

23 January 2016

<p>To The Corporate Relations Department. The Bombay Stock Exchange 1<sup>st</sup> Floor, New Trading Ring Rotunda Building, P J Tower Dalal Street, Fort, Mumbai 400 001. Email:corp.relations@bseindia.com Tel:022 2272 2066/1233 Fax: 022 2272 3121 <b>BSE CODE: 532978</b></p>	<p>To National Stock Exchange of India Ltd. Exchange Plaza, 5<sup>th</sup> Floor Plot No.C-1, G Block Bandra-Kurla Complex Bandra (East), MUMBAI 400 051. Email:cmlist@nse.co.in Tel:022 26598452/8235 Fax: 022 2659 8237/8238 <b>NSE CODE: BAJAJFINSV</b></p>
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**Sub: Submission under Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir,

As required under Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby submits report received from the monitoring agency (appointed for the Rights Issue of 2012) for the half-year ended 30 September 2015.

This is for your information and records please.

Thanking you,

Yours faithfully,

**For Bajaj Finserv Limited.**



**Sonal R Tiwari**

**Company Secretary**

Encl: Monitoring Agency report



**Bajaj Finserv Limited**



AXB/CO/IFB-TS/15-16/674  
03<sup>rd</sup> December, 2015

The Company Secretary  
**Bajaj Finserv Limited**  
Bajaj Finserv Corporate Office  
6<sup>th</sup> Floor, Off Pune – Ahmednagar Road,  
Viman Nagar, Pune – 411 014

**Kind Attention: Ms. Sonal Tiwari**

Dear Madam,

**Re.: Monitoring Agent for the Rights Shares issue of Rs. 1000 crores by Bajaj Finserv Limited (the Company) - Monitoring Agency Report**

We write in our capacity of Monitoring Agent for the captioned rights issue of the Company and refer to our duties cast under Regulation 16(2) of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009.

In terms of above, please find attached the Monitoring Report for the half year ended on September 30, 2015, as per Schedule IX of the aforesaid SEBI Regulations.

Request you to kindly take the same on records.

Thanking you,  
For **Axis Bank Limited**

  
**Rajesh Laxman**  
Assistant Vice President

Encl.: As Above

**MONITORING AGENCY REPORT** issued by Axis Bank Limited in its capacity of Monitoring Agent for the Rights Issue of Bajaj Finserv Limited as per Schedule IX of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

Name of the Monitoring Agency: **Axis Bank Limited**  
Monitoring Report for the half year ended: **September 30, 2015**

(1) Name of the Issuer: **Bajaj Finserv Limited**

(2) About the issue whose proceeds to be monitored:

- (a) Issue Open date: **September 21, 2012**
- (b) Issue Close date : **October 8, 2012**
- (c) Type of issue (public/rights): **Rights Issue**
- (d) Type of specified securities: **Equity Shares of Rs. 5/- each**
- (e) Issue size: **Rs. 940.44 crores**
- (f) Amount collected: **Rs. 938.71 crores**

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

**Monitoring Agency Agreement dated August 29, 2012 entered into between Bajaj Finserv Limited ("the Company") and Axis Bank Limited ("Monitoring Agency/Monitoring Agent") for the purpose of monitoring the use of the issue proceeds.**

(4) Project details (to be monitored): **N.A.**

(The Company intends to utilise the proceeds for investment by way of subscription to equity shares and/or equity linked securities of the Company's Subsidiary, Bajaj Finance Limited ("BFL"), and/or by conversion of equity linked securities into equity shares of BFL (so as to augment BFL's capital base for the purpose of capital adequacy requirements); and for general corporate purposes).

(a) Name of the project (particulars and location): **N.A**

(b) Cost of the project details: **N.A.**  
(As mentioned in the offer document)

Item Head	Original Cost	Revised	Remarks

(c) Proposal to finance cost overrun, if any. **N.A**

(d) Progress in the project:

(i) Expenditure incurred during the six months period (Rs. Crores):



**Rs. 833.37 crores** (As per statement of utilization of funds certified by the Statutory Auditor of the Company vide its Certificate on the Manner of Utilization of Funds by the dated November 06, 2015 is attached herewith as **Annexure I**)

Item Head	During Six Months	Cumulative
<b>Please refer Annexure I</b>		

(ii) Means of finance raised during six months period:

