



**NOTICE OF THIRD EXTRA-ORDINARY GENERAL MEETING OF FY 2023-24 OF TOYOTA FINANCIAL SERVICES INDIA LIMITED**

Dear Member(s),

**SHORTER NOTICE** is hereby given that the Third Extraordinary General Meeting (EGM) of FY 2023-24 of the Members of **Toyota Financial Services India Limited** will be held on Tuesday, January 30, 2024, at 1:30 PM (IST), through Video Conferencing ("VC") via Microsoft Teams / Other Audio-Visual Means (OAVM), deemed to be held at the Registered Office of the Company at No. 21, Centropolis, First Floor, 5<sup>th</sup> Cross, Langford Road, Shanti Nagar, Bangalore - 560025 (Karnataka, India) to transact the following business:

**SPECIAL BUSINESS:**

**1. Increase in the Authorised share capital 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 61 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder including any statutory modification or re-enactment thereof for the time being in force and pursuant to the Articles of Association of the Company, the extant Rules / Regulations / Guidelines / Notifications and Circulars prescribed by any relevant authorities including but not limited to Reserve Bank of India / Securities Exchange Board of India, the consent of the Members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from existing INR 13,079,729,570 (Rupees Thirteen Billion Seventy-Nine Million Seven Hundred Twenty-Nine Thousand Five Hundred and Seventy Only) divided into 1,307,972,957 Equity Shares of INR 10/- (Rupees Ten) each to INR 13,581,468,700/- (Rupees Thirteen Billion Five Hundred Eighty-One Million Four Hundred Sixty-Eight Thousand and Seven Hundred Only) divided into 1,358,146,870 Equity Shares of INR 10 (Rupees Ten) each, by creation of additional 5,01,73,913 Equity Shares of INR 10/- (Rupee Ten) each ranking pari passu in all respect with the existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions, as it may in its absolute discretion, deem appropriate."

TOYOTA FINANCIAL SERVICES INDIA LIMITED

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## 2. Alteration of Capital Clause of the Memorandum of Association 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 13, 61, and 64 and other applicable provisions, if any, of the Companies Act, 2013 and the rules issued thereunder including any statutory modification or re-enactment thereof for the time being in force, the existing Clause V of the Memorandum of Association of the Company be and is hereby amended and substituted by the following:

***"V. INR 13,581,468,700/- (Rupees Thirteen Billion Five Hundred Eighty-One Million Four Hundred Sixty-Eight Thousand and Seven Hundred Only) divided into 1,358,146,870 Equity Shares of INR 10 (Rupees Ten) each."***

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions, as it may in its absolute discretion, deem appropriate."

## 3. Preferential Issue of Equity Shares on a Private Placement basis:

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

**"RESOLVED THAT** in accordance with the provisions of Sections 23, 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and the rules & regulations made there under, if any, including any statutory modification or re-enactment thereof for the time being in force, the Articles of Association of the Company, the extant Master Direction on Foreign Investment in India issued by Reserve Bank of India and in accordance with the applicable provisions of the Foreign Exchange Management Act, 1999 and the Rules/Regulations/Guidelines, if any, prescribed by any relevant authorities from time to time, and subject to the permissions, consents, sanctions and approval by any authority including but not limited to Reserve Bank of India and subject to such conditions and modifications as may be considered necessary by the Board of Directors or as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board to offer, issue and allot, up to 148 Million (One Hundred and Forty-Eight Million) Equity Shares of INR 10/- (Rupee Ten) each, ranking pari passu with the existing Equity Shares of the Company of face value of INR 10/- (Rupee Ten) each at an issue price of INR 25/- (Rupees Twenty-Five Only) each (including premium of INR 15/- (Rupees Fifteen Only) per share), for an aggregate value not exceeding INR 3.7 Billion/- for cash and on such terms as may be determined by the Board, to Toyota Financial Services Corporation, Japan, the holding company, through Private Placement and on Preferential basis."

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**RESOLVED FURTHER THAT** the monies received by the Company from the Proposed Allottee in lieu of the issuance and allotment of the Equity Shares pursuant to the preferential allotment under section 42, and 62(1)(c) of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, shall be kept by the Company in a separate bank account .

