

bajaj corp limited

May 3, 2013

DCS-CRD BSE Limited First Floor, New Trade Wing Rotunda Building, Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 023 Fax No.2272 3719/2037 Stock Code: 533229	National Stock Exchange of India Ltd. Exchange Plaza, 5 th 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 fourth quarter/half year ended March 31, 2013.

Thanking you,

Yours faithfully,
For Bajaj Corp Limited


Sujoy Sircar
Company Secretary

Encl: as above

bajaj corp limited

May 3, 2013

DCS-CRD BSE Limited First Floor, New Trade Wing Rotunda Building, Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 023 Fax No.2272 3719/2037 Stock Code: 533229	National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor Plot No.C/1 'G'Block Bandra- Kurla Complex Bandra East Mumbai 400 051 Fax No.2659 8237/8238 Stock Code: BAJAJCORP
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

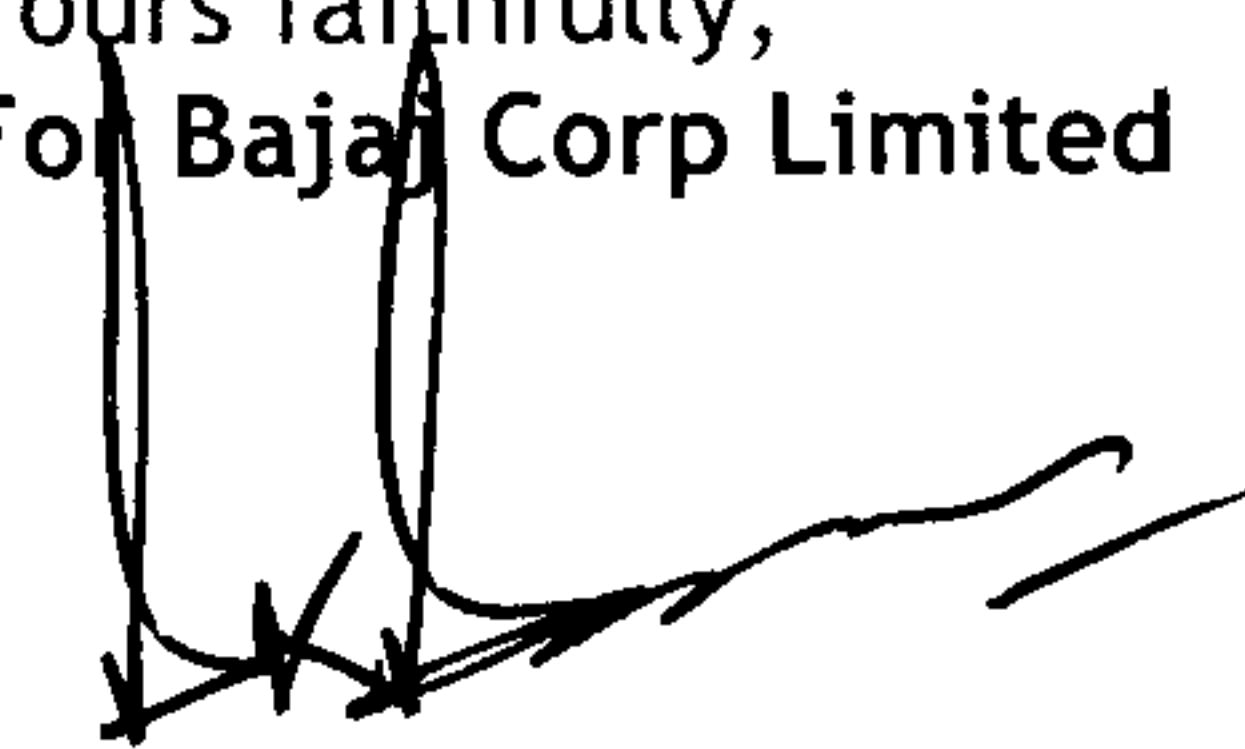
Dear Sirs,

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 fourth quarter/half year ended March 31, 2013.

