



bajaj
Corp Ltd.

SIXTH ANNUAL REPORT
2011-2012

bajaj
Corp Ltd.

BAJAJ ALMOND DROPS HAIR OIL

300%
ALMOND
NOURISHMENT
100%
STYLE



bajaj
ALMOND
DROPS
HAIR OIL

300%
ALMOND
ADVANTAGE

Board of Directors

Kushagra Nayan Bajaj

Promoter, Non-Executive Chairman

Roshan Fatehlal Hinger

Vice Chairman, Whole-time Director

Sumit Malhotra

Managing Director

Jimmy Rustom Anklesaria

Whole-time Director

Gaurav Dalmia

Independent, Non-Executive Director

Dilip Cherian

Independent, Non-Executive Director

Haigreve Khaitan

Independent, Non-Executive Director

Aditya Vikram Ramesh Somani

Independent, Non-Executive Director

Sujoy Sircar

Company Secretary

Statutory Auditors
R. S. Dani & Co.

Chartered Accountants

Bankers

Corporation Bank

HDFC Bank Limited

Kotak Mahindra Bank Limited

State Bank of India

Registered Office

221, 2nd Floor, Bldg.No.2,

Solitaire Corporate Park,

167, Guru Hargovind Marg,

Chakala, Andheri (East),

Mumbai - 400 093.

Registrar & Transfer Agent

Kary Computershare Private Limited

17-24, Vittal Rao Nagar,

Madhapur,

Hyderabad -500 081.

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A Message from the Chairman

Dear Stakeholders,

It is indeed a pleasure to inform you that your Company has demonstrated an impressive financial performance during the year 2011-12.

Your Company continues to grow at a healthy pace and despite the sharp rise in the input costs, your Company has been able to judiciously mitigate the impact to a large extent. We have ended the year with good growth in both revenue and profitability.

The highlights of the Company's performance include:

- Sales increased to ₹ 47,224 lacs in FY2012 registering a growth of 31.66% over the previous year.
- Profit after tax increased to ₹ 12,009 lacs registering a growth of 42.79% over the previous year.

You will be pleased to know that the flagship brand of the Company, Bajaj Almond Drops Hair Oil, continues to grow and remain the market leader in light hair oil category. It is now available in 23 lacs outlets across India. During the FY2012, the Company had launched a new product, Bajaj Kailash Parbat Cooling Oil. Despite intense competition, this new brand has met with some success. Within one year of launch, the brand has been accepted by a significant number of consumers due to its differentiating unique selling proposition of sandalwood and notched up a market share of 1.8% . The brand is available in 2.02 lacs outlets across India. We believe this brand will continue to make significant inroads into the cooling oil market.

During the year 2011-12, commodity prices continued their upward trend. Our main Raw Materials and Packing Material viz. Light Liquid Paraffin (LLP), Refined Oil and Glass Bottles experienced an increase which was compensated by a corresponding price increase in April 2012. Your Company continues its focus on expanding distribution by targeting the semi-urban and rural areas through increased manpower and stock points. The promotion strategy of using a Bollywood celebrity to promote the lead Brand – Bajaj Almond Drops Hair Oil continues. We have signed up with Ms. Kangana Ranaut and also released the TV commercial featuring her in November 2011.

The commendable rate of growth achieved by the Indian economy through the past two decades of economic reforms has transformed both the rural and urban demography. Time and again, India has exhibited to the world that a prudent mix of visionary government policies and forward looking participative execution from the Indian industry can propel the GDP growth to almost double digits.



The FY2012 was characterized by high inflation, fuelled partly by the high crude prices. During the first half of the FY2012, inflation continued to remain within the 9-10% range, though this dropped in the last quarter of the year. Despite inflationary pressures, the Indian GDP demonstrated its robustness and resilience and grew around 6.9%.

The Fast Moving Consumer Goods ("FMCG") sector, which is among one of the largest sectors in India, has performed quite encouragingly. While most analysts feared a slowing down of the FMCG market, there were no visible signs of this. The primary reason for this is the impressive growth in the rural consumption. As you must be aware 72% of the Indian population resides in rural India. With the pro-rural policies of the Indian Government, the rural demand continues to be strong. Your Company has benefited from this and now over 36.3% of its sales are attributed to rural India. This can be compared to the fact that just 30% of our sales came from rural India in the year 2008-09. Your company continues to focus its energy on this market through a combination of distribution, promotions and also small sized Stock Keeping Units meant specifically for the small towns and villages.

Your company is a part of the Bajaj Group which has a rich and glorious history; we will continue to build this company in the true Bajaj spirit of trust, integrity and entrepreneurship. I take this opportunity to thank all our employees and all stakeholders, who have contributed to a successful performance. I would like to thank our business partners, vendors and other business associates. Finally, I would like to thank our esteemed shareholders for once again reposing their trust and support.

With Warm Regards,

Kushagra Nayan Bajaj
Chairman

Notice to Shareholders

NOTICE is hereby given that the **Sixth Annual General Meeting** of the Members of Bajaj Corp Limited will be held on **Wednesday, August 1, 2012 at 12.00 Noon** at Rangaswar Hall, 4th Floor, Yashwantrao Chavan Pratishthan, Y.B. Chavan Centre, General Jagannath Bhosle Marg, Nariman Point, Mumbai-400 021, to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2012, the Statement of Profit and Loss for the year ended on that date and Reports of Directors and Auditors thereon for the said year.
2. To confirm the Interim Dividend of ₹ 4/- per equity share declared on 14,75,00,000 equity shares of face value ₹ 1/- each already paid for the financial year 2011-12.
3. To appoint a Director in place of Mr. Dilip Cherian, who retires by rotation and being eligible, offers himself for re appointment.
4. To appoint a Director in place of Mr. Aditya Vikram Ramesh Somani, who retires by rotation and being eligible, offers himself for re appointment.
5. To appoint M/s. R. S. Dani & Company (Firm Registration Number 000243C), Chartered Accountants, retiring Auditors as Auditors of the Company to hold office from conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), Mr. Jimmy Rustom Anklesaria, who pursuant to Article 117 of the Articles of Association of the Company was appointed as an Additional Director of the Company on August 8, 2011 and who under Section 260 of the Companies Act, 1956, holds office only up to the date of this

