at 31 March 2024
Computer software	282.29	112.99	-	395.28	169.28	55.05	-	224.33	170.95	113.01
Total	**282.29**	**112.99**	**-**	**395.28**	**169.28**	**55.05**	**-**	**224.33**	**170.95**	**113.01**

(b) Intangible assets under development:

PARTICULARS	Balance as at 31 March 2026	Balance as at 31 March 2025
Intangible assets under development:	**3.42**	**-**

i) Ageing of intangible assets under development

Particulars	31 March 2026					31 March 2025				
	Amounts in intangible assets under development for					Amounts in intangible assets under development for				
	Less than 1 year	1- 2 years	2 - 3 years	more than 3 years	Total	Less than 1 year	1- 2 years	2 - 3 years	more than 3 years	Total
(i) Projects in progress	3.42		-	-	**3.42**	-	-	-	-	**-**
(ii) Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	**3.42**	**-**	**-**	**-**	**3.42**	**-**	**-**	**-**	**-**	**-**

-

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 2026					31 March 2025				
	To be completed in					To be completed in				
	Less than 1 year	1- 2 years	2 - 3 years	more than 3 years	Total	Less than 1 year	1- 2 years	2 - 3 years	more than 3 years	Total
(i) Projects in progress										
Management Information System	-	-	-	-	**-**	-	-	-	-	**-**
Operating lease system	-	-	-	-	**-**	-	-	-	-	**-**
Lending system	-	-	-	-	**-**	-	-	-	-	**-**
Payments, collection and reconciliation system	-	-	-	-	**-**	-	-	-	-	**-**
(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 and intangible asset under development completion schedule is not applicable.

(Amounts are in Rs. Million)

	Particulars		31 March 2026	31 March 2025
14	**Other non-financial assets**			
	Balances with government authorities (Goods and Service tax)		1,357.96	1,044.96
	Prepaid expenses		116.57	73.89
	Advance payment to vendors		32.87	209.47
	Capital advances		3.67	19.16
	Stamp and stamp papers on hand		14.80	14.54
	Advance payment to employees		0.10	0.57
	Other advances		12.88	0.98
			1,538.85	**1,363.57**
15	**Trade payables**			
	Total outstanding dues of Micro, Small and Medium Enterprises	(A)	91.07	60.25
	Total outstanding dues of creditors other than Micro, Small and Medium Enterprises	(B)	534.83	363.76
	Total	(A+B)	**625.90**	**424.01**

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

a) Ageing of trade payables :

Particulars	31 March 2026							
	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	Total
Undisputed trade payables								
Micro, small and medium enterprises	54.19	30.15	1.96	4.77	-	-	-	**91.07**
Others	268.88	253.04	12.87	0.04	-	-	-	**534.83**
Total	**323.07**	**283.19**	**14.83**	**4.81**	-	-	-	**625.90**

Particulars	31 March 2025							
	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	Total
Undisputed trade payables								
Micro, small and medium enterprises	44.82	15.43	-	-	-	-	-	**60.25**
Others	150.56	210.37	-	2.83	-	-	-	**363.76**
Total	**195.38**	**225.80**	-	**2.83**	-	-	-	**424.01**

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 2026	31 March 2025
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	91.07	60.25
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;	0.18	0.03
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.	0.04	0.18
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, 2006.	0.04	0.18

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 2026	31 March 2025
16	**Debt Securities** (at amortised cost)		
	Redeemable non convertible debentures (Secured)	68,464.23	50,377.66
	Commercial paper (Unsecured)	4,564.71	14,387.92
		73,028.94	**64,765.58**
	Debt securities in India	73,028.94	64,765.58
	Debt securities outside India	-	-
		73,028.94	**64,765.58**

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 31 March 2026	Balance as at 31 March 2025	Due date of redemption	Rate of interest (%)
INE692Q07373	1,500	10,00,000	-	1,556.81	26-09-2025	7.55
INE692Q07399	3,000	10,00,000	-	3,084.27	19-12-2025	8.00
INE692Q07407	15,000	1,00,000	1,504.72	1,503.96	19-06-2026	8.35
INE692Q07415	30,000	1,00,000	3,222.89	3,223.59	28-05-2026	8.10
INE692Q07423	37,500	1,00,000	3,969.67	3,969.41	03-07-2026	8.00
INE692Q07431	25,000	1,00,000	2,633.90	2,633.66	28-07-2026	8.09
INE692Q07449	50,000	1,00,000	5,223.92	5,224.43	07-09-2026	8.15
INE692Q07456	15,000	1,00,000	-	1,522.27	21-01-2026	8.25
INE692Q07464	15,000	1,00,000	1,542.36	1,542.20	21-11-2028	8.25
INE692Q07480	32,500	1,00,000	3,257.46	3,257.56	19-03-2027	8.36
INE692Q07472	15,000	1,00,000	1,522.78	1,522.56	19-01-2029	8.32
INE692Q07498	20,000	1,00,000	2,013.10	2,009.00	25-01-2027	8.30
INE692Q07506	26,500	1,00,000	2,829.63	2,829.59	31-05-2027	8.17
INE692Q07514	12,500	1,00,000	1,321.28	1,321.22	16-07-2029	8.20
INE692Q07522	30,000	1,00,000	3,120.13	3,119.42	29-09-2027	8.18
INE692Q07530	20,000	1,00,000	2,043.36	2,043.17	17-12-2027	7.99
INE692Q07548	50,000	1,00,000	5,009.34	5,008.63	21-03-2028	8.06
INE692Q07555	50,000	1,00,000	5,039.36	5,005.91	22-02-2028	8.05
INE692Q07563	50,000	1,00,000	5,305.91	-	13-06-2028	7.70
INE692Q07571	30,000	1,00,000	3,128.09	-	28-08-2028	7.38
INE692Q07589	30,000	1,00,000	3,060.46	-	15-12-2027	7.24
INE692Q07597	25,000	1,00,000	2,535.40	-	15-01-2029	7.30
INE692Q07605	30,000	1,00,000	3,053.48	-	28-12-2028	7.28
INE692Q07621	20,000	1,00,000	2,039.67	-	18-11-2027	7.08
INE692Q07613	30,000	1,00,000	3,060.04	-	17-11-2028	7.22
INE692Q07639	20,000	1,00,000	2,027.28	-	10-01-2028	7.14
			68,464.23	**50,377.66**		

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 2026 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 2026	31 March 2025
Commercial Paper	4,600.00	15,000.00
Less : unamortised Discount	35.29	612.08
	4,564.71	**14,387.92**

Type of Security	No. of Securities	Face Value	Balance as at 31 March 2026	Balance as at 31 March 2025	Due date of redemption	Rate of interest (%)
INE692Q14BI6	4,000	5,00,000	-	1,962.25	30-06-2025	8.00
INE692Q14BK2	2,000	5,00,000	-	969.58	25-08-2025	8.00
INE692Q14BL0	6,000	5,00,000	-	2,880.12	15-10-2025	7.83
INE692Q14BM8	2,000	5,00,000	-	965.24	19-09-2025	7.80
INE692Q14BO4	4,000	5,00,000	-	1,889.05	23-12-2025	8.10
INE692Q14BP1	4,500	5,00,000	-	2,107.71	06-02-2026	7.95
INE692Q14BQ9	5,000	5,00,000	-	2,432.26	14-08-2025	7.55
INE692Q14BR7	1,000	5,00,000	-	483.98	08-09-2025	7.55
INE692Q14BS5	1,500	5,00,000	-	697.73	13-03-2026	7.90
INE692Q14BT3	3,200	5,00,000	1,576.66	-	22-06-2026	6.73
INE692Q14BU1	6,000	5,00,000	2,988.05	-	24-04-2026	6.40
			4,564.71	**14,387.92**		

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 2026	31 March 2025
17	**Borrowings (other than debt securities)** (at amortised cost)		
	(a) Term loans (unsecured)		
	(i) from banks	1,13,957.16	86,345.63
	(b) Loans from related parties (Refer Note 39)	2,020.41	6,932.75
	(c) Loans repayable on demand (unsecured)		
	(i) from banks	0.25	0.88
		1,15,977.82	**93,279.26**
	Borrowings in India	83,371.78	62,830.81
	Borrowings outside India	32,606.04	30,448.45
		1,15,977.82	**93,279.26**

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 6,406.25 million is repayable on quarterly instalment and
b.Term Loan amounting to INR 4,147.67 million is repayable on half yearly instalment.

Schedule of repayment

Rate of Interest	Maturity	No.of Installments	31 March 2026	31 March 2025
Fixed	Upto 1 year	1	27,003.06	22,425.15
Fixed	Upto 1 year	3	-	1,049.99
Fixed	Upto 1 year	4	625.00	1,025.00
Fixed	1-2 years	1	27,491.37	17,420.73
Fixed	1-2 years	4	625.00	625.00
Fixed	2-3 years	1	18,711.98	16,086.09
Fixed	2-3 years	4	-	625.00
Fixed	3-4 years	1	1,666.67	156.25
Tbill +Spread	Upto 1 year	1	21,793.12	17,567.42
Tbill +Spread	Upto 1 year	2	-	500.00
Tbill +Spread	Upto 1 year	3	1,550.03	-
Tbill +Spread	Upto 1 year	4	2,000.00	2,000.00
Tbill +Spread	1-2 years	1	-	4,650.00
Tbill +Spread	1-2 years	2	1,998.72	1,550.00
Tbill +Spread	1-2 years	4	2,000.00	2,000.00
Tbill +Spread	2-3 years	1	9,512.87	-
Tbill +Spread	2-3 years	2	1,000.00	1,999.14
Tbill +Spread	2-3 years	4	-	2,000.00
Tbill +Spread	3-4 years	1	-	599.49
Tbill +Spread	3-4 years	2	-	1,000.00
			1,15,977.82	**93,279.26**

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 7.25% p.a. for the overdraft outstanding as at 31 March 2026.

The interest rates range from 5.95% to 6.97% for working capital demand loans and 6.32% to 8.35% for term loans and 7.12% to 8.0% (including exchange gain/loss) for the ECB as at 31 March 2026.