Thanking you,

Yours faithfully,
For Bajaj Corp Limited



Sujoy Sircar
Company Secretary

Encl: as above

**IDBI Monitoring Agency Report – Sixth Report
(for the half year ended March 31, 2013)**

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 March 31, 2013 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) :

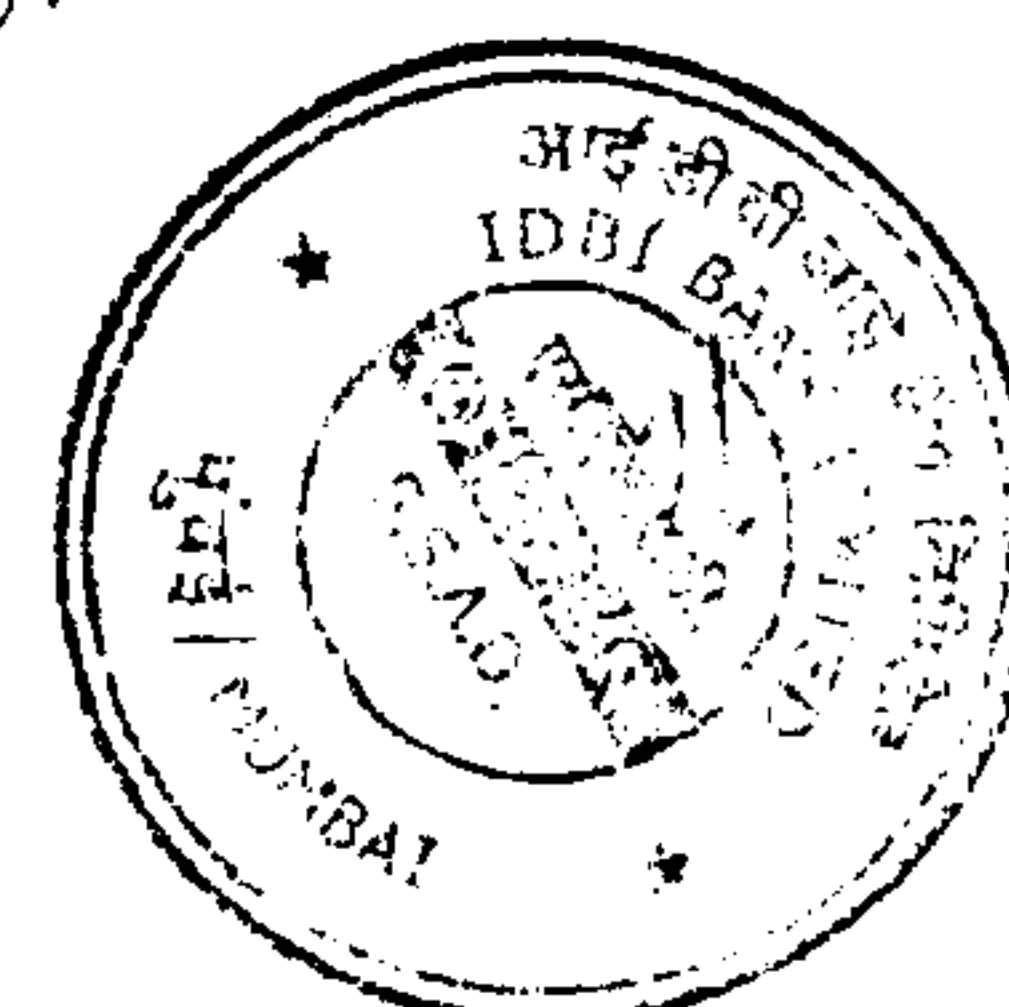
As per the object clause, the issue proceeds were raised for the following purposes:

