

bajaj corp limited

October 14, 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
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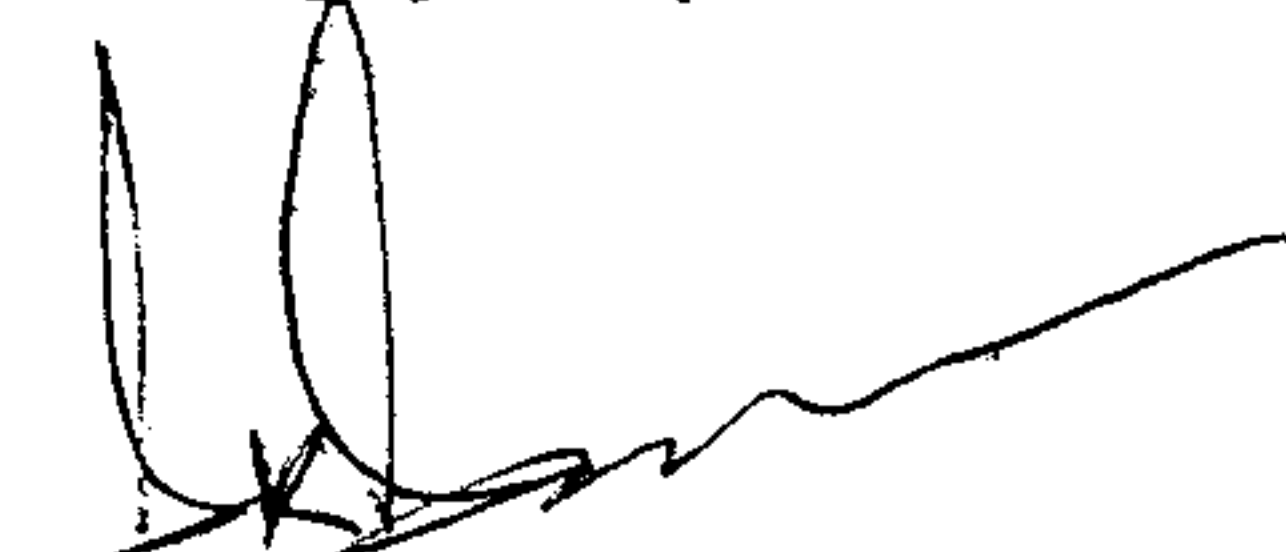
Dear Sirs,

Sub: Monitoring Agency Report

Pursuant to the provisions of the Clause 43A of the Listing Agreement, please find enclosed herewith a copy of the last and final Monitoring Agency Report received from IDBI Bank Limited.

Thanking you,

Yours faithfully,
For Bajaj Corp Limited



Sujoy Sircar
Company Secretary

Encl: as above

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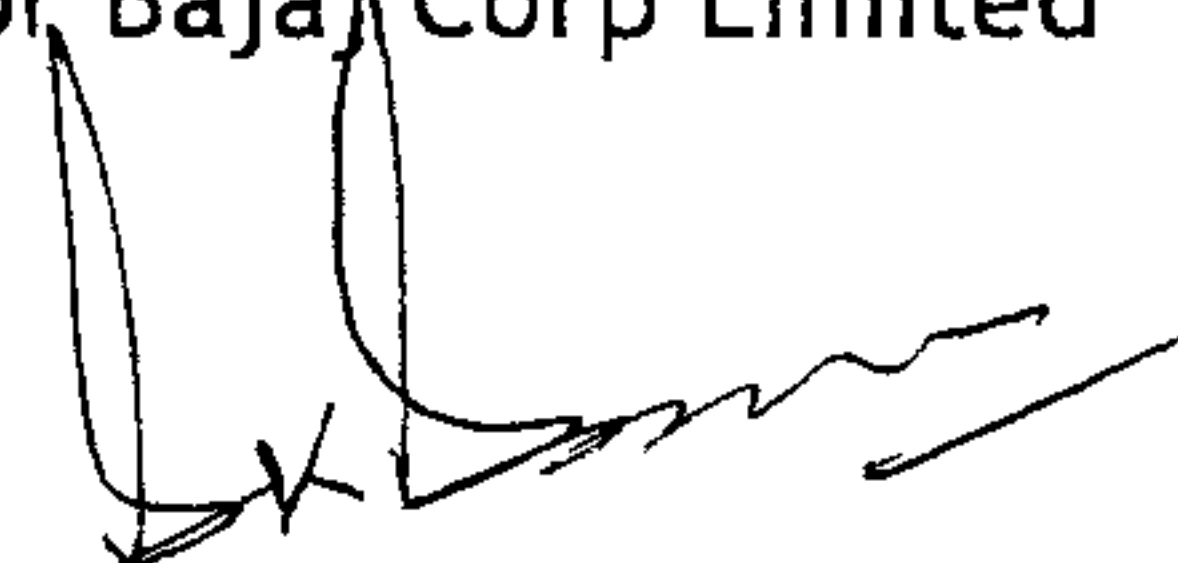
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IDBI Monitoring Agency Report – Seventh Report
(for the half year ended September 30, 2013)

