

April 24, 2012

<p>BSE Limited First Floor, New Trade Wing Rotunda Building, Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 023 Fax No.2272 3121</p> <p>Stock Code: 533229</p>	<p>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</p> <p>Stock Code: BAJAJCORP</p>
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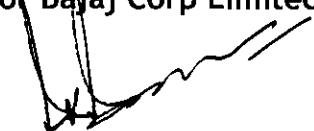
Dear Sirs,

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 quarter/half year ended March 31, 2012.

Thanking you,

Yours faithfully,
For Bajaj Corp Limited



Sujoy Sircar
Company Secretary

Encl: as above

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IDBI Monitoring Agency Report – Fourth Report
(for the half year ended March 31, 2012)

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

We have obtained Statutory Auditors' Certificate dated April 03, 2012 from R.S.DANI & Co. Ajmer for utilization of issue proceeds by company.

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:
(As mentioned in the offer document)

Item Head		Original Cost #
1.	Promotion of future products of company	
	Product 1	78.90
	Product 2 (Kailash Parbat Thanda Tail)	39.90
	Product 3	45.50
	Product 4	55.70
	Sub Total	220.00
2.	Acquisitions and other strategic initiatives	50.00
3.	General corporate purpose	5.46
	Total	275.46

* Net of issue expenses of Rs 21.54 crore kept aside by the company.



If, any cost overrun, how it is proposed to be financed.
The company has not indicted any cost overrun in the identified projects.

c. Progress in the project :

i) Expenditure incurred during the period August 17, 2010 to September 30, 2010

(₹Crores)

Item Head		During six month	Cumulative amount
1.	Promotion of future products of company		
	Product 1	0.00	0.00
	Product 2 (Kailash Parbat Thanda Tail)	3.68	9.20
	Product 3	0.00	0.00
	Product 4	0.00	0.00
	Sub Total	3.68	9.20
2	Acquisitions and other strategic initiatives	0.00	0.00
3-	General Corporate Purpose	0.00	0.00
4	Issue related Expenses	0.00	18.96
	Total	3.68	28.16

ii) Means of finance

As mentioned in the above table, the company has utilized ₹3.68 crore from the IPO proceeds during six months period ended March 31, 2012.

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 :

As on March 31, 2012, the utilized amount from IPO proceeds is ₹28.16 crore. The balance amount of ₹268.84 crore is invested in liquid instruments in Banks/FIs. Details of investment are given in the annexure I.



e. Comments of Monitoring Agency on utilization of funds.

- (i) The company has utilized an amount of ₹3.68 crore from the proceeds of the issue during six months. Total amount of ₹9.20 crore has been incurred towards the promotion of Kailash Parbat Thanda Tail (product 2) till March 31, 2012.
- (ii) As indicated in the prospectus, the company has to incur an amount of ₹132 crore pertaining to promotion of future products (product 1, product 2, product 3, product 4) till FY 2011-12. However, the company has incurred an amount of ₹9.20 crore towards the same. The company has indicated that other three proposed product, as mentioned in the prospectus are under product formulation and packaging design testing stage and major amount on promotion of these products will be spent at the time developing the brand and creating the pull for the same.
- (iii) As per 3rd MA report para 4.e.2, company has incurred a total expenditure of ₹18.96 crore towards issue expenses against of ₹21.54 crore and balance amount of ₹2.58 crore will be added to General Corporate Purpose. However, email dated April 18, 2012; company has informed that the same has not been transferred to General Corporate Purpose.
- (iv) The funds of ₹268.83 crore pending utilization of issue proceeds have been invested in banks fixed deposit, certificate of deposits, financial institution bonds & balance of 0.01 crore is lying in Kotak Bank(current account).

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:



Particulars	Status
Product I	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 II	The product has been launched successfully in April 2011.
Product III	This product was soft launched in certain export markets. The date of launch will be decided after considering the consumer feedback.
Product IV	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.

As indicated by the company vides mail dated April 16, 2012,

- (i) Renewal of the Consent given under the Water Act, 1974 and Air Act, 1981 by the Himachal Pradesh State Pollution Control Board for the factory at Parwanoo has expired on March 31, 2012 and the same has been applied for renewal on March 17, 2012.
- (ii) No objection certificate from Fire Department, Shimla (HP) was valid till March 31, 2012 and approval for renewal has been applied on March 06, 2012

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.-This is the first report.

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

k. Any other relevant information.



(Rajesh Swarup)
Dy Gen Manager
SSAD



Annexure I

Type of Instrument	Amount (₹crore)	Maturity Date	Earnings (%)
Fixed Deposits with Banks (I)			
Corporation Bank	9.00	30-Mar-13	10.50%
Certificate of Deposits (II)			
Andhra Bank CD (16.03.2012)	9.02	14-Mar-13	10.99%
Axis Bank CD (17.02.2012)	4.55	11-Feb-13	10.15%
Axis Bank CD (14.02.2012)	9.09	11-Feb-13	10.09%
Bank of Maharashtra CD (17.02.2012)	9.76	14-May-12	10.20%
Canara Bank CD (26.03.2012)	22.57	26-Mar-13	10.78%
Canara Bank CD (13.03.2012)	22.64	12-Mar-13	10.44%
Central Bank of India CD (26.03.2012)	22.66	25-Mar-13	10.34%
IDBI Bank CD (27.02.2012)	13.62	25-Feb-13	10.17%
IDBI Bank CD (21.02.2012)	9.10	14-Feb-13	10.08%
IDBI CD (19.03.2012)	9.01	18-Mar-13	10.98%
Indian Overseas Bank CD (08.02.2012)	22.75	7-Feb-13	9.90%
Punjab National Bank CD (22.03.2012)	22.68	15-Mar-13	10.44%
Punjab National Bank CD (20.03.2012)	22.61	15-Mar-13	10.70%
State Bank of Hyderabad CD (12.03.2012)	9.75	4-Jun-12	11.10%
State Bank of Patiyala CD (06.03.2012)	22.69	4-Mar-13	10.25%
UCO Bank CD (22.03.2012)	3.25	20-Jun-12	11.47%
United Bank of India CD (14.02.2012)	9.09	11-Feb-13	10.08%
Bonds (III)			
9.33% PFC Bond	5.00	17-Feb-17	9.33%
9.63% PFC Bond	5.00	15-Dec-14	9.63%
9.40% NABARD Bond	5.00	31-Jul-15	9.40%
Balance with Kotak Bank (Current A/c) (IV)	0.70		
Total (I+II+III+IV)	268.84		