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 October 1, 2012 to March 31, 2013
(Rs. 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)	3.45	23.32
	Product 3	0.00	0.00
	Product 4	0.00	0.00
	Sub Total	3.45	23.32
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	3.45	42.28

ii) Means of finance

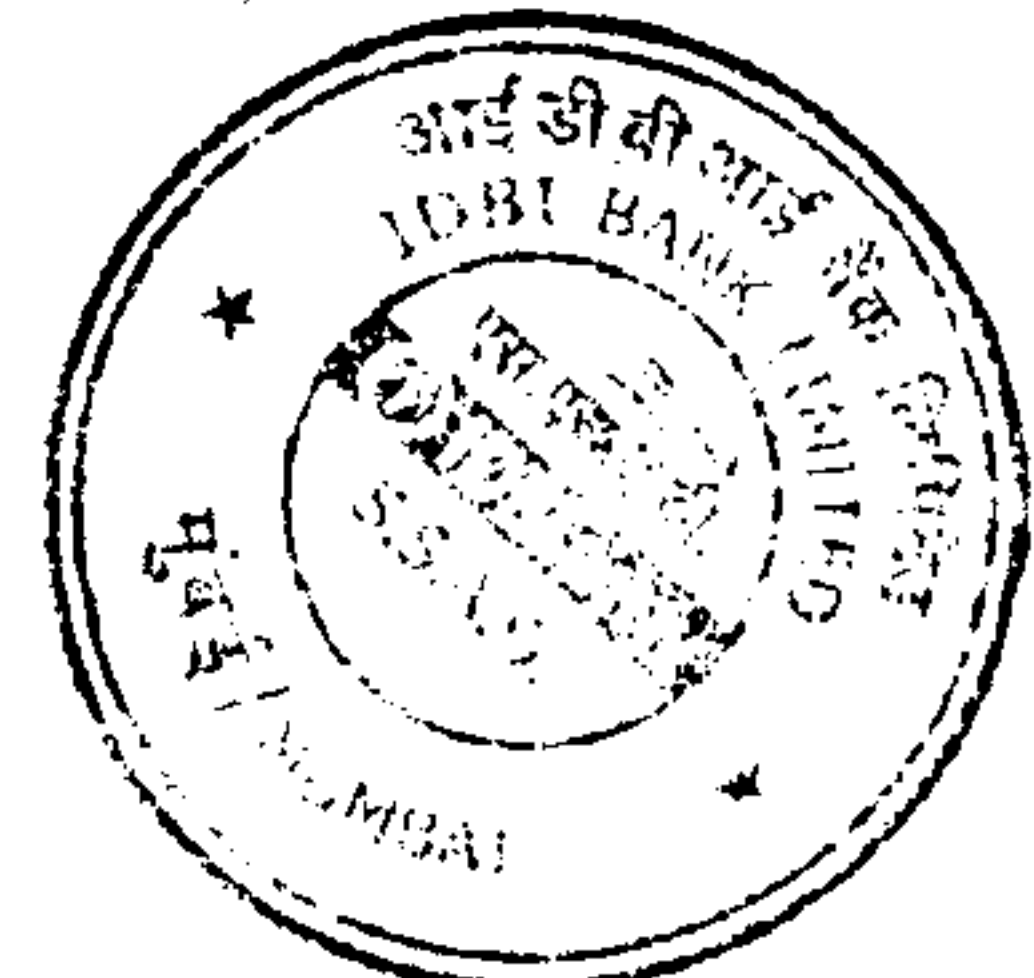
As mentioned in the above table, the company has utilized Rs 3.45 crore from the IPO proceeds during six months period ended March 31, 2013.

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, 2013, the utilized amount from IPO proceeds is Rs.42.28 crore. The balance amount of Rs.254.72 crore is invested in liquid instruments of banks, bonds and state government securities. Details of investment are given in the annexure I.

e. Comments of Monitoring Agency on utilization of funds.

