

23 July 2024

<b>THE MANAGER, BSE LIMITED PHIROZE JEEJEEBHOY TOWERS DALAL STREET, MUMBAI - 400 001</b>	<b>THE MANAGER, LISTING DEPARTMENT NATIONAL STOCK EXCHANGE OF INDIA LTD. EXCHANGE PLAZA, C-1. BLOCK G, BANDRA - KURLA COMPLEX, BANDRA (EAST) MUMBAI - 400 051</b>
<b>SCRIP CODE: 500034</b>	<b>SCRIP CODE: BAJFINANCE - EQ</b>

Dear Sir/Madam,

**Sub.: Monitoring Agency Report on the utilization of proceeds raised through preferential issue, for quarter ended 30 June 2024**

Pursuant to Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Regulations 162A SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), please find enclosed herewith Monitoring Agency Report issued by CARE Ratings Limited, in respect of utilisation of proceeds raised through the preferential issue of warrants to Bajaj Finserv Limited, promoter and holding company, for the quarter ended 30 June 2024.

Kindly note that during the quarter ended 30 June 2024, the Company has not received funds for the said issue.

We request you to take the same on record.

Thanking you,

Yours faithfully,  
For **Bajaj Finance Limited**

**R. Vijay**  
**Company Secretary**  
Email ID: [investor.service@bajajfinserv.in](mailto:investor.service@bajajfinserv.in)

Encl.: As above

**BAJAJ FINANCE LIMITED**

<https://www.aboutbajajfinserv.com/finance-about-us>

**Corporate Office:** 4<sup>th</sup> Floor, Bajaj Finserv Corporate Office, Off Pune-Ahmednagar Road, Viman Nagar, Pune - 411 014, Maharashtra, India

**Corporate Office Extn.:** 3<sup>rd</sup> Floor, Panchshil Tech Park, Viman Nagar, Pune - 411 014, Maharashtra, India  
Tel: +91 20 7157 6403 | Fax: +91 20 7157 6364

**Registered Office:** C/o Bajaj Auto Limited complex, Mumbai - Pune Road, Akurdi, Pune - 411 035, Maharashtra, India  
**Corporate ID No.:** L65910MH1987PLC042961 | **Email ID:** investor.service@bajajfinserv.in



# Monitoring Agency Report



**No. CARE/HO/RL/2024-25/1939**

**Audit Committee**

**Bajaj Finance Limited**

3rd Floor, Panchshil Tech Park,  
Plot 43/1, 43/2,44/2, Viman Nagar  
Pune – 411 014, Maharashtra, India

July 23, 2024

Dear Sir/Ma'am,

**Monitoring Agency Report for the quarter ended June 30, 2024 - in relation to the Preferential Issue of Bajaj Finance Limited ("the Company")**

We write in our capacity as Monitoring Agency for the Preferential Issue of 15,50,000 warrants aggregating to Rs. 1,200 crore which are convertible into equivalent number of equity shares of face value of Rs. 2 each of the Company and refer to our duties cast under 162A 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 June 30, 2024, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated November 01, 2023.

Request you to kindly take the same on records.

Thanking you,  
Yours faithfully,

*Geeta Chainani*

**Geeta Chainani**

Associate Director

[geeta.chainani@careedge.in](mailto:geeta.chainani@careedge.in)

## **Report of the Monitoring Agency**

Name of the issuer: Bajaj Finance Limited

For quarter ended: June 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.

*Geeta Chainani*

Signature:

Name and designation of the Authorized Signatory: Geeta Chainani

Designation of Authorized person/Signing Authority: Associate Director

**1) Issuer Details:**

Name of the issuer : Bajaj Finance Ltd  
Name of the promoter : Bajaj Finserv Limited  
Industry/sector to which it belongs : Non-Banking Financial Company

**2) Issue Details**

Issue Period : November 01, 2023, to November 02, 2023  
Type of issue (public/rights) : Preferential Issue  
Type of specified securities : Warrants convertible into Equity shares  
IPO Grading, if any : Not applicable  
Issue size (in crore) : Rs. 1,200 crores