Annual General Meeting and being eligible, offers himself for appointment and in respect of whom the Company has received a Notice in writing from a member, signifying his intention to propose the candidature of Mr. Jimmy Rustom Anklesaria for the office of the Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), the Foreign Exchange Management Act, 1999, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended from time to time, the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 as amended from time to time (the "SEBI ICDR Regulations"), the notifications issued by the Reserve Bank of India ("RBI") and other applicable laws, listing agreement entered into by the Company with the stock exchanges where the shares of the Company are listed, Memorandum of Association and Articles of Association and subject to all other statutory and regulatory approval(s), consent(s), permission(s) and/or sanction(s) of the Government of India, RBI, Securities and Exchange Board of India ("SEBI") and all other concerned authorities (hereinafter singly or collectively referred to as the "Appropriate Authorities") as may be required, and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting any such approval, consent, permission and/or sanction and agreed to by the Board of Directors of the Company (the "Board") (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), the Board be and is hereby

authorised to create, issue, offer and allot securities in one or more tranches, whether denominated in rupee or foreign currency(ies), in the course of international and/or domestic offering(s) in one or more domestic or foreign market(s), for a value of up-to ₹ 1,000 crore (Rupees One thousand crore only) including Equity Shares and/or Other Financial Instruments ("OFIs"), Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), any other depository receipt mechanism, Preference Shares and/or convertible into Equity Shares (either at the option of the Company or the holders thereof) at a later date, any such instrument, Debentures all or any of the aforesaid with or without detachable or non-detachable warrants and/or warrants of any nature and/or secured premium notes and/or floating rate notes/ bonds and/or other financial instruments with or without voting rights (hereinafter collectively referred to as the "Securities") with or without premium, in the course of domestic and/or international offerings through Public Issue(s) and or Private Placement(s) and/or Qualified Institutional Placements ("QIP") and/or Further Public Offering ("FPO") and/or any other permitted modes to be subscribed to in Indian and/or any foreign currency(ies) by resident or non-resident / foreign investors (whether institutions and/or incorporated bodies and/or individuals and/ or trusts and/or otherwise)/ Foreign Institutional Investors ("FIIs") and their sub-accounts/Qualified Institutional Buyers ("QIBs"), Mutual Funds, Pension Funds, Venture Capital Funds, Banks, Financial Institutions, Insurance Companies, National Investment Funds, Insurance Funds set up by the Army, Navy or Air Force, the Department of Posts of the Government of India and such other persons or entities, whether or not such investors are members of the Company, to all or any of them, jointly or severally through a Prospectus, Offer Document and/or other letter or circular ("Offer Document") and such issue and allotment to be made on such occasion or occasions, at such value or values, at a discount or at a premium to the market price prevailing at the time of the issue and in such form and manner and on such terms and conditions or such modifications thereto as the Board may determine in consultation with the Lead Manager(s) and/or Underwriter(s) and/or other Advisor(s), with

authority to retain oversubscription upto such percentage as may be permitted by the Appropriate Authorities."

"RESOLVED FURTHER THAT the relevant date for determining the pricing of the securities on Qualified Institutional Placement to QIBs as per the provisions of Chapter VIII of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended from time to time, shall be:

- (i) In case of allotment of equity shares, the date of the meeting in which the Board of Directors of the Company decides to open the proposed issue;
- (ii) In case of allotment of eligible convertible securities, either the date of the meeting in which the Board of Directors of the Company decided to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares or such date, if any, as may be notified by SEBI or the RBI or any Appropriate Authority from time to time."

"RESOLVED FURTHER THAT the relevant date for determining the pricing of the securities, issue of equity shares underlying the Global Depository Receipts as per the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended from time to time, shall be:

- (i) "The date thirty days prior to the date on which the meeting of the general body of shareholders is held, in terms of section 81(1A) of the Companies Act, 1956, to consider the proposed issue".

"RESOLVED FURTHER THAT the Board be and is hereby authorised to allot further shares upto 15 % (fifteen percent) of its issue size to the Stabilisation Agent by availing the Green Shoe Option subject to the provisions of relevant SEBI Regulations and enter into and execute all such agreements and arrangements with any Merchant Banker or Book Runner, as the case may be, involved or concerned in such offerings of Securities and to pay all such fee/expenses as may be mutually agreed between the Company and the said Stabilisation Agent."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to enter into and execute all such agreements and arrangements with any Lead Manager(s), Co-Lead Manager(s), Manager(s), Advisor(s), Underwriter(s), Guarantor(s), Depository(ies), Custodian(s), Trustee(s), Stabilisation Agent, Registrar, Banker(s)/Escrow Banker(s) to the Issue and all such agencies as may be involved or concerned in such offerings of securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and also to seek the listing of such securities in one or more Indian/ International Stock Exchanges."

"RESOLVED FURTHER THAT the Board and/or an agency or body authorised by the Board may issue Depository Receipt(s) or Certificate(s), representing the underlying securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in Indian and/or International Capital Markets for the instruments of this nature and to provide for the tradability or free transferability thereof, as per the Indian/ International practices and regulations and under the norms and practices prevalent in the Indian/ International Markets."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of further equity shares as may be required to be issued and allotted upon conversion of any securities or as may be necessary in accordance with the terms of the offering, all such further equity shares ranking *pari-passu* with the existing equity shares of the Company in all respects except provided otherwise under the terms of issue and in the offer document."