**RESOLVED FURTHER THAT** the Equity Shares to be offered, issued and allotted by the Company on a preferential allotment basis shall rank *pari passu* with the existing Equity Shares of the Company in all respects, including dividend, and shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board (which expression shall also include a Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things, and to execute all such deeds, documents, writings as it may in its absolute discretion deem necessary or incidental and pay such fees, etc. and incur such expenses in relation thereto as it may deem appropriate for giving effect to this Resolution including but not limited to taking any decisions whether at a Meeting of Board or through circulation, as may be appropriate and permissible under law, for fixing the timing of the issue, determining the issue price, face value, premium amount of Equity Shares to be offered and delegation of all or any of its powers herein conferred to its Directors, Chief Financial Officer, Company Secretary or any other officer(s) delegated by any Direction of the Company.”

#### **4. Appointment of Mr. P B Venugopal (DIN: 10387035) as Managing Director and Chief Executive Officer 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 Section 196, 197, 198, 203, Schedule V, other applicable provisions of the Companies Act, 2013, and the rules made thereunder including any statutory modification or re-enactment thereof for the time being in force, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the Articles of Association of the Company, the extant Rules / Regulations / Guidelines / Notifications and Circulars prescribed by any relevant authorities including but not limited to Reserve Bank of India / Securities Exchange Board of India, the consent of the Members of the Company be and is hereby accorded for appointment of Mr. P B Venugopal (DIN: 10387035) as the Managing Director and Chief Executive Officer (MD & CEO) of the Company for a period of 5 (Five) Years with effect from February 1, 2024, and to hold office up to January 31, 2029, at the such remuneration having components such as basic pay, HRA, statutory contributions including provident fund contribution, perquisites and other / special allowances as per the Company policy, up to a maximum aggregate amount of INR3/- Crore (Rupees Three Crore Only) per annum for the period of his tenure.

**RESOLVED FURTHER THAT** Mr. P B Venugopal, MD & CEO be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging, and such other expenses incurred by / for him in connection with meeting business requirements of the Company and in line with the Company policy.

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**RESOLVED FURTHER THAT** the Board of Directors of the Company, Nomination & Remuneration Committee or any other Committee thereof as authorised in this regard be and is hereby authorised to alter, amend, ratify and vary the terms and conditions of the remuneration structure including increment based on company policy as may be agreed as deem fit within the overall remuneration approved.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. P B Venugopal, MD & CEO is subject to the condition that:

- a. the total remuneration payable in any financial year by way of salary, perquisites, commission and other allowances shall not exceed the overall limit of five percent (5%) of the net profits of the Company as applicable to each of the Managing Director / Whole time Directors of the Company and / or ten percent (10%) of the net profits of the Company for all Managing Director / Whole-time Directors in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V and rules made thereunder including any statutory amendments, modifications or re-enactment thereof, as may be made thereto and for the time being in force; or
- b. if the Remuneration exceeds the limits as prescribed in the provisions of Section 197, 198 of the Companies Act, 2013, the remuneration payable shall be within the maximum permissible limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, in case of no profits / inadequate profits and term of the appointment as regards remuneration would stand revised in such case and will not exceed three years from the date of such insufficiency.

**RESOLVED FURTHER THAT** the Board of Directors or Chief Financial Officer or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

Date: January 30, 2024

Place: Bangalore

By order of the Board of Directors  
For **Toyota Financial Services India Limited**

**Narayanaswamy Raja**  
**Managing Director & Chief Executive Officer**  
**DIN: 06840450**



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**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 EGM is annexed hereto.
2. In compliance with the provisions of the Act and Ministry of Corporate Affairs (MCA) Circulars, the EGM of the Company is being held through VC on Tuesday, January 30, 2024, at 1:30 PM (IST). The procedure for joining the EGM through VC / OAVM is mentioned in this Notice.
3. The deemed venue for the EGM will be the Registered Office of the Company.
4. As the EGM will be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this EGM 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 EGM are requested to send a scanned copy of authorizing their representative to attend and vote on their behalf at the EGM to the Company at the following email ID: [cs@tfsin.co.in](mailto:cs@tfsin.co.in).
6. In line with MCA Circulars, the Notice calling the EGM along with the Statement under Section 102 of the Act, is being sent through electronic mode to those Members whose email addresses are registered with the Company / Depositories. The Members may note that the Notice and Statement under Section 102 of the Act will also be available on the website of the Company at [www.toyotafinance.co.in](http://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 11 AM to 1 PM (IST) on all working days, up to and including the date of the EGM of the Company and will also be available for inspection at the EGM.