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 period ended 31 March 2026

(Amounts are in Rs. Million)

	Particulars	31 March 2026	31 March 2025
18	**Lease liabilities**		
	Balance as at the beginning of the year	229.88	96.64
	Add: Additions during the year	5.46	192.86
	Add: Interest charge for the year	12.05	5.66
	Less: Deductions during the year	15.05	-
	Less: Lease payment made during the year	56.20	65.28
	Balance as at the end of the year	**176.14**	**229.88**
19	**Other financial liabilities**		
	Earnest money deposit	158.00	127.55
	Payable to dealers	547.48	1,243.82
	Other financial liabilities	400.55	307.30
		1,106.03	**1,678.67**
20	**Current tax liabilities (net)**		
	Provision for tax (net of advance tax and tax deducted at sources)	-	-
		-	**-**
21	**Provisions**		
	Provision for expected credit loss on undisbursed loan commitments	3.65	0.41
	Provision for leased assets (Operating Lease)	13.47	4.50
	Provision for employee benefits		
	- Bonus	193.17	103.22
	- Gratuity*	67.23	17.40
	- Compensated absences	55.81	50.54
		333.33	**176.07**

* Includes New Labour Code Impact

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

	Particulars	31 March 2026	31 March 2025
22	**Other non- financial liabilities**		
	Rent equalisation	-	2.06
	Statutory liabilities	188.97	99.70
		188.97	**101.76**

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

	Particulars	31 March 2026	31 March 2025
23	**Equity share capital**		
	Authorized equity shares		
	2,950,941,900 (31 March 2025: 2,410,941,900) Equity Shares of INR 10 each	29,509.42	24,109.42
		29,509.42	**24,109.42**
	Issued, subscribed and fully Paid up equity shares		
	2,132,344,592 (31 March 2025: 1,656,154,116) equity shares of INR 10 each	21,323.45	16,561.54
		21,323.45	**16,561.54**

(a) Reconciliation of number of shares	31 March 2026	31 March 2025
Particulars	**No of shares**	**No of shares**
Balance at the beginning of the year		
Equity Shares	1,65,61,54,116	1,35,81,46,870
Add: Shares Issued during the year		
Equity Shares	47,61,90,476	29,80,07,246
Balance at the end of the year		
Equity Shares	2,13,23,44,592	1,65,61,54,116

During the year ended March 31, 2026, 4,76,190,476 equity shares of Rs 10 each have been allotted on 25 June 2025 for cash, at a premium of Rs.11 each (Total of Rs 10,000 Mn) pursuant to a resolution of shareholders passed at Extraordinary General Meeting held on 19 June 2025.

Previous Year - During FY 24-25, 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.

(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 2026, 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 2026	31 March 2025
2,132,344,592 (31 March 2025: 1,656,154,116) equity shares held by Toyota Financial Services Corporation, Japan and its nominees, ultimately held by Toyota Motor Corporation, Japan.	2,13,23,44,592	1,65,61,54,116
Percentage holding	100.00%	100.00%

(d) Shares held by Promoters and its nominees

Particulars	31 March 2026	31 March 2025
2,132,344,592 (31 March 2025: 1,656,154,116) equity shares held by Toyota Financial Services Corporation, Japan and its nominees, ultimately held by Toyota Motor Corporation, Japan.	2,13,23,44,592	1,65,61,54,116
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 2026	31 March 2025
Equity Shares:		
Toyota Financial Services Corporation, Japan and its nominees, ultimately held by Toyota Motor Corporation, Japan.	2,13,23,44,592	1,65,61,54,116
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 2026	31 March 2025
24	**Other equity**		
	Statutory reserve	1,253.58	977.20
	Security premium account	18,149.96	12,921.86
	Retained earnings	3,973.74	2,868.20
	Other comprehensive (loss)/income	(9.91)	(8.75)
		23,367.37	**16,758.51**

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

Note :

Nature and purpose of reserves

1. Statutory reserve
In terms of Section 45-IC 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, 2013.

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, fair value changes on investments and the effective portion of gains and loss on hedging instruments in a cash flow hedge are considered in other comprehensive income.

(Amounts are in Rs. Million)

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
25	**Interest income**		
	Interest on loans (at amortised cost)	18,688.32	14,164.33
	Interest on deposits with banks (at amortised cost)	47.90	62.91
	Interest on investment (at FVOCI)	256.01	270.90
		18,992.23	**14,498.14**
26	**Net gain/loss on fair value changes**		
	(A) Net gain on financial instruments at fair value through profit or (loss)		
	-Investment	183.52	88.61
	-Derivative instruments (including conversion of ECB loans)	451.27	(361.06)
		634.79	**(272.45)**
	(B) Fair value changes:		
	-Realised	284.09	148.19
	-Unrealised	350.70	(420.64)
		634.79	**(272.45)**
27	**Other operating income**		
	Foreclosure charges	290.66	236.75
	Late payment interest	98.13	98.28
	Bounce charges	76.67	73.67
	Documentation charges	24.15	20.34
	Others	168.87	95.29
		658.48	**524.33**
28	**Other income**		
	Net gain on derecognition of property, plant and equipment	-	16.14
	Interest on income tax refund	3.46	-
	Interest on Security Deposit	2.39	2.99
	Miscellaneous income	0.15	0.09
		6.00	**19.22**
29	**Finance costs** (on financial liabilities measured at amortised cost)		
	Interest on debt securities	5,450.53	3,935.14
	Interest on borrowings (other than debt securities) **	7,351.92	6,327.37
	Interest on lease liability	12.05	5.66
	Other interest expense	0.94	0.20
		12,815.44	**10,268.37**

**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 / OCI. Net gain on fair value changes includes mark to market gain/loss on derivative instrument and translation gain/loss on conversion of ECB loan.

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
30	**Impairment on financial instruments**		
	(on financial assets measured at amortised cost)		
	Loans		
	- Loan loss provisioning #	1,082.09	1,185.12
	- Bad debt written off (Net off recoveries) *#	1,471.74	972.86
		2,553.83	**2,157.98**
	* Net off recoveries from bad debts written off cases	546.75	354.54
	# Including the impairment allowance as of the derecognition date	1,336.09	855.69
31	**Employee benefit expenses**		
	Salaries and wages	1,204.20	856.56
	Contribution to Provident and other funds	59.39	43.46
	Gratuity	64.08	11.49
	Staff welfare expenses	31.57	23.63
		1,359.24	**935.14**

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

(Amounts are in Rs. Million)

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
32	**Depreciation, amortisation and impairment**		
	Depreciation on property, plant and equipment	183.72	152.16
	Amortisation of intangible assets	63.17	55.05
	Depreciation on right-of-use assets	63.27	58.55
		310.16	**265.76**
33	**Other expenses**		
	Rent, taxes and energy costs	52.83	49.27
	Collection charges	421.42	323.08
	Information technology services	366.74	265.07
	Legal and professional charges	451.74	311.06
	Postage and courier	30.81	22.71
	Communication costs	23.65	18.24
	Travelling and conveyance	78.70	55.87
	Repairs and maintenance	15.92	9.96
	Printing and stationery	12.32	14.54
	Recruitment expenses	39.72	12.33
	Advertisement and publicity	29.44	2.64
	Expenditure towards corporate social responsibility (CSR) activities *	20.89	24.34
	Credit rating fees and other expenses	25.10	17.97
	Auditor’s fees and expenses		
	as statutory auditor	8.50	9.30
	as tax auditor	0.70	0.30
	for certification	1.15	0.45
	for reimbursement of expenses	2.79	1.84
	Director’s fees	3.04	2.22
	Net loss on derecognition of property, plant and equipment	2.30	-
	Net (gain) / loss on foreign currency transaction and translation (other than those considered as finance cost)	0.58	0.54
	Other expenditure	90.43	64.15
		1,678.77	**1,205.88**

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 through out 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. Gross Amount required to be spent towards CSR u/s 135 (5) of Companies Act , 2013	20.89	24.34
b. Amount approved by the Board to be spent during the year	34.92	0.24
c. Amount spent during the year		
(i) Construction/acquisition of any asset	12.88	0.20
(ii) Others	-	-
d. Excess/(Shortfall)	20.89	0.04
e. Total of previous years shortfall	11.25	-
f. Reason for shortfall	Ongoing project	Ongoing project
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	Yes
j.Accrual towards unspent obligations (Shortfall) in relation to ongoing project	32.14	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 2025	24.14	-
b. Amount deposited in separate CSR unspent account during the year	20.89	24.14
c. Amount spent from separate CSR unspent account during the year	12.88	-
d. Balance in separate CSR unspent account as at 31st March 2026	32.15	24.14

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 2026**	**31 March 2025**
Profit / (loss) for the year	1,381.92	75.81
Shares		
Basic outstanding shares	1,65,61,54,116	1,35,81,46,870
Effect of shares issued during the year	47,61,90,476	29,80,07,246
Weighted average number of shares for computing basic EPS	2,02,14,50,920	1,46,93,76,272
Earning per share		
Basic (in Rs.)	0.68	0.05
Diluted (in Rs.) *	0.68	0.05
Face value per share (Rs,)	10.00	10.00

* There are no dilutive shares issued by the Company as on 31 March 2026 and 31 March 2025.

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

(Amounts are in Rs. Million)

Particulars	**31 March 2026**	**31 March 2025**
(i) Contingent liabilities:		
(a) Claims against the Company not acknowledged as debt*		
- Consumer claim against company	-	-
- Indirect tax matter under dispute for FY 2017-18	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**	**6.48**
(ii) Other Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	4.21	16.83

* 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 defense 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.

36 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(Amounts are in Rs. Million)

		31 March 2026			31 March 2025		
	Assets	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
I	**Financial assets**						
(a)	Cash and cash equivalents	3,605.81	-	3,605.81	4,196.56	-	4,196.56
(b)	Derivative financial instruments	32.24	46.68	78.92	152.03	19.74	171.77
(c)	Trade receivables	25.07	-	25.07	13.32	-	13.32
(d)	Loans*	87,692.38	1,37,367.14	2,25,059.52	68,263.89	1,14,566.10	1,82,829.99
(e)	Investments	4,611.44	-	4,611.44	4,671.33	-	4,671.33
(f)	Other financial assets	17.42	5.60	23.02	44.36	5.60	49.96
	Total financial assets	**95,984.36**	**1,37,419.42**	**2,33,403.78**	**77,341.49**	**1,14,591.44**	**1,91,932.93**
II	**Non-financial assets**						
(a)	Current tax assets (net)	-	209.45	209.45	-	134.06	134.06
(b)	Deferred tax assets (net)	-	918.27	918.27	-	845.47	845.47
(c)	Property, plant and equipment	-	1,146.06	1,146.06	-	807.25	807.25
(d)	Right-of-use assets	-	154.51	154.51	38.29	189.83	228.12
(e)	Intangible assets under development	-	3.42	3.42	-	-	-
(f)	Other intangible assets	-	118.49	118.49	-	170.95	170.95
(g)	Other non-financial assets	1,535.41	3.44	1,538.85	1,362.47	1.10	1,363.57
	Total non-financial assets	**1,535.41**	**2,553.64**	**4,089.05**	**1,400.76**	**2,148.66**	**3,549.42**
	Total Assets	**97,519.77**	**1,39,973.06**	**2,37,492.83**	**78,742.25**	**1,16,740.10**	**1,95,482.35**

		31 March 2026			31 March 2025		
	Liabilities	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
I	**Liabilities**						
i	**Financial liabilities**						
(a)	Derivative financial instruments	97.07	1,267.81	1,364.88	439.98	1,067.09	1,507.07
(b)	Payables						
	Trade payables	625.90	-	625.90	424.01	-	424.01
	(i) total outstanding dues of micro enterprises and small enterprises	91.07	-	91.07	60.25	-	60.25
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	534.83	-	534.83	363.76	-	363.76
(c)	Debt securities	25,133.81	47,895.13	73,028.94	21,882.10	42,883.48	64,765.58
(d)	Borrowings (other than debt securities)	52,971.20	63,006.62	1,15,977.82	44,567.56	48,711.70	93,279.26
(e)	Lease liabilities	37.41	138.73	176.14	57.59	172.29	229.88
(f)	Other financial liabilities	994.03	112.00	1,106.03	1,558.35	120.32	1,678.67
	Total financial liabilities	**79,859.42**	**1,12,420.29**	**1,92,279.71**	**68,929.59**	**92,954.88**	**1,61,884.47**
ii	**Non-financial liabilities**						
(a)	Current tax liabilities (net)	-	-	-	-	-	-
(b)	Provisions	333.33	-	333.33	176.07	-	176.07
(c)	Other non-financial liabilities	188.97	-	188.97	101.76	-	101.76
	Total non-financial liabilities	**522.30**	**-**	**522.30**	**277.83**	**-**	**277.83**
	Total Liabilities	**80,381.72**	**1,12,420.29**	**1,92,802.01**	**69,207.42**	**92,954.88**	**1,62,162.30**
	Net Asset / (Liabilitiy)	**17,138.05**	**27,552.77**	**44,690.82**	**9,534.83**	**23,785.22**	**33,320.05**

* Amounts are based on behavioural pattern as disclosed in Note 43(B)(ii).

