

# Toyota Financial Services India Limited

Regd.Office: No.21, Centropolis, First Floor, 5th Cross, Langford Road, Shanti Nagar, Bangalore - 560 025

CIN: U74900KA2011FLC058752 | www.toyotafinance.co.in

Tel : +91 80 4344 2800 | Fax: +91 80 4344 2930 | Email : investorrelations@tfsin.co.in

## Statement of Audited Financial Results for the Half year and Year ended 31 March 2021

### Profit and Loss

(Amounts are in Rs. Million, except per share data)

S.No.	Particulars	Half year ended		Year ended	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
		Audited*	Audited*	Audited	Audited
<b>1</b>	<b>Revenue</b>				
	(a) Interest Income	3,213.83	3,351.29	6,549.47	6,851.70
	(b) Rental Income	25.95	18.67	39.36	32.13
	(c) Fees and commission income	1.41	1.45	2.19	1.45
	(d) Net gain on fair value changes	106.14	-	18.17	-
	(e) Others	163.68	150.72	273.59	311.83
	<b>Total revenue from operations</b>	<b>3,511.01</b>	<b>3,522.13</b>	<b>6,882.78</b>	<b>7,197.11</b>
	(f) Other Income**	(56.33)	86.37	17.84	152.39
	<b>Total revenue (a+b+c+d+e+f)</b>	<b>3,454.68</b>	<b>3,608.50</b>	<b>6,900.62</b>	<b>7,349.50</b>
<b>2</b>	<b>Expenses</b>				
	(a) Finance costs	1,826.83	2,192.52	3,890.25	4,575.43
	(b) Net loss on fair value changes	-	312.46	-	356.15
	(c) Impairment on financial instruments	327.20	1,153.40	1,058.80	1,791.92
	(d) Employee benefit expenses	260.56	220.96	498.47	436.89
	(e) Depreciation, amortisation and impairment	59.13	60.26	109.04	109.49
	(f) Other expenses	394.13	334.13	612.90	634.49
	<b>Total expenses (a+b+c+d+e+f)</b>	<b>2,867.85</b>	<b>4,273.73</b>	<b>6,169.46</b>	<b>7,904.37</b>
<b>3</b>	<b>Profit/ (loss) before tax for the period (1-2)</b>	<b>586.83</b>	<b>(665.23)</b>	<b>731.16</b>	<b>(554.87)</b>
<b>4</b>	<b>Tax expense:</b>				
	(a) Current tax - current year	217.56	130.37	365.95	259.77
	- earlier year	-	-	30.82	-
	(b) Deferred tax charge / (credit)	(47.54)	(297.58)	(187.09)	(317.15)
	<b>Total tax expense (a+b)</b>	<b>170.02</b>	<b>(167.21)</b>	<b>209.68</b>	<b>(57.38)</b>
<b>5</b>	<b>Profit / (loss) after tax for the period (3-4)</b>	<b>416.81</b>	<b>(498.02)</b>	<b>521.48</b>	<b>(497.49)</b>
<b>6</b>	<b>Other comprehensive income (OCI)</b>				
	<b>Items that will not be reclassified to statement of profit or loss</b>				
	(i) Remeasurement of defined benefit plan	1.89	2.49	2.26	(0.53)
	(ii) Income tax relating to items that will not be reclassified to statement of profit or loss	(0.48)	(0.63)	(0.57)	0.13
	<b>Total other comprehensive income for the period (net of taxes) (i+ii)</b>	<b>1.42</b>	<b>1.86</b>	<b>1.69</b>	<b>(0.40)</b>
<b>7</b>	<b>Total comprehensive income / (loss) for the period (5+6)</b>	<b>418.23</b>	<b>(496.16)</b>	<b>523.17</b>	<b>(497.89)</b>
<b>8</b>	<b>Paid up equity share capital</b>	<b>9,579.73</b>	<b>9,579.73</b>	<b>9,579.73</b>	<b>9,579.73</b>
<b>9</b>	<b>Earnings per share</b>				
	(a) Basic EPS (in Rupees)#	0.44	(0.52)	0.54	(0.52)
	(b) Diluted EPS (in Rupees)#	0.44	(0.52)	0.54	(0.52)
	Face value per share (in Rupees)	10.00	10.00	10.00	10.00