"RESOLVED FURTHER THAT subject to the existing law and regulations, such securities to be issued, that are not subscribed, may be disposed of by the Board to such person(s) and in such manner and on such terms as the Board may in its absolute discretion think most beneficial to the Company, including offering or placing them with resident or non-resident/foreign investor(s) (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/or otherwise)/ Foreign Institutional Investors ("FIIs")/Qualified Institutional Buyers ("QIBs")/ Mutual Funds/Pension Funds/ Venture Capital Funds/ Banks and/or Employees

and Business Associates of the Company or such other person(s) or entity(ies) or otherwise, whether or not such investors are members of the Company, as the Board may in its absolute discretion decide."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorised on behalf of the Company to agree to and make and accept such conditions, modifications and alterations stipulated by any of the relevant authorities while according approvals, consents or permissions to the issue as may be considered necessary, proper and expedient and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing, depository and custodian arrangements and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue(s)/offer(s) or allotment(s) or otherwise and utilisation of the issue proceeds and/or otherwise to alter or modify the terms of issue, if any, as it may in its absolute discretion deem fit and proper without being required to seek any further consent or approval of the Company to the end and intent that the Company shall be deemed to have given its approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT to the extent permissible under Law, the Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution on it, to any Committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution."

By Order of the Board of Directors

Sujoy Sircar
Company Secretary

Place: Mumbai

Dated: April 24, 2012

Registered Office:

221, 2nd Floor, Building No 2,
Solitaire Corporate Park,
167, Guru Hargovind Marg,
Chakala, Andheri (E),
Mumbai - 400093

NOTES:

1. **A member entitled to attend and vote at the ANNUAL GENERAL MEETING ("MEETING") is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, shall be deposited at the registered office of the Company not less than FORTY-EIGHT hours before the commencement of the Meeting.**
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
4. In terms of Article 129 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Mr. Dilip Cherian and Mr. Aditya Vikram Ramesh Somani, Directors, retire by rotation and being eligible, offer themselves for re-appointment. The Board of Directors recommends their respective re-appointments.
5. Brief resume of all Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships, memberships/ chairmanships for Board/Committees, shareholding and relationship between directors *inter-se* as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges in India, are provided in the annexure.
6. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to Special Business to be conducted at the Meeting is annexed hereto.
7. Relevant documents referred in accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 A.M. and 1.00 P.M. up to the date of the Sixth Annual General Meeting.
8. The Register of Members and Share Transfer
- Register Books of the Company shall remain closed from Saturday, July 21, 2012 to Wednesday, August 1, 2012 (both days inclusive) for the purpose of Sixth Annual General Meeting of the Company.
9. An interim dividend of 400% (₹ 4/- per share on equity shares of face value ₹ 1/- each) declared by the Board of Directors on February 7, 2012, was paid to the shareholders of the Company.
10. Members are requested to furnish their Bank Account details, change of address and all other required details to the Registrar and Share Transfer Agents, M/s. Karvy Computershare Pvt. Ltd. in respect of shares if held in physical form. In case of shares held in electronic form, these details should be furnished to the respective Depository Participants (DPs).
11. SEBI has mandated the submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their copies of PAN card to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents.
12. For convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by way of attendance slip, which is annexed to this Notice. Members are requested to bring their Attendance Slip, fill up and sign the same at the place provided and hand it over at the entrance of the venue.
13. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agents of the Company at the following address:

By Post/ Courier/ Hand De- livery	M/s Karvy Computershare Pvt. Ltd. Unit : Bajaj Corp Limited Plot Nos. 17-24, Vittal Rao Nagar Madhapur, Hyderabad - 500 081 Tel. No.: (9140) 4465 5000/2342 0815 - 28 Fax No.: (9140) 2342 0814 Email: einward.ris@karvy.com
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14. Pursuant to the provisions of Section 205A to Section 205C of the Companies Act, 1956, all unclaimed/unpaid monies by way of dividend transferred to the "Unpaid Dividend Account" of the Company as contemplated under Section 205A of the Companies Act, 1956 that remains

unclaimed/unencashed for a period of 7 (seven) years from the respective date of such transfer has to be transferred by the Company to "The Investor Education and Protection Fund" (IEPF) being the fund established by the Central Government under Section 205C (1) and no claims shall lie against the said Fund or the Company in respect thereof.

The details of Dividends paid by the Company and the corresponding due dates for transfer of such unclaimed/unencashed dividend to the aforementioned fund constituted by the Central Government are furnished hereunder:

Dividend for the year	Date of Declaration of Dividend	Due Date of transfer to the Investor Education and Protection Fund
2010-2011	Monday, August 8, 2011	Thursday, September 13, 2018
2011-2012	Tuesday, February 7, 2012	Sunday, April 14, 2019

Members who have not encashed/claimed the dividend warrant(s) so far in respect of the above financial years, are therefore, requested to make their claims to the registered office of the Company or Karvy Computershare Pvt. Ltd. well in advance of the above due dates. It may be noted that once the amounts in the unpaid dividend accounts are transferred to the IEPF no claim shall lie against the IEPF or the Company in respect thereof and the Members would loose their right to claim such dividend.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

The following Explanatory Statement sets out all the material facts relating to the Special Business under Item Nos.6 and 7 of the accompanying Notice dated April 24, 2012.

In respect of Item No. 6

Mr. Jimmy Rustom Anklesaria, aged about 57 years, who holds a Bachelors Degree in Commerce and a Masters in Business Administration from the Gujarat University, is responsible for leading and directing the Company's strategic initiatives. The Board of Directors approved appointment of Mr. Jimmy Rustom Anklesaria as Additional Director designated as Director-Business Development in whole-time capacity, for a period of 5 years with effect

from August 8, 2011. The shareholders of the Company through Postal Ballot approved the appointment and remuneration of Mr. Jimmy Rustom Anklesaria as Whole-time Director on October 6, 2011.

