TOYOTA FINANCIAL SERVICES

Toyota Financial Services India Limited
Liquidity Risk Management disclosure as on 30 Jun 2021 (based on Unaudited Financials)

Dicslosures 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	5	37,984	NA	68%

* The Company consideres an exposure from a single counterparty or group of connected or affiliated counterparties of 10% and above to be significant counterparities.

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

c. Top 10 borrowings amounts to INR 28,535 millions and 52% 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 (**)	23,641	42%
2	Non Convertible debentures	18,345	33%
3	Bank borrowings	12,909	23%

* The Company consideres an exposure from an instrument 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	0%	0%
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	2%	2%

For the computation of all the above disclosures the following has been considered:
i. Total liabilities means total assets less equity capital and other equity.
ii. Total asset means total of asset side of the balance sheet.
iii. Borrowings have been considered at their carrying value.

f. Institutional set-up for liquidity risk management
The Board has the overall responsibility of managing risk related to Asset Liability mismatches, including liquidity risk. The Company has a board approved Asset Liability Management policy 'ALM policy', liquidity risk management framework which ensures that the Company maintains sufficient liquidity, 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 Board has constituted designated Asset Liability Management Committee 'ALCO' to identify the risk from time to time and provide strategic inputs for continuous improvement of risk management for the Company. ALCO decides the strategy and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/ limits decided by the board. The ALCO is chaired by the MD & CEO of the Company along with senior members from the Company - Whole time director, CFO, and Senior members from Finance, Treasury & Accounting, Sales & Marketing, Risk to enable the ALCO to become a key driver of the overall ALM risk strategy of the Company.

BCh