\* Refer Note no. 14

# Refer Note no. 16

\*\* Refer Note no. 15

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## Statement of Audited Financial Results for the Half year and Year ended 31 March 2021 (Continued)

### Balance Sheet

(Amounts are in Rs. Million)

S.No.	Particulars	As at	As at
		31 March 2021	31 March 2020
		Audited	Audited
<b>A</b>	<b>Assets</b>		
<b>1</b>	<b>Financial assets</b>		
	(a) Cash and cash equivalents	1,563.34	5,371.56
	(b) Derivative financial instruments	104.43	345.76
	(c) Trade receivables	4.42	5.06
	(d) Loans	68,209.81	68,771.44
	(e) Investments	989.15	-
	(f) Other financial assets	93.66	49.03
	<b>Total financial assets</b>	<b>70,964.81</b>	<b>74,542.85</b>
<b>2</b>	<b>Non-financial assets</b>		
	(a) Current tax assets (net)	99.03	264.58
	(b) Deferred tax assets (net)	782.59	596.07
	(c) Property, plant and equipment	266.60	132.00
	(d) Intangible assets under development	91.64	35.92
	(e) Other intangible assets	59.93	44.20
	(f) Right-of-use assets	108.29	93.45
	(g) Other non-financial assets	164.59	83.93
	<b>Total non-financial assets</b>	<b>1,572.67</b>	<b>1,250.15</b>
	<b>Total Assets</b>	<b>72,537.48</b>	<b>75,793.00</b>
<b>B</b>	<b>Liabilities and Equity</b>		
<b>1</b>	<b>Financial liabilities</b>		
	(a) Derivative financial instruments	144.11	-
	(b) Trade payables		
	(i) Total outstanding dues of micro enterprises and small enterprises	5.94	0.15
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	942.71	421.66
	(c) Debt securities	23,412.45	26,404.12
	(d) Borrowings (other than debt securities)	33,647.09	35,206.59
	(e) Lease liabilities	114.86	100.49
	(f) Other financial liabilities	24.45	0.42
	<b>Total financial liabilities</b>	<b>58,291.61</b>	<b>62,133.43</b>
<b>2</b>	<b>Non-financial liabilities</b>		
	(a) Current tax liabilities (net)	28.83	-
	(b) Provisions	108.92	101.13
	(c) Other non-financial liabilities	64.83	38.32
	<b>Total non-financial liabilities</b>	<b>202.58</b>	<b>139.45</b>
<b>3</b>	<b>Equity</b>		
	(a) Equity share capital	9,579.73	9,579.73
	(b) Other equity	4,463.56	3,940.39
	<b>Total equity</b>	<b>14,043.29</b>	<b>13,520.12</b>
	<b>Total Liabilities and Equity</b>	<b>72,537.48</b>	<b>75,793.00</b>

### Notes:

- Toyota Financial Services India Limited ('the Company') is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI) registered with the Reserve Bank of India (RBI) classified as an Investment and Credit Company (NBFC-ICC).
- The above financial results has been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act'), directions/guidelines issued by Reserve Bank of India ('RBI') and generally accepted accounting practices in India, in compliance with Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended ('the Listing Regulations'). Any application guidance/ clarifications/ directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/ applicable.  
Further, these financial results have been prepared in the format prescribed under the notified schedule III of the Companies Act, 2013 for Non-Banking Financial Companies issued by Ministry of Corporate Affairs (MCA) on 11 October 2018.
- The audited financial results have been reviewed by the Audit Committee on 27 May 2021 and recommended for adoption to the Board of Directors. The Board of Directors of the Company have considered and approved the same at its meeting held on 27 May 2021.
- The financial results for the year ended 31 March 2021 have been audited by the statutory auditors of the Company and have issued an unmodified opinion thereon.