**The Company has raised Rs.938.71 crores through Rights issue of 14,441,674 Equity Shares.**

(e) If total cumulative amount raised is more than the expenditure incurred on the project, explain how the surplus funds are utilized / proposed to be utilised. Give details on investment like instruments, maturity, earnings and other conditions. Indicate name of the party/ company in which amounts have been invested. The following data shall be given separately for investment in group companies and others:

Investments in Group Cos\*:

Type of Instrument / Instrument	Amount Invested	Maturity Date	Earnings in Rs.
On conversion of Warrants of Bajaj Finance Ltd, subsidiary of the Company	Rs. 63.96 crores	NA	NA
Rights issue of Bajaj Finance Ltd, subsidiary of the Company	Rs. 478.67 crores	NA	NA
On subscription of warrants of Bajaj Finance Ltd, subsidiary of the Company	Rs. 102.03 crores	NA	NA

\* **Note.:** Both the investments in Bajaj Finance Limited forms part of Utilisation Schedule under of the Letter of Offer dated September 4, 2012 issued by the Company and of the Chapter titled "Objects of the Issue" of the Monitoring Agency Agreement dated August 29, 2012.

**The Surplus Funds of Rs. 105.34 crores invested by the Company as detailed in Annexure II based on the information provided by the Company.**

(f) Comments of monitoring agency on utilisation of funds:



As per the Statement of Utilization of Funds, as provided by the Statutory Auditor of the Company, the Company has utilized a total sum of Rs. 830.55 crores out of gross proceeds from the issue aggregating to Rs. 940.44 crores. Of the gross proceeds, Rs. 1.73 crores has not been received on account of 26,677 shares held in abeyance due to disputes, The Company has also incurred expenses towards the said issue amounting to Rs. 2.82 crores. The Surplus Funds of Rs. 105.34 crores invested by the Company as detailed in Annexure II based on the information provided by the Company.

- (g) If there is any delay in implementation of the project, the same may be specified along with the reason thereof and the proposed course of action. (Please give the comparative statement of schedule of various activities as mentioned in the offer document and their actual implementation). – **N.A.**
- (h) Status of Government/ statutory approvals related to the project as disclosed in offer document. **N.A.**
- (i) Technical assistance/ collaboration (Please mention arrangements contemplated at the time of issue and the progress thereafter) **N.A.**
- (j) Major deviations from the earlier progress reports. **N.A.**
- (k) Any favourable/ unfavourable events improving /affecting project viability. **N.A.**
- (l) Any other relevant information. **N.A.**

For Axis Bank Limited,



 **Rajesh Laxman**  
**Assistant Vice President**  
**03rd December, 2015**

Encl.: Annexure I – Statement of Utilisation of Funds  
Annexure II – Details of Investment of Surplus Funds  
Annexure III – Details of Utilisation of Funds towards approved purposes of the Issue.

# Dalal & Shah

Chartered Accountants

The Board of Directors  
Bajaj Finserv Limited  
Bajaj Auto Limited Complex  
Mumbai-Pune  
Akurdi, Pune - 411 035

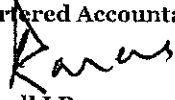
Dear Sirs,

**Re: Certificate on the manner of utilisation of the funds including for purposes other than those stated in the offer document for the Rights Issue.**

1. This letter forms an integral part of our "Certificate on the manner of utilisation of the funds " (referred to as 'Certificate') of even date, which should be read in conjunction with this letter.
2. Statement containing details of manner of utilisation of funds including funds utilised for purposes other than those stated in the offer document for the Rights Issue (the "Statement") as required by the clause 49(IV)(D) of the Equity Listing Agreement (the 'Equity Listing Agreement'), and pursuant to SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities Exchange Board of India (the 'SEBI') has been prepared by the Management of Bajaj Finserv Limited (the "Company") and initialled by us for identification purposes only.
3. It is the responsibility of the Management to properly prepare the accompanying Statement including the creation and maintenance of all accounting and other records supporting its contents. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for ensuring that the Company complies with the requirements of the Equity Listing Agreement and for providing all the relevant information to the Securities and Exchange Board of India.
4. Pursuant to the requirements of the Equity Listing Agreement, it is our responsibility to verify as to whether the Statement is in agreement with the unaudited financial statements and books and records of the Company for the period ended September 30, 2015 which will be subject to audit pursuant to the requirements of Companies Act, 2013 for the year ending 31<sup>st</sup> March 2016.
5. Our examination as set out in the accompanying certificate was conducted, on test check basis, in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.
6. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Equity Listing Agreement. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have or may have had as auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.
7. The accompanying certificate is addressed to the Board of directors of the Company in reference to the Equity Listing Agreement and should not be used by any other person or for any other purpose. The Company may make our Certificate available to the monitoring agency, "Axis Bank" for their information purposes to issue their report pursuant to SEBI ( Issue of Capital and Disclosure Requirements ) Regulations, 2009, based on an express acceptance of the terms under the clause " Limitation of Liability " , as mentioned in the Engagement Letter.