**Instructions for Members for attending the EGM through VC are as under:**

1. The Members will be provided with a facility to attend the EGM through two-way VC through the Microsoft Teams system, and they may access the same through the link shared by the Company as part of this EGM Notice. The attendance of the Members attending the EGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Act. The Notice convening the EGM will be uploaded on the website of the Company at [www.toyotafinance.co.in](http://www.toyotafinance.co.in).
2. Members may join the EGM through Laptops, Smartphones, Tablets and iPads. Further, Members will be required to use the Internet with a good speed to avoid any disturbance during the EGM.

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3. Members are encouraged to submit their questions in advance with respect to the business to be transacted at the EGM. 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](mailto:cs@tfsin.co.in) before 1:30 PM (IST) on Tuesday, January 30, 2024. The designated email ID for casting vote, if demanded for poll at EGM will be [cs@tfsin.co.in](mailto:cs@tfsin.co.in).
4. Members who would like to express their views or ask questions during the EGM 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](mailto:cs@tfsin.co.in) before 1:30 PM (IST) on Tuesday, January 30, 2024.
5. Further, Members may join the EGM through VC facility through Microsoft Teams link to be shared separately, 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 EGM and would be kept open 15 minutes after the EGM also.
6. Members who need assistance before or during the EGM, can contact IT Service Desk of the Company on +1-800-258-9099 / [itservicedesk@tfsin.co.in](mailto:itservicedesk@tfsin.co.in) or Ms. Padmaja Boyanapalli on +91-08 4344 2852 / [cs@tfsin.co.in](mailto:cs@tfsin.co.in).

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

  
Narayanaswamy Raja

Managing Director & Chief Executive Officer  
DIN: 06840450



Date: January 30, 2024

Place: Bangalore

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**Annexure to Notice:**

**Explanatory Statement pursuant to section 102 of the Companies Act, 2013**

**Item no. 1, 2 & 3:**

The existing Authorized Share Capital of the Company is INR 13,079,729,570/- (Rupees Thirteen Billion Seventy-Nine Million Seven Hundred Twenty-Nine Thousand Five Hundred and Seventy Only)) divided into 1,307,972,957 Equity Shares of Rs. 10/- (Rupees Ten) each. In order to sustain and accelerate the current growth rate and to maintain capital adequacy at an optimum level and to fuel the future growth of the Company as envisaged in the MTBP, it is proposed to raise the existing capital of the Company by issue of Equity Shares to Toyota Financial Services Corporation, Japan, Holding Company, up to an aggregate amount not exceeding INR 3.7/- Billion by way Preferential issue on Private Placement basis.

Considering the above, the Board of Directors, at their meeting held on January 30, 2024, has approved the fund raising subject to the consent of the Members of the Company for issue of such shares to its parent Company Toyota Financial Services Corporation, Japan.

However, to bring into effect such issue, the Authorized Share Capital of the Company is required to be increased to INR 13,581,468,700/- (Rupees Thirteen Billion Five Hundred Eighty-One Million Four Hundred Sixty-Eight Thousand and Seven Hundred Only) divided into 1,358,146,870 Equity Shares of INR 10 (Rupees Ten) each. Therefore, the Board of Directors has recommended an increase in the Authorized Share Capital and consequent alteration in Capital clause of the Memorandum of Association and your approval is sought for the same.

Section 62 of the Act, provides, inter alia, that whenever it is proposed to increase the subscribed capital of a company by allotment of further shares, such further shares shall be offered to the persons who on the date of the offer are holders of the Equity Shares of the company in proportion to the capital paid-up on that date and in the manner laid down under Section 62(1) of the Act, unless the Members in a general meeting decide otherwise by way of a Special Resolution. Furthermore, as per Section 42 of the Act, read with the Rules framed thereunder, a company offering or making an invitation to subscribe to securities on a private placement basis, is required to obtain the prior approval of the Members for each of the offers and invitations.

