

**NOTICE OF EXTRA-ORDINARY GENERAL MEETING**

Dear Member(s),

**SHORTER NOTICE** is hereby given that the First Extraordinary General Meeting (EGM) of 2022-23 of the Members of **Toyota Financial Services India Limited** will be held on Thursday, December 22, 2022, at 11:00 AM (IST), through Video Conferencing (“VC”) / Other Audio-Visual Means (OAVM) via Microsoft Teams, deemed to be held at the registered office of the Company at No. 21, Centropolis, 1<sup>st</sup> Floor, 5th Cross, Langford Road, Shanti Nagar, Bangalore 560025 to transact the following business:

**SPECIAL BUSINESS:****1. Increase in the Authorised share capital of the Company**

To consider and if thought fit to pass with or without modification (s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 61 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification or re-enactment thereof for the time being in force and the rules made there under and pursuant to the Articles of Association of the Company, the extant Rules / Regulations / Guidelines / Notifications and Circulars prescribed by any relevant authorities including but not limited to Reserve Bank of India / Securities Exchange Board of India, the consent of the Members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from existing Rs. 9,579,729,570 (Rupees Nine Billion Five Hundred Seventy-Nine Million Seven Hundred Twenty-Nine Thousand Five Hundred & Seventy only) divided into 957,972,957 Equity Shares of Rs. 10/- (Rupees Ten) each to Rs. 13,079,729,570 (Rupees Thirteen Billion Seventy-Nine Million Seven Hundred Twenty-Nine Thousand Five Hundred & Seventy Only) divided into 1,307,972,957 Equity Shares of Rs. 10/- (Rupees Ten) each, by creation of additional 3,50,000,000 (Three Hundred & Fifty Million Only) Equity Shares of Rs. 10/- (Rupee Ten) each ranking pari passu in all respect with the existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions, as it may in its absolute discretion, deem appropriate.”

**2. Alteration of Capital Clause of the Memorandum of Association of the Company**

To consider and if thought fit to pass with or without modification (s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 13, 61, and 64 and other applicable provisions, if any, of the Companies Act, 2013 and the rules issued thereunder (including any statutory modification or re-enactment thereof for the time being in force), the existing Clause V of the

**TOYOTA FINANCIAL SERVICES INDIA LIMITED**

Memorandum of Association of the Company be and is hereby amended and substituted by the following paragraph:

**V. The Authorised share capital of the Company is Rs.13,079,729,570 /- (Rupees Thirteen Billion Seventy-Nine Million Seven Hundred Twenty-Nine Thousand Five Hundred & Seventy Only) divided into 1,307,972,957 Equity Shares of Rs.10/- (Rupees Ten Only) each”.**

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions, as it may in its absolute discretion, deem appropriate.”

### **3. Issue of Equity Shares on Private Placement /Preferential basis:**

To consider, review and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Sections 23, 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act"), and rules & regulations made there under, if any (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company, the extant Master Circular on Foreign Investment in India issued by Reserve Bank of India and in accordance with the applicable provisions of the Foreign Exchange Management Act, 1999 and the Rules/Regulations/Guidelines, if any, prescribed by any relevant authorities from time to time, and subject to the permissions, consents, sanctions and approval by any authority including but not limited to Reserve Bank of India and subject to such conditions and modifications as may be considered necessary by the Board of Directors or as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board to offer, issue and allot, up to of 152,173,913 (One Hundred Fifty-Two Million One Hundred Seventy-Three Thousand and Nine Hundred and Thirteen Only) equity shares of Rs. 10/- (Rupee Ten) each, ranking pari passu with the existing Equity Shares of the Company of face value of Rs. 10/- (Rupee Ten) each at an issue price of Rs. 23/- (Rupees Twenty-Three) each (including premium of Rs. 13/- (Rupees Thirteen) per share), for an aggregate value not exceeding Rs 3.5 Billion/- for cash and on such terms as may be determined by the Board, to Toyota Financial Services Corporation, Japan, the holding company, through Private Placement and on Preferential basis.”

**RESOLVED FURTHER THAT** the monies received by the Company from the Proposed Allottee in lieu of the issuance and allotment of the equity shares pursuant to the preferential allotment under section 42, and 62(1)(c) of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, shall be kept by the Company in a separate bank account .

**RESOLVED FURTHER THAT** the Equity Shares to be offered, issued and allotted by the Company on a preferential allotment basis shall rank *pari passu* with the existing equity shares of the Company in all respects, including dividend, and shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board (which expression shall also include a Committee thereof ), be and is hereby authorized to do all such acts, deeds, matters and things, and to execute all such deeds, documents, writings as it may in its absolute discretion deem necessary or incidental and pay such fees, etc. and incur such expenses in relation thereto as it may deem appropriate for giving effect to this Resolution including but not limited to taking any decisions whether at a meeting of Board or through circulation, as may be appropriate and permissible under law, for fixing the timing of the issue, determining the issue price, face value, premium amount of Equity Shares to be offered and delegation of all or any of its powers herein conferred to its Directors, Company Secretary or any other officer(s).”