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 October 9, 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

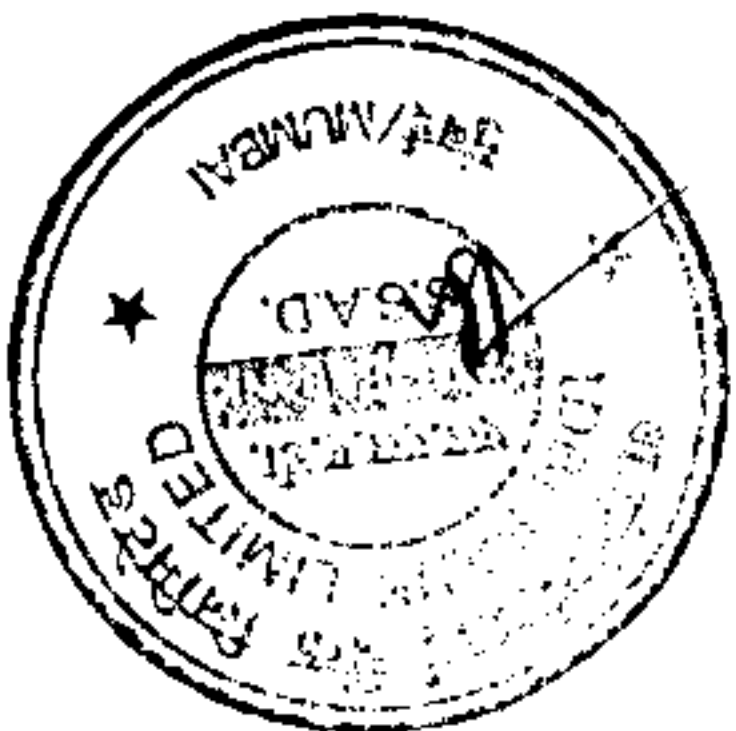
b. Cost of the project details:

(As mentioned in the offer document)

(Rs crore)

Item Head		Original Cost	Revised cost (note)
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	28.60
2. Acquisitions and other strategic initiatives		50.00	200.00
3. General corporate purpose		5.46	49.44
Total		275.46	278.04*

* Net of actual issue expenses of Rs 18.96 crore incurred by the company.



Note: The company has revised the earmarked amount towards objects of the issue during Aug 2013 pursuant to the approval of Board of Directors and shareholders. The company would not incur further sums towards promotion of future products, hence the productwise break up of amounts is not indicated.

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 April 2013 to September 2013
(Rs. Crores)