**Enclosures: Our certificate**

For Dalal & Shah  
Firm Registration Number: 102021W  
Chartered Accountants

  
Russell I Parera  
Partner  
Membership Number : 42190

November 6, 2015  
Mumbai

Dalal & Shah, 252 Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028

T: +91 (22) 6669 1000, F: +91 (22) 6654 7800, +91 (22) 6654 7801

# Dalal & Shah

Chartered Accountants

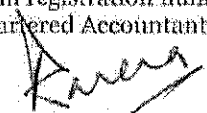
## CERTIFICATE ON THE MANNER OF UTILISATION OF THE FUNDS

To,  
The Board of Directors,  
BAJAJ FINSERV LIMITED  
Bajaj Auto Limited Complex,  
Mumbai-Pune Road, Akurdi,  
Pune – 411 035

Dear Sirs,

1. We have examined the books of account and other relevant records of Bajaj Finserv Limited ("Company"), as at 30<sup>th</sup> September, 2015 in connection with its Rights Issue Offer vide its LoF and utilization of the net issue proceeds as per the object of the issue given in the said LoF.
2. We have examined the details of the utilization of the net issue proceeds submitted by the Company and are as per Annexure to this certificate, initialed by us for identification purposes only, based on the unaudited books of account and relevant records referred to in paragraph 1 above. We have agreed the amounts included in the Annexure with the unaudited books of account and relevant records of the Company as at 30<sup>th</sup> September, 2015. We have verified the accuracy of the Annexure. Our responsibility is to verify the factual accuracy of the facts stated in the Annexure.
3. We conducted our procedures in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India.
4. We have performed necessary procedures so as to ensure the accuracy of figures mentioned in the Annexure. We also confirm that the utilization of proceeds of the issue is in line with the object clause mentioned in the LoF.
5. On the basis of the unaudited books of account and relevant records, information and explanations provided to us and representation from the management of the Company, we certify the utilization of the net issue proceeds as given in the accompanying Annexure.
6. This certificate is furnished solely for submission to the Board of Directors and is not to be used for any other purpose or to be distributed to any other parties. The Company may make our Certificate available to the monitoring agency, " Axis Bank" for their information purposes to issue their report pursuant to SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 , based on an express acceptance of the terms under the clause " Limitation of Liability " , as mentioned in the Engagement Letter.

For Dalal & Shah  
Firm registration number: 102021W  
Chartered Accountants

  
Russell I Parera  
Partner  
Membership No.: 42190

Mumbai  
November 6, 2015

*Dalal & Shah, 252 Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028*

*T: +91 (22) 6669 1000, F: +91 (22) 6654 7800, +91 (22) 6654 7801*

1. Statement of Utilization of Rights Issue Proceeds as on 30 September 2015.

Sr. No.	Item Head	Original estimated requirement of funds as per letter of offer	Not available for utilisation	Actual utilisation of rights issue proceeds upto period ended 30 September 2015	Balance unutilised	(Rs. In Crore)	Remarks
1	Investment by way of subscription to equity shares and/or equity linked securities of BFL and/or by conversion of equity linked securities into equity shares of BFL (so as to augment BFL's capital base for the purpose of capital adequacy requirements).	750.00		644.65	105.34		Refer note 1 below.
2	General Corporate Purposes - amount received	185.89		185.89			Refer note 2 below.
	General Corporate Purposes - amount not received *	1.73	1.73				
	subtotal	187.62	1.73	185.89			
3	Total (Net issue proceeds)	937.62	1.73	830.55	105.34		
	Share issue expenses	2.82		2.82			
	Gross issue proceeds	940.44		833.37			

\* Actual proceeds are less by Rs. 1.73 crore on account of 26,677 shares held in abeyance due to disputes.