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

(Amounts are in Rs. Million)

Particulars	**31 March 2026**	**31 March 2025**
(a) The expense relating to short-term leases during the year	1.28	2.23
(b) The expense relating to leases of low-value assets during the year	0.27	0.18
(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	63.26	58.56
(g) Interest expense (included in finance cost)	12.05	5.66
(h) Future lease payments-		
within one year	48.61	71.76
after one year but not more than five years	152.78	197.60
more than five years	-	-
(i) Future lease payments for low-value assets -		
within one year	0.27	0.18
after one year but not more than five years	-	-
more than five years	-	-
(j) Total Lease Payment	56.20	65.28

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 2026**	**31 March 2025**
(a) Lease income recognised in the Statement of Profit and Loss during the year	249.40	183.76
(b) Future lease income-		
within one year	231.86	217.27
after one year but not more than five years	359.67	308.94
more than five years	-	-

The gross carrying amount, accumulated depreciation and net carrying amount of vehicles given on lease as at 31 March 2026 and 31 March 2025 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 2026**	**31 March 2025**
Minimum lease payment (a)	4,661.86	3,479.92
Unearned finance income (b)	891.24	713.09
Present value of minimum lease payments (a-b)	3,770.62	2,766.83

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

Particulars	**31 March 2026**	**31 March 2025**
Less than one year (a)	2,018.16	1,025.74
Between one and five years (b)	2,643.70	2,454.18
Present value of minimum lease payments (a+b)	4,661.86	3,479.92

Other relevant disclosures for finance leases as lessor:

Particulars	**31 March 2026**	**31 March 2025**
Accumulated allowance for uncollectible minimum lease payments receivable	256.07	270.27

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 derives 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, USA 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 Toyota Mobility Solutions & Services India Private Limited Toyota Tsusho Systems, Singapore
(iv) Other affiliated companies with which the Company had transactions (parties under same group)#	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 Toyota Tsusho Bharat Motor Private Limited (TTBM) Toyota Industries Engine India Private Limited JTEKT India Limited Toyoda Gosei South India Private Limited (TGSIN) Toyota Boshoku Automotive India Private Limited Denso Haryana Private Limited
(v) Key Management Personnel	Mr. Pala Bushanam Venugopal - Managing Director and CEO (Appointed w.e.f. 01 February 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. 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 (Retired w.e.f. 31 December 2025) Mr. Hiroyasu Ito - Whole Time Director (Appointed w.e.f. 01 January 2026) Ms. Sunita Rajiv Handa - Independent Director (Retired w.e.f 9 September 2024) Ms. Rajni Anil Mishra - Independent Director (Appointed w.e.f 10 September 2024) Mr. Venkatraman Prakash - Independent Director (Retired w.e.f 13 November 2025) Mr. Raghu Venkata Harish - Independent Director (Appointed w.e.f 14 November 2025)

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 :

(Amounts are in Rs. Million)

Particulars	31 March 2026	31 March 2025
Remuneration to Managing Director		
Short-term employee benefits	18.80	16.61
Remuneration to Chief Financial Officer		
Short-term employee benefits	6.79	10.97
Remuneration to Company Secretary		
Short-term employee benefits	1.56	2.42
Remuneration to Whole time Director		
Short-term employee benefits	24.32	25.58
Remuneration to Non-Executive Director		
Mr. Tetsuo Higuchi	-	-
Directors sitting fees		
(i) Ms. Sunita Rajiv Handa	-	0.42
(ii) Mr. Venkatraman Prakash	0.97	1.00
(iii) Ms. Rajni Anil Mishra	1.41	0.62
(iv) Mr. Raghu Venkata Harish	0.42	-

Related parties (Continued)

ii 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 2026	31 March 2025
Toyota Kirloskar Motor Private Limited		
(i) Expenses-		
Professional fee	99.12	45.23
IT network communication	0.34	1.17
Others	7.29	2.69
(ii) Income-		
Professional fee	10.07	3.61
Incentive Fees	-	-
Lease income	0.23	1.14
(iii) Capital advance	3.67	19.16
(iv) Purchase of vehicle	210.55	183.53
(v) Sale of fixed asset	-	58.45
Toyota Financial Services Corporation, Japan		
Professional fees	3.82	2.96
Staff welfare	-	0.60
Training expenses	2.03	0.06
Equity Share Capital Infusion	10,000.00	7,000.00
Other Income (Reimbursement)	-	0.01
Toyota Motor Credit Corporation, USA		
Information technology services	2.13	2.04
Toyota Motor Asia (Singapore) Pte Limited (Formerly Toyota Motor Asia Pacific Pte Limited)		
Professional fees	14.09	8.19
Information technology services	-	-
Training expenses	16.68	-
Toyota Tsusho Systems, Singapore		
Information technology services	0.53	0.51
Toyota Tsusho Systems, Thailand		
Information technology services	-	0.67
Toyota Tsusho Systems India Private Limited		
Information technology services	43.38	27.66
Lease income	19.72	7.92
Toyota Motor Finance (Netherlands) B.V.		
Borrowings (at applicable conversion rate on borrowing date)	-	-
Interest on Borrowings (at applicable conversion rate on reporting date)	21.57	20.85
Toyota Lakozy Auto Private Limited		
i. Income		
Interest Income	47.10	1.29
ii. Expenses		
Rent expenses	-	0.50
Purchase of vehicle	11.31	-
Commission paid	21.29	21.44
Others reimbursement	-	3.80
JTEKT Bearings India Private Limited (Formerly Koyo Bearings India Private Limited)		
Lease Income	0.83	1.37
JTEKT India Limited		
Lease Income	1.00	-
Cataler India Auto Parts Private Limited		
Lease Income	1.57	0.64
Toyota Accessories Development ME (TADME) India Private Limited		
Finance Lease	-	2.45
Lease Income	1.17	0.24
AT India Auto Parts Private Limited		
Lease Income	3.94	3.39
Toyota Tsusho Bharat Motor Private Limited (TTBM)		
Purchase of vehicle	33.01	-
Commission paid	27.18	-
Loan (Inventory Funding)	595.58	-
Interest Income	11.44	-
Toyota Industries Engine India Private Limited		
Lease Income	11.17	-
Toyota Mobility Solutions & Services India Private Limited (TMSS)		
Commission paid	3.34	-
Other expenses	0.78	-
Sale of fixed asset	30.32	-
Toyoda Gosei South India Private Limited (TGSIN)		
Finance Lease	1.41	-
Lease Income	0.63	-
Toyota Boshoku Automotive India Private Limited		
Lease Income	1.20	-
Denso Haryana Private Limited		
Lease Income	2.40	-

Related parties (Continued)

(Amounts are in Rs. Million)

Particulars	31 March 2026	31 March 2025
Outstanding Balances:		
Toyota Kirloskar Motor Private Limited		
Trade Payables	29.47	16.09
Trade Receivables	3.74	3.49
Toyota Financial Services Corporation, Japan		
Trade Payables*	3.78	2.73
Trade Receivables	-	0.01
Toyota Motor Credit Corporation, USA		
Trade Payables	0.36	0.48
Toyota Motor Asia (Singapore) Pte Limited (Formerly Toyota Motor Asia Pacific Pte Limited)		
Trade Payables	11.28	3.82
Toyota Tsusho Systems, Singapore		
Trade Payables	-	-
Toyota Tsusho Systems, Thailand		
Trade Payables	-	-
Toyota Tsusho Systems India Private Ltd		
Trade Payables	0.06	-
Trade Receivables	0.80	0.13
Toyota Motor Finance (Netherlands) B.V.		
Borrowings (at applicable conversion rate -on reporting date)	2,018.39	6,930.46
Interest on Borrowings (at applicable conversion rate -on reporting date)	2.02	2.30
Toyota Lakozy Auto Private Limited		
Trade Payables	4.81	3.67
Loan Receivable (Inventory finance)	259.24	-
JTEKT Bearings India Private Limited (Formerly Koyo Bearings India Private Limited)		
Trade Receivables	0.00	0.38
JTEKT India Limited		
Lease Receivables	0.08	-
Cataler India Auto Parts Private Limited		
Trade Receivables	-	-
Toyota Accessories Development ME (TADME) India Private Limited		
Lease Receivables	1.85	2.34
AT India Auto Parts Private Limited		
Trade Receivables	-	0.18
Toyota Tsusho Bharat Motor Private Limited (TTBM)		
Trade Payables	6.91	-
Loan Receivables	595.58	-
Toyota Industries Engine India Private Limited		
Trade Receivables	0.03	-
Toyota Mobility Solutions & Services India Private Limited (TMSS)		
Trade Payables	0.36	-
Trade Receivables	-	-
Toyoda Gosei South India Private Limited (TGSIN)		
Lease Receivables	1.36	-
Toyota Boshoku Automotive India Private Limited		
Trade Receivables	-	-
Denso Haryana Private Limited		
Trade Receivables	0.02	-

* includes payment of expat home country salaries routed through the Holding Company (Toyota Financial Service Corporation, Japan) amounting to INR 1.36 Million (Previous year: INR 0.81 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 52.13 million (previous year INR 37.89 million) for provident fund contributions and INR 0.19 million (previous year INR 0.10 million) 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 :

(Amounts are in Rs. Million)