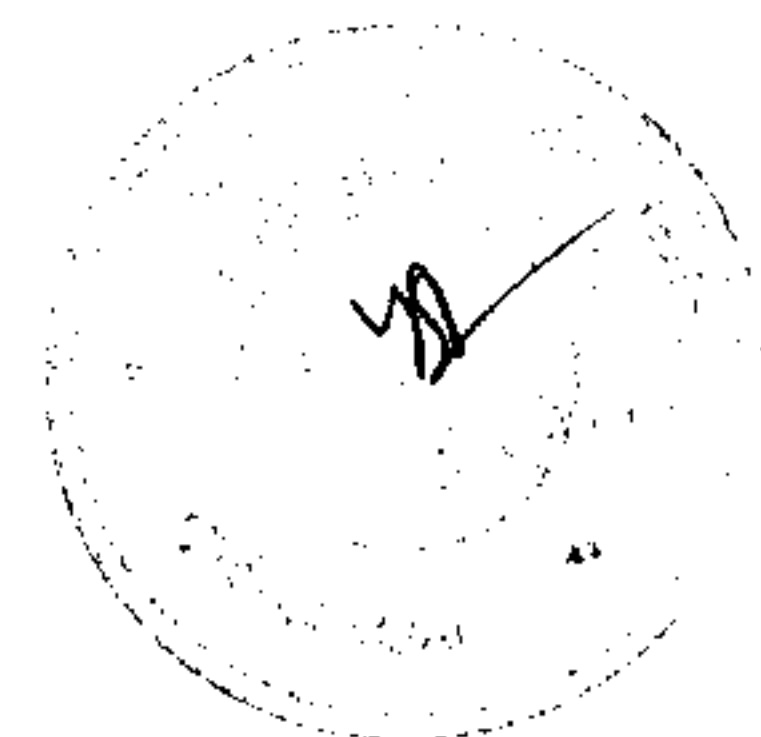
Item Head		During six month	Cumulative amount
1.	Promotion of future products of company		
	Product 1	0.00	0.00
	Product 2 (Kailash Parbat Thanda Tail)	5.28	28.60
	Product 3	0.00	0.00
	Product 4	0.00	0.00
	Sub Total	5.28	28.60
2	Acquisitions and other strategic initiatives	140.94	140.94
3-	General Corporate Purpose	0.00	0.00
4	Issue related Expenses	0.00	18.96
	Total	146.22	188.50

ii) Means of finance

As mentioned in the above table, the company has utilized Rs 146.22 crore from the IPO proceeds during six months period ended September 30, 2013.

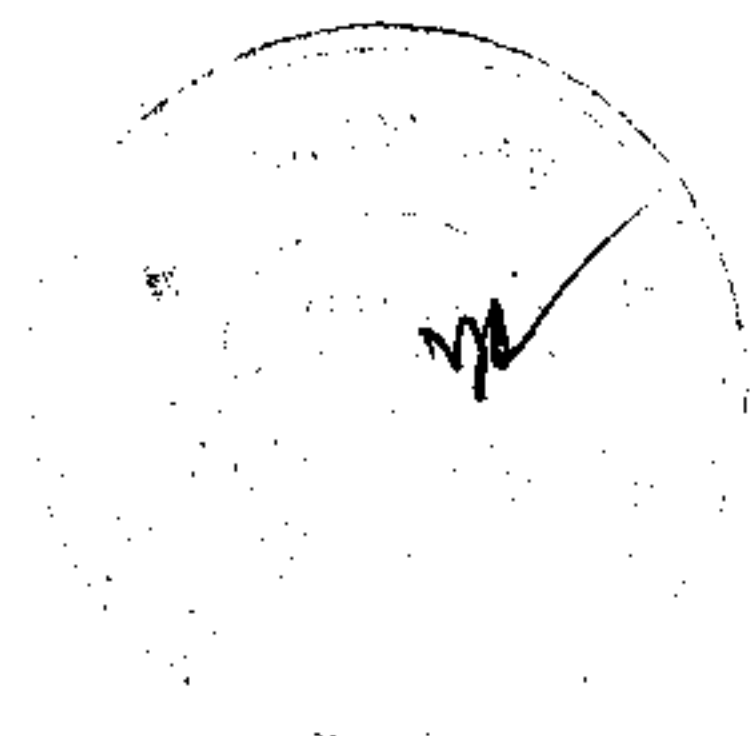
d. If total cumulative amount raised is more than the expenditure incurred on the project, explain how the surplus funds are utilized / proposed to be utilized. Give details on investment like instruments, maturity, earnings and other conditions. Indicate name of the party / company in which amounts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

As on September 30, 2013, the utilized amount from IPO proceeds is Rs.188.50 crore. The balance amount of Rs.108.50 crore is invested in liquid instruments of banks, deposits and mutual funds. Details of investment are given in the Annexure I.



e. Comments of Monitoring Agency on utilization of funds.