#### **4. Re-appointment of Narayanaswamy Raja (DIN: 06840450) as Managing Director and Chief Executive Officer of the Company with effect from February 1, 2023**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203, Schedule V, other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the Articles of Association of the Company, the extant Rules / Regulations / Guidelines / Notifications and Circulars prescribed by any relevant authorities including but not limited to Reserve Bank of India / Securities Exchange Board of India and subject to the approval of the Central Government, if any, the consent of the Members of the Company be and is hereby accorded for re-appointment of Mr. Narayanaswamy Raja (DIN: 06840450) as the Managing Director and Chief Executive Officer (MD & CEO) of the Company with effect from February 1, 2023, for a period of 11 (Eleven) months with effect from February 01, 2023 up to December 31, 2023, at such remuneration having components such as basic pay, HRA, statutory contributions including provident fund contribution, perquisites and other / special allowances as per the Company Policy , up to a maximum aggregate amount of INR 3,00,00,000/- per annum (Rupees Three Crore only) for the period of his tenure.

**RESOLVED FURTHER THAT** Mr. Narayanaswamy Raja, MD & CEO be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging, and such other expenses incurred by/ for him in connection with meeting business requirements of the Company”.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to alter, amend and vary the terms and conditions of the remuneration structure as may be agreed as deem fit”.

#### **TOYOTA FINANCIAL SERVICES INDIA LIMITED**



**“RESOLVED FURTHER THAT** the remuneration payable to Mr. Narayanaswamy Raja, MD & CEO is subject to the condition that:

- a. the total remuneration payable in any financial year by way of salary, perquisites, commission and other allowances shall not exceed the overall limit of five percent (5%) of the net profits of the Company as applicable to each of the Managing Director / Whole time Directors of the Company and/or ten percent (10%) of the net profits of the Company for all Managing Director / Whole-time Directors in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V and rules made thereunder including any statutory amendments, modifications or re-enactment thereof, as may be made thereto and for the time being in force  
or
- b. if the Remuneration exceeds the limits as prescribed in the provisions of Section 197, 198 of the Companies Act, 2013, the remuneration payable shall be within the maximum permissible limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, without obtaining the approval of the Central Government in case of no profits / inadequate profits.

**“RESOLVED FURTHER THAT** notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, the remuneration payable to Mr. Narayanaswamy Raja, Managing Director and Chief Executive Officer, be any amount up to the remuneration limit approved hereinabove”.

**“RESOLVED FURTHER THAT** the Board of Directors of Chief Financial Officer of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

#### **5. Appointment of Mr. Kazuo Noda (DIN: 09823103) as Whole Time Director of the Company with effect from January 01, 2023**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, Schedule V, other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the Articles of Association of the Company, the extant Rules / Regulations / Guidelines / Notifications and Circulars prescribed by any relevant authorities including but not limited to Reserve Bank of India / Securities Exchange Board of India and subject to the approval of the Reserve Bank of India and / or Central Government, approval of the Members be and is hereby accorded for appointment of Mr. Kazuo Noda (DIN: 09823103) as an Whole Time Director (WTD) of the Company for a period of 3 (Three) years with effect from January

#### **TOYOTA FINANCIAL SERVICES INDIA LIMITED**



01, 2023 (or date of RBI approval, whichever is later) up to December 31, 2022, on the terms and conditions as recommended by the Nomination and Remuneration Committee and Board of Directors of the Company and at such remuneration having components such as basic pay, HRA, statutory contributions including provident fund contribution, perquisites and other / special allowances as per the Company Policy up to a maximum aggregate amount of INR 2,75,00,000/- per annum (Rupees Two Crore Seventy-Five Lakh only) for the period of his tenure.

**“RESOLVED FURTHER THAT** Mr. Kazuo Noda, WTD be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging, and such other expenses incurred by/ for him in connection with meeting business requirements of the Company”.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to alter, amend and vary the terms and conditions of the remuneration structure as may be agreed as deem fit”.