Notes:

Note 1 Investment in BFL:

1 Conversion of warrants (equity linked securities) of BFL

No. of warrants 1,310,000  
Warrants exercise price (Rs.) 651  
Price being paid now (25% paid initially) 75%  
Subscription of warrants conversion (Rs. crore) 63.96

2 BFL Rights issue subscription

No. of shares allotted 4,351,524  
Share price (Rs.) 1,100  
BFL Rights issue subscription (Rs. crore) 478.67

3 BFL warrants subscription

No. of warrants 925,000  
Warrants exercise price (Rs.) 4,412  
Price being paid now (25% paid as initial subscription) 25%  
Subscription of warrants conversion (Rs. crore) 102.03

4 Investment in BFL (1) + (2) + (3)

644.66

Note 2 General Corporate Purposes

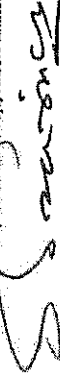
Rights issue expenses incurred 3.16  
Less: Rights issue expenses as per Letter of Offer 2.82

(Rs. In Crore)

0.34  
185.55  
185.89

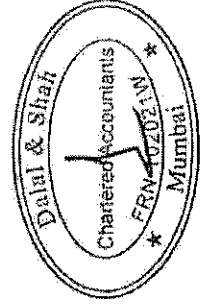
Investment in mutual funds

on behalf of Bajaj Finserv Limited



20 October 2015  
Pune

S Sreenivasan  
CFO





**2. Statement of Utilisation of Rights Issue Proceeds as on 30 September 2015.**

Item Head	(Rs. In Crore)		
	Utilisation upto period ended 31 March 2015	Utilisation during 1 April 2015 to 30 September 2015	Cumulative utilisation upto 30 September 2015
1 Investment by way of subscription to equity shares and/or equity linked securities of BFL and/or by conversion of equity linked securities into equity shares of BFL (so as to augment BFL's capital base for the purpose of capital adequacy requirements).	542.63	102.03	644.66
2 General Corporate Purposes	185.55	-	185.55
3 Share issue expenses	3.16	-	3.16
<b>Total</b>	<b>731.34</b>	<b>102.03</b>	<b>833.37</b>

**3. Reconciliation of rights issue proceeds**

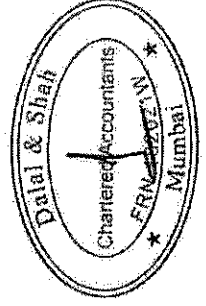
Item Head	(Rs. In Crore)
	Amount
Cumulative utilisation upto 30 September 2015	833.37
Balance available for utilisation as on 30 September 2015	105.34
Amount not received on 26,677 shares held in abeyance	1.73
<b>Gross issue proceeds</b>	<b>940.44</b>

20 October 2015  
Pune

For and on behalf of Bajaj Finserv Limited



S Sreenivasan  
CFO



## Annexure II

Details of Investment of Surplus Funds when the total funds raised is more than the expenditure incurred for proposed purposes of the Issue (As provided by the Company)

Sr. No.	Type of instrument	Instrument	Amount invested (Rs. in lakhs)
1	CD	COPBNK CD 11-12-2015	2306
2	CD	AXIS BANK CD 08-03-2016	2304
3	CD	CANBNK CD 01-03-2016	2302
4	CD	IDBI BANK CD 15-02-2016	3622
<b>Total</b>			<b>10534</b>

## Annexure III

Details of Utilisation of Funds towards approved purposes of the Issue (Based on the information provided by the Company)

1. Investment by way of subscription to equity shares and/or equity linked securities of the Company's Subsidiary, Bajaj Finance Limited ("BFL"), and/or by conversion of equity linked securities into equity shares of BFL

i.	<u>Conversion of Warrants (Equity Linked Securities) of BFL:</u>		
	No. of Warrants	1,310,000	
	Warrants Exercise Price	Rs. 651.00	
	Price being paid now (25% paid intially)	75%	
	<b>Subscription of Warrants conversion</b>	<b>Rs. 63.96 Crores</b>	<b>A</b>
ii.	<u>BFL Rights issue Subscription:</u>		
	No. of Shares allotted	4,351,524	
	Share Price	Rs. 1,100.00	
	<b>BFL Rights issue subscription</b>	<b>Rs. 478.67 Crores</b>	<b>B</b>
iii.	<u>BFL warrants subscription:</u>		
	No. of warrants	925,000	
	Warrants exercise price (Rs.)	4,412	
	Price being paid now (25% paid as initial subscription)	25%	
	<b>Subscription of warrants conversion</b>	<b>Rs. 102.03 crores</b>	<b>C</b>

**Total Investment in Bajaj Finance Limited** **Rs. 644.66 Crores** **A + B + C**