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

QC

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?	Not Applicable	Chartered Accountant certificate*	Not Applicable since no proceeds have been raised/ received under PI during Q1FY25	The Board of Directors noted that there are no deviations, and the funds were utilised for the purpose stated in the offer document and notice sent to the shareholders. Further, no conversion of warrants has taken place during the quarter ended June 30, 2024.
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Chartered Accountant certificate*	Not applicable	Not applicable
Whether the means of finance for the disclosed objects of the issue have changed?	Not applicable	Not applicable	Not applicable	Not applicable
Is there any major deviation observed over the earlier monitoring agency reports?	Not applicable	Not applicable	Not applicable	Not applicable
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Not applicable	Not applicable	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 arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	Not applicable	Not applicable
Are there any favorable/unfavorable events affecting the viability of these object(s)?	Not applicable	Not applicable	No	Not applicable
Is there any other relevant information that may materially affect the decision making of the investors?	Not applicable	Not applicable	No	Not applicable

\*Chartered Accountant certificate from KPNB & Associates Chartered Accountants dated July 05, 2024

#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	Repayment of loans, commercial papers, Non-Convertible Debentures and interest payment thereof maturing post allotment of Warrants and Equity Shares pursuant to conversion	Chartered Accountant certificate*, Offer Document	960.00	951.08	The net proceeds have been utilized in accordance with the objects of the issue.	NA	NA	NA
2	General corporate purposes (GCP)#	Chartered Accountant certificate*, Offer Document	240.00	237.17	(25% of the proceeds have been received and utilized)	NA	NA	NA
<b>Total</b>			<b>1,200.00</b>	<b>1188.85\$</b>				

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\* As per Chartered Accountant certificate from KPNB & Associates Chartered Accountants dated July 05, 2024

\$ Bajaj Finance Limited (The Company) has received 25% of the consideration aggregating to Rs. 297.21 crore during Q3FY24 and the balance will be received at the time of conversion of the warrants into equity shares i.e., 75% of the consideration within 18 months (by June 30, 2025) from the date of allotment of warrants.

The company has not received any proceeds during Q1FY25.

# Utilized towards disbursement of loans to customers in the normal course of business.

(ii) Progress in the objects –

QC

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	Repayment of loans, commercial papers, Non-Convertible Debentures and interest payment thereof maturing post allotment of Warrants and Equity Shares pursuant to conversion	Chartered Accountant certificate*, Bank statements, Offer Document	960.00	237.77	--	237.77	0	Net proceeds have been fully utilised in accordance with the objects of the issue	NA	NA
2	General corporate purposes (GCP)#	Chartered Accountant certificate*, Bank statements, Offer Document	240.00	59.44	--	59.44	0		NA	NA
<b>Total</b>			<b>1,200</b>	<b>297.21\$</b>	<b>--</b>	<b>297.21</b>				

\* As per Chartered Accountant certificate from KPNB & Associates Chartered Accountants dated July 05, 2024

\$ Bajaj Finance Limited (The Company) has received 25% of the consideration aggregating to Rs. 297.21 crore during Q3FY24 and the balance will be received at the time of conversion of the warrants into equity shares i.e., 75% of the consideration within 18 months (by June 30, 2025) from the date of allotment of warrants.

The company has not received any proceeds during Q1FY25.

(iii) Deployment of unutilized proceeds: Not Applicable, since no proceeds have been received during April 01, 2024, to June 30, 2024.

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
NA	NA	NA	NA	NA	NA	NA

(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
Repayment of loans, commercial papers, non-convertible debentures and interest payment thereof maturing post allotment of Equity Shares under this Issue	June 30, 2025	November 02, 2023	No	NIL	NIL
General corporate purposes (GCP)	June 30, 2025	November 02, 2023	No	NIL	NIL

\*Actual utilization date of the proceeds. Bajaj Finance Limited (The Company) has received 25% of the consideration aggregating to Rs. 297.21 crore during Q3FY24 and the balance of 75% of the consideration will be received at the time of conversion of the warrants into equity shares, within 18 months of the date of allotment of warrants.

GC

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	--	Chartered Accountant certificate*	Not Applicable	Not Applicable
	<b>Total</b>				

\*Chartered Accountant certificate from KPNB & Associates Chartered Accountants dated July 05, 2024

**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.

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