- (i) *The company (as disclosed in the prospectus) has appointed monitoring agency for the limited purpose of monitoring the issue proceeds toward promotion of future products. The company has obtained shareholder and Board approval (Aug 2, 2013 & Aug 22, 2013 respectively) to revise the amounts earmarked towards objects of the issue. The company has upto September 2013 incurred Rs 28.60 crore (revised amount). As no further amount would be incurred for promotion of future products, the requirement of monitoring of future issue proceeds by monitoring agency would not arise. Hence, the monitoring agency shall not incur further obligation for future utilization of funds. The company has indicated that the future IPO proceeds utilization shall be reviewed by the Audit Committee on a quarterly basis with suitable recommendations to the Board.*
- (ii) The company has utilized an amount of Rs 146.22 crore from the proceeds of the issue during six months (cumulative upto Sept 30, 2013- Rs 188.50 crore). Total amount of Rs. 28.60 crore has been incurred towards the promotion of Kailash Parbat Thanda Tail (product 2) till September 30, 2013.
- (iii) 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 28.60 crore towards the same. The company has not been able to introduce new products due to uncertainty in global financial markets, commodity inflation and high interest rates, resulting in depressed demand for products. The company feels that present environment is not conducive for any investment in new products. Further no expenditure has been incurred towards general corporate purpose.
- (iv) The company had earmarked Rs 50 crore for utilization towards acquisition and strategic initiatives by FY 2014; however, the company has revised the amount with the Board approval to Rs 200 crore. During the half year April-Sept 2013, as part of its strategic and acquisition initiatives, the company acquired "NOMARKS" (skin care brand) alongwith its trademarks, patents, contracts etc and incurred Rs 140.94 crore towards the same.
- (v) 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.
- (vi) The funds of Rs 108.50 crore pending utilization of issue proceeds have been invested in banks fixed deposit, certificate deposits and mutual funds. The company has informed that the the amount invested in bonds was liquidated in June 2013. The profit earned on sale of bonds is included in "other income". 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 had proposed to launch four products in personal care segment and deploy issue proceeds towards product promotion expenses. 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.

The company has, considering the prevailing the grim business environment decided to revise the expenditure to be incurred on product promotion. Accordingly no further amount has been earmarked by the company for the same.

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

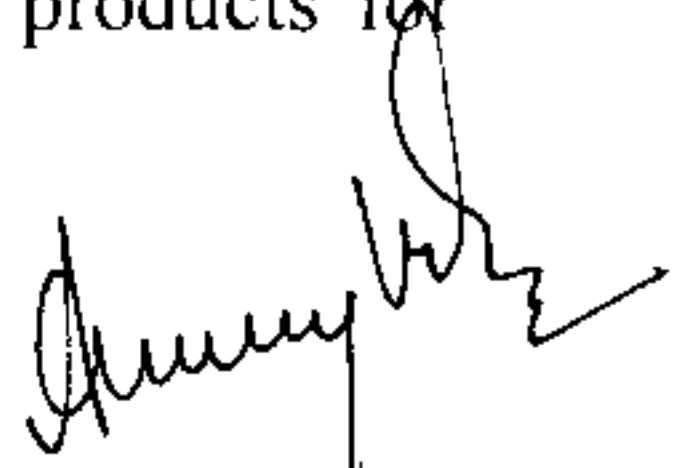
As informed by company, no approval under relevant statutes is pending with respect to objects of the issue.

- 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: This is the final report as the company has completely utilized the revised issue proceeds to be incurred for promotion of future products for which the monitoring agency was appointed.


(Anunay Jha)
Dy Gen Manager
SSAD



Annexure I

Sr No	Particulars	Amount (Rs in Lacs)	Maturity Date	Yield %
A	Fixed Deposits			
1	Corporation Bank	3000.00	15-Mar-14	9.70%
2	Corporation Bank	2500.00	19-Mar-14	9.70%
	Total (A)	5500.00		
B	Certificate of Deposit			
1	Canara Bank	2352.60	5-Mar-14	11.55%
2	Andhra Bank	2412.22	20-Dec-13	11.45%
	Total (B)	4764.82		
C	Mutual Fund ^(note)			
1	Birla Sun Life Floating Rate Short Term Plan- Growth	335.18		
2	UTI Liquid Fund- Growth	250.00		
	Total (C)	585.18		
	Total (A+B+C)	10850.00		

Note: The NAV as on September 30, 2013 for MF investments at Sr No 1 & 2 is Rs 162.9367 and Rs 2007.7649 respectively. The MF value as on Sept 30, 2013 is Rs 585.35 lacs

