Toyota Financial Services India Limited

Liquidity risk

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 — **30 September 2025**

Sr no	Number of significant counterparties *	Amount (INR Million)	% of Total deposits	% of Total Liabilities
1	18	1,49,734	N.A.	86%

* The Company consider an exposure from a single counterparty or group of connected or affiliated counterparties of 1% and above to be significant counterparties.

b. Top 20 large deposits - The Company is a non deposit taking NBFC and hence not applicable.

c. Top 10 borrowings amounts to INR 43,486 millions and 25.65% of total borrowings.

d. Funding Concentration based on significant instrument/product

Sr no	Name of the instrument/product *	30 September 2025 Amount (INR Million)	% of Total Liabilities
1	External commercial borrowings	34,751	20%
2	Bank borrowings	65,248	38%
3	Non Convertible debentures	60,169	35%
4	Commercial Papers	9,397	5%

* 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	6%	5%	4%
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	38%	36%	29%
4	Other short-term liabilities (other than debt liabilities), if any as a % of	2%	2%	2%

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 and excludes any borrowing from group entities.

ii. Total liabilities means total assets less equity capital and other equity.

iii. Total assets means total of asset side of the balance sheet.

iv. Borrowings have been considered at their carrying value.

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.

Toyota Financial Services India Limited ★ Bangalore

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Disclosure as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 (Disclosures are made as per Ind AS financial statements except otherwise stated)

	Particulars	Quarter ended 30 September 2025	
		Total Unweighted Value (average)*	Total Weighted Value (average)**
High quality liquid assets			
1	Total high quality liquid assets	467.75	467.75
	- Cash	27.73	27.73
	- Government Securities	440.03	440.03
Cash outflows			
2	Deposits (for deposit taking companies)		
3	Unsecured wholesale funding	708.66	814.96
4	Secured wholesale funding	83.46	95.98
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	104.29	119.93
7	Other contingent funding obligations	52.80	60.72
8	**Total cash outflows**	**949.20**	**1,091.60**
Cash inflows			
9	Secured lending	-	-
10	Inflow from fully performing exposures	874.76	656.07
11	Other cashflows***	2,869.95	2,152.46
12	**Total cash inflows**	**3,744.72**	**2,808.55**
13	**Total HQLA**		**467.75**
14	**Total net cash inflows/(outflows)**		**272.90**
15	**Liquidity coverage ratio (%)**		**171%**

* 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 NBFCs has an adequate stock of unencumbered high quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. Total net cash outflows is defined as the total expected cash outflows minus total expected cash inflows for the subsequent 30 calendar days.

2. As per the RBI guidelines, all non-deposit taking NBFCs with asset size of ₹ 5,000 crore and above but less than ₹ 10,000 crore, shall be required to minimum LCR in the phased manner from 1 December, 2020 as given below.

From	1 December 2020	1 December 2021	1 December 2022	1 December 2023	1 December 2024
Minimum LCR	30%	50%	60%	85%	100%

As per the RBI guidelines, all non-deposit taking NBFCs with asset size of ₹ 10,000 crore shall be required to minimum LCR in the phased manner from 1 December, 2020 as given below.

From	1 December 2020	1 December 2021	1 December 2022	1 December 2023	1 December 2024
Minimum LCR	50%	60%	70%	85%	100%

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).

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.

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