## Statement of Audited Financial Results for the Half year and Year ended 31 March 2021 (Continued)

- 5 Other equity include Statutory Reserve as per Section 45IC of Reserve Bank of India Act, 1934, balance in securities premium, retained earnings and other comprehensive income.
- 6 The Company's operating segments are established in the manner consistent with the components of the Company that are evaluated regularly by the Chief Operating Decision Maker as defined in Ind AS 108 - 'Operating Segments'. The Company is engaged primarily in the business of vehicle financing and there are no separate reportable segments as per Ind AS 108.
- 7 The secured, redeemable, non-convertible debentures of the Company are listed on the wholesale debt market of National Stock Exchange (NSE) and are secured through first ranking exclusive charge by way of hypothecation over the loan receivables.
- 8 Indian economy was on the course of recovery from the negative impact of COVID induced lockdowns of 2020; when a severe second wave that has significantly increased the number of cases in India, threatens to impact the economy again. The Government of various states are responding to the latest outbreak with localized lockdowns and attempting to accelerate the pace of vaccination. The extent to which the COVID-19 "second wave" will continue to impact the Company's performance depends on ongoing as well as future developments, which are uncertain, including among other things, actions to contain its spread, pace of normalization of economic activity and consequentially the delinquency trends.  
  
The Company has separately incorporated estimates, assumptions and judgements specific to the impact of the COVID-19 pandemic and the associated support packages in the measurement of impairment loss allowance. The Company has been duly servicing its debt obligations, maintains a healthy capital adequacy ratio and has adequate capital and financial resources to run its business. Taking into consideration the impact arising from the COVID-19 pandemic on the economic environment, the Company has, during the year, continued to undertake a risk assessment of its credit exposures and in addition to the model determined ECL provision, it has recorded a total additional management overlay of Rs 696 millions as on 31 March 2021 (as on 31 March 2020- Rs. 827 millions) in the Balance sheet, to reflect deterioration in the macroeconomic outlook and other factors. The final impact of this pandemic is very uncertain and the actual impact may be different than that estimated based on the conditions prevailing as at the date of approval of these financial results. The management will continue to closely monitor the material changes in the macro- economic factors impacting the operations of the Company.
- 9 In accordance with the judgement of The Honourable Supreme Court of India in the matter of Small Scale Industrial Manufacturers Association vs. UOI & Ors. and other connected matters and in accordance with the instructions in paragraph 5 of the RBI circular dated 07 April 2021 issued in this connection, the Company shall refund / adjust 'interest on interest' to all borrowers including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. As required by RBI notification, the methodology for calculation of such interest on interest has recently been circulated by the Indian Banks Association. Accordingly, in accordance with the policy adopted by the Board based on the methodology recommended by IBA, the Company has estimated the amount to be refunded and made a provision of INR 19.90 million for the year ended 31 March 2021. The estimated amount is reduced from interest income and provision is created and grouped under "Other Financial Liabilities".  
  