	Particulars	31 March 2026	31 March 2025
A.	**Change in present value of obligations**		
	Present value of defined benefit obligation at the beginning of the year	69.03	56.46
	Current service cost	15.20	11.25
	Interest cost	4.03	3.73
	Remeasurements due to		
	Actuarial loss / (gain) arising from change in financial assumptions	(1.88)	0.87
	Actuarial loss / (gain) arising from change in demographic assumptions	-	1.04
	Actuarial loss / (gain) arising on account of experience changes	5.03	2.23
	Past service cost	48.31	-
	Benefits paid	(13.99)	(6.55)
	Present value of defined benefit obligation at the end of the year	**125.73**	**69.03**
B.	**Change in the fair value of plan assets**		
	Fair value of plan assets at the beginning of the year	51.62	49.71
	Expected return on plan assets	3.46	3.49
	Remeasurements due to		
	actual return on plan assets less interest on plan asset	-	(1.78)
	Benefits paid	(13.99)	(6.55)
	Employer contributions	17.40	6.75
	Fair value of plan assets at the end of the year	**58.49**	**51.62**
C.	**Change in net defined liability**		
	Fair value of plan assets at the end of the year	58.49	51.62
	Present value of funded defined benefit obligation	(125.73)	(69.03)
	Net asset / (liability)	**(67.24)**	**(17.41)**
D.	**Expense recognized in the statement of profit and loss**		
	Current service cost	15.20	11.25
	Interest cost	4.03	3.73
	Interest income on plan assets	(3.46)	(3.49)
	Past Service Cost	48.31	-
	Net gratuity expense	**64.08**	**11.49**
E.	**Remeasurements recognized in the OCI**		
	- experience adjustments	5.03	2.23
	- actuarial assumptions	(1.88)	3.68
		3.15	**5.91**
F.	**Categories of plan assets**		
	Property	-	-
	Government Debt Instruments	-	-
	Other Debt Instruments	-	-
	Equity Instruments	-	-
	Insurer managed funds	58.49	51.62
	Others	-	-
G.	**Expected cash flows for the following year**		
	Expected total benefit payments		
	Year 1	11.46	4.79
	Year 2	9.85	6.65
	Year 3	9.99	5.13
	Year 4	10.20	5.20
	Year 5	10.79	5.19
	Above 5 Years	51.67	27.72

Employee benefits (continued)

H. Actuarial Assumptions

Particulars	31 March 2026	31 March 2025
Discount Rate	6.80%	6.50%
Salary escalation rate	9.50%	9.50%
Expected Return on plan assets	7.00%	7.00%
Attrition Rate - Age (Years)		
21-30	20.00%	20.00%
31-40	20.00%	20.00%
41-50	7.00%	7.00%
51-59	5.00%	5.00%
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 2025: 7 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.

Expected contribution to the funds next year **(Amounts are in Rs. Million)**

Particulars	31 March 2026	31 March 2025
Gratuity Fund	67.24	17.41

Sensitivity analysis

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

Gratuity

Particulars	31 March 2026		31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (50 bps movement)	(4.75)	5.08	(2.78)	2.97
% change	-3.78%	4.04%	-4.02%	4.31%
Withdrawal rate (50 bps movement)	(0.59)	0.61	(0.52)	0.54
% change	-0.47%	0.48%	-0.75%	0.78%
Salary escalation rate (50 bps movement)	3.26	(3.23)	2.30	(2.23)
% change	2.59%	-2.57%	3.33%	-3.23%

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

(Amounts are in Rs. Million)

Particulars	31 March 2026	31 March 2025
Present value of unfunded obligation	55.81	50.54
Expenses recognised in Statement of Profit and Loss	16.05	23.19
Discount Rate	6.80%	6.50%
Salary escalation rate	9.50%	9.50%

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 :

Regulatory Capital **(Amounts are in Rs. Million)**

Particulars	31 March 2026	31 March 2025
Common Equity Tier 1 (CET1) capital	43,534.07	32,229.75
Tier 2 capital	1,541.44	1,150.46
Total Capital	45,075.51	33,380.21
Risk weighted assets	2,29,588.79	1,86,618.06
CET1 capital ratio	18.96%	17.27%
Total capital ratio	19.63%	17.89%

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.

(Amounts are in Rs. Million)

Particulars	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
31 March 2026					
Financial assets					
Derivative financial instruments (at FVTPL)					
Cross Currency swap/Forward*	-	32.24	-	32.24	32.24
Derivative financial instruments (at FVOCI)					
Cross Currency swap/Forward*	-	46.68	-	46.68	46.68
Investment (at FVOCI)					
Government securities	4,611.44	-	-	4,611.44	4,611.44
Financial liabilities					
Derivative financial instruments (at FVTPL)					
Cross Currency swap/Forward*	-	1,213.09	-	1,213.09	1,213.09
Derivative financial instruments (at FVOCI)	-	151.79	-	151.79	151.79
Cross Currency swap/Forward*					
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.

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.

(Amounts are in Rs. Million)

Particulars	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
31 March 2026					
Financial assets					
Loans	-	-	2,26,590.73	2,26,590.73	2,25,059.52
Financial liabilities					
Debt securities	-	69,772.67	4,564.71	74,337.38	73,028.94
Borrowings	-	-	1,15,414.89	1,15,414.89	1,15,977.82
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

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 liabilty, lease liabilty, 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 establish appropriate risk limits and control mechanisms, with ongoing monitoring of risks and adherence to approved 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 to the board of directors on its activities.

Key Risk Indicators have been monitored through thresholds mentioned, with reference to appetite of the Organization. In the Risk Appetite Statement, the day-to-day transactional risks are controlled through application of different Risk policies with respect to various departments

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, route 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. The Company reviews the outcomes of scenario based stress testing exercise based on a credit risk scenario model encompassing the macroeconomic factors.
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 and Liquidity Risk KRIs. 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 idividual 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.

(Amounts are in Rs. Million)

Particulars	Term loans *		Inventory Financing		Finance Lease	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Gross carrying value of loan assets						
Stage 1						
Neither Past due nor impaired (0 DPD)	1,92,162.52	1,59,569.23	16,656.89	8,601.56	2,624.87	2,400.89
Past Due but not impaired (1 to 30 days)	10,119.23	8,363.43	-	1,178.39	835.17	-
Stage 2						
Past Due but not impaired (31 to 89 days)	2,015.48	1,886.87	-	-	117.89	40.90
Stage 3						
Past Due and Impaired (90 days or more)	5,252.79	4,275.30	1,005.09	960.43	192.69	325.04
Balance as at 31 March 2026	**2,09,550.02**	**1,74,094.83**	**17,661.98**	**10,740.38**	**3,770.62**	**2,766.83**

* 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:

(Amounts are in Rs. Million)

Particulars	Asset group	Estimated gross carrying amount at default	Loss Rate	Expected credit losses	Carrying amount net of impairment provision
31 March 2026					
Stage 1 : Loss allowance measured at 12 month expected credit losses	Loans at Amortized cost	2,22,398.68	0.69%	1,541.43	2,20,857.26
Stage 2 : Loss allowance measured at life-time expected credit losses, not credit impaired	Loans at Amortized cost	2,133.37	21.39%	456.26	1,677.11
Stage 3 : Loss allowance measured at life-time expected credit losses, credit impaired	Loans at Amortized cost	6,450.57	60.85%	3,925.41	2,525.16
Total		**2,30,982.62**		**5,923.10**	**2,25,059.53**
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**

The Company has made additional provision for credit losses on account of increase in delinquency by way of a management overlay of INR 530.18 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:

(Amounts are in Rs. Million)

Particulars	12 month ECL	Lifetime ECL - not credit impaired	Lifetime ECL- credit impaired	Total
Balance as at 1 April 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 (Note 1 & 2)	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**
Net movement due to repayments	(38,576.37)	(297.14)	(423.49)	(39,297.00)
Transfer to 12 Month ECL from lifetime	457.32	(288.67)	(168.65)	-
Transfer to lifetime ECL-not credit-impaired	(1,442.99)	1,469.16	(26.17)	-
Transfer to lifetime ECL-credit impaired	(2,598.22)	(596.60)	3,194.82	-
Financial assets derecognised (Note 4)	(15,630.69)	(555.40)	(2,114.23)	(18,300.32)
New financial assets acquired	1,00,076.13	474.25	427.52	1,00,977.90
Balance as at 31 March 2026	**2,22,398.68**	**2,133.37**	**6,450.57**	**2,30,982.62**

(ii) Movements in the allowance for impairment in respect of loans is as follows:

Particulars	12 month ECL	Lifetime ECL - not credit impaired	Lifetime ECL- credit impaired	Total
Balance as at 1 April 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 (Note 1 & 2)	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**
Net movement due to repayments and net measurement	1,391.03	(8.05)	283.42	1,666.40
Transfer to 12 Month ECL from lifetime	14.12	(8.49)	(5.63)	-
Transfer to lifetime ECL-not credit-impaired	(306.73)	312.61	(5.88)	-
Transfer to lifetime ECL-credit impaired	(1,135.53)	(267.16)	1,402.69	-
Financial assets derecognised (Note 4)	(110.90)	(147.13)	(1,078.06)	(1,336.09)
New financial assets acquired	538.97	101.85	179.92	820.74
Balance as at 31 March 2026	**1,541.43**	**456.26**	**3,925.41**	**5,923.10**

Notes:

1. New assets acquired represents fresh disbursals 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 68.33 Mn (PY 59.25 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.

		Fair value of the collateral			
Type of collateral	**Maximum exposure to credit risk**	**Vehicles***	**Land and buildings/ Others#**	**Net Exposure**	**ECL**
31 March 2026					
Loans	6450.57	4,605.41	7,209.39	(5,364.23)	3,925.41
Total credit-impaired financial assets	**6450.57**	**4,605.41**	**7,209.39**	**(5,364.23)**	**3,925.41**
31 March 2025					
Loans	5,560.77	3,600.49	1,657.46	302.82	3,148.95
Total credit-impaired financial assets	**5,560.77**	**3,600.49**	**1,657.46**	**302.82**	**3,148.95**

* Fair value of collateral represnts EAD of Stage 3.
# Land and building / others includes lien on FD.

Particulars	**31 March 2026**	**31 March 2025**
Principal/Interest overdue for more than or equal to 90 days (Number of cases)	3,953	3,408
Principal overdue for more than or equal to 90 days (INR In Mn)	2,204.54	1,945.91
Interest overdue for more than or equal to 90 days (INR In Mn)	617.07	509.21

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 2026**	**31 March 2025**
Contractual outstanding	2,018.50	1,327.41
Amount written off during the year	2,018.50	1,327.41

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 2026 **(Amounts are in Rs. Million)**

			Expected cash flows								
Particulars	**Note No**	**Carrying Amount**	**Gross Nominal Outflow/ Inflow**	**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	1,364.88	1,364.88	90.48	458.68	0.36	1.69	3.63	810.04	-	-
Trade Payables	15	625.90	625.90	625.90	-	-	-	-	-	-	-
Debt securities	16	73,028.94	81,681.19	3,243.00	3,019.97	3,732.48	10,227.53	8,006.26	52,099.45	1,352.50	-
Borrowings (other than debt securities)	17	1,15,977.82	1,47,751.02	12,797.76	9,026.25	5,085.75	18,409.83	30,756.19	67,720.98	3,954.26	-
Lease Liability	18	176.14	176.14	3.35	3.05	3.07	9.32	19.17	90.17	48.01	-
Other financial liabilities	19	1,106.03	1,105.99	949.31	0.34	0.17	34.56	9.60	99.76	12.25	-

As at 31 March 2025

			Expected cash flows								
Particulars	**Note No**	**Carrying Amount**	**Gross Nominal Outflow/ Inflow**	**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	424.01	424.01	-	-	-	-	-	-	-	-
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 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	1,678.67	1,678.67	1,551.12	0.11	0.24	3.91	2.97	108.75	11.57	-

Maturity pattern of liabilities has been compiled by the management on contractual cashflows.

