

24 October 2024

To, The Manager Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001 BSE Code: 544252	To, The Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, C-1 Block G Bandra - Kurla Complex, Bandra (East) Mumbai - 400 051 NSE Code: BAJAJHFL - EQ
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Dear Sir/Madam,

Sub: Monitoring Agency Report on the utilisation of proceeds raised through issuance of equity shares by way of Public Issue of the Company

Pursuant to Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulations 41(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") please find enclosed the Monitoring Agency Report issued by CARE Ratings Limited (Monitoring Agency), in respect to utilization of the proceeds raised through issuance of equity shares by way of Public Issue of the Company for the quarter ended 30 September 2024.

We request you to kindly take the same on record.

Thanking you,

Yours Faithfully,
For **Bajaj Housing Finance Limited**

Atul Patni
Company Secretary
Email id :- bhflinvestor.service@bajajfinserv.in

Encl.: As above

BAJAJ HOUSING FINANCE LIMITED

www.bajajhousingfinance.in

Corporate Office: 5th Floor, B2 Building, Cerebrum IT Park, Kumar City, Kalyani Nagar, Pune 411014, Maharashtra

Registered Office: Bajaj Auto Limited Complex, Mumbai-Pune Road, Akurdi, Pune 411035, Maharashtra

Corporate Identity Number (CIN): L65910PN2008PLC132228

Tel: +91 20718 78060 | Email: bhflwecare@bajajfinserv.in



Monitoring Agency Report



Ratings • Advisory • Research • Risk Solutions

No. CARE/HO/RL/2024-25/3013

**The Board of Directors,
Bajaj Housing Finance Limited**
5th Floor, B2 cerebun IT Park,
Kumar City, Kalyani Nagar,
Pune – 411 014, Maharashtra, India

October 23, 2024

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended September 30, 2024 - in relation to the Initial Public Offer of Bajaj Housing Finance Limited ("the Company")

We write in our capacity as Monitoring Agency for the Initial Public Offer for amount aggregating to Rs.3,560 crore of the Company and refer to our duties cast under 41 of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended September 30, 2024, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated August 30, 2024.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

Sudam Shingade

Sudam Shingade
Associate Director
Sudam.Shingade@careedge.in

Report of the Monitoring Agency

Name of the issuer: Bajaj Housing Finance Limited

For quarter ended: September 30, 2024

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil

(b) Range of Deviation: Not Applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have a credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit-related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Sudam Shingade

Signature:

Name and designation of the Authorized Signatory: Sudam Shingade

Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer : Bajaj Housing Finance Limited
 Name of the promoter : Bajaj Finance Limited and Bajaj Finserv Limited
 Industry/sector to which it belongs : Housing Finance Company

2) Issue Details

Issue Period : September 09, 2024 to September 11, 2024
 Type of issue (public/rights) : Initial Public Offer
 Type of specified securities : Equity shares
 IPO Grading, if any : Not applicable
 Issue size (in crore) : Rs. 6,560 crores (comprising fresh issue aggregating to Rs.3,560 crore and Offer for sale of Rs.3,000 crore)

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

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Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Chartered Accountant certificate*	Yes^	The Board of Directors noted that there are no deviations, and the net proceeds were utilised for the purpose stated in the prospectus.
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	NA	Chartered Accountant certificate*	Not applicable	Not Applicable
Whether the means of finance for the disclosed objects of the issue have changed?	No	Chartered Accountant certificate*	No	Not Applicable
Is there any major deviation observed over the earlier monitoring agency reports?	No	Chartered Accountant certificate*	No	Not Applicable

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA	Chartered Accountant certificate*	Not applicable	Not Applicable
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA	Chartered Accountant certificate*	Not applicable	Not Applicable
Are there any favorable/unfavorable events affecting the viability of these object(s)?	NA	Chartered Accountant certificate*	Not applicable	Not Applicable
Is there any other relevant information that may materially affect the decision making of the investors?	No	Chartered Accountant certificate*	No	Not Applicable

*Chartered Accountant certificate from S K Patodia & Associates LLP Chartered Accountants dated October 10, 2024

^Out of Rs.3,560 crore, company has utilized Rs.2,000 crore for disbursements. Balance of Rs.1,500 crore (including Rs.0.45 crore of share issue expenses) has been parked in fixed deposit and Rs.60 crore balance is related to share issue expenses which is unutilized in nature

#Where material deviation may be defined to mean:

- Deviation in the objects or purposes for which the funds have been raised
- Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

4) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
1	Augmenting for capital base to meet future business requirements of company towards onward lending	Chartered Accountant certificate*, Offer Document	3,499.55	3,499.55	The net proceeds have been utilized in		Not Applicable	

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
2	Share Issue Expenses	Chartered Accountant certificate*, Offer Document	60.45	60.45	accordance with the objects of the issue. (57% of the proceeds have been utilized)			
3	General corporate purposes (GCP)	Chartered Accountant certificate*, Offer Document	-	-				
Total			3,560.00	3,560.00				

* As per Chartered Accountant certificate from S K Patodia & Associates LLP Chartered Accountants dated October 10, 2024

(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore^	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Augmenting capital base to meet future business requirements of company towards onward lending	Chartered Accountant certificate*, Bank statements, Offer Document	3,499.55	-	2,000.00	2,000.00	1,499.55	Net proceeds have been utilised in accordance with the objects of the issue	Pending for deployment towards onward lending	To be deployed as per business requirement
2	Share Issue Expenses	Chartered Accountant	60.45	-	-	-	60.45		-	-

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore^	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
		certificate*, Bank statements, Offer Document								
3	General corporate purposes (GCP)	Chartered Accountant certificate*, Bank statements, Offer Document	NA	NA	NA	NA	NA	-	-	
Total			3,560.00		2,000.00	2,000.00	1,560.00			

* As per Chartered Accountant certificate from S K Patodia & Associates LLP Chartered Accountants dated October 10, 2024

(iii) Deployment of unutilized proceeds:

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Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
1.	FD with HDFC	750.00	17/10/2024	2.1	6.80%	752.1
2.	FD with HDFC	750.00	17/10/2024	2.1	6.80%	752.1
3.	Share Issue Expenses in Offer A/c	53.96*	NA	NA	NA	NA
4.	Share Issue Expenses in monitoring A/c	6.49*	NA	NA	NA	NA

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
	Total	1,560.45		4.2		1,504.2

*Share Issue expenses for Initial Public Offer is around Rs.110.23 crore, out of which Rs.60.45 crore will be incurred by Bajaj Housing Finance Limited, and balance will be incurred by selling shareholders (as part of Offer for sale). Of the Rs.60.45 crore, Rs.53.96 crore is lying in Public Offer A/c and Rs.6.49 crore is lying in monitoring A/c.

(iv) Delay in implementation of the object(s) –

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual*		Reason of delay	Proposed course of action
Augmenting capital base to meet future business requirements of company towards onward lending	March 31, 2025	Ongoing	NA	Not Applicable	
General corporate purposes (GCP)	NA	NA	NA	Not Applicable	

* Gross proceeds are yet to be fully utilized

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head^	Amount in Rs. Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	Not Applicable	Not Applicable	Chartered Accountant certificate*	Not Applicable	Not Applicable

*Chartered Accountant certificate from S K Patodia & Associates LLP Chartered Accountants dated October 10, 2024

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Disclaimers to MA report:

- a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as "**Monitoring Agency/MA**"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.
- b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditors (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.
- c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.
- d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.
- e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.