Further, the Company had not classified any additional borrower accounts as impaired (non-performing assets) which were not declared non-performing till 31 August 2020, in view of the Supreme Court order dated 3 September 2020 (Public Interest Litigation (PIL) by Gajendra Sharma Vs Union of India & ANR). The Honourable Supreme Court of India vide order dated 23 March 2021 has stated that interim relief granted vide an interim order dated 3 September 2020 stands vacated. Accordingly, the accounts which were not declared NPAs basis such interim relief have now been declared as NPAs. Under the Ind AS Expected Credit Loss framework such accounts continue to be classified as Stage 3 (wherever applicable) and continue to be provided for accordingly.
- 10 The Government of India, Ministry of Finance, vide its notification dated 23 October 2020, had announced a scheme for COVID-19 Relief for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts. The Company had implemented the ex-gratia scheme and credited to the accounts of or remitted amounts to the eligible borrowers an amount of INR 54.09 million as per the Scheme. Further, the Company in accordance with the scheme had submitted a claim for reimbursement of INR 54.09 Million with designated officer(s) / cell at State Bank of India (which functions as a nodal agency of Government of India under the scheme for settlement of claims of lending institutions). The reimbursement amount is receivable as on 31 March 2021 and is grouped under "Other Financial Assets".
- 11 The Indian Parliament has approved the Code on Social Security, 2020 which may impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be determined. The Company will complete their evaluation and will give appropriate impact in the financial statements in the year in which, the Code becomes effective and the related rules to determine the financial impact are notified.
- 12 The Taxation Laws (Amendment) Ordinance, 2019 contain substantial amendments in the Income Tax Act 1961 and the Finance (No.2) Act, 2019 to provide an option to domestic companies to pay income tax at a concessional rate. The Company has elected to apply the concessional tax rate and has recognized the provision for income tax and re-measured the net deferred tax assets at concessional rate since 30 September 2019.
- 13 During the year, the Company has revised the estimated total useful lives of Leased Vehicles. The net effect of the changes in the current financial year (starting from 1 February 2021) was an increase in depreciation expense of INR 4.08 millions.
- 14 The figures for the half year ended 31 March 2021 and the corresponding half year ended in the previous year as reported in these annual financial results are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures for the half year ended 30 September of the respective financial years.
- 15 Impairment of financial instrument is presented net off recovery of bad debts for the preparation of annual financial statements. This has resulted in negative other income amounting to INR 56.33 million for the half year ended 31 March 2021, as the results of half year ended 31 March 2021 are the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures for the half year ended 30 September 2020.
- 16 Earnings per equity share for the half year ended 31 March 2021 and 31 March 2020 have not been annualized.
- 17 Information as required by Regulation 52 (4) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been made to the stock exchange in this regard (refer Annexure 1).

**Statement of Audited Financial Results for the Half year and Year ended 31 March 2021 (Continued)**

- 18 The Company is a "Large Corporate" as per criteria under SEBI circular SEBI/HO/DDHS/CIR/P/2018/144. Necessary disclosure had been made to the stock exchanges in this regard.
- 19 Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 pertaining to Resolution Framework for COVID-19-related Stress:-

During the year ended 31 March 2021, the Company has restructured loan accounts in accordance with the Resolution framework for COVID-19 related stress as per the RBI Circular dated 6 August 2020. These accounts have been reviewed and assessed as having a significant increase in credit risk and have been classified as Stage 2 in accordance with the Company's provisioning policy under the ECL framework.

Details of resolution plan implemented under the Resolution Framework for COVID-19 related Stress as per RBI circular dated 6 August 2020 are given below.

Type of borrower*	Number of accounts where resolution plan has been implemented under this window (A)	exposure to accounts mentioned at (A) before implementation of the plan (B)	Of (B), aggregate amount of debt that was converted into other securities (C)	Additional funding sanctioned, if any, including between invocation of the plan and implementation (D)	Increase in provisions on account of the implementation of the resolution plan (E)
Personal Loans	199	188.62	-	-	72.18
Corporate persons**	464	278.92	-	-	99.30
of which MSMEs	463	276.92	-	-	98.85
Others	0	-	-	-	-
Total	663	467.54	-	-	171.48

\*Auto loans and auto related loan

\*\* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

The Company, being NBFC, has complied with IndAS and its Expected Credit Loss policy duly approved by the Board for the purpose of provision on such restructuring accounts. Column E denotes total provision held on such accounts as at 31 March 2021.

- 20 Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC.63/21.04.048/2020-21 dated 17 April 2020 pertaining to Asset Classification and Provisioning in terms of COVID19 Regulatory Package.