In accordance with Sections 23, 42 and 62 of the Act read with the rules framed there under, approval of the Members is sought by way of a Special Resolution for the issuance of 148 Million Equity Shares of the Company for an aggregate value not exceeding INR 3.7 billion to Toyota Financial Services Corporation, Japan on the terms contained herein.

Given below are the disclosures as required under the rules made under the Companies Act, 2013:

1. The object of the issue is to raise funds for general corporate purposes.
2. The maximum number of Equity Shares which may be issued will be up to 148 Million Equity Shares of INR 10/- (Rupees Ten) each, ranking pari passu with the existing Equity Shares of the Company of face value of INR 10/- (Rupees Ten) each and the Company is expected to raise up to INR 3.7/- Billion only.

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3. The Equity Shares are proposed to be issued at an issue price of INR 25/- (Rupees Twenty-Five Only) per Equity Share ranking pari passu with the existing Equity Shares, based on the Valuation Report of Mr. Santhosh Kumar Katla, Registered Valuer (registration no. IBBI/RV/06/2022/14859) and Chartered Accountants (ICAI Membership no. 243893) having office at #101, First floor Fortune Plaza, Friends Colony, Manikonda, Hyderabad- 500089. As per the Valuation Report, the value of the Equity Share is INR 25/- (Rupees Twenty-Five Only) per Equity Share. The Report is attached for reference. The relevant date with reference to which the price has been arrived at is December 31, 2023.
4. The Equity Shares are proposed to be offered to Toyota Financial Services Corporation, Japan, the parent company of the Company, who intends to subscribe to the offer. Post allotment, the shareholding of Toyota Financial Services Corporation, Japan in the Company will be 100% of the post issue paid-up Equity Share capital of the Company. The Directors and Key Management Personnel will not be offered any Equity Shares and therefore cannot subscribe to the said offer.
5. On October 26, 2023, the Company had allotted 100 Million Equity Shares of face value of INR 10/- (Rupees Ten) each at issue price of INR 24/- (Rupees Twenty-Four) each (including premium of INR 14/- each), ranking pari passu with the existing Equity Shares of the Company to Toyota Financial Services Corporation, Japan, the Holding Company and the Company had raised INR 2.4 Billion.
6. The issue and allotment shall be completed within the time frame prescribed under the applicable laws. Upon the issue and offer of the Equity Shares as aforesaid, the allotment shall be completed within a period of sixty days from the date of receipt of application money.

The provisional shareholding pattern of the Company, before and after the proposed issue, will be as under:

S. No	Category	Pre-Issue Shareholding		Post Issue Shareholding	
		No of Shares Held	%age of Shareholding	No of Shares Held	%age of Shareholding
A	Promoter Holding:				
1	Indian Promoter	-	-	-	-
2	Foreign Promoter	-	-	-	-
	Toyota Financial Services Corporation Japan	1,210,146,870	100	1,35,81,46,870	100
	Sub Total (A)	<b>1,210,146,870</b>	<b>100</b>	<b>1,35,81,46,870</b>	<b>100</b>
B	Non – Promoter Holding				
1	Institutional Investors	-	-	-	-
2	Non-Institution:	-	-	-	-
	Private Corporate Bodies	-	-	-	-
	Directors and Relatives	-	-	-	-
	Indian Public	-	-	-	-
	Others (Including NRIs)	-	-	-	-
	Sub Total (B)	-	-	-	-
	Grand Total	<b>1,210,146,870</b>	<b>100</b>	<b>1,35,81,46,870</b>	<b>100</b>

Note: There will be no change in the control consequent to the preferential offer.

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The Board recommends approval of the Resolution as mentioned in item no. 1, 2 & 3 above as a Special Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at item no. 1, 2 & 3.

**Item No. 4:**

As per Section 203 of the Companies Act, 2013, every listed company and every other public company having a paid-up capital of Rs. 10 Crore or more is required to have Whole Time Key Managerial Personnel including Managing Director.

The Members are requested to note that Mr. Narayanaswamy Raja, current Managing Director and Chief Executive Officer (MD & CEO) of the Company will retire on January 31, 2024. Accordingly, the Company proposes to appoint Mr. P B Venugopal (DIN: 10387035) as MD & CEO for a period of 5 (Five) years effective from February 1, 2024, to January 31, 2029.

