

B S R & Associates LLP

Chartered Accountants

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To the Board of Directors of Toyota Financial Services India Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Toyota Financial Services India Limited ('the Company') for the half year ended 30 September 2019 ('the Statement').
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Associates LLP

Chartered Accountants

Firm Registration Number: 116231W/W-100024


Rohit Joseph Alexander

Partner

Place: Bangalore

Date: 14 November 2019

Membership number: 222515

UDIN: 19222515AAAACD2463

Statement of Unaudited Financial results for the half year ended 30 September 2019

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

S.No.	Particulars	Half year ended		Period ended	Year ended
		30 September 2019	30 September 2018	30 September 2019	31 March 2019
		Unaudited	Unaudited	Unaudited	Audited
1	Revenue				
	(a) Interest Income	3,500.41	3,314.40	3,500.41	6,687.44
	(b) Rental Income	13.46	2.82	13.46	9.33
	(c) Other financial charges	161.11	157.15	161.11	300.07
	Total revenue from operation	3,674.98	3,474.37	3,674.98	6,996.84
	(d) Other Income	66.02	60.80	66.02	132.15
	Total revenue (a+b+c+d)	3,741.00	3,535.17	3,741.00	7,128.99
2	Expenses				
	(a) Finance costs	2,382.91	2,155.76	2,382.91	4,462.17
	(b) Net loss on fair value changes	43.69	-	43.69	-
	(c) Impairment on financial instruments	638.52	302.06	638.52	1,028.45
	(d) Employee benefits expense	215.93	201.47	215.93	412.47
	(e) Depreciation, amortisation and impairment	49.23	14.02	49.23	30.42
	(f) Other expenses	300.36	302.81	300.36	646.13
	Total expenses (a+b+c+d+e+f)	3,630.64	2,976.12	3,630.64	6,579.64
3	Profit / (loss) for the period (before tax and exceptional items) (1-2)	110.36	559.05	110.36	549.35
4	Exceptional items	-	-	-	-
5	Profit / (loss) for the period before tax (3-4)	110.36	559.05	110.36	549.35
6	Tax expense:				
	(a) Current tax	129.40	184.50	129.40	134.50
	(b) Deferred tax (credit) / charge	(19.57)	2.73	(19.57)	56.63
	Total tax expense (a+b)	109.83	187.23	109.83	191.13
7	Net Profit / (loss) for the period after tax (5-6)	0.53	371.82	0.53	358.22
8	Other comprehensive income (OCI)				
	Items that will not be reclassified to statement of profit or loss				
(i)	Remeasurement of defined benefit plan	(3.02)	0.45	(3.02)	(0.15)
(ii)	Income tax relating to items that will not be reclassified to statement of profit or loss	0.76	(0.16)	0.76	0.05
	Total other comprehensive income / (loss) for the period (net of taxes) (i+ii)	(2.26)	0.29	(2.26)	(0.10)
9	Total comprehensive income / (loss) for the period (after tax) (7+8)	(1.73)	372.11	(1.73)	358.12
10	Earnings per equity share*				
	(a) Basic EPS (in Rupees)**	0.01	0.39	0.01	0.37
	(b) Diluted EPS (in Rupees)**	0.01	0.39	0.01	0.37
	Face value per share (in Rupees)	10.00	10.00	10.00	10.00

* not annualised

** rounded off to nearest two decimal points



Statement of Unaudited Financial Results for the half year ended September 30, 2019 (Contd...)

(Amounts are in Rs. Million)

S.No.	Particulars	As at	As at
		30 September 2019	31 March 2019
		Unaudited	Audited
A	Assets		
1	Financial assets		
	(a) Cash and cash equivalents	3,126.98	2,902.36
	(b) Trade receivables	4.40	27.89
	(c) Loans	74,084.34	74,348.11
	(d) Derivative assets	18.41	-
	(e) Other financial assets	44.50	34.58
		77,278.63	77,312.94
2	Non-financial assets		
	(a) Current tax assets (net)	211.69	172.89
	(b) Deferred tax assets (net)	299.13	274.56
	(c) Property, plant and equipment	130.22	103.19
	(d) Other intangible assets	51.80	46.50
	(e) Intangible assets under development	9.83	11.39
	(f) Right to use assets	115.16	-
	(g) Other non-financial assets	88.43	105.03
		906.26	713.56
	Total Assets	78,184.89	78,026.50
B	Liabilities and Equity		
1	Financial liabilities		
	(a) Payables		
	Trade payables		
	(i) Total outstanding dues of micro enterprises and small enterprises	2.73	0.21
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	742.30	1,064.59
	(b) Debt securities	41,601.87	41,631.30
	(c) Borrowings (other than debt securities)	21,468.16	21,010.37
	(d) Lease liabilities	121.98	-
	(e) Derivative liabilities	21.85	-
	(f) Other financial liabilities	144.63	188.72
		64,103.52	63,895.19
2	Non-financial liabilities		
	(a) Provisions	48.58	52.72
	(b) Other non-financial liabilities	16.51	54.04
		65.09	106.76
3	Equity		
	(a) Equity share capital	9,579.73	9,579.73
	(b) Other equity	4,436.55	4,444.82
		14,016.28	14,024.55
	Total Liabilities and Equity	78,184.89	78,026.50