Pursuant to Section 260 of the Companies Act, 1956, Mr. Jimmy Rustom Anklesaria holds office up-to the date of the Sixth Annual General Meeting and being eligible, offers himself for the reappointment. The Company has received a notice along with deposit of ₹ 500/-, pursuant to and in accordance with Section 257 of the Companies Act, 1956, from one member signifying his intention to propose the appointment of Mr. Jimmy Rustom Anklesaria to the office of a Director of the Company. Mr. Jimmy Rustom Anklesaria has consented to continue as Director of the Company, if appointed. The Board of Directors considers that it would be in the interest of the Company to continue to avail the services of Mr. Jimmy Rustom Anklesaria as a Director.

Mr. Jimmy Rustom Anklesaria holds 250 equity shares in Bajaj Corp Limited. A copy each of the resolution passed through Postal Ballot on October 6, 2011, the notice received under Section 257 of the Companies Act, 1956 and the consent received from Mr. Jimmy Rustom Anklesaria as referred to above, is open for inspection by members between 11.00 A.M. and 1.00 P.M. on all working days, except Saturdays upto the date of this Sixth Annual General Meeting.

The Board of Directors recommend passing of the Ordinary Resolution set out in Item No. 6 of the accompanying Notice.

Mr. Jimmy Rustom Anklesaria may be deemed to be interested and/or concerned in the resolution at Item No. 6 of the Notice. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said resolution.

In respect of Item No. 7

The shareholders of the Company, at the 5th Annual General Meeting held on August 8, 2011, had authorized the Board of Directors to create, offer, issue and allot securities of the Company including Global Depository Receipts, American Depository Receipts, convertible preference shares etc. through Qualified Institutions Placements ("QIP") and/or Further Public Offering or through any other mode as permitted by the Securities and Exchanges Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, ("SEBI ICDR Regulations") or any other Act/Regulations whichever is applicable.

As per Regulation 88 of Chapter VIII of the SEBI ICDR Regulations, allotment pursuant to the special resolution approving the QIP shall be completed within a period of 12 months from the date of passing of the resolution. As stated aforesaid, the special resolution in this regard was passed by the shareholders on August 8, 2011 for an amount of ₹ 1,000 crore, which for the purpose of raising funds through the QIP route is valid only up-to August 7, 2012. To enable the Company raise equity funds depending upon its business needs and as may be advised, approval of shareholders is being sought for issue of equity shares and/or other financial instruments convertible into equity through QIP under SEBI ICDR Regulations and/or issuance of securities in the international markets by way of ADR/ GDR etc as per the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended from time to time, in one or more tranches, up-to an amount not exceeding ₹ 1,000 crore.

Pursuant to the provisions of Regulation 85 of Chapter VIII of the SEBI ICDR Regulations, 2009, issue of specified securities shall be made at a price not less than the average of the weekly high and low of the closing prices of the equity shares of the same class quoted on the stock exchange during the two weeks preceding the relevant date. The relevant date for the purpose of Regulation 85 means the date of the meeting in which the Board of Directors of the issuer or the Committee of Directors duly authorised by the Board of Directors of the issuer decides to open the proposed issue.

Further as per the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended from time to time, issue of specified securities shall not be less than the higher of the following two averages:

- (i) The average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the six months preceding the relevant date;
- (ii) The average of the weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date.

The "relevant date" for purpose of Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through

Depository Receipt Mechanism) Scheme, 1993 means the date thirty days prior to the date on which the meeting of the general body of shareholders is held, in terms of section 81(1A) of the Companies Act, 1956, to consider the proposed issue.

For making any further issue of shares to any person/s other than existing equity shareholders of the Company as also under the provisions of SEBI ICDR Regulations, approval of shareholders is required to be obtained by way of passing a Special Resolution, in pursuance to the provisions of Section 81(1A) of the Companies Act, 1956.

Therefore, the Board of your Company has recommended the resolution contained in Item No. 7 to be passed by the shareholders, so as to enable it to issue further equity shares and/or other securities which will include issue on QIP basis. The said Special Resolution is only an enabling one seeking delegation of authority to the Board to explore possible avenues for raising capital.

The Board of Directors recommend passing of the Special Resolution set out in Item No. 7 of the Notice.

All the Directors may be deemed to be interested in the resolution at Item No. 7, to the extent of shares and/or securities of the Company that may be held by them and/or by the entity or entities in which any of the respective Director is deemed to be interested. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said resolution.

By Order of the Board of Directors

Sujoy Sircar
Company Secretary

Place: Mumbai
Dated: April 24, 2012

Registered Office:
221, 2nd Floor, Building No 2,
Solitaire Corporate Park,
167, Guru Hargovind Marg,
Chakala, Andheri (E),
Mumbai - 400093

ANNEXURE TO ITEMS 3, 4 & 6 OF THE NOTICE

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Mr. Dilip Cherian	Mr. Aditya Vikram Ramesh Somani	Mr. Jimmy Rustom Anklesaria
Director Identification Number	00322763	00046286	03464365
Date of Birth	10.04.1956	04.11.1973	27.12.1954
Nationality	Indian	Indian	Indian
Date of appointment on the Board	04.02.2010	04.02.2010	08.08.2011
Qualifications	Bachelors Degree in Economics, Calcutta University and Masters Degree in Economics, Delhi School of Economics.	Masters Degree in Commerce, Mumbai University and Masters in Business Administration from University of Pittsburgh, USA.	Bachelor of Commerce and Masters in Business Administration from Gujarat University
Expertise in functional area	Management consultant, entrepreneur and Member, Board of Governors, Advertising Standards Council of India	Industrialist	Sales & Marketing and International Operations in FMCG business
Number of shares held in the Company	Nil	Nil	250
List of Directorships held in other Companies	<ol style="list-style-type: none"> 1. Perfect Relations Ltd 2. Image Public Relations (P) Ltd 3. Imprimis Life PR (P) Ltd 4. Perfect PR Communications Services (P) Ltd 5. College Hill Perfect Financial Relations (P) Ltd 6. Accord Public Relations (P) Ltd 7. Spring Sport & Sustainability (P) Ltd 8. Webgyor.com (P) Ltd 9. The Advertising Standards Council of India 	<ol style="list-style-type: none"> 1. Falak Investments (P) Ltd 2. Salaam Bombay Foundation 3. White Knight Constructions (I) (P) Ltd 4. Everest Industries Ltd 	<ol style="list-style-type: none"> 1. Uptown Properties & Leasing (P) Ltd 2. Bagalkot Cement & Industries Ltd