As per Section 197 and Schedule V of the Companies Act, 2013, the terms and conditions of such appointment and remuneration payable shall have to be approved by the Board of Directors at a meeting which shall be subject to approval by the Members at the next General Meeting of the company.

Mr. P B Venugopal is not disqualified from being appointed as a Director under Section 164 of the Companies Act, 2013 and has given consent to act as MD & CEO of the Company, possesses the relevant expertise and experience. The Company would greatly benefit from the rich and varied experience of Mr. P B Venugopal. There is no adverse information against the proposed Director available in the public domain. A brief profile of Mr. P B Venugopal is shared below:

Mr. P B Venugopal (DIN: 10387035) is a senior professional with over 3 decades of experience. He holds an Engineering Degree (BE) and also has a Post Graduate Diploma in Marketing & Finance and Personal Management & Industrial relations. He has very well-rounded experience in various aspects of business operations. Mr. P B Venugopal has held various senior positions in Toyota Kirloskar Motor Private Limited since Jan 2009 till date and also held various position in various reputed organizations such as Larsen & Tubro Limited in India, Saud Bahwan Group in Sultanate of Oman, JCB India Limited, Toyota & Lexus operations in India. He has supported in launch of Toyota Financial Services India Limited. He has also worked closely with Toyota Tsusho Insurance Broker India Private Limited in launching the Toyota Protect Program.

Considering his background, the Company would be greatly benefited in augmenting the collaboration with Toyota Kirloskar Motor Private Limited and Toyota Dealers across India for enhanced support and business expansion.

Additional information in respect of Mr. P B Venugopal pursuant to the Secretarial Standards on General Meetings is provided at Annexure A to this Notice.

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The Board considers that his association would be of immense benefit to the Company, and it is desirable to avail services of Mr. P B Venugopal as MD & CEO. Accordingly based on the recommendation of Nomination and Remuneration Committee, the Board has proposed the appointment Mr. P B Venugopal as the MD & CEO for a period of 5 (Five) years with effect from February 1, 2024, to January 31, 2029, in terms of the applicable provisions of the Companies Act, 2013, on such terms and conditions and remuneration up to a maximum of INR 3/- Crore (Rupees Three Crore Only) per annum which shall include Basic pay, HRA, Perquisites, Other/ Special allowances, Employer PF contributions and other contributions and allowances as per the Company Policy. Further, the remuneration is subject to alteration / variation and revision by the Board or Nomination & Remuneration Committee based on performance or the company policy within overall limit being approved by the members.

The remuneration being paid and proposed to be paid is within the limit set down under Section 196/ Section 197 of Companies Act, 2013 and Company has sufficient profit within provisions of the Act. However, the Company taking into account the future period is also obtaining advance approval to cover the situation of insufficiency of the profit based on the proposed remuneration. Hence, the approval sought to be obtained under Section II of Part II of Schedule V to the Companies Act, 2013, is on precautionary basis and just to have authority to Board to grant the remuneration to managerial personnel without seeking any further consent of the members in case of insufficiency of the profit based on criteria covered thereunder. Further, in case of insufficiency of profit, the remuneration would stand limited to three years from the year of insufficiency as per the provisions applicable to Section II of Part II of Schedule V to the Companies Act, 2013.

#### Statement under Section II of Part II of Schedule V to the Companies Act, 2013:

##### I. General Information:

Sl. No.	Particulars	Details	
a.	Nature of Industry	Non-Banking Financial Company (NBFCs) - Automobile Financing Company.	
b.	Date <del>or expected date</del> of commencement of commercial production / operations	June 05, 2012.	
c.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA.	
d.	Financial performance based on given indicators	<b>2021-22</b> INR Million	<b>2022-23</b> INR Million
	Net worth	14,881.03	19,617.76
	Profit/ (Loss) after tax	841.01	1,239.78
e.	Export performance and net foreign exchange collaboration	Nil.	

