TOYOTA FINANCIAL SERVICES

Toyota Financial Services India Limited

Liquidity Risk Management Disclousre as on 31st March 2022

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	30281	N.A.	50%

* The Company consider 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 27,354 millions and 47% 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**	25012	42%
2	Bank borrowings	12051	20%
3	Non Convertible debentures	20088	33%

* The Company consider 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	2%	2%
2	Non-convertible debentures (original maturity of less than one year) as a % of	0%	0%
3	Other Short-term liabilities (excluding 1 & 2 above and including current maturities of long term debt and other liabilities), if any as a % of	49%	40%
4	Other short-term liabilities (other than debt 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 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 comprised of MD & CEO (chairperson) and other senior management to enable effective ALM risk management 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. The Company is maintaining LCR in line with regulatory requirements from December 2020.