Name of the Director	Mr. Dilip Cherian	Mr. Aditya Vikram Ramesh Somani	Mr. Jimmy Rustom Anklesaria
	10. Next Mediaworks Ltd. (Formerly MID Day Multimedia Ltd.) 11. Centre for Image Management Studies (P) Ltd		
Chairman/Member of the Committees of the Boards of other Companies in which he is Director as on 31.03.2012	None	Everest Industries Ltd-Investor Grievance/Share Transfer Committee-Member	None

Directors' Report

Your Directors have pleasure in presenting their Sixth Annual Report and the audited statement of accounts for the financial year ended March 31, 2012.

Financial Results

The summarised financial results of the Company for the financial year ended March 31, 2012 are presented below:

(₹ in Lacs)

	Financial Year ended March 31, 2012	Financial Year ended March 31, 2011
Sales and other income	51,069.13	37,645.65
Profit before interest, depreciation and taxation	15,401.45	12,594.52
Finance cost	7.85	10.56
Depreciation	259.92	179.40
Profit before exceptional items & tax	15,133.68	12,404.56
Exceptional item (IPO expenses)	-	1,896.25
Profit before tax	15,133.68	10,508.31
Provision for taxation – Income Tax	3,028.19	2,094.00
– Wealth Tax	5.41	4.92
– Deferred Tax	91.30	(0.89)
Profit after tax	12,008.78	8,410.28
Balance brought forward from previous year	4,516.53	216.21
Disposable surplus after adjustments	16,525.31	8,626.49
Appropriations - Interim dividend	5,900.00	-
- Proposed dividend	-	2,802.50
- Corporate dividend tax	957.13	465.46
- Transfer to General Reserve	1,210.00	842.00
- Balance carried to balance sheet	8,458.18	4,516.53

The Company achieved a turnover of ₹ 51,069.13 lacs as compared to ₹ 37,645.65 lacs in the previous year thereby registering a growth of approximately 36 % over previous year. Profit before tax and exceptional items were ₹ 15,133.68 lacs as against ₹ 12,404.56 lacs of the, previous year. The Profit after tax stood at ₹ 12,008.78 lacs as compared to the profit of ₹ 8,410.28 lacs in the previous year. The operations and financial results of the Company are elaborated in annexed Management Discussion and Analysis Report.

Dividend

The Board of Directors of the Company had declared an Interim Dividend of 400% (i.e. ₹ 4/- per share on equity shares of the face value of ₹ 1/- each) for the financial year 2011-12 and the same shall be treated as Final Dividend for the financial year 2011-12.

Operations

The Company continues to lead in growth of its hair oil brands. It offers its consumers a bouquet of value added hair oils for nourishment and smoothening of hair cuticles (key brands being *Bajaj Almond Drops Hair Oil*, *Bajaj Brahmi Amla Hair Oil*, *Bajaj Amla Shikakai Hair Oil*, *Bajaj Jasmine Hair Oil*). During financial year 2011-12, a new product 'Bajaj Kailash Parbat Thanda Tel' was launched which is recording a healthy growth.

During the year under review, your Company's sales & distribution strategy was to improve penetration and increase product availability in the rural and semi-urban towns and villages. Your Company is presently experimenting with rural promotional and rural distribution vans in West Bengal. This mode of creating awareness for the Company's flagship brand-Almond Drops Hair Oil has

been encouraging. Your Company plans to replicate the above strategy in 5 additional states during financial year 2012-13.

Institutional Placement Programme

The shares of the Company were listed on BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") with effect from August 18, 2010. As on March 31, 2012, the Company's public shareholding is 15.25% and promoters' shareholding is 84.75%. Pursuant to the provisions of the Securities Contracts (Regulation) Rules, 1957 (as amended) (the "SCRR") the Company is required to increase the public shareholding up-to 25% within a period of 3 years from the date of listing of the securities.

As per the recently notified regulations by the Securities and Exchange Board of India ("SEBI"), the minimum public shareholding can be achieved through the Institutional Placement Programme either through fresh issue of securities of the Company or an Offer for Sale by the Promoters to Qualified Institutional Buyers. For achieving minimum public shareholding level, the Company will be required to issue 1,91,70,000 fresh equity shares of face value ₹ 1/- each. Requisite approvals by way of Postal Ballot were received from the shareholders of the Company on May 21, 2012 in this regard.

Listing of Securities

The Company's equity shares are listed on BSE and NSE. The Annual Listing fees to each of these Stock Exchanges have been paid by the Company.

Corporate Governance

The Company has vigorously striven to follow the best corporate governance practices aimed at building trust among the key stakeholders, shareholders, employees, customers, suppliers and other stakeholders on four key elements of corporate governance - transparency, fairness, disclosure and accountability.

Management Discussion and Analysis

The Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report.

Subsidiary Company

As on March 31, 2012, the Company had the following wholly owned subsidiary, which is presently unlisted, namely:

- Uptown Properties and Leasing Private Limited

During financial year 2011-12, the Company has entered into Share Purchase Agreement (SPA) with Uptown Properties & Leasing Private Limited ("Uptown") which owns a plot of land at Worli, Mumbai. The acquisition of Uptown comprised taking over of net liabilities of ₹ 4950 lacs and purchase of entire paid-up share capital from its existing promoters for ₹ 2550 lacs (and capitalization of other transfer expenses amounting to approximately ₹ 175 lacs). Consequently, Uptown has become a wholly owned subsidiary of the Company with effect from September 28, 2011. Uptown is presently not engaged in any business activity.