Toyota Financial Services India Limited
Notes to the financial statements for the period ended 31 March 2026

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 2026
Sr no	Number of significant counterparties *	Amount (INR Million)	% of Total deposits	% of Total Liabilities
1	20	1,75,876	N.A.	91%

				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%

* The Company considers 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 43,640 millions and 23% of total borrowings.
(Previous year:Top 10 borrowings amounts to INR 41,106 millions and 26% of total borrowings.)

d. Funding Concentration based on significant instrument/product

		31 March 2026	
Sr no	Name of the instrument/product *	Amount (INR Million)	% of Total Liabilities
1	External commercial borrowings	32,606	17%
2	Bank borrowings	83,372	43%
3	Non Convertible debentures	68,464	36%
4	Commercial Papers	4,565	2%

		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%

* 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	2%	2%	2%
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	41%	39%	32%
4	Other short-term liabilities (other than debt liabilities), if any as a % of	1%	1%	1%

For the computation of all the above disclosures the following has been considered:
i. 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.
ii. Total liabilities means total assets less equity capital and other equity.
iii. Total asset means total of asset side of the balance sheet.
iv. Borrowings have been considered at their carrying value.
v. 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 financials 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 2026 and 31 March 2025 are as below:

(Amounts are in INR Million, except foreign currency)

Particulars	31 March 2026					
	USD	JPY	SGD	USD in INR	JPY in INR	SGD in INR
Derivative financial instruments						
Foreign exchange derivative contracts	3,65,04,197.26	48,98,22,49,415.28	-	264.78	(1,241.33)	-
Exposure to foreign currency risk (assets) - (a)	3,65,04,197.26	48,98,22,49,415.28	-	264.78	(1,241.33)	-
Financial liabilities						
Payables	74,750.60	45,33,488.30	1,53,299.12	6.96	2.63	11.28
Foreign currency loan	3,60,00,000.00	48,92,71,95,000.00	-	3,413.97	29,045.34	-
Interest accrued on foreign currency loan	5,04,197.26	5,50,54,415.28	-	44.53	32.68	-
Exposure to foreign currency risk (liabilities) (b)	3,65,78,947.86	48,98,67,82,903.58	1,53,299.12	3,465.46	29,080.65	11.28
Net Exposure to foreign currency risk (c) = (b) - (a)	**74,750.60**	**45,33,488.30**	**1,53,299.12**			

Particulars	31 March 2025					
	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**			

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	
Effect in INR	Strengthening	Weakening
31 March 2026		
5% movement		
USD	(12.27)	12.27
JPY	17.60	(17.60)
SGD	(0.42)	0.42
	4.91	**(4.91)**
31 March 2025		
5% movement		
USD	(0.40)	0.40
JPY	(9.60)	9.60
SGD	(0.14)	0.14
	(10.14)	**10.14**

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.

(Amounts are in Rs. Million)

Particulars	31 March 2026	31 March 2025
Fixed-rate instruments (net of interest accrued, but not due)		
Financial assets	2,15,459	1,80,497
Financial liabilities	(1,46,958)	(1,22,477)
Net exposure	**68,501**	**58,020**
Variable-rate instruments (net of interest accrued, but not due)		
Financial assets	16,300	9,959
Financial liabilities	(39,762)	(33,796)
Net exposure	**(23,462)**	**(23,837)**

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 2026	**31 March 2025**
Variable rate instruments (net)		
100 bps increase	(175.57)	(178.38)
100 bps decrease	175.57	178.38

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 – Financial Statements: Presentation and Disclosures) Directions, 2025 (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 2026	31 March 2025
i)	CRAR (%)	19.63	17.89
ii)	CRAR - Tier I Capital (%)	18.96	17.27
iii)	CRAR - Tier II Capital (%)	0.67	0.62
iv)	Amount of Subordinated debt raised as Tier-II Capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-
	- Percentage of PDI to Tier 1 capital	-	-
	- Financial year in which interest on PDI has not been paid	-	-

(b) Investments **(Amounts are in Rs. Million)**

S.No.	Particulars	31 March 2026	31 March 2025
1	Value of investments		
	(i) Gross value of investments	-	-
	(a) In India	4,611.44	4,671.33
	(b) Outside India	-	-
	(ii) Provisions for depreciation	-	-
	(a) In India	-	-
	(b) Outside India	-	-
	(iii) Net value of investments	-	-
	(a) In India	4,611.44	4,671.33
	(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 2026	31 March 2025
(i)	The notional principal of swap agreements	32,459.30	30,417.14
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	(976.55)	(1,423.40)
(iii)	Collateral required by the NBFC upon entering into Swaps	(309.40)	88.10
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	(1,285.95)	(1,335.30)

(ii) Exchange traded interest rate (IR) derivatives

S.No.	Particulars	31 March 2026	31 March 2025
(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 – Financial Statements: Presentation and Disclosures) Directions, 2025 (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 **(Amounts are in Rs. Million)**

S.No.	Particular	31 March 2026		31 March 2025	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)				
	For hedging	32,459.30	-	30,417.14	-
(ii)	Marked to Market Positions [1]*				
	a) Asset (+)	-	-	-	-
	b) Liability (-)	1,657.70	2,943.65	230.83	1,566.12
(iii)	Credit Exposure [2]	-	-	-	-
(iv)	Unhedged Exposures	-	-	-	-

* The Company has taken Cross currecy swap/Forward. The MTM has been split between currency and interest portion.

(d) Disclosures relating to Securitisation

S.No.	Particulars	31 March 2026	31 March 2025
1 .	No. of SPEs holding assets for securitisation transactions originated by the originator (only SPVs relating to outstanding securitisation exposures)	-	-
2 .	Total amount of securitised assets as per books of the SPEs	-	-
3 .	Total amount of exposures retained by the originator 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 – Own securitisations: First loss/Others b) Off-balance sheet – Third party: First loss/Others c) On-balance sheet – Own securitisations: First loss/Others d) On-balance sheet – Third party: First loss/Others	-	-
5 .	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-	-
6 .	Form and quantum (outstanding value) of services provided by way of liquidity support, post-securitisation asset servicing, etc.	-	-
7 .	Performance of facility provided (Credit enhancement, liquidity support, servicing agent etc.) a) Amount paid b) Repayment received c) Outstanding amount	-	-
8 .	Average default rate of portfolios observed in the past (may mention last 5 years average, separately for each asset class e.g. RMBS, Vehicle Loans)	-	-
9 .	Amount and number of additional/top-up loans given on same underlying asset (separately for each asset class)	-	-
10 .	Investor complaints: (a) Directly/Indirectly received; (b) Complaints outstanding	-	-

Toyota Financial Services India Limited
Notes to the financial statements for the period ended 31 March 2026

Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Financial Statements: Presentation and Disclosures) Directions, 2025 (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 2026	31 March 2025
	Direct Exposure		
(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		
	Indirect Exposure		
	Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
	Total Exposure to real estate sector	-	-

(ii) Exposure to capital market

	Particulars	31 March 2026	31 March 2025
(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 – Financial Statements: Presentation and Disclosures) Directions, 2025 (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 (Previous Year : 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 2026		31 March 2025	
		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) Loans to Directors, Senior Officers and Relatives of Directors

Particulars	31 March 2026	31 March 2025
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

(v) 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.

(vi) Revenue recognition

There is no revenue which has been postponed pending the resolution of significant uncertainties.

(vii) Remuneration to Non-Executive Director

Refer note 39 of the financial statements.

(viii) 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 2026	31 March 2025
Under 'Impairment on financial instruments'		
Provision towards NPA	776.46	867.68
Contingent provision for standard assets, including future potential losses	305.63	317.44
Under 'Tax expenses'		
Provision made towards Income tax (including deferred tax)	483.94	71.33
Under 'Employee benefit expenses'		
Provision for gratuity and compensated absences	83.28	40.59

(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 2026	31 March 2025
Total Advances to twenty largest borrowers	17,033.85	12,357.82
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	7.37%	6.59%

(C) Concentration of exposures

Particulars	31 March 2026	31 March 2025
Total exposure to twenty largest borrowers /customers	23,354.65	16,781.79
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	9.74%	8.61%

(D) Concentration of NPAs

Particulars	31 March 2026	31 March 2025
Total exposure to top four NPA accounts	1,765.35	1,871.38

Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Financial Statements: Presentation and Disclosures) Directions, 2025 (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	31 March 2026	31 March 2025
1	Agriculture & allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	-	-
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans*	2.79%	2.96%
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 2026	31 March 2025
(i)	Net NPAs to net advances (%)	1.11	1.31
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	5,560.77	4,072.64
	(b) Additions during the year#	3,679.90	3,237.54
	(c) Reductions during the year *	2,790.10	1,749.41
	(d) Closing balance	**6,450.57**	**5,560.77**
(iii)	Movement of Net NPAs		
	(a) Opening balance	2,411.82	1,791.37
	(b) Additions during the year	1,630.15	1,598.40
	(c) Reductions during the year	1,516.81	977.95
	(d) Closing balance	**2,525.16**	**2,411.82**
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	3,148.95	2,281.27
	(b) Provisions made during the year	2,049.75	1,639.14
	(c) Write-off / write-back of excess provisions *	1,273.29	771.46
	(d) Closing balance	**3,925.41**	**3,148.95**

\# 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 2026	31 March 2025
a. Persons involved		
Customers	89.22	2.63
Employee	1.14	0.23
Collection Agency	-	-
Dealer/Lease customer	342.93	-
Total	**433.29**	**2.86**
b. Type of Fraud		
Misappropriation and criminal breach of trust	344.07	0.23
Fraudulent encashment/ manipulation of books of account	-	-
Cheating and forgery	89.22	2.63

Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Financial Statements: Presentation and Disclosures) Directions, 2025 (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 2026			31 March 2025		
	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.	2,30,982.62	6,450.57	2.79%	1,87,602.04	5,560.77	2.96%
5. Others, if any (please specify)	-	-	-	-	-	-

2 Intra-group exposures

Particulars	31 March 2026	31 March 2025
(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 2026	31 March 2025
Unhedged foreign currency exposures*	20.87	7.04

*refer Note 2 – Material Accounting Policy Information and Note 43-Financial Risk Management

4 Corporate governance
Disclosure is placed under the Corporate Governance section of the Annual Report.

5 Breach of Covenant
There are no instances of breach of covenant of loan availed or debt securities issued.

6 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 2026 and for the year ended 31 March 2025 as per the requirement of the Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 as amended from time to time.

Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Financial Statements: Presentation and Disclosures) Directions, 2025 (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 2026**	**31 March 2025**	**31 March 2026**	**31 March 2025**	**31 March 2026**	**31 March 2025**	**31 March 2026**	**31 March 2025**	**31 March 2026**	**31 March 2025**	**31 March 2026**	**31 March 2025**	**31 March 2026**	**31 March 2025**
Borrowings#	-	-	-	-	2018.39	6,930.46	-	-	-	-	-	-	2018.39	6,930.46
Borrowings (maximum during the year)	-	-	-	-	2,018.39	6,930.46	-	-	-	-	-	-	2,018.39	6,930.46
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits#	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances#	-	-	-	-	858.03	2.34	-	-	-	-	-	-	858.03	2.34
Advances (maximum during the year)	-	-	-	-	894.91	36.88	-	-	-	-	-	-	894.91	36.88
Investments#	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	258.53	202.69	-	-	-	-	-	-	258.53	202.69
Sale of fixed/other assets	-	-	-	-	30.32	58.45	-	-	-	-	-	-	30.32	58.45
Interest paid	-	-	-	-	21.57	20.85	-	-	-	-	-	-	21.57	20.85
Interest received	-	-	-	-	58.53	1.29	-	-	-	-	-	-	58.53	1.29
Other Incomes	-	0.01	-	-	53.91	20.75	-	-	-	-	-	-	53.91	20.76
Others Expense	5.85	3.62	-	-	236.16	113.91	-	-	-	-	-	-	242.01	117.53

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 – Financial Statements: Presentation and Disclosures) Directions, 2025 (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 2026	31 March 2025
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	19	14
2	Number of complaints received during the year	1342	1347
3	Number of complaints disposed during the year	1344	1342
	3.1 Of which, number of complaints rejected by the NBFC	1031	467
4	Number of complaints pending at the end of the year	17	19
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	102	37
	5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	101	37
	5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	1	-
	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	2	317	-1.25%	7	-
Ground - 2 - CIBIL	2	288	185.15%	6	-
Ground - 3 - Sales	2	108	2.86%	2	-
Ground - 4 - EMI Moratorium / Restructure	1	100	11.11%	1	-
Ground - 5 - Charges Waiver	2	96	-5.88%	1	-
	Previous 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	-

Toyota Financial Services India Limited
Notes to the financial statements for the period ended 31 March 2026

Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Financial Statements: Presentation and Disclosures) Directions, 2025 (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 Rs. Million)

	Particulars	**31 March 2026**		**31 March 2025**	
		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*	68,464.23	-	50,377.66	-
	: Unsecured	-	-	-	-
	(other than falling within the meaning of public deposits)				
	(b) Deferred credits	-	-	-	-
	(c) Term loans*	1,13,957.16	-	86,345.63	-
	(d) Intercorporate loans and borrowing	2,020.41	-	6,932.75	-
	(e) Commercial paper	4,564.71	-	14,387.92	-
	(f) Other loans (working capital loans from banks and book overdraft)	0.25	-	0.88	-
(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 2026**	**31 March 2025**
(3)	Break-up of loans and advances including bills receivables [other than those included in (4) below]:		
	(a) Secured	2,21,544.97	1,80,333.42
	(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	3,514.55	2,496.57
	(b) Operating lease	2.27	4.64
	(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	-	-
	(iv) Government securities	4,611.44	4,671.33
	(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)

(Amounts are in Rs. Million)

Particulars	31 March 2026	31 March 2025
Long term investments		
1. Quoted		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others	-	-
2. Unquoted		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others	-	-

Borrower group wise classification of assets financed in (3) and(4) above (gross) :	31 March 2026			31 March 2025		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
('c) Other related parties	854.58	-	854.58	2.31	-	2.31
2. Other than related parties*	2,24,204.94	-	2,24,204.94	1,82,827.68	-	1,82,827.68
Total	2,25,059.52	-	2,25,059.52	1,82,829.99	-	1,82,829.99

*Provision for impairment of loans have been bifurcated on weighted average basis of secured and unsecured loan amount as disclosed in the financials.

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	31 March 2026		31 March 2025	
	Market Value/ Break-up or fair value or NAV	Book Value (Net of Provisions)	Market Value/ Break-up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other than related parties	-	-	-	-
2. Other than related parties				
Total	-	-	-	-

(7) Other Information

	Particulars	31 March 2026	31 March 2025
(i)	Gross non performing assets		
	(a) Related parties	-	-
	(b) Other than related parties	6,450.57	5,560.77
(ii)	Net non-performing assets		
	(a) Related parties	-	-
	(b) Other than related parties	3,925.41	3,148.95
(iii)	Assets acquired in satisfaction of debt	-	-

Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Financial Statements: Presentation and Disclosures) Directions, 2025 (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 2026 **(Amounts are in Rs. Million)**

S. No.	Type of restructuring → Asset classification → Details ↓		Others*				
			Standard	**Sub Standard**	**Doubtful**	**Loss**	**Total**
1	Restructured accounts as on April 1 of the year (opening figures) *	No. of borrowers	2	-	-	-	2
		Amount outstanding	2.43	-	-	-	2.43
		Provision thereon	0.01	-	-	-	0.01
2	Fresh restructuring during the year	No. of borrowers	1	-	-	-	1
		Amount outstanding	0.79	-	-	-	0.79
		Provision thereon	0.15	-	-	-	0.15
3	Recovery during the year	No. of borrowers	1	-	-	-	1
		Amount outstanding	(1.77)	-	-	-	(1.77)
		Provision thereon	0.05	-	-	-	0.05
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	-	-	-	2
		Amount outstanding	1.45	-	-	-	1.45
		Provision thereon	0.21	-	-	-	0.21

31 March 2025

S. No.	Type of restructuring → Asset classification → Details ↓		Others*				
			Standard	**Sub Standard**	**Doubtful**	**Loss**	**Total**
1	Restructured accounts as on April 1 of the year (opening figures) *	No. of borrowers	-	2	-	-	2
		Amount outstanding	-	2.67	-	-	2.67
		Provision thereon	-	0.25	-	-	0.25
2	Fresh restructuring during the year	No. of borrowers	2	-	-	-	2
		Amount outstanding	2.43	-	-	-	2.43
		Provision thereon	0.01	-	-	-	0.01
3	Recovery during the year	No. of borrowers	-	2	-	-	(2)
		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	-	-	-	2
		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.

Note: Since the disclosure of restructured advance accounts pertains to section "Others", the first two sections, namely, "Under CDR Mechanism" and "Under SME Debt Restructuring Mechanism" as per format prescribed in the guidelines are not included above.

Toyota Financial Services India Limited
Notes to the financial statements for the period ended 31 March 2026

Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Financial Statements: Presentation and Disclosures) Directions, 2025 (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 2026 and 31 March 2025.

31 March 2026 **(Amounts are in Rs. Million)**

Particulars	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	Total
Liabilities											
Borrowings	52.99	822.90	3,459.00	6,736.49	6,577.18	25,218.85	27,149.30	83,467.86	2,916.14	-	1,56,400.71
Foreign currency borrowings	-	-	2,106.66	1,759.79	2.45	-	4,219.43	24,517.73	-	-	32,606.06
Assets *											
Advances (net of provision)	6,680.27	5,477.37	7,956.38	8,547.71	6,817.21	18,748.12	33,462.85	91,999.01	38,596.34	6,774.26	2,25,059.52
Cash and cash equivalents	1,644.56	800.00	1,150.00	-	-	-	11.25	-	-	-	3,605.81
Investments	-	-	-	-	-	2,353.31	2,258.13	-	-	-	4,611.44
Foreign currency assets #	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities #	-	-	20.87	-	-	-	-	-	-	-	20.87

31 March 2025

Particulars	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	Total
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										4,196.56
Investments	349.81	-	-	-	-	2,640.73	1,680.79				4,671.33
Foreign currency assets #	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities #	-	-	7.04	-	-	-	-	-	-	-	7.04

* Excludes advance income tax/ 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 – Financial Statements: Presentation and Disclosures) Directions, 2025 (Disclosures are made as per Ind AS financial statements except otherwise stated) as per Appendix II-A

31 March 2026 **(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	2,22,398.68	1,541.43	2,20,857.25	912.64	628.79
	Stage 2	2,133.37	456.26	1,677.11	8.46	447.80
Subtotal for performing assets (A)		**2,24,532.05**	**1,997.69**	**2,22,534.36**	**921.10**	**1,076.59**
Non-performing assets (NPA)						
Substandard	Stage 1	-	-	-	-	-
Substandard	Stage 3	3,757.73	1,728.66	2,029.07	374.04	1,354.62
Doubtful						
up to 1 year	Stage 3	480.49	242.72	237.77	148.55	94.17
1 to 3 years	Stage 3	1,097.50	875.66	221.84	539.56	336.11
More than 3 years	Stage 3	182.77	162.57	20.20	162.57	-
Loss	Stage 3	932.08	915.80	16.29	915.80	-
Subtotal for NPA (B)		**6,450.57**	**3,925.41**	**2,525.17**	**2,140.52**	**1,784.90**
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	1,306.90	3.65	1,303.25	-	3.65
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal (C)		**1,306.90**	**3.65**	**1,303.25**	**-**	**3.65**
	Stage 1	2,23,705.58	1,545.08	2,22,160.50	912.64	632.44
	Stage 2	2,133.37	456.26	1,677.11	8.46	447.80
	Stage 3	6,450.57	3,925.41	2,525.17	2,140.52	1,784.90
Total (A+B+C)		**2,32,289.52**	**5,926.75**	**2,26,362.78**	**3,061.62**	**2,865.14**

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 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**
	Stage 1	1,81,166.55	1,150.88	1,80,015.67	718.31	432.57
	Stage 2	1,927.77	472.63	1,455.14	7.63	465.00
	Stage 3	5,560.77	3,148.95	2,411.82	1,834.00	1,314.95
Total (A+B+C)		**1,88,655.09**	**4,772.46**	**1,83,882.63**	**2,559.94**	**2,212.52**

46 Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Financial Statements: Presentation and Disclosures) Directions, 2025 (Disclosures are made as per Ind AS financial statements except otherwise stated) (continued)

(Amounts are in Rs. Million)

	Particulars	Quarter ended 31 March 2026		Quarter ended 31 December 2025		Quarter ended 30 September 2025		Quarter ended 30 June 2025		Quarter ended 31 March 2025	
		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	4,842.78	4,842.78	4,699.30	4,699.30	4,677.00	4,677.00	4,645.00	4,645.00	5,287.09	5,287.09
	- Cash / Bank	428.30	428.30	400.10	400.10	277.00	277.00	315.00	315.00	228.61	228.61
	- Government Securities	4,414.48	4,414.48	4,299.20	4,299.20	4,400.00	4,400.00	4,330.00	4,330.00	5,058.48	5,058.48
Cash outflows											
2	Deposits (for deposit taking companies)									-	-
3	Unsecured wholesale funding	7,127.98	8,197.18	6,892.60	7,926.50	7,086.60	8,149.60	6,844.00	7,871.00	7,905.31	9,091.11
4	Secured wholesale funding	844.38	971.04	317.20	364.80	834.60	959.80	246.00	283.00	280.06	322.07
5	Additional requirements, of which	-	-	-	-	-	-	-	-	-	
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	1,427.14	1,641.21	1,234.00	1,419.10	1,042.90	1,199.30	948.00	1,090.00	1,053.46	1,211.48
7	Other contingent funding obligations	755.02	868.26	612.30	704.10	528.00	607.20	684.00	787.00	960.14	1,104.17
8	**Total cash outflows**	**10,154.52**	**11,677.69**	**9,056.10**	**10,414.50**	**9,492.10**	**10,915.90**	**8,722.00**	**10,031.00**	**10,198.97**	**11,728.83**
Cash inflows											
9	Secured lending	-	-	-	-	-	-	-	-	-	-
10	Inflow from fully performing exposures	13,219.87	9,914.92	11,435.90	8,576.90	8,747.60	6,560.70	8,113.00	6,085.00	7,152.34	5,364.26
11	Other cashflows***	28,245.82	21,184.36	28,440.60	21,330.50	28,699.50	21,524.60	24,541.00	18,406.00	20,522.34	15,391.76
12	**Total cash inflows**	**41,465.69**	**31,099.28**	**39,876.50**	**29,907.40**	**37,447.10**	**28,085.30**	**32,654.00**	**24,491.00**	**27,674.68**	**20,756.02**
13	**Total HQLA**		**4,842.78**		**4,699.30**		**4,677.00**		**4,645.00**		**5,287.09**
14	**Total net cash inflows/(outflows)**		**2,919.42**		**2,603.63**		**2,728.98**		**2,507.75**		**2,932.21**
15	**Liquidity coverage ratio (%)**		**166%**		**180%**		**171%**		**185%**		**180%**

* 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 NBFC's 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, etc. Primary components of the inflows are collection from business receivables, fixed deposits with bank etc.

Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Financial Statements: Presentation and Disclosures) Directions, 2025 (Disclosures are made as per Ind AS financial statements except otherwise stated) (continued)

	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 / Bank	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)									-	-
3	Unsecured wholesale funding	7,905.31	9,091.11	6,301.36	7,246.56	5,826.88	6,700.91	4,804.34	5,525.00	3,404.77	3,915.49
4	Secured wholesale funding	280.06	322.07	1,307.02	1,503.07	491.76	565.53	861.52	990.74	2,416.54	2,779.02
5	Additional requirements, of which	-	-	-	-	-	-	-	-	-	
(i)	Outflows related to derivative exposures and other	-	-	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt	-	-	-	-	-	-	-	-	-	-
(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	1,104.17	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	-	-	-	-	-	-	-	-	-	-
10	Inflow from fully performing exposures	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
11	Other cashflows***	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
12	**Total cash inflows**	**27,674.68**	**20,756.02**	**31,428.71**	**23,571.53**	**23,524.62**	**17,643.46**	**23,369.53**	**17,527.16**	**25,431.08**	**19,073.31**
13	**Total HQLA**		**5,287.09**		**4,455.59**		**3,692.29**		**3,526.56**		**3,453.43**
14	**Total net cash inflows/(outflows)**		**2,932.21**		**2,715.69**		**2,223.55**		**2,197.45**		**2,204.65**
15	**Liquidity coverage ratio (%)**		**180%**		**164%**		**166%**		**160%**		**157%**

* 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 NBFC's 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, etc. Primary 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 2025 (A)	Of (A), aggregate debt that slipped into NPA during the half year ended 31 March 2026	Of (A) amount written off during the half year ended 31 March 2026	Of (A) amount paid by the borrowers during the half year ended 31 March 2026	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the 31 March 2026
Personal Loans	5.89	-	-	1.72	4.17
Corporate persons**	8.59	-	-	2.51	6.08
of which *MSMEs*	7.56	-	-	2.51	5.05
Others	-	-	-	-	-
Total	14.48	-	-	4.23	10.25

*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 2026	Balance outstanding as at 31 March 2025	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	Customer
GLOMANTIX PRIVATE LIMITED	Loans	0.07	0.48	Customer
AP MANAGEMENT CONSULTANTS PRIVATE LIMITED	Loans	-	0.33	Customer
BCC FUBA INDIA LIMITED	Loans	0.43	1.12	Customer
GODWIN RESORTS & HOTELS PRIVATE LIMITED	Loans	0.29	0.56	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 2026 and 31 March 2025.

56 Figures for the previous periods have been regrouped/rearranged, wherever necessary, to make them comparable with the current period.

57 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 Brahmayya & Co.
Chartered Accountants
Firms' Registration
No: 000515S

Sd/-

G. Srinivas
Partner
Membership No: 086761

Bengaluru
21 May 2026

For B.K. Khare & Co.
Chartered Accountants
Firms' Registration
No: 105102W

Sd/-

Shirish Rahalkar
Partner
Membership No: 111212

Mumbai
21 May 2026

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

Sd/-

P B Venugopal
Managing Director
and CEO
DIN: 10387035

Sd/-

Rajni Mishra
Chairperson and
Independent Director
DIN: 08386001

Sd/-

Surya Narayan Patro
Chief Financial Officer

Bengaluru
21 May 2026

Sd/-

Rajat Ilkal
Company Secretary
Membership No. A69311

Bengaluru
21 May 2026

NOTICE OF THE FIFTEENTH ANNUAL GENERAL MEETING OF TOYOTA FINANCIAL SERVICES INDIA LIMITED

NOTICE is hereby given that the 15th (Fifteenth) Annual General Meeting (AGM) of the Members of Toyota Financial Services India Limited will be held on Thursday, September 17, 2026, 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, 2026.**

2. **To approve the appointment of a director in place of Mr. P B Venugopal (DIN: 10387035), who retires by rotation and being eligible, offers himself for re-appointment.**

3. **To ratify the appointment and approve continuation of Joint Statutory Auditors of the Company**

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 Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the rules made thereunder, the extant Regulation on Appointment of Statutory Auditors of Non-Banking Financial Companies issued by the Reserve Bank of India (RBI), and all other applicable laws, rules, regulations, circulars, guidelines and notifications for the time being in force (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and based on the recommendation of the Audit Committee and the Board of Directors of the Company, 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), Joint Statutory Auditors of the Company, as approved by the Members at the Fourteenth Annual General Meeting held in the year 2025 for a term of three consecutive years, be and are hereby ratified and confirmed, and the said Joint Statutory Auditors shall continue to hold office until the conclusion of the Seventeenth Annual General Meeting of the Company to be held in the year 2028, subject to their satisfying the applicable eligibility norms and other requirements prescribed under the Act, RBI guidelines and other applicable laws on an annual basis.

RESOLVED FURTHER THAT the remuneration payable to the Joint Statutory Auditors of the Company shall be as may be determined, negotiated, finalized, amended, modified, altered and varied from time to time by the Board of Directors of the Company, the Audit Committee, or any person(s) authorized by the Board of Directors of the Company from time to time for such purpose, including fees payable for Limited Review Reports, regulatory certificates, tax audit and other audit-related assignments and any other services permissible under applicable laws, excluding reimbursement of actual travelling and out-of-pocket expenses incurred in connection with the audit and applicable taxes, which shall be approved and paid by the Board of Directors of the Company, the Audit Committee, or any person(s) authorized by the Board of Directors of the Company from time to time for such purpose, in addition to the remuneration so determined.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall include any Committee constituted or empowered by the Board of Directors of the Company from time to time) be and is hereby authorized to determine the roles, responsibilities, scope of work and engagement terms of the Joint Statutory Auditors and to negotiate, finalize, amend, modify, alter and vary their remuneration from time to time, including on account of any increase in the scope of work, change in applicable laws, rules, regulations, accounting standards or regulatory requirements, and to undertake all requisite, incidental and consequential measures for the implementation of the above resolutions, to exercise absolute discretion in performing all acts, deeds, matters and things necessary thereto, to settle any queries, questions or doubts that may arise, to execute, sign or publish all notices, agreements, deeds, papers and writings required, and to delegate any or all of the powers herein conferred to any Directors and/or Officers of the Company, for the purpose of giving full effect to these resolutions."

Special Business:

4. To approve appointment of Secretarial Auditors of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder, Regulation 62M read with Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and all other applicable laws, rules, regulations, circulars, guidelines and notifications for the time being in force (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and based on the recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for the appointment of M/s. V Sreedharan & Associates, Practicing Company Secretaries, Bengaluru (Firm Registration No. P1985KR14800), as the Secretarial Auditors of the Company, to hold office from the conclusion of the Fifteenth Annual General Meeting held in the year 2026, for a term of five consecutive years till the conclusion of the Twentieth Annual General Meeting of the Company to be held in the year 2031.

RESOLVED FURTHER THAT the remuneration payable to M/s. V Sreedharan & Associates, Practicing Company Secretaries, Bengaluru, as Secretarial Auditors of the Company shall be as may be determined from time to time by the Board of Directors of the Company, the Audit Committee, or any person(s) authorized by the Board of Directors of the Company from time to time for such purpose, including fees payable for secretarial audit, certificates and other audit-related assignments and services permissible under applicable laws, excluding reimbursement of actual travelling and out-of-pocket expenses incurred in connection therewith and applicable taxes, which shall be approved and paid by the Board of Directors of the Company, the Audit Committee, or any person(s) authorized by the Board of Directors of the Company from time to time for such purpose, in addition to the remuneration so determined.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall include any Committee constituted or empowered by the Board of Directors of the Company from time to time) be and is hereby authorized to determine the roles, responsibilities, scope of work and engagement terms of the Secretarial Auditor, to negotiate, finalize, amend, modify, alter and vary the remuneration payable to the Secretarial Auditor from time to time, including on account of any increase in the scope of work, change in applicable laws, rules, regulations, secretarial standards or regulatory requirements, and to undertake all requisite, incidental and consequential measures for the implementation of the above resolutions, to exercise absolute discretion in performing all acts, deeds, matters and things necessary thereto, to settle any queries, questions or doubts that may arise, to execute, sign or publish all notices, agreements, deeds, papers and writings required, and to delegate any or all of the powers herein conferred to any Directors and/or Officers of the Company, for the purpose of giving full effect to these resolutions."

5. **To approve re-appointment of Mr. Raghu Venkata Harish (DIN:06792543) as an Independent Director of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI LODR Regulations), the extant Regulation on Appointment of Directors of Non-Banking Financial Companies issued by the Reserve Bank of India (RBI), and all other applicable laws, rules, regulations, circulars, guidelines and notifications for the time being in force (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Raghu Venkata Harish (DIN: 06792543), who meets the criteria of independence as prescribed under the Act and the SEBI LODR Regulations and is not disqualified from being appointed as a Director under the Act, as an Independent Director of the Company, not liable to retire by rotation, for a second term of two years with effect from November 14, 2026 up to November 13, 2028, and in respect of whom the Company has received a notice under Section 160 of the Act proposing his candidature for the office of Director.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall include any Committee constituted or empowered by the Board of Directors of the Company from time to time) be and is hereby authorized to undertake all requisite, incidental, and consequential measures for the implementation of the above resolution, to exercise absolute discretion in performing all acts, deeds, matters, and things necessary thereto, to settle any queries, questions, or doubts that may arise, to execute, sign, or publish all notices, agreements, deeds, papers, and writings required, and to delegate any or all of the powers herein conferred to any Directors and/or Officers of the Company, for the purpose of giving full effect to this resolution."