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f.	Foreign investments collaborations, if any	or Toyota Financial Services Corporation, Japan is holding 100% in the Share Capital of the Company.
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**II. Information about the Appointee:**

Sl. No.	Particulars	Details
a.	Background Details	Mr. P B Venugopal aged about 53 years. He holds an Engineering Degree (BE) and also has a Post Graduate Diploma in Marketing & Finance and Personal Management & Industrial relations.
b.	Past Remunerations	NA. Being appointed for 1 <sup>st</sup> term in the Company.
c.	Recognition or Awards	NA.
d.	Job Profile and Suitability	He is a senior professional with over 3 decades of experience. He has been part of Toyota group for about 15 years and has held various senior positions in Toyota Kirloskar Motor Private Limited (TKM) since Jan 2009 till date. He played a vital role at the time of formation of the Company. He 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 TKM under various roles in the last 15 years.
e.	Remuneration proposed	Up to maximum aggregate amount of INR 3/- Crore (Rupees Three Crore Only) per annum.
f.	Comparative remuneration profile with respect to industry, size of the company, profile of position and person	The remuneration proposed to be paid to Mr. P B Venugopal is commensurate with the experience, qualification and responsibilities entrusted to him by the Board and as prevailing in the industry.
g.	Pecuniary relationship with the company or relationship with the managerial personnel, if any	Except for receiving remuneration as MD & CEO, Mr. P B Venugopal has no pecuniary relationship with the Company. He is not related to any other managerial personnel of the Company.

**III. Other Information:**

Sl. No.	Particulars	Details
a.	Reasons for loss or inadequate profits	For FY 22-23, the Company has made profits. Further, the Company is expected to earn profit for the current financial year, however probable reasons for any loss or inadequate profit in future could be because of the following: <ul style="list-style-type: none"> <li>- Competitive pricing from Banks.</li> </ul>

**TOYOTA FINANCIAL SERVICES INDIA LIMITED**

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		<ul style="list-style-type: none"> <li>- High Risk Cost due to higher delinquency in the business.</li> <li>- Covid or any other pandemic or any natural calamity.</li> </ul>
b.	Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none"> <li>- Expansion of existing asset size by increasing business.</li> <li>- Lean operations by reduction of costs and expenses.</li> <li>- Expansion of KINTO business.</li> <li>- Automation of processes with higher usage of information technology.</li> </ul>
c.	Expected increase in productivity and profits in measurable terms	<p>The Company's productivity is expected to increase with -</p> <ul style="list-style-type: none"> <li>- Improvement in key process like disbursements, operations etc.</li> <li>- Automation of processes with higher usage of information technology.</li> <li>- Improvement in collection efficiency.</li> </ul> <p>However, it is difficult at this stage to quantify the benefits of the measures taken / to be taken by the Company to improve the overall performance.</p>

The Board recommends the Resolution for appointment of Mr. P B Venugopal, MD & CEO, as mentioned in the Notice for your approval as a **Special Resolution**. None of the Directors and Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

By order of the Board of Directors  
For **Toyota Financial Services India Limited**



**Narayanaswamy Raja**  
**Managing Director & Chief Executive Officer**  
**DIN: 06840450**



Date: January 30, 2024

Place: Bangalore

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**ANNEXURE-A**

Details of Mr. P B Venugopal, seeking appointment as MD & CEO of the Company at the 3<sup>rd</sup> EGM to be held on January 30, 2024:

Name of the Director	Mr. P B Venugopal
Date of Birth	February 5, 1971
Age	52 Years 11 Months
Date of First appointment on the Board	February 1, 2024
Relationship with Directors and Key Managerial Personnel	Nil
Expertise in specific functional area	Mr. P B Venugopal has about 30 years of experience working in the automobile industry. He has been part of Toyota for group about 15 years and was closely associated with the Company's start-up team when the Company was formed in India and was one of the start-up advisors to start Finance business in India. He was involved in establishing multiple processes for the Company. He was also closely associated with the Company's Business operations from Toyota Kirloskar Motor Private Limited under various roles in the last 15 years. His extensive experience would contribute to the business of the Company.
Qualification(s)	He holds an Engineering Degree (BE) and also has a Post Graduate Diploma in Marketing & Finance and Personal Management & Industrial relations.
Number of Meetings of the Board attended during the year	Not Applicable
Board Membership of other Companies	Nil
Chairmanships / Memberships of the Committees of other public limited companies	Nil
Number of Equity Shares held in the Company	Nil

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