Notes :

- 1 Toyota Financial Services India Limited ('the Company') is a Non-Banking Finance Company registered with the Reserve Bank of India.
- 2 The unaudited financial results for the half year ended 30 September 2019 ('the Statement') have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14 November 2019.
- 3 The Statement has been prepared in accordance with recognition and measurement principles laid down in accordance with the Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and relevant rules issued thereunder and other recognized accounting practices and policies.
- 4 In compliance with Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of unaudited financial results for the half year ended 30 September 2019 and 30 September 2018 have been carried out by the Statutory Auditors of the Company and an unqualified review report has been issued.
- 5 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.
- 6 Other equity include Statutory Reserve as per Section 45IC of Reserve Bank of India Act, 1934, balance in securities premium and retained earnings.
- 7 Effective 01 April 2019, the Company has adopted Ind AS 116 (Leases) and applied it to all lease contracts existing on 01 April 2019 using the modified retrospective approach. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures.
On transition, the adoption of the new standard resulted in the recognition of Right-of-use asset of Rs.104.34 million and a lease liability of Rs.116.45 million. The effect of this adoption is not material to the profit for the period and earnings per share.
- 8 The Company's sole business segment is 'Vehicle and Other Financing' and principal geographical segment is 'India'. The Company considers business segment as the primary segment and geographical segment based on location of customers as a secondary segment. Since the Company has a single business segment and a single geographical segment, accordingly there are no separate reportable segment in accordance with Ind-AS "Operating Segment".
- 9 During the half year, company has issued Masala Bond (INR denominated bond) amounting to Rs.3,500 million for a tenure of 3 years and has availed FCY denominated ECB Loan amounting to USD 70 million for a tenure of 3 years, in multiple tranches as per ECB framework of RBI.
- 10 The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax for the half year ended 30 September 2019 and re-measured its deferred tax assets basis the rate prescribed in the said section. The full impact of above mentioned change amounting to Rs.76.81 million has been recognised in the statement of profit and loss for the half year ended 30 September 2019.
- 11 Ms.Renu Rajani, completed her tenure as independent director on 19 August 2019 and in her place the shareholders appointed Mr.Ashok Rao Baswa as Independent Director of the Company effective 19 August 2019 for a period of one year under section 149 of the Companies Act, 2013.
- 12 Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as per "Annexure 1" attached.
- 13 Previous period figures have been regrouped and reclassified, wherever necessary, to make them comparable with current period figures.

By Order of the Board

For Toyota Financial Services India Limited



Tomohei Matsushita
Managing Director and CEO
DIN:07335725



Date : 14th November 2019

Place : Bangalore

Toyota Financial Services India Limited**Annexure 1****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 half year ended 30 September 2019 is 4.50

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.14,016.28 millions

k) Net profit after tax

Rs.0.53 millions

l) Earnings per share**

a. Basic - Rs.0.01

b. Diluted - Rs.0.01

* 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.



Appendix A - Statement of interest and principal on non convertible debentures falling due and paid during FY 2019-20 till 30.09.2019

Sr. No	ISIN	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	INE692Q07092	Series 7 Option 2	31-Dec-18	Yes	NA	NA	30-Dec-19	30-Dec-19
2	INE692Q07118	Series 9	28-Jun-19	Yes	28-Jun-19	Yes	NA	NA
3	INE692Q07134	Series 10 Option 2	28-Jul-19	Yes	28-Jul-19	Yes	NA	NA
4	INE692Q07142	Series 11	15-Oct-18	Yes	NA	NA	14-Oct-19	14-Oct-19
5	INE692Q07159	Series 12	29-Oct-18	Yes	NA	NA	27-Oct-19	27-Apr-20
6	INE692Q07167	Series 13	10-Aug-19	Yes	NA	NA	10-Feb-20	10-Feb-20
7	INE692Q07175	Series 14	25-Mar-19	Yes	NA	NA	24-Mar-20	24-Mar-20
8	INE692Q07183	Series 15	31-May-19	Yes	NA	NA	31-May-20	30-Jun-20
9	INE692Q07191	Series 16	01-Jul-19	Yes	NA	NA	29-Jun-20	29-Jun-20
10	INE692Q07209	Series 17	15-Jul-19	Yes	NA	NA	14-Jul-20	12-Jan-21
11	INE692Q07225	Series 19	NA	NA	NA	NA	NA	26-Feb-21
12	INE692Q07233	Series 20	04-Feb-19	Yes	NA	NA	31-Jan-20	31-Jan-20
13	INE692Q07241	Series 21	20-Jun-19	Yes	NA	NA	29-May-20	29-May-20
14	INE692Q07258	Series 22	NA	NA	NA	NA	28-Jan-20	28-Jan-22



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