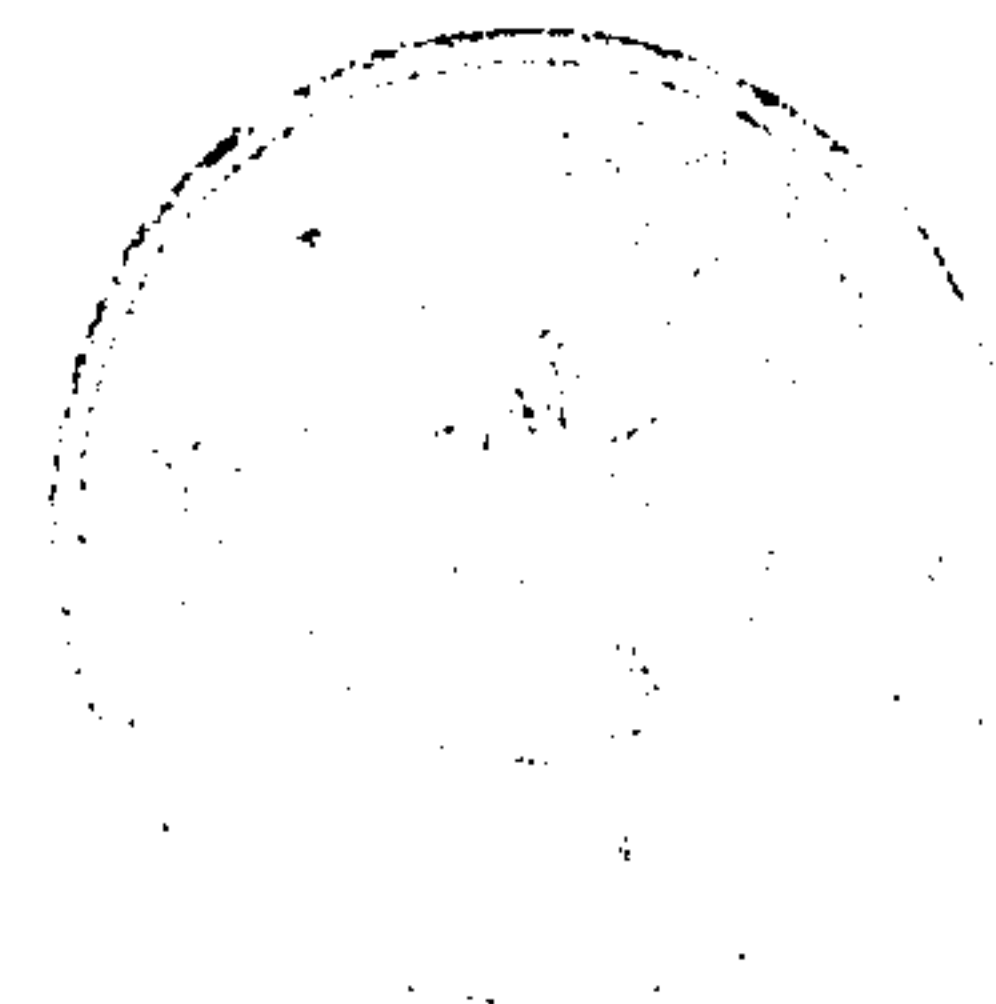
(i) The company has utilized an amount of Rs 3.45 crore from the proceeds of the issue during six months. Total amount of Rs. 23.32 crore has been incurred towards the promotion of Kailash Parbat Thanda Tail (product 2) till March 31,



2013. The company is still incurring the expenditure to promote the product so as to stabilize the brand in the market, a normal practice in case of new product.

- (ii) As indicated in the prospectus, the company was to incur an amount of Rs 220 crore pertaining to promotion of future products (product 1, product 2, product 3, product 4) till FY 2012-13. However, the company has incurred an amount of Rs 23.32 crore towards the same. Also no expenditure has been incurred towards general corporate purpose. The company has indicated that due to uncertainty surrounding global financial markets, commodity inflation and high interest rates, the demand for products is not encouraging. The company feels that present environment is not conducive for any investment in new products.
 - (iii) The company has incurred total expenditure of Rs 18.96 crore towards issue expenses against Rs. 21.54 crore. The balance amount of Rs 2.58 crore has been transferred to General Corporate Purpose.
 - (iv) The company expects to utilize the amount earmarked towards acquisition and strategic initiatives by FY 2014.
 - (v) The funds of Rs 254.72 crore pending utilization of issue proceeds have been invested in banks fixed deposit, bonds & Government securities which are tradable. The interest earned on these interim, eligible investments is also deployed in interest bearing funds like govt securities and bonds of public sector companies. The company can deploy the above securities/income for purposes other than objects of the issue.
- 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:

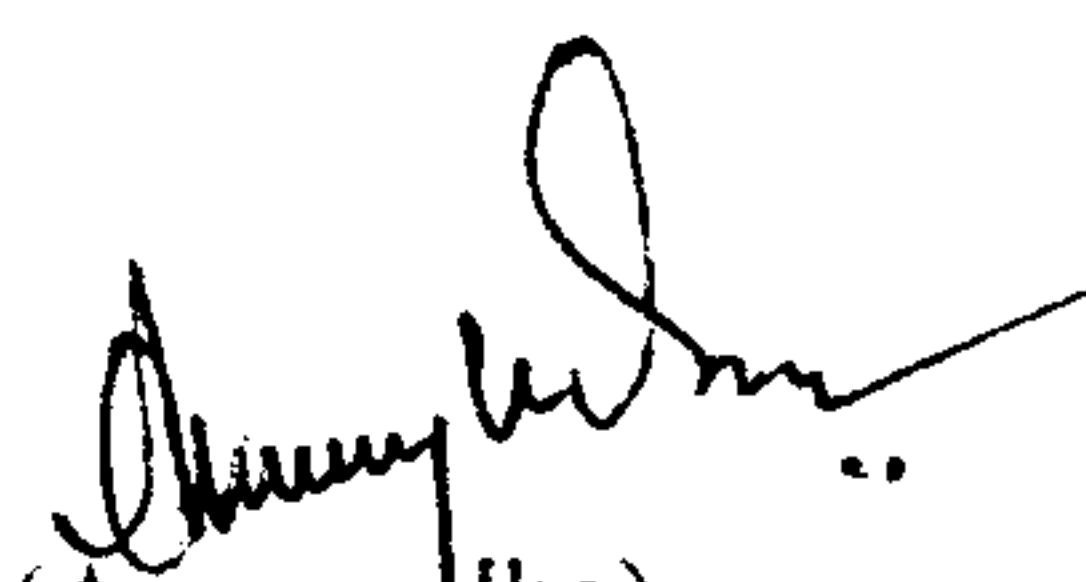


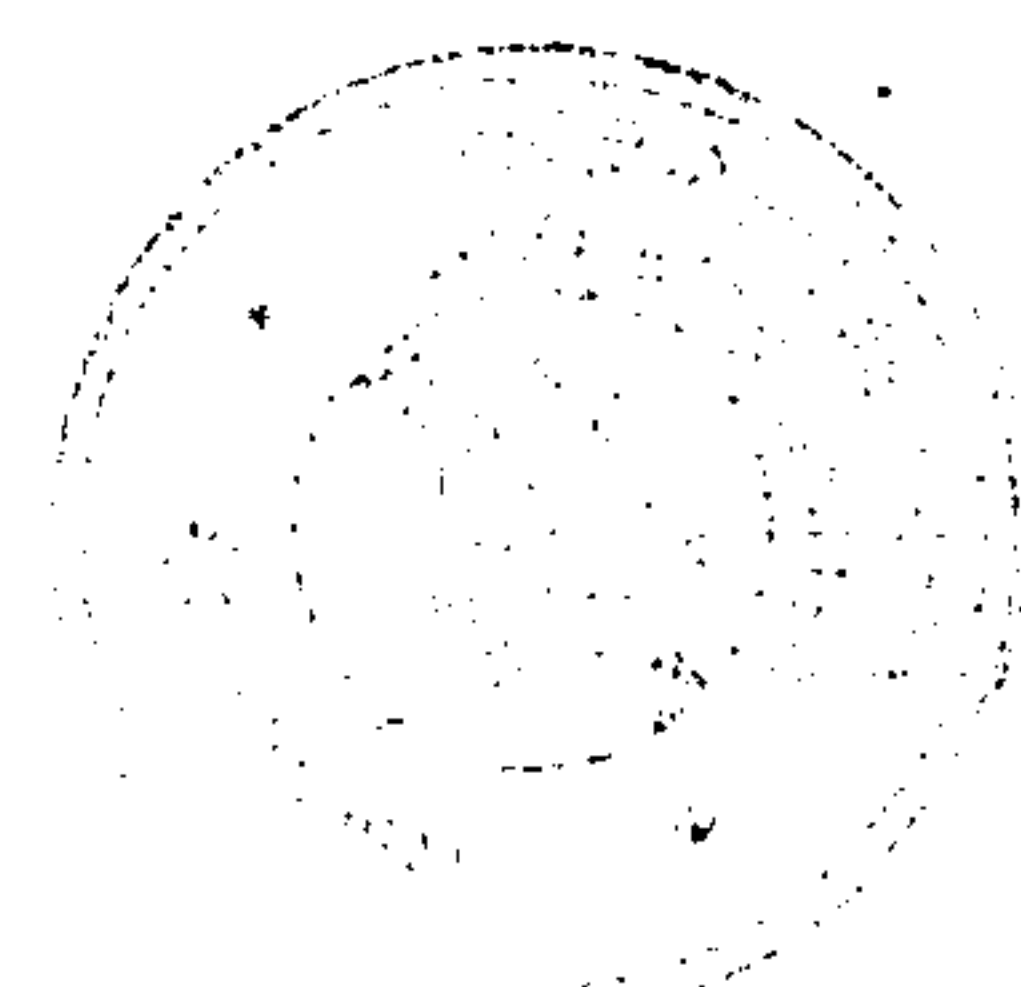
Particulars	Status
Product I	The company has already developed the product. Packaging, R&D, formulation and market research have been done. However, there has been increase in cost of production due to sharp rise in prices of raw material. The company is looking for opportune time to launch the product.
Product II	The product has been launched successfully in April 2011.
Product III	The company has completed product formulation and internal testing. The packaging design process is underway since Dec 2012. Final packaging development will take 3 months and the product should be ready for launch within the next 6 months.
Product IV	The formulation of the product is delayed due to complex nature of the product. To offset the delay in R & D phase, the company has started the packaging design process. It plans to go for consumer testing and packaging development simultaneously after product formulation is finalized. This product is likely to be ready for launch in next 12 months.