**“RESOLVED FURTHER THAT** the remuneration payable to Mr. Kazuo Noda, WTD is subject to the condition that:

- a. the total remuneration payable in any financial year by way of salary, perquisites, commission and other allowances shall not exceed the overall limit of five percent (5%) of the net profits of the Company as applicable to each of the Managing Director / Whole time Directors of the Company and/or ten percent (10%) of the net profits of the Company for all Managing Director / Whole-time Directors in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V and rules made thereunder including any statutory amendments, modifications or re-enactment thereof, as may be made thereto and for the time being in force  
or
- b. if the Remuneration exceeds the limits as prescribed in the provisions of Section 197, 198 of the Companies Act, 2013, the remuneration payable shall be within the maximum permissible limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, without obtaining the approval of the Central Government in case of no profits / inadequate profits.

**“RESOLVED FURTHER THAT** notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, the remuneration payable to Mr. Kazuo Noda, Whole Time Director be any amount up to the remuneration limit approved hereinabove”.

**RESOLVED FURTHER THAT** the Board of Directors or Chief Financial Officer or Company Secretary of the Company be and is hereby severally authorized to apply to Central Government under the Companies Act, 2013 and rules made thereunder to seek their approval for appointment of Mr. Kazuo Noda, a Non-Resident as Director of the Company

**“RESOLVED FURTHER THAT** the Board of Directors or Chief Financial Officer of the Company be and is hereby severally authorized to do all such acts, deeds and things, to enter into such agreement(s),

**TOYOTA FINANCIAL SERVICES INDIA LIMITED**


deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

**6. Appointment of Mr. V Prakash (DIN: 00102091), as an Independent Director of the Company:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder and Schedule IV to the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the Articles of Association of the Company, the extant Rules / Regulations / Guidelines / Notifications and Circulars prescribed by any relevant authorities including but not limited to Reserve Bank of India / Securities Exchange Board of India, Mr. V Prakash (DIN: 00102091), who was appointed as an Additional Director of the Company with effect from November 14, 2022, and holds office up to the date of the ensuing General Meeting (“GM”) and is eligible for appointment and in respect of whom the Company has received a notice under provisions of Section 160 of the Act, proposing his candidature for the office of the Directorship, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 1 (one) year effective from November 14, 2022, to November 13, 2023”

By order of the Board of Directors  
For **Toyota Financial Services India Limited**



Nithya Prabhu R  
**Company Secretary**  
ICSI Membership No: F9087

Date: December 22, 2022

Place: Bangalore

**NOTES:**

1. A Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
2. In compliance with the provisions of the Companies Act & MCA Circulars, the EGM of the Company being held through VC Thursday, December 22, 2022, at 11:00 AM (IST). The procedure for joining the EGM through VC / OAVM is mentioned in this Notice.
3. The deemed venue for the EGM will be the registered office of the Company.
4. Members are requested to share shorter notice consent (either physical or electronic) before the meeting time at the following email ID: [cs@tfsin.co.in](mailto:cs@tfsin.co.in) / [r.nithyprabhu@tfsin.co.in](mailto:r.nithyprabhu@tfsin.co.in)
5. As the Extraordinary General Meeting will be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this EGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
6. Corporate Members intending to have their authorized representatives to attend and vote at the Meeting are requested to send a scanned copy of authorizing their representative to attend and vote on their behalf at the Meeting to the Company at the following email ID: [cs@tfsin.co.in](mailto:cs@tfsin.co.in)
7. In line with MCA Circulars, the Notice calling the EGM along with the Statement under Section 102 of the Companies Act, 2013, is being sent through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Statement under Section 102 of the Companies Act, 2013, will also be available on the website of the Company
8. All documents referred to in the accompanying notice and the statement shall be open for inspection at the Registered Office of the Company during normal business hours from 11 AM to 1 PM (IST) on all working days, up to and including the date of the Extraordinary General Meeting of the Company and will also be available for inspection at the meeting.

**Instructions for the Members for attending EGM through VC are as under:**

1. The Members will be provided with a facility to attend the EGM through two-way VC through the Microsoft Teams system, and they may access the same through the link to be shared by the Company separately before the meeting. The attendance of the Members attending the EGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Act. The Notice convening the EGM will be uploaded on the website of the Company at [www.toyotafinance.co.in](http://www.toyotafinance.co.in).
2. Members may join the Meeting through Laptops, Smartphones, Tablets and iPads. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting

**TOYOTA FINANCIAL SERVICES INDIA LIMITED**

3. Members are encouraged to submit their questions in advance with respect to the business to be transacted at the EGM. These queries may be submitted from their registered e-mail address, mentioning their name to reach the Company's e-mail address at [cs@tfsin.co.in](mailto:cs@tfsin.co.in) before 10:30 AM (IST) on Thursday, December 22, 2022. The designated email ID for casting vote, if demanded for poll at EGM will be [cs@tfsin.co.in](mailto:cs@tfsin.co.in)
4. Members who would like to express their views or ask questions during the EGM may pre-register themselves as a speaker by sending their request from their registered e-mail address mentioning their name at [cs@tfsin.co.in](mailto:cs@tfsin.co.in) before 10:30 AM (IST) on Thursday, December 22, 2022. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the EGM
5. Further, Members may join the EGM through VC facility through Microsoft Teams link to be shared separately, by following the instructions provided here. Such facility shall be kept open for the Members 15 minutes before the scheduled time of the commencement of the EGM and would be kept open 15 minutes after the meeting also
6. Members who need assistance before or during the EGM, can contact IT Service Desk of the Company on +1-800-258-9099/ [itservicedesk@tfsin.co.in](mailto:itservicedesk@tfsin.co.in) or Mr. Nithya Prabhu on +91-98940-89913/ [r.nithyaprabhu@tfsin.co.in](mailto:r.nithyaprabhu@tfsin.co.in)

By order of the Board of Directors  
For **Toyota Financial Services India Limited**



Date: December 22, 2022  
Place: Bangalore

Nithya Prabhu R  
**Company Secretary**  
ICSI Membership No: F9087

**Annexure to Notice:****Explanatory Statement pursuant to section 102 of the Companies Act, 2013****Item no. 1, 2 & 3:**

The existing Authorized Share Capital of the Company is INR 9,579,729,570 (Rupees Nine Billion Five Hundred Seventy-Nine Million Seven Hundred Twenty-Nine Thousand Five Hundred & Seventy only) divided into 957,972,957 Equity Shares of Rs. 10/- (Rupees Ten). In order to sustain and accelerate the current growth rate and to maintain capital adequacy at an optimum level and to fuel the future growth of the Company as envisaged in the MTBP, it is proposed to raise the existing capital of the Company by issue of equity shares to Toyota Financial Services Corporation, Japan, Holding Company, to the tune of INR 3.5 Billion by way Preferential issue on a Private Placement basis.

Considering the above, the Board of Directors, at its meeting held on December 22,2022, has approved the fund raising subject to the consent of the Shareholders of the Company for issue of such shares to its parent Company Toyota Financial Services Corporation, Japan.

However, to bring into effect such issue, the authorized Share Capital of the company will have to be adequately increased to INR 13,079,729,570 /- (Rupees Thirteen Billion Seventy-Nine Million Seven Hundred Twenty-Nine Thousand Five Hundred & Seventy Only) divided into 1,307,972,957 Equity Shares of INR 10/- (Rupees Ten Only) each. Therefore, the Board of Directors has recommended Increase in Authorized Capital and consequent alteration in capital clause of the Memorandum of Association and your approval is sought for the same.

Section 62 of the Act, provides, inter alia, that whenever it is proposed to increase the subscribed capital of a company by allotment of further shares, such further shares shall be offered to the persons who on the date of the offer are holders of the equity shares of the company in proportion to the capital paid-up on that date and in the manner laid down under Section 62(1) of the Act, unless the members in a general meeting decide otherwise by way of a Special Resolution. Furthermore, as per Section 42 of the Act, read with the Rules framed thereunder, a company offering or making an invitation to subscribe to securities on a private placement basis, is required to obtain the prior approval of the Shareholders for each of the offers and invitations.

In accordance with Sections 23, 42 and 62 of the Act read with the Rules framed there under, approval of the Members is sought by way of a Special Resolution for the issuance of 152,173,913 (One Hundred Fifty-Two Million One Hundred Seventy-Three Thousand and Nine Hundred and Thirteen Only) Equity Shares of the Company for an aggregate value not exceeding Rs. 3.5 billion to Toyota Financial Services Corporation, Japan on the terms contained herein.

Given below are the disclosures as required under the Rules:

1. The object of the issue is to raise funds for general corporate purposes.

**TOYOTA FINANCIAL SERVICES INDIA LIMITED**

2. The maximum number of Equity Shares which may be issued will be and the Company is expected to raise up to Rs. 3.5 Billion only.
3. The Equity Shares are proposed to be issued at an issue price of Rs. 23/- (Rupees Twenty-Three Only) per share ranking pari passu with the existing equity shares, based on the Valuation Report of Mr. Ganesh Natarajan, Registered Valuer (registration no. IBBI/RV/06/2020/13491) and Chartered Accountants (ICAI Membership no. 233882) having office at New No. 184, Old No. 214, MMPDA Tower, 2nd Floor, Royapettah High Road, Chennai – 600 014. The Report is attached for Reference.
4. The Equity Shares are proposed to be offered to Toyota Financial Services Corporation, Japan, the promoter of the Company, who intends to subscribe to the offer. Post allotment, the shareholding of Toyota Financial Services Corporation, Japan in the Company will be 100% of the post issue paid-up Equity Share capital of the Company. The Directors and Key Management Personnel will not be offered any Equity Shares and therefore cannot subscribe to the said offer.
5. Upon the issue and offer of the Equity Shares as aforesaid, the allotment shall be completed within a period of sixty days from the date of receipt of application money.