In terms of General Circular No: 2/2011 dated February 8, 2011 issued by the Government of India, Ministry of Corporate Affairs granting general exemption under Section 212 of the Companies Act, 1956, and consent of the Board of Directors vide their resolution passed at the Board Meeting held on April 24, 2012 for not attaching the Balance Sheet of subsidiary, the Company has not attached with its Balance Sheet as at March 31, 2012, copies of the balance sheet, statement of profit and loss and reports of the Board of Directors and Auditors of the Company's subsidiary and has disclosed the requisite information in the Consolidated Balance Sheet as at March 31, 2012.

Pursuant to the General Circular No: 2 /2011 dated February 8, 2011 the Company hereby undertakes that:

- I. Annual Accounts of the subsidiary company and the related detailed information shall be made available to shareholders of the Company and subsidiary company seeking such information at any point of time.

- II. The Annual Accounts of the subsidiary company shall also be kept for inspection by any shareholders in the registered office of the Company and of the subsidiary company concerned.
- III. The Company shall furnish a hard copy of details of accounts of subsidiary to any shareholder on demand.

Subsidiary's Operations

Uptown Properties and Leasing Private Limited

The principal business activity of Uptown is acquisition and development of real estate. During the financial year ended March 31, 2012, the carried forward losses of Uptown were ₹ 1578 lacs as against ₹ 2356 lacs in the previous year. The Company did not carry any business activity during the financial year ended March 31, 2012.

Consolidated Financial Statements

In compliance with Accounting Standards 21, 23 and 27 of Companies (Accounting Standards) Rules, 2006 and pursuant to the Listing Agreement with the Stock Exchanges, the Consolidated Financial Statements form part of this Annual Report.

As directed by the Central Government and pursuant to the Accounting Standard – 21 (AS – 21) prescribed under the Companies (Accounting Standards) Rules, 2006, Consolidated Financial Statements presented by your Company include financial information about its aforesaid subsidiary. The financial statements of BCL as well as its aforesaid subsidiary will be available on the website of the Company (www.bajajcorp.com).

Fixed Deposits

The Company has not accepted any fixed deposits and as such, no amount on account of principal or interest on fixed deposits was outstanding as on the date of the balance sheet.

Directors

In recognition of the valuable services rendered by Mr. Sumit Malhotra who was heading the Sales and Marketing functions of FMCG business in Whole-time capacity, the

Board of Directors at its meeting held on August 8, 2011, appointed him as Managing Director of the Company for a period of 5 years with effect from August 8, 2011. The terms and conditions of appointment and remuneration of Mr. Sumit Malhotra was approved by the shareholders of the Company through Postal Ballot on October 6, 2011.

At the same Board meeting held on August 8, 2011, Mr. Jimmy Rustom Anklesaria was inducted on the Board on Whole-time basis and designated as Director (Business Development) of the Company for a period of 5 years with effect from August 8, 2011. The terms of appointment and remuneration of Mr. Jimmy Rustom Anklesaria was approved by the shareholders of the Company through Postal Ballot on October 6, 2011.

Pursuant to the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Jimmy Rustom Anklesaria would hold office as Additional Director (appointed at the Board Meeting held on August 8, 2011) only up-to the date of the Sixth Annual General Meeting of the Company. The Company has received a notice from a member pursuant to Section 257 of the Companies Act, 1956 proposing the appointment of Mr. Jimmy Rustom Anklesaria as Director of the Company. The Board of Directors recommend the appointment of Mr. Jimmy Rustom Anklesaria as Director of the Company.

Mr. Dilip Cherian (DIN 00322763) and Mr. Aditya Vikram Ramesh Somani (DIN 00046286), Directors of the Company, will retire by rotation and being eligible, offer themselves for re-appointment.

All the appointments of the Directors of the Company are in compliance with the provisions of Section 274 (1)(g) of the Companies Act, 1956.

Directors' Responsibility Statement

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, as amended, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in preparation of accounts for the financial year ended March 31, 2012, the applicable accounting standards have been followed along with proper explanation relating to the material departures;
- (ii) that the directors of the Company have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable

and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012 and of the profit of the Company for the year ended March 31, 2012;

- (iii) that the directors of the Company have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) that the directors of the Company have prepared the accounts of the Company for the financial year ended March 31, 2012 on a going concern basis.

Auditors and Auditors' Report

M/s. R. S. Dani & Company, Chartered Accountants, existing Statutory Auditors will retire at the conclusion of the ensuing Sixth Annual General Meeting and seek re-appointment as Statutory Auditors of the Company at the ensuing Annual General Meeting.

The Company has received certificate from M/s. R. S. Dani & Company, to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

The Board of Directors recommends to the shareholders the appointment of M/s. R. S. Dani & Company, as Auditors of the Company.

The observations and comments given in the report of the Auditors read together with notes to accounts are self explanatory and hence do not call for any further information and explanation under Section 217(3) of the Companies Act, 1956.

Particulars of employees

As required under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, particulars of employees are set out in the Annexure- II and forms part of this report.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

The relevant data regarding the above is given in the Annexure-I hereto and forms part of this report.

Acknowledgements

Industrial relations have been cordial at all the manufacturing facilities of the Company.

The Directors express their appreciation for the sincere co-operation and assistance of Central and State Government authorities, bankers, customers and suppliers and business associates. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company's employees. Your Directors acknowledge with gratitude the encouragement and support extended by our valued shareholders.

For and on behalf of the Board of Directors

Kushagra Nayan Bajaj
Chairman

Mumbai,
April 24, 2012

ANNEXURE-I to Directors' Report for the year ended March 31, 2012

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

A. Conservation of Energy

Bajaj Corp continued to emphasize on the conservation and optimal utilization of energy in every manufacturing unit of the Company. The energy conservation measures implemented during FY 2012 are listed below:

- Maintenance of the machines as per schedule.
- Lights in the Raw Material/Packing Material and Finished Stock godown area are switched off during night across locations.
- Installed Material sensor on every machine resulting into reduction of power consumption.
- Water collected through rain water harvesting at the plant premises to raise the water level in the borewell.
- Replacement of street lights and installation of Compact Fluroscent Lamps (CFL) in manufacturing and godown areas.
- The Company continued its efforts towards effective utilization of energy for reduction in power consumption.

The details of total energy consumption and energy consumption per unit of production are given in Form A.

B. Technology Absorption

Efforts made by Company in technology absorption are given in Form B of the Annexure:

C. Foreign Exchange Earnings and Outgo

- a) Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans :

None

- b) total foreign exchange used and earned

During the year, foreign exchange earnings and outgo was ₹ 279.31 lacs and ₹ 29.71 lacs respectively. The details of total exchange used and earned are provided in Note B30 & B31 annexed to the Accounts.

FORM – A

(See rule 2)

Form for Disclosure of Particulars with respect to Conservation of Energy

For the year ended March 31		2012	2011
A. Power & Fuel Consumption			
Electricity			
(a) Purchased			
Units (in Kwh)	3,26,266	2,99,609	
Total Amount (in ₹)	21,81,383	19,07,197	
Rate per unit (in ₹)	6.69	6.37	
(b) Own Generation			
<i>(i) Through Diesel generator</i>			
Units (in Kwh)	42,333	61,537	
Cost per unit (in ₹)	13.64	10.42	
Total Cost (in ₹)	5,77,214	6,41,072	
<i>(ii) Through Steam Turbine / Generator</i>			
Units (in Kwh)	Nil	Nil	
B. Average Consumption per unit of production of Hair Oil			
Electricity (Kwh/Manufactured Kilo Ltr of Hair Oil)	26.82	32.77	

FORM – B

(See rule 2)

Form for Disclosure of particulars with respect to technology absorption

I. Research and Development (R&D)

1. Specific area in which R&D is carried out by the Company
Research & Development efforts were focused on improvement in existing products and development of new products in following segments:
 - Hair care products
 - Ayurvedic products
 - Research programs to understand the physiology of hair
 - Optimization of preservative in our brand was conducted by a deep routed stability study at room temperature and accelerated temperature
 - Developments of new and innovative products to prevent entangling knots and provide soft and silky feeling in hair are under progress. These products will be 100% natural based on environmental friendly approaches
 - Consumer in sight for product evaluation and design
 - R & D has been done in packaging of our newly launched product - Bajaj Kailash Parbat Cooling Hair Oil
 - Development of competencies in new areas like Skin Care, Hair Care, Oral Care, Ayurveda Preparations and Soap
 - Avail services of experts in the field for analysis of our ingredient of raw material to further improve the quality of our end products
2. Benefits derived as a result of the above R & D
 - Company has been able to launch a new product - an Ayurvedic Proprietary Medicine known as "Bajaj Kailash Parbat Cooling Hair Oil". It has been very well accepted by consumers and currently having market share of 1.8% under this category.
 - Due to above R&D efforts, we have been able to do reengineering in our premium brand - Bajaj Almond Drops Hair Oil and reduce our cost of production with same standards of quality.
 - We have also been able to launch 500 ml SKU of Almond Drops Hair Oil in pet bottle which has been very well accepted by the consumers and due to this successful launching, we have reduced our cost of production, wastage loss & freight cost.
3. Future Plan of Action
Continued efforts are being made to develop innovative and commercially viable process and also for improving shelf life, stability, quality, convenience and meeting regulatory compliances. Company will continue to do research on new variants and SKUs under hair care segment and develop competencies in new areas like Skin Care, Personal Care, Ayurveda Preparations and Soap.

4. Expenditure on R&D ₹ in lacs

For the year ended March 31	2012	2011
a) Capital	0.77	18.23
b) Recurring	1.95	2.76
c) Total	2.72	20.99
d) Total R&D expenditure as a percentage of total turnover	0.01%	0.06%

II. Technology absorption, adaptation and innovation

1. Efforts in brief, made towards technology absorption, adaptation and innovation
 - Participation in national conferences
 - Imparting training to personnel in various manufacturing techniques by Indian experts and suppliers of plant and machinery
 - Installation of high capacity and latest technology machines to reduce power consumption, increase the efficiency/output and saving in labour cost
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.
 - Improvement in existing processes and reducing consumption of scarce raw materials and fuel
 - Cost reduction
3. Information regarding technology imported (imported during the last 5 years reckoned from the beginning of the financial year)

Technology imported	None
Year of import	Not applicable
Has technology been fully absorbed	Not applicable
If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	Not applicable

ANNEXURE-II to Directors' Report for the year ended March 31, 2012

Statement pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975

Name	Designation/ Nature of duties	Qualification	Experience (Yrs.)	Remuneration (₹ in Lacs)	Date of appointment	Age (Yrs.)	Particulars of last employment
1. Mr. Roshan Fateh Lal Hinger	Executive Vice Chairman	BSc.	50	125.98	01.04.08	72	Bajaj Consumer Care Ltd. ** - Whole-time Director
2. Mr. Sumit Malhotra	Managing Director	BPharma (Hons.), PGDBM (IIM, Ahmedabad)	26	111.80	01.04.08	51	Bajaj Consumer Care Ltd. ** - President (Sales & Mktg.)
3. Mr. Jimmy Rustom Anklesaria*	Executive Director (Business Development)	B. Com, MBA	34	112.17	15.07.11	57	Godrej Consumer Products Ltd. - Executive Vice President (International Operations)

Notes:

- Gross Remuneration shown above is subject to tax and comprises salary (including arrears, allowances, rent, medical reimbursement, leave travel benefits, leave encashment, contribution to provident fund & gratuity under LIC scheme) in terms of actual expenditure incurred by the company.
- All the employees have adequate experience to discharge the responsibilities assigned to them.
- None of the above employees is related to any of the Directors of the Company.
- (*) The employee was in service for part of the year.
- The nature of employment is on contractual basis.
- (**) Pursuant to fresh certificate of incorporation dated November 25, 2011, the name of the Company has been changed to Bajaj Resources Limited

Corporate Governance Report

(Pursuant to Clause 49 of the Listing Agreement entered with the Stock Exchanges)

Company's philosophy on code of Corporate Governance

The elements of transparency, fairness, disclosure and accountability form the cornerstone of corporate governance policy at Bajaj Corp Limited (BCL). These elements are embedded in the way we operate and manage the business and operations of the Company. We value, practice and implement ethical and transparent business practices aimed at building trust amongst various stakeholders. We believe that corporate governance is a key element in improving efficiency and growth as well as enhancing investor confidence.