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

The company has applied for renewal of authorization/consent of HP PCB for its Parwanoo and Paonta Sahib factories. The renewal is awaited. The company has closed its operations in Gwalior. Hence renewal application for license under Shops & Establishment Act would not be necessary. Further, as informed by company, no approval under relevant statutes is pending 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.


 (Anunay Jha)
 Dy Gen Manager
 SSAD



Annexure I

Sr No	Particulars	Amount (Rs in Lacs)	Maturity Date	Yield %
A	Fixed Deposits			
1	Corporation Bank	900.00	30-Mar-14	9.70%
2	Corporation Bank	600.00	3-Jul-13	9.25%
3	Corporation Bank	2,000.00	21-Jun-13	9.50%
4	Corporation Bank	2,500.00	18-Jul-13	9.25%
5	Corporation Bank	900.00	19-Jul-13	9.25%
6	Indian Overseas Bank	1,100.00	20-Jul-13	9.25%
7	Indian Overseas Bank	100.00	23-Jul-13	9.25%
8	Indian Overseas Bank	2,800.00	23-Jul-13	9.25%
9	HDFC Bank	50.00	29-Sep-13s	8.00%
10	Corporation Bank	3,000.00	15-Mar-14	9.70%
11	Corporation Bank	2,500.00	19-Mar-14	9.70%
12	Corporation Bank	990.00	26-Mar-14	9.70%
	Total (A)	17,440.00		
B	Bonds			
1	9.40 % CBI Bond	1,500.00	28-Sep-22	9.40%
2	8.84 % REC Bond	1,003.88	16-Oct-14	8.84%
3	8.85 % PGC Bond	1,014.52	19-Oct-16	8.85%
4	9.15 % Axis Bond	511.37	31-Dec-22	9.15%
5	8.72 % PFC Bond	600.00	08-Feb-17	8.72%
6	8.72 % PFC Bond	900.27	08-Feb-18	8.72%
7	8.69 % DVC Bond	1,000.00	25-Mar-28	8.69%
8	8.54 % Semi NPCIL	501.29	15-Mar-23	8.54%
	Total (B)	7,031.33		
C	Govt Sec			
1	Govt Sec - Andhra Pradesh 8.86 10/03/22 Corp	500.38	3-Oct-22	8.86%
2	Andhra 8.59 01/23/23 Corp	500.70	23-Jan-23	8.60%
	Total (C)	1,001.08		
	Total (A+B+C)	25,472.41		