The provisional shareholding pattern of the Company, before and after the proposed issue, will be as under:

S. No	Category	Pre-Issue Shareholding		Post Issue Shareholding	
		No of Shares Held	%age of Shareholding	No of Shares Held	%age of Shareholding
A	Promoter Holding:				
1	Indian Promoter	-	-	-	-
2	Foreign Promoter	-	-	-	-
	Toyota Financial Services Corporation Japan	957972957	100	1110146870	100
	Sub Total (A)				
B	Non – Promoter Holding				
1	Institutional Investors	-	-	-	-
2	Non-Institution:	-	-	-	-
	Private Corporate Bodies	-	-	-	-
	Directors and Relatives	-	-	-	-
	Indian Public				
	Others (Including NRIs)				
	Sub Total (B)				

**TOYOTA FINANCIAL SERVICES INDIA LIMITED**



The Board recommends passing of the Resolutions as mentioned in Item No. 1,2 and 3 above. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions at Item No. 1, 2 & 3.,

**Item No. 4:**

As per Section 203 of the Companies Act, 2013, every listed company and every other public company having a paid-up capital of Rs. 10 Crore or more is required to have Whole Time Key Managerial Personnel including Managing Director.

As per Section 197 and Schedule V of the Companies Act, 2013, the terms and conditions of such appointment and remuneration payable shall have to be approved by the Board of Directors at a meeting which shall be subject to approval by the Shareholders at the next General Meeting of the company.

Mr. Narayanaswamy Raja (DIN: 06840450) was initially appointed as Non-Executive Director of the Company and thereafter he was appointed as Managing Director & Chief Executive Officer (MD & CEO) and Key Managerial Personnel of the Company effective from January 01, 2020, to January 31, 2021, and his tenure was further extended for 2 years effective from February 01, 2021, to January 31, 2023. The term of office of Mr. Narayanaswamy Raja as MD & CEO is set to be completed on January 31, 2023.

Mr. Narayanaswamy Raja is not disqualified from being re-appointed as a Director under Section 164 of the Companies Act, 2013, possesses the relevant expertise and experience and during his earlier tenures as MD & CEO of the Company has demonstrated his professional capability in diverse facets of management. The Company would greatly benefit from the rich and varied experience of Mr. Narayanaswamy Raja. There is no adverse information against him available in the public domain. A brief profile of Mr. Narayanaswamy Raja is shared below:

Mr. Narayanaswamy Raja aged 59 years is a B.Tech (Automobile) engineer and MBA from Faculty of Management Studies, New Delhi. He has about 35+ years of experience working in automobile industries in Sales and Marketing. He has been part of Toyota group about 9+ years and has played vital role in leading the business of Toyota Kirloskar Motor Private Limited and as MD & CEO of the Company. His extensive experience in the field of automobiles and financial services would contribute to the business of the Company. He has been serving the Company as MD & CEO since January 01, 2020.

Additional information in respect of Mr. Narayanaswamy Raja pursuant to the Secretarial Standards on General Meetings is provided at Annexure A to this Notice.

Accordingly based on the recommendation of Nomination and Remuneration Committee, the Board has proposed to re-appoint Mr. Narayanaswamy Raja as the MD & CEO for a period of 11 (Eleven) Months with effect from February 1, 2023, to December 31, 2023, in terms of the applicable provisions of the Companies Act, 2013, on such terms and conditions and remuneration up to a maximum of Rs. 3,00,00,000/- (Rupees Three Crore only) per annum which shall include Basic pay, HRA, Perquisites, Other/ Special allowances, Employer PF contributions and other contributions and allowances as per the Company Policy.

**TOYOTA FINANCIAL SERVICES INDIA LIMITED**

**Statement under the Section II of Part II of Schedule V to the Companies Act, 2013**
**I. GENERAL INFORMATION**

Sl. No.	Particulars	Details	
a.	Nature of Industry	NBFC- Automobile Financing Company	
b.	Date or expected date of commencement of commercial production	June 05, 2012	
c.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA	
d.	Financial performance based on given indicators	<b>2020-21</b> <b>INR Million</b>	<b>2021-22</b> <b>INR Million</b>
	Net worth	14043.29	14881.03
	Profit/ (Loss) after tax	521.48	841.01
e.	Export performance and net foreign exchange collaboration	NIL	
f.	Foreign investments or collaborations, if any	Toyota Financial Services Corporation, Japan is holding 100% in the Share Capital of the Company	