Particulars	31 March 2021	31 March 2020
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended*	6,582.13	4,707.69
Respective amount where asset classification benefits is extended**	-	303.88
General provision made***	-	-
General provision adjusted during the period against slippages and the residual provisions	-	-

\* Outstanding as on 31 March 2021 and 31 March 2020 respectively on account of all cases in SMA/overdue categories where the moratorium benefit was extended by the Company up to 31 August 2021.

\*\* There are NIL accounts where asset classification benefits is extended till 31 March 2021, Post the moratorium period the movement of aging has been at actuals.

\*\*\* The Company, being NBFC, has complied with IndAS and guidelines duly approved by the Board for recognition of the impairments.

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

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NARAYANASWAMY  
AMY

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Narayanaswamy Raja  
Managing Director & CEO

Place: Bangalore  
Date: 27 May 2021

**Toyota Financial Services India Limited****Annexure 1 - Disclosure under Regulation 52(4) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.**

## Additional Information

a) **Credit rating**

ICRA Limited (ICRA) and CRISIL Limited (CRISIL) have assigned the following ratings to the Company :

Facility	CRISIL	ICRA
Commercial Papers	A1+	A1+
Non-Convertible Debentures	AAA/Stable	AAA/Stable
Working capital loans from banks	AAA/Stable	-
Long term loans from banks	-	AAA/Stable
Short term loans from banks	-	A1+

b) **Asset cover available\*\*\***

Not applicable

c) **Debt-Equity ratio\***

The debt-equity ratio of the Company as per the financial results reviewed by the statutory auditors for the year ended 31 March 2021 is 4.06

d) **Previous due date for the payment of interest / dividend for non-convertible redeemable preference shares / repayment of principal of non-convertible preference shares / non-convertible debt securities and whether the same has been paid or not.**

All previous dues with respect to debentures were paid on due date (Refer Appendix A). The Company has not issued any non-convertible redeemable preference shares.

e) **Next due date for the payment of interest / dividend of non-convertible preference shares / principal along with the amount of interest / dividend of non-convertible preference shares payable and the redemption amount.**

The Company has not issued any non-convertible redeemable preference shares.

f) **Debt service coverage ratio\*\*\***

Not applicable

g) **Interest service coverage ratio\*\*\***

Not applicable

h) **Outstanding redeemable preference shares (quantity and value)**

Not applicable

i) **Capital redemption reserve / Debenture redemption reserve**

Debenture redemption reserve is not required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014.

j) **Networth**

Rs.14,043.29 millions

k) **Net profit after tax**

Rs.521.48 millions

l) **Earnings per share\*\***

a. Basic - Rs.0.54

b. Diluted - Rs.0.54

\* Debt equity ratio is (Debt securities + Borrowings + Subordinated liabilities) / Networth

\*\* Not annualised and rounded off to two decimal points

\*\*\* The requirement of disclosures of debt service coverage ratio, asset cover and interest service coverage ratio is not applicable to the Company as it is a non banking financial company registered with the Reserve Bank of India.

## Toyota Financial Services India Limited

Appendix A - Statement of interest and principal on non convertible debentures falling due and paid during Half year ended 31 March 2021

Sr. No	ISIN	NCD Series	Previous interest payment due date	Whether interest paid	Previous principal repayment due date	Whether principal repaid	Next interest payment due date	Next principal repayment due date
1	INE692Q07209	Series 17	12-Jan-21	Yes	12-Jan-21	Yes	NA	NA
2	INE692Q07225	Series 19	NA	NA	26-Feb-21	Yes	NA	NA
3	INE692Q07258	Series 22	28-Jan-21	Yes	NA	NA	28-Jan-22	28-Jan-22
4	INE692Q07274	Series 23	17-Mar-21	Yes	NA	NA	17-Mar-22	16-Jun-23
5	INE692Q07282	Series 24	NA	NA	NA	NA	04-Jun-21	30-May-22
6	INE692Q07290	Series 25	NA	NA	NA	NA	21-Aug-21	28-Jul-22
7	INE692Q07308	Series 26	NA	NA	NA	NA	28-Dec-21	28-Dec-23
8	INE692Q07316	Series 27	NA	NA	NA	NA	24-Feb-22	07-Feb-24
9	INE692Q07324	Series 28	NA	NA	NA	NA	14-Mar-22	12-Mar-24
10	INE692Q07332	Series 29	NA	NA	NA	NA	24-Mar-22	31-Jan-23

Date: May 27, 2021

To

**National Stock Exchange of India Limited ('NSE'),**  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex, Bandra (E)  
Mumbai - 400 051.