6. To approve issuance of Non-Convertible Debentures

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the rules made thereunder, the Securities and Exchange Board of India Regulations, the Reserve Bank of India Regulations, and all other applicable laws, rules, regulations, circulars, guidelines and notifications for the time being in force (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the Articles of Association of the Company and subject to the resolution passed by the Members of the Company under Section 180(1)(c) of the Act, the approval of the Members of the Company be and is hereby accorded to authorize the Board of Directors of the Company (which term shall include any Committee constituted or empowered by the Board of Directors from time to time), for a period of one year from the date of passing of this resolution, to raise funds for eligible activities as permitted under applicable laws, by way of issuance of Non-Convertible Debentures (NCDs), whether secured or unsecured, fixed rate or market/benchmark linked, on a private placement basis, in one or more series and/or tranches, on such terms and conditions, including issue size, pricing, coupon, premium or discount, tenor and all other matters incidental thereto, as may be determined by the Board of Directors of the Company from time to time, based on prevailing market conditions, provided that the aggregate amount of such NCDs outstanding at any point of time, together with the NCDs already issued and outstanding, shall not exceed INR 140 Billion (Rupees One Hundred Forty Billion Only)

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall include any Committee constituted or empowered by the Board of Directors of the Company from time to time) be and is hereby authorized to undertake all requisite, incidental, and consequential measures for the implementation of the above resolution, to exercise absolute discretion in performing all acts, deeds, matters, and things necessary thereto, to settle any queries, questions, or doubts that may arise, to execute, sign, or publish all notices, agreements, deeds, papers, and writings required, and to delegate any or all of the powers herein conferred to any Directors and/or Officers of the Company, for the purpose of giving full effect to this resolution."

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

Sd/-

Rajat Ilkal
Company Secretary & Compliance Officer
ICSI Membership Number: A69311

Date: August 12, 2026
Place: Bengaluru

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 Thursday, September 17, 2026, 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 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 2025-26, 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 2025-26 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 15th (Fifteenth) 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 Wednesday, September 16, 2026. The designated email ID for casting vote, if demanded for poll at the AGM will be cs@tfsin.co.in.

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 Wednesday, September 16, 2026.

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 and on behalf of Toyota Financial Services India Limited

Sd/-

Rajat Ilkal
Company Secretary & Compliance Officer
ICSI Membership Number: A69311

Date: August 12, 2026
Place: Bengaluru

Annexure to Notice
Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:

Item No. 4:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 (the Act) read with the rules made thereunder and Regulation 62M read with Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI LODR Regulations), a listed entity shall appoint or re-appoint an individual as Secretarial Auditor, on the basis of the recommendation of the Board of Directors, for not more than one term of five consecutive years or a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years, with the approval of its Members in the Annual General Meeting (AGM).

M/s. V Sreedharan & Associates are currently the Secretarial Auditors of the Company and pursuant to Regulation 62M read with Regulation 24A of the SEBI (LODR) Regulations, any association of the individual or the firm as the Secretarial Auditor of the listed entity before March 31, 2025, shall not be considered for the purpose of calculating the tenure.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors at its Meeting held on August 12, 2026, approved the appointment of M/s. V Sreedharan & Associates, Practicing Company Secretaries (Firm Registration No. P1985KR14800), as the Secretarial Auditors of the Company to hold office from the conclusion of Fifteenth AGM held in the year 2026, for a term of five consecutive years till the conclusion of the Twentieth AGM to be held in the year 2031.

M/s. V Sreedharan & Associates are a reputed firm of Company Secretaries in Practice, specialized in Secretarial Audit and other corporate law matters. The firm is registered with the Institute of Company Secretaries of India and has an experience of more than 30 years in providing various corporate law services such as incorporation of companies and Limited Liability Partnerships, secretarial audit for various listed companies, voluntary winding up of companies, acting as scrutinizer and appearances before the National Company Law Tribunal on various matters on behalf of clients, etc. The firm also holds a valid Peer Review Certificate.

M/s. V Sreedharan & Associates has given their consent to act as Secretarial Auditors of the Company and confirmed that their aforesaid appointment (if made) would be within the limits specified by the Institute of Company Secretaries of India (ICSI). They have also confirmed that they are not disqualified to be appointed as Secretarial Auditors and are in compliance with independence requirements as prescribed under the Auditing Standards issued by the ICSI and other applicable rules and regulations.

The Audit fees/remuneration payable to the Secretarial Auditors shall be determined by the Audit Committee and/or the Board of Directors, in consultation with the Secretarial Auditors, from time to time.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice.

The Board of Directors recommends the resolution set out in Item No. 4 of the accompanying Notice for the approval of the Members of the Company as an Ordinary Resolution.

Item no. 5:

Mr. Raghu Venkata Harish (DIN: 06792543) was appointed by the Board of Directors as an Additional Director of the Company at their Meeting held on November 13, 2025, to serve in the capacity of Independent Director, effective from November 14, 2025, subject to the approval of the Members of the Company. Based on the recommendation of the Nomination and Remuneration Committee (NRC) and the Board of Directors and pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 (the Act), the Securities and Exchange Board of India (SEBI) Regulations, Reserve Bank of India (RBI) Regulations and other applicable laws, the Company vide resolution at the Extraordinary General Meeting of the Company held on December 11, 2025, approved the appointment of Mr. Raghu Venkata Harish for the term of one year effective November 14, 2025, up to November 13, 2026.

Pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Act, read with the rules made thereunder, and in compliance with the applicable SEBI Regulations, NRC and the Board of Directors, at their respective Meetings held on August 12, 2026, have recommended the re-appointment of Mr. Raghu Venkata Harish as an Independent Director (ID) of the Company for a second term of two years, with effect from November 14, 2026 up to November 13, 2028, subject to the approval of the Members of the Company.

The Company has received a notice in writing under Section 160 of the Act from a Member proposing the candidature of Mr. Raghu Venkata Harish to be appointed as Director of the Company and the Company has also received his consent to act as a Director in terms of Section 152 of the Act, and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

In the opinion of the Board of Directors:

- He fulfils the conditions specified in the Act and the rules made thereunder, the SEBI Regulations and the RBI Regulations for his appointment as an Independent Director of the Company and is independent of the Management.
- He possesses relevant experience and expertise to be reappointed as an Independent Director of the Company.
- His reappointment as an Independent Director of the Company for a period of two years with effect from November 14, 2026, up to November 13, 2028, is in the interest of the Company.

Mr. Raghu Venkata Harish will not be entitled to receive any remuneration apart from sitting fees as approved by the Board of Directors from time to time and reimbursement of expenses for participation in the Board/Committee Meetings.

The draft letter of re-appointment of Mr. Raghu Venkata Harish setting out the terms and conditions of appointment is being made available for inspection by the Members of the Company through electronic mode.

Additional information in respect of Mr. Raghu Venkata Harish pursuant to the Secretarial Standards on General Meetings is provided at Annexure A to this Notice.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice, except Mr. Raghu Venkata Harish, to the extent of his re-appointment as an Independent Director of the Company for a second term of two years.

NRC and the Board of Directors recommend the resolution set out in Item No. 5 of the accompanying Notice for approval by the Members of the Company as a Special Resolution.

Item no. 6:

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 the provisions of Section 71 of the Companies Act, 2013 (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, 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 had accorded their approvals to the Board of Directors 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 the Reserve Bank of India.

The Board of Directors, at its Meeting held on August 12, 2026, approved the issuance of Debt Securities by the Company, in one or more tranches/series, for a period of one year, aggregating up to INR 140 Billion (Rupees One Hundred Forty Billion Only), subject to the approval of the Members of the Company. Such issuance shall be within the overall borrowing limits approved by the Members of the Company from time to time pursuant to Section 180(1)(c) of the Act, and as available on the respective date of issuance.

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 proposed resolution is being placed pursuant to the third proviso to the Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, to authorize the issuance of Debt Securities by the Company, from time to time, in one or more tranches/series during a period of one year from the date of approval by the Members of the Company. Given the nature of such issuances, the specific date of the Board resolution, the detailed terms of the securities to be issued, the proposed timeline for issuance, the purposes or objects of the offer, any contribution by the promoters or directors (whether as part of the offer or otherwise in furtherance of the stated objects), and the principal terms of the assets proposed to be charged as security cannot be determined at this stage. Accordingly, the Board of Directors shall be authorized, for a period of one year from the date of approval of this Special Resolution by the Members of the Company, to determine and finalize the terms and conditions of each issuance of Debt Securities, including, without limitation, the issue price, coupon/interest rate, tenure, repayment terms, security structure, utilization of proceeds, and all other related matters, as it may consider appropriate. The Board of Directors shall also be empowered to do all such acts, deeds, matters, and things as may be necessary, desirable, or expedient in connection with or incidental to such issuances.

Any Debt Securities issued pursuant to the authority granted by the Members of the Company shall be issued for cash and may be priced at par, at a premium, or at a discount to their face value, based on prevailing market conditions and on such terms and conditions as may be approved by the Board of Directors from time to time.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the accompanying Notice.

The Board of Directors recommends the resolution set out in Item No. 6 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 and on behalf of Toyota Financial Services India Limited

Sd/-

Rajat Ilkal
Company Secretary and Compliance Officer
ICSI Membership Number: A69311

Date: August 12, 2026
Place: Bengaluru.

TOYOTA
FINANCIAL SERVICES

Annexure A

Details of Mr. Raghu Venkata Harish, Director seeking re-appointment at AGM to be held on Thursday, September 17, 2026:

Name of the Director	Mr. Raghu Venkata Harish
DIN	06792543
Date of Birth	August 30, 1973
Age	52 years 11 months
Date of first appointment on the Board	November 14, 2025
Relationship with Directors and KMP	Nil
Expertise in specific functional area	Mr. Raghu Venkata Harish holds bachelor's degree in (B.Sc.) Agriculture and PGDBM & EGMP from IIM from Bengaluru. He has over 30 years of experience in rural banking and financial services, working with banks, NBFCs, and business correspondent models. He founded SaGgraha Management Services and scaled it to serve 1.2 Million customers with INR 7,000 Crore disbursed loans. He has held senior roles at Fincare Small Finance Bank, Spandana, Fullerton India, and ICICI Bank. He has served on boards and advisory committees, contributing to policy and governance in financial inclusion. He is recognized with awards like 'Rural Champion of India – 2019'.
Qualification(s)	Bachelor's degree in (B.Sc.) Agriculture, PGDBM & EGMP from IIM, Bengaluru.
Terms and conditions of re-appointment	As per the resolution set out in item No. 5 of this Notice read with statement pursuant to Section 102 of the Act. Further, the letter of appointment of Independent Director setting out the terms and conditions is accessible on the Company website at terms-conditions-of-appointment-of-independent-director.pdf
Remuneration last drawn if any	No remuneration was entitled to drawn except sitting fee and reimbursement of expenses for attending the Board and Committee Meetings.
Performance evaluation report or summary thereof	The performance evaluation of Mr. Raghu Venkata Harish was conducted by the Board of Directors at its meeting held on February 10, 2026, and was found his performance to be satisfactory.
Number of Meetings of the Board attended during the year	The attendance details are as below: 1. During FY 2025-26: Two out of Two. 2. During FY 2026-27: Four out of Four.
Board Membership of other Companies	Two Companies as below: 1. Keertana Finserv Limited. 2. Keertana Financial Limited.
Listed entities from which the Director has resigned in the past three years	Nil.
Chairmanships/Memberships of the Committees of other public limited companies	1. Chairpersonship: 2 Committees. 2. Membership: 2 Committees.
Number of Equity Shares held in the Company	Nil.