**II. INFORMATION ABOUT THE APPOINTEE**

Sl. No.	Particulars	Details
a.	Background Details	Mr. Narayanaswamy Raja aged 59 years is a B. Tech (Automobile) engineer and MBA from Faculty of Management Studies, New Delhi.
b.	Past Remunerations	Rs. 17.43 million for FY 21-22
c.	Recognition or Awards	NA
d.	Job Profile and Suitability	He has about 35+ years of experience working in automobile industries in Sales and Marketing. He has been part of Toyota group about 9+ years and has played vital role in leading the business of Toyota Kirloskar Motor Private Limited and as MD & CEO of the Company.
e.	Remuneration proposed	Up to INR 3,00,00,000/- (Rupees Three Crore) per annum
f.	Comparative remuneration profile with respect to industry, size of the company, profile of position and person	The remuneration proposed to be paid to Mr. Narayanaswamy Raja is commensurate with the experience, qualification and responsibilities entrusted to him by the Board and as prevailing in the Industry.
g.	Pecuniary relationship with the company or relationship with the managerial personnel, if any	Except for receiving remuneration as a MD & CEO, Mr. Narayanaswamy Raja has no pecuniary relationship with the Company. He is not related to any other managerial personnel of the Company.

**TOYOTA FINANCIAL SERVICES INDIA LIMITED**

### III. OTHER INFORMATION

Sl. No.	Particulars	Details
a.	Reasons for loss or inadequate profits	<p>For FY 21-22, The Company has made profits. Further, the Company is expected to earn profit for the current financial year, however probable reasons for any loss or inadequate profit in future could be because of the following: -</p> <ul style="list-style-type: none"> <li>- Competitive pricing from Banks</li> <li>- High Risk Cost due to higher delinquency in the business</li> <li>- Covid or any other pandemic or any natural calamity</li> </ul>
b.	Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none"> <li>- Expansion of existing asset size by increasing business</li> <li>- Lean operations by reduction of costs and expenses.</li> <li>- Launch of new business – KINTO (full-service leasing)</li> <li>- Automation of processes with higher usage of information technology</li> </ul>
c.	Expected increase in productivity and profits in measurable terms	<p>The Company's productivity is expected to increase with-</p> <ul style="list-style-type: none"> <li>- Improvement in key process like disbursements, operations etc</li> <li>- Automation of processes with higher usage of information technology</li> <li>- Improvement in collection efficiency</li> </ul> <p>However, it is difficult at this stage to quantify the benefits of the measures taken/ to be taken by the company to improve the overall performance.</p>

The Board recommends the Resolution as mentioned in the Notice for your approval as a **Special Resolution**. Except Mr. Narayanaswamy Raja, Managing Director & CEO, none of the other Directors and Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No 4.

#### Item No. 5:

The Members are requested to note that Mr. Manabu Ueno, current Whole-Time director of the Company would complete his tenure on December 31, 2022. Accordingly, the Company proposes to appoint Mr. Kazuo Noda (DIN: 09823103) as Whole-Time Director (WTD) of the Company for a period of 3 (Three) years effective from January 01, 2023, to December 31, 2025.

#### TOYOTA FINANCIAL SERVICES INDIA LIMITED



As per Section 197 and Schedule V of the Companies Act, 2013, the terms and conditions of such appointment and remuneration payable shall have to be approved by the Board of Directors at a meeting which shall be subject to approval by the Shareholders at the next general meeting of the company.

The Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing the candidature of Mr. Kazuo Noda to be appointed as Director of the Company.

Mr. Kazuo Noda is not disqualified from being appointed as a Director under Section 164 of the Companies Act, 2013 and has given consent to act as WTD of the Company, possesses the relevant expertise and experience. The Company would greatly benefit from the rich and varied experience of Mr. Kazuo Noda. There is no adverse information against the proposed Director available in the public domain. A brief profile of Mr. Kazuo Noda is shared below:

Mr. Kazuo Noda has bachelor's degree in Economics. He has about 30+ years of experience in banking and financial services industry. He was associated with Daiwa Bank Corp, Ltd. (1990 – 2000), BMW Japan Finance Corp. (2000 – 2004) and Sanyo Electric Credit Corp. (2004 – 2007). He joined Toyota group in the year 2007 as Senior Manager - Risk Management Group. He is currently designated as Group Manager of Treasury Group, Toyota Finance Corporation (Japan) and he is also a director on the Board of Toyota Motor Finance Netherland.

Additional information in respect of Mr. Kazuo Noda pursuant to the Secretarial Standards on General Meetings is provided at Annexure B to this Notice.