Dear Sir/Ma'am,

**Sub: Declaration pursuant to Regulation 52(3)(a) & Regulation 52(7) of the per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations)**

We hereby certify that the Statutory Auditors of the Company, B S R & Co. LLP, Chartered Accountants have issued an Audit Report with an unmodified opinion on the Audited Financial Results of the Company for the year ended March 31, 2021.

Please take this information on record with respect of clause 52 (3) (a) of SEBI LODR Regulations.

Further, pursuant to Regulation 52(7) of SEBI LODR Regulations, the Company confirms that there have been no material deviations in the use of proceeds of issue of Non-Convertible debt securities from the objects stated in the offer document.

Thanking You

**For Toyota Financial Services India Limited,**

RAJA  
NARAYANAS  
WAMY

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RAJA  
NARAYANASWAMY  
Date: 2021.05.27  
18:27:29 +05'30'

**Narayanaswamy Raja**  
**MD & CEO**  
(DIN - 06840450)

# B S R & Associates LLP

Chartered Accountants

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Pebble Beach, B Block, 3<sup>rd</sup> Floor,  
Off Intermediate Ring Road,  
Bangaluru-560071 India

Telephone: +91 80 4682 3000  
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## **Independent Auditors' Report on Annual Financial Results under Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31 March 2021**

### **INDEPENDENT AUDITORS' REPORT**

**To the Board of Directors of Toyota Financial Services India Limited**

#### **Report on the audit of the Annual Financial Results**

##### **Opinion**

We have audited the accompanying annual financial results of Toyota Financial Services India Limited (hereinafter referred to as the "Company") for the year ended 31 March 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid annual financial results:

- a. are presented in accordance with the requirements of Regulation 52 read with Regulation 63(2) of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2021.

##### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.



## **B S R & Associates LLP**

### **Independent Auditors' Report (Continued)** **Toyota Financial Services India Limited**

#### **Emphasis of Matter**

As described in Note 8 to the annual financial results, the extent to which the COVID-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter.

#### **Management's and Board of Directors' Responsibilities for the Annual Financial Results**

These annual financial results have been prepared on the basis of the annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 52 read with Regulation 63(2) of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Management and the Board of Directors are 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.

The Board of Directors is responsible for overseeing the Company's financial reporting process

#### **Auditor's Responsibilities for the Audit of the Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the annual financial results 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 annual financial results.

## **B S R & Associates LLP**

### **Independent Auditors' Report (Continued)** **Toyota Financial Services India Limited**

#### **Auditor's Responsibilities for the Audit of the Annual Financial Results (Continued)**

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

- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. 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 annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

## **B S R & Associates LLP**

### **Independent Auditors' Report (Continued)** **Toyota Financial Services India Limited**

#### **Other Matter**

The annual financial results include the results for the half year ended 31 March 2021 and the corresponding previous period half year ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures for the half year ended 30 September 2020 and 30 September 2019 respectively, which were subject to limited review by us.

For **B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No. 116231W / W-100024

**ROHIT JOSEPH**  
**ALEXANDER**

Digitally signed by ROHIT  
JOSEPH ALEXANDER

Date: 2021.05.27 20:01:17  
+05'30'

**Rohit Alexander**

*Partner*

Place: Bangalore  
Date: 27 May 2021

Membership Number: 222515  
UDIN: 21222515AAAABT8320