It is the constant endeavour of the Board of Directors to leverage the resources at its disposal and foster an environment for growth and development of human resources. The management team is fully committed and empowered to take the Company forward within the framework of effective accountability, which in turn enables the conversion of opportunities into achievements for the betterment of the Company and its stakeholders. Systems are in place for strategic planning, risk management, financial plans and budgets, integrity of internal controls and reporting, emphasis on transparency and full disclosure on the various facets of the Company's operations, its functioning and its financials and total compliance with all statutory/regulatory requirements not only in the letter of the law but also in its spirit. Good corporate governance standards have enabled BCL build and sustain its reputation for quality and also attract and retain the best and brightest talents.

The philosophy and practice of corporate governance in Bajaj Corp can be summarised as:

- Responsible and ethical decision-making
- Transparency in all business dealings and transactions
- Timely and accurate disclosures of information

- Integrity of reporting
- The protection of the rights and interests of all stakeholders
- Effective internal control to manage elements of uncertainty and potential risks inherent in every business decision

Board of Directors

Composition

The Board of Directors as on March 31, 2012 consists of 8 Directors. 3 of the Directors are Executive Directors and the remaining 5 Directors are Non-Executive Directors. The Executive Directors consist of 1 Executive Vice-Chairman, 1 Managing Director and 1 Director (Business Development). 1 of the 8 Directors belongs to the promoter group.

Pursuant to Clause 49 of the Listing Agreement, the Board of Directors of the Company shall have an optimum combination of Executive and Non-Executive directors with not less than fifty percent (50%) of the Board of Directors comprising of Non-Executive directors. In the case of BCL since 5 out of 8 directors are Non-Executive, the Company is complying with the requirement of 50% of the Board comprising Non-Executive Directors.

Further pursuant to Clause 49 of the Listing Agreement, if the Chairman of the Board is a Non-Executive Director and he is a promoter of the Company, at least one-half of the Board should consist of Independent Directors. Since 4 out of 8 Directors are Independent, the Company is also complying with the requirement of at least one – half of the Board consisting of Independent Directors.

The Board of Directors of BCL, therefore, has a healthy blend of Executive and Non-Executive Directors. Moreover, all the Non-Executive Directors are eminent professionals and bring the wealth of their professional expertise and experience to the management of the Company (See Table 1).

TABLE 1: Composition of the Board of Directors during 2011-12

Name	Position	Age (years)	Directorship Tenure (years)	Relationship with other Director
Mr. Kushagra Nayan Bajaj (Chairman) DIN 00017575	Non-Independent, Non-Executive	34	4	None
Mr. Roshan Fateh Lal Hinger (Vice Chairman) DIN 00974574	Non-Independent, Executive	72	4	None
Mr. Sumit Malhotra (Managing Director) DIN 02183825	Non-Independent, Executive	50	4	None
Mr. Jimmy Rustom Anklesaria (Director - Business Development) DIN 03464365	Non-Independent, Executive	57	Ref. Note	None
Mr. Gaurav Dalmia DIN 00009639	Independent, Non-Executive	45	2	None
Mr. Dilip Cherian DIN 00322763	Independent, Non-Executive	55	2	None
Mr. Haigreve Khaitan DIN 00005290	Independent, Non-Executive	41	2	None
Mr. Aditya Vikram Ramesh Somani DIN 00046286	Independent, Non-Executive	38	2	None

Note: Mr. Jimmy Rustom Anklesaria was appointed as Executive Director w.e.f. 08.08.2011.

Outside Directorship and Membership of Board Committees

Details of the number of Directorships held in other Companies and Committee positions held by Directors of BCL is summarised in Table 2 below:

Name	Directorship			Committee Membership			Committee Chairmanship		
	Public Companies	Others	Total	In Listed Public Companies	In Unlisted Public Companies	Total	In Listed Public Companies	In Unlisted Public Companies	Total
Mr.Kushagra Nayan Bajaj	3	6	9	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Roshan Fateh Lal Hinger	3	2	5	2	Nil	2	Nil	Nil	Nil
Mr. Sumit Malhotra	0	1	1	1	Nil	1	Nil	Nil	Nil
Mr. Jimmy Rustom Anklesaria	1	1	2	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Gaurav Dalmia	7	26	33	2	2	4	1	Nil	1
Mr. Dilip Cherian	2	7	9	1	Nil	1	1	Nil	1
Mr. Haigreve Khaitan	14	1	15	7	1	8	Nil	Nil	Nil
Mr. Aditya Vikram Ramesh Somani	1	2	3	2	Nil	2	Nil	Nil	Nil

Notes:

1. Private limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956 have been excluded for the purposes of calculating committee positions.
2. Memberships in only Audit Committee and Shareholders' & Investors' Grievance Committee including Bajaj Corp Limited have been considered for committee positions as per the Listing Agreement.

None of the Directors of BCL is a member in more than 10 committees and Chairman of more than 5 committees across all companies in which he is a Director.

Membership term

As per statutory requirements, not less than two-thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of directors by rotation. One-third of such Directors for the time being as are liable to retire by rotation shall retire from office and, if eligible, may seek re-appointment at a general meeting. All the directors of BCL are such retiring directors.

Responsibilities