Accordingly based on the recommendation of Nomination and Remuneration Committee, the Board has proposed to appoint Mr. Kazuo Noda as WTD for a period of 3 (Three) years with effect from January 1, 2023, up to December 31, 2022, in terms of the applicable provisions of the Companies Act, 2013, on such terms and conditions and remuneration up to a maximum of Rs. 2,75,00,000/- (Rupees Two Crore and Seventy-Five Lakh only) per annum which shall include Basic pay, HRA, Perquisites, Other/ Special allowances, Employer PF contributions and other contributions and allowances as per Company Policy.

### Statement under the Section II of Part II of Schedule V to the Companies Act, 2013

#### I. GENERAL INFORMATION

Sl. No.	Particulars	Details	
a.	Nature of Industry	NBFC-Automobile Financing Company	
b.	Date or expected date of commencement of commercial production	June 05, 2012	
c.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA	
d.	Financial performance based on given indicators	<b>2020-21</b> <b>INR Million</b>	<b>2021-22</b> <b>INR Million</b>
	Net worth	14043.29	14881.03
	Profit/ (Loss) after tax	521.48	841.01

#### TOYOTA FINANCIAL SERVICES INDIA LIMITED

e.	Export performance and net foreign exchange collaboration	NIL
f.	Foreign investments or collaborations, if any	Toyota Financial Services Corporation, Japan is holding 100% in the Share Capital of the Company

## II. INFORMATION ABOUT THE APPOINTEE

Sl. No.	Particulars	Details
a.	Background Details	Mr. Kazuo Noda is a holder of bachelor's degree in Economics.
b.	Past Remunerations	NA. Being appointed for 1 <sup>st</sup> term.
c.	Recognition or Awards	NA
d.	Job Profile and Suitability	He has about 30+ years of experience in banking and financial services industry
e.	Remuneration proposed	Up to INR 2,75,00,000/- (Rupees Two Crore and Seventy-Five Lakh Only) per annum
f.	Comparative remuneration profile with respect to industry, size of the company, profile of position and person	The remuneration proposed to be paid to Mr. Kazuo Noda is commensurate with the experience, qualification and responsibilities entrusted to him by the Board and as prevailing in the Industry.
g.	Pecuniary relationship with the company or relationship with the managerial personnel, if any	Except for receiving remuneration as a WTD, Mr. Kazuo Noda has no pecuniary relationship with the company. He is not related to any other managerial personnel of the company.

## III. OTHER INFORMATION

Sl. No.	Particulars	Details
a.	Reasons for loss or inadequate profits	<ul style="list-style-type: none"> <li>- For FY 21-22, The Company has made profits. Further, the Company is expected to earn profit for the current financial year, however probable reasons for any loss or inadequate profit in future could be because of the following: -</li> <li>- Competitive pricing from Banks</li> <li>- High Risk Cost due to higher delinquency in the business</li> <li>- Covid or any other pandemic or any natural calamity</li> </ul>
b.	Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none"> <li>- Expansion of existing asset size by increasing business</li> </ul>

### TOYOTA FINANCIAL SERVICES INDIA LIMITED

		<ul style="list-style-type: none"> <li>- Lean operations by reduction of costs and expenses.</li> <li>- Launch of new business – KINTO (full-service leasing)</li> <li>- Automation of processes with higher usage of information technology</li> </ul>
c.	Expected increase in productivity and profits in measurable terms	<p>The Company's productivity is expected to increase with-</p> <ul style="list-style-type: none"> <li>- Improvement in key process like disbursements, operations etc</li> <li>- Automation of processes with higher usage of information technology</li> <li>- Improvement in collection efficiency</li> </ul> <p>However, it is difficult at this stage to quantify the benefits of the measures taken/ to be taken by the company to improve the overall performance.</p>

The Board recommends the Resolution as mentioned in the Notice for your approval as a **Special Resolution**. Except Mr. Kazuo Noda, WTD, none of the other Directors and Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out in Item No 5.

#### Item no. 6:

On November 14, 2022, the Board of Directors appointed Mr. V. Prakash as an Additional Director of the Company effective November 14, 2022, in the capacity of Independent Director till the ensuing General Meeting of the Company.

The Nomination and Remuneration Committee and the Board have recommended the appointment of Mr. V. Prakash as an Independent Director in the ensuing General Meeting of the Company pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013. The Company has also received a notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing the candidature of Mr. V. Prakash to be appointed as Director of the Company.

The Company has received a declaration from Mr. V. Prakash confirming that he meets the criteria of independence under the Companies Act, 2013 and other applicable Regulations. Further, the Company has also received his consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. V. Prakash fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Brief profile of Mr. V. Prakash is as below:

#### TOYOTA FINANCIAL SERVICES INDIA LIMITED



Mr. V. Prakash has done M.Sc. in Mathematics from Mumbai University. He has more than 30 years of insightful experience and expertise in the banking sector. He was associated with various banks such as United Amara Bank; Lakshmi Villas Bank; Standard Chartered Bank, ICICI Bank etc.

The Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of one year with effect from November 14, 2022.

Additional information in respect of Mr. V. Prakash pursuant to the Secretarial Standards on General Meetings is provided at Annexure C to this Notice.

Draft letter of appointment of Mr. V. Prakash setting out the terms and conditions of appointment is being made available for inspection by the Members through electronic mode.

The Board of Directors recommends the resolution proposing the appointment of Mr. V. Prakash as an Independent Director of the Company, as set out in Item No. 6 for approval of the Members by way of a **Special Resolution**. Except Mr. V. Prakash, none of the other Directors and Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out in Item No 6.

By order of the Board of Directors  
For **Toyota Financial Services India Limited**

A handwritten signature in blue ink, appearing to read "Nithya Prabhu R".

Nithya Prabhu R  
**Company Secretary**  
ICSI Membership No: F9087

Date: December 22, 2022  
Place: Bangalore

**ANNEXURE-A**

Details of Mr. Narayanaswamy Raja, seeking re-appointment as Managing Director & CEO of the Company at the 1<sup>st</sup> EGM to be held on December 22, 2022:

Name of the Director	Mr. Narayanaswamy Raja
Date of Birth	January 26, 1963
Age	59 Years 10 Months
Date of First appointment on the Board	January 01, 2020
Relationship with Directors and Key Managerial Personnel	Nil
Expertise in specific functional area	Mr. Narayanaswamy Raja has about 35+ years of experience working in automobile industries in Sales and Marketing. He has been part of Toyota group about 9+ years and has played vital role in leading the business of Toyota Kirloskar Motor Private Limited and as MD & CEO of the Company. His extensive experience in the field of automobiles and financial services would contribute to the business of the Company. He has been serving the Company as MD & CEO since January 01, 2020.
Qualification(s)	B.Tech engineer from MIT Anna University and MBA from Faculty of Management Studies, New Delhi.
Number of Meetings of the Board attended during the year	Mr. Narayanaswamy Raja has attended all the Five (5) Board Meetings held during her tenure
Board Membership of other Companies	Nil
Chairmanships / Memberships of the Committees of other public limited companies	Nil
Number of equity shares held in the Company	One (Beneficial Owner – Toyota Financial Services Corporation, Japan)

**TOYOTA FINANCIAL SERVICES INDIA LIMITED**

**ANNEXURE-B**

Details of Mr. Kazuo Noda, seeking to be appointed as Whole Time Director of the Company at the 1<sup>st</sup> EGM to be held on December 22, 2022:

Name of the Director	Mr. Kazuo Noda
Date of Birth	February 03, 1967
Age	55 Years 10 Months
Date of First appointment on the Board	January 01,2023
Relationship with Directors and Key Managerial Personnel	Nil
Expertise in specific functional area	Mr. Kazuo Noda has bachelor's degree in Economics. He has about 30+ years of experience in banking and financial services industry. He was associated with Daiwa Bank Corp, Ltd. (1990 – 2000), BMW Japan Finance Corp. (2000 – 2004) and Sanyo Electric Credit Corp. (2004 – 2007). He joined Toyota group in the year 2007 as Senior Manager - Risk Management Group. He is currently designated as Group Manager of Treasury Group, Toyota Finance Corporation (Japan) and he is also a director on the Board of Toyota Motor Finance Netherland.
Qualification(s)	Bachelor's Degree in Economics
Number of Meetings of the Board attended during the year	NA
Board Membership of other Companies	Nil
Chairmanships / Memberships of the Committees of other public limited companies	Nil
Number of equity shares held in the Company	Nil

**TOYOTA FINANCIAL SERVICES INDIA LIMITED**

**ANNEXURE-C**

Details of Mr. V. Prakash, seeking appointment as an Independent Director of the Company at the 1<sup>st</sup> EGM to be held on December 22, 2022:

Name of the Director	Mr. V. Prakash
Date of Birth	June 18, 1962
Age	60 Years 5 Months
Date of First appointment on the Board	November 14, 2022
Relationship with Directors and Key Managerial Personnel	Nil
Expertise in specific functional area	Mr. V. Prakash has done M.Sc. in Mathematics from Mumbai University. He has more than 30 years of insightful experience and expertise in the banking sector. He was associated with various banks such as United Amara Bank; Lakshmi Villas Bank; Standard Chartered Bank, ICICI Bank etc.
Qualification(s)	M.Sc. in Mathematics from Mumbai University.
Number of Meetings of the Board attended during the year	NA
Board Membership of other Companies	Nil
Chairmanships / Memberships of the Committees of other public limited companies	Nil
Number of equity shares held in the Company	Nil

**TOYOTA FINANCIAL SERVICES INDIA LIMITED**