

Toyota Financial Services India Limited
Liquidity Risk Management disclosure as on 30 September 2020 (based on Unaudited Financials)

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

Sr no	Number of significant counterparties *	Amount (INR Million)	% of Total deposits	% of Total Liabilities
1	4	37,951	NA	63%

* The Company considers an exposure from a single counterparty or group of connected or affiliated counterparties of 10% 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 27,012 millions and 46% of total borrowings.

d. Funding Concentration based on significant instrument/product

Sr no	Name of the instrument/product *	Amount (INR Million)	% of Total Liabilities
1	External commercial borrowings**	23,881	40%
2	Bank borrowings	21,970	37%
3	Non Convertible debentures	11,356	19%

* The Company considers an exposure from an instrument/product of 10% and above to be significant.

**External commercial borrowings includes INR denominated ECB Bond.

e. Stock Ratios

Sr no	Particulars	Total Liabilities	Total Assets
1	Commercial papers as a % of	2%	1%
2	Non-convertible debentures (original maturity of less than one year) as a % of	NIL	NIL
3	Other short-term liabilities, if any as a % of	3%	2%

For the computation of all the above disclosures the following has been considered:

- Total liabilities means total assets less equity capital and other equity.
- Total asset means total of asset side of the balance sheet.
- 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, including liquidity risk and market risk. The Board has constituted Asset Liability Management Committee ('ALCO') to identify & monitor the liquidity, market and foreign exchange risks from time to time. 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 chaired by the MD & CEO of the Company along with senior members - Whole time director, CFO, and senior members from Finance, Treasury & Accounting, Sales & Marketing, Risk to enable effective ALM risk 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.



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TOYOTA FINANCIAL SERVICES INDIA LIMITED