

bajaj corp limited

April 25, 2011

Bombay Stock Exchange Limited First Floor, New Trade Wing Rotunda Building, Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 023 Fax No.2272 3121 Stock Code: 533229	National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No.C/1, 'G'Block Bandra- Kurla Complex Bandra East Mumbai 400 051 Fax No.2659 8237/8238 Stock Code: BAJAJCORP
---	--

Dear Sirs,

Sub: Monitoring Agency Report

Pursuant to the provisions of the Clause 43A of the Listing Agreement, please find enclosed herewith a copy of the Monitoring Agency Report received from IDBI Bank Limited for the period October 1, 2010 to March 31, 2011.

Thanking you,

Yours faithfully,
For Bajaj Corp Limited



Sujoy Sircar
Company Secretary

Encl: as above

April 25, 2011

Bombay Stock Exchange Limited First Floor, New Trade Wing Rotunda Building, Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 023 Fax No.2272 3121 Stock Code: 533229	National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No.C/1, 'G'Block Bandra- Kurla Complex Bandra East Mumbai 400 051 Fax No.2659 8237/8238 Stock Code: BAJAJCORP
---	--

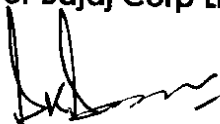
Dear Sirs,

Sub: Monitoring Agency Report

Pursuant to the provisions of the Clause 43A of the Listing Agreement, please find enclosed herewith a copy of the Monitoring Agency Report received from IDBI Bank Limited for the period October 1, 2010 to March 31, 2011.

Thanking you,

Yours faithfully,
For Bajaj Corp Limited



Sujoy Sircar
Company Secretary

Encl: as above

IDBI Monitoring Agency Report – Second Report
(for the period October 01, 2010 to March 31, 2011)

1. Name of the Company : Bajaj Corp Ltd.

2. About the Issue whose proceeds to be monitored

Issue date	August 2-5, 2010
Type of issue	Public Issue
Type of instrument	Equity Shares
Issue size	Rs. 297 crore
Amount Collected	Rs. 297 crore

3. Give details of the arrangement made by you to ensure the monitoring of issue proceeds

Auditors' Certificate dated April 12, 2011, for utilization of funds as per the object clause enclosed.

4. Project details (to be monitored) :

a. Name of the project (particulars and location) :
 As per the object clause, the issue proceeds were raised for the following purposes:

Item Head	
A	Promote future products of company
B	Acquisition and other strategic initiatives
C	General Corporate Purpose

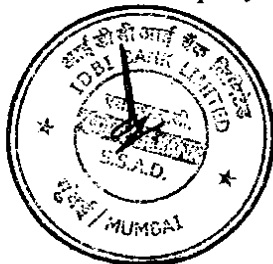
b. Cost of the project details: (Rs. Crores)
 (As mentioned in the offer document)

Item Head		Original Cost #
1.	Promotion of future products of company	
	Product 1	78.9
	Product 2	39.9
	Product 3	45.5
	Product 4	55.7
		220
2.	Acquisitions and other strategic initiatives	50
3.	General corporate purpose	5.5
	Total	275.5

* Net of issue expenses of Rs 21.5 crore kept aside by the company.

If, any cost overrun, how it is proposed to be financed.

The Company has not indicated any cost overrun in the identified projects.



4

c. Progress in the project :

(i) Expenditure incurred during the period Oct 01, 2010 to March 31, 2011

				(Rs. Crores)
Item Head	Amount to be deployed out of IPO as per Prospectus	Actual Amount deployed out of IPO proceeds during Aug 17, 2010 to Sept 30, 2010	Actual Amount deployed out of IPO proceeds during Oct 01, 2010 to Mar 31, 2011	Cumulative Amount
A. Promote future products of Company				
Product 1	78.9	-	-	-
Product 2	39.9	-	0.4	0.4
Product 3	45.5	-	-	-
Product 4	55.7	-	-	-
Sub Total	220.0			-
B. Acquisition & other strategic initiatives	50.0	-	-	-
C. General Corporate Purpose	5.5	-	-	-
D. Issue Related Expenses	21.5	17.4	1.5#	18.9
TOTAL	297.0	17.4	1.9	19.3

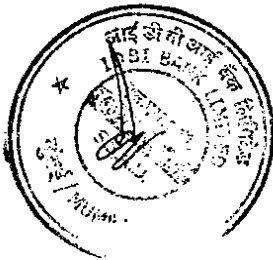
derived as the difference between the expenses at the start and end of the half year.

(ii) Means of finance

IPO proceeds Rs. 297 Crores.

d. If total cumulative amount raised is more than the expenditure incurred on the project, explain how the surplus funds are utilized / proposed to be utilized. 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 :

The details of investments are given in Annexure



e. Comments of Monitoring Agency on utilization of funds.

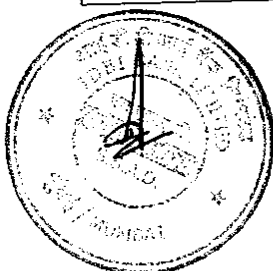
The company has utilized Rupees 40 lacs out of the issue proceeds during the period October 2010 to March 2011. An amount of Rs 1.50 crore has been utilized towards issue expenses during the half year period. As indicated in the prospectus, the company was to incur an amount of Rs. 60.7 crore towards promotion of future products and Rs 5.46 crore towards General corporate purpose, during FY 2010-11 out of IPO proceeds. The actual amount incurred so far during FY 2011 is only Rs 40 lacs.

As mentioned in the prospectus, the company anticipates utilizing the entire amount earmarked towards acquisition and other strategic initiatives by Fiscal 2014. The funds of Rs 277.7 crore pending utilization of issue proceeds have been parked in banks fixed deposits, certificate of deposits, fixed maturity plan and current account. The company has invested Rs 10 crore in mutual funds (under fixed maturity plan), Rs 38.2 crore in fixed deposits with banks, Rs 229 crore as certificate of deposits with various banks and Rs 54 lakh in current account. The details of investment are given in Annexure. As indicated by the company vide email dated April 21, 2011, interest earned on investment of IPO proceeds is considered under other income.

f. If there is any delay in implementation of the project, the same may be specified 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).

The company proposes to launch four products in personal care segment and intends to utilise issue proceeds towards product promotion expenses. The promotional expenses to be incurred depend on the stage of product development. The various stages in the product development as given in the prospectus are: Formulation, Packaging, Communication and Brand Name. The prospectus does not indicate the timeline for product development but only indicates the stages in product development. Since no project is involved, the delay in implementation does not apply. However, the status of products to be promoted as indicated by the company is given below:

Products	Status
Product 1	The Company has tested the product formulation in house. Consumer test are underway. The Company will either rejig the perfume and/or formulation or go in for the packaging design testing stage
Product 2	During 2010-11, the company manufactured the product and the same was ready to be launched. The product would be launched in April 2011.
Product 3	The product was soft launched in certain export market. The date of domestic launch will be after considering the consumer feedback.
Product 4	This communication strategy is being worked out by the company.



g. Status of Government / Statutory approvals related to the project as disclosed in offer document.

The company has vide its email dated April 21, 2011, indicated that there are no approvals pending under relevant statutes with respect to objects of the issue.

h. Technical assistance / collaboration (Please mention arrangements contemplated at the time of issue and the progress thereafter). **NIL**

i. Major deviations from the earlier progress reports.-Nil

j. Any favourable / unfavourable events affecting / improving project viability. **NIL**

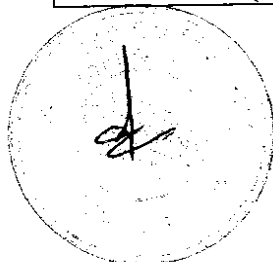
k. Any other relevant information.



Rajeev Kumar
21/4/11
(Rajeev Kumar)
General Manager
SSAD

Annexure

Type of instrument	Amount	Maturity Date	Earnings (%)	Tenure (in days)
Fixed Deposits				
Corporation Bank	8.39	14-Jun-2011	10.10	91
Bank of India	14.80	29-Apr-2011	9.05	91
Punjab National Bank	15.00	19-May-2011	9.96	91
Total (A)	38.19			
Fixed Maturity Plan				
Birla Sun Life -Fixed Term Plan-CT	10.01	7-Mar-2012	10	364
Total (B)	10.01			
Certificate of Deposit				
Central Bank of India CD 02/03/2012	9.09	2-Mar-2012	10.15	360
Central Bank of India CD 12/03/2012	22.72	12-Mar-2012	10.08	364
Syndicate Bank CD (13/03/2012)	22.72	13-Mar-2012	10.05	364
Dena Bank CD-(20.03.2012)	22.73	20-Mar-2012	10.00	364
State Bank of India CD(20.03.2012)	9.10	20-Mar-2012	9.94	363
Canra Bank CD (22.03.2012)	9.09	22-Mar-2012	10.07	365
Oriental Bank of Commerce CD (22.03.2012)	22.72	22-Mar-2012	10.04	365
Bank of India CD (23.03.2012)	22.71	23-Mar-2012	10.07	365
Syndicate Bank CD (23.03.2012)	22.71	23-Mar-2012	10.07	365
Canra Bank CD (25.03.2012)	9.09	25-Mar-2012	10.17	366
Oriental Bank of Commerce CD (25.03.2012)	9.08	25-Mar-2012	10.14	366
Bank of Baroda CD (26.03.2011)	22.71	26-Mar-2012	10.16	363
Punjab National Bank CD (27.06.2011)	24.44	27-Jun-2011	9.55	88
Total (C)	228.91			
Kotak Mahindra Bank Current A/c	0.54			
Grand Total (A+B+C)	277.66			



R.S. DANI & CO.

(CHARTERED ACCOUNTANT)

C.P. KOTHARI, FCA
PARTNER

Naya- Bazar,
Ajmer - 305001
Tel (O) 2429071
(R) 2426702

TO WHOMSOEVER IT MAY CONCERN

We have been requested by Bajaj Corp Ltd. ("Company") to verify the utilization of IPO proceeds as on March 31, 2011.

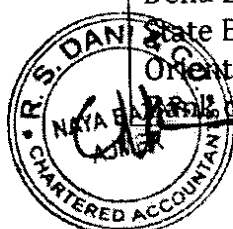
In this regard, we have been provided by the Management with information which includes bills for the expenses, mutual fund statements & demat statements as on March 31, 2011 and the fixed deposits certificates.

Based upon our verification and information provided, we inform as under:

Particulars	Amount Rs in Lacs
Amount collected through IPO (August 17, 2010)	29700.00
Less : IPO related expenses upto March 31, 2011	(1896.25)
Less : Fund utilized for promotion of future products	(37.70)
Closing Balance in IPO Funds as on March 31, 2011	27766.05

The details of closing balance as on March 31, 2011 is as under:

Type of Instrument	Amount Rs in Lacs
Fixed Maturity Plan of Mutual Funds (I) Birla Sun Life -Fixed Term Plan-CT	1,001.38
Fixed Deposit with Banks (II) Corporation Bank Bank of India Punjab National Bank	839.33 1480.00 1500.00
Certificate of Deposits (III) Central Bank of India -CD Syndicate Bank-CD Canara Bank-CD Dena Bank-CD State Bank of India -CD Oriental Bank of Commerce -CD Bank of India-CD	3180.79 4543.65 1817.35 2273.29 910.04 3180.06 2271.28



R.S. DANI & CO.

(CHARTERED ACCOUNTANT)

C.P. KOTHARI, FCA
PARTNER

Naya- Bazar,
Ajmer - 305001
Tel (O) 2429071
(R) 2426702

Type of Instrument	Amount Rs in Lacs
Bank of Baroda -CD	2270.68
Punjab National Bank -CD	2443.74
Balance with Kotak Bank (Current A/c) (IV)	54.46
Total (I+II+III+IV)	27766.05

For R. S. Dani & Company
Chartered Accountants



C. P. Kothari
Partner
Membership No. : 072229
F.R.N. : 00243C

Date : April 12, 2011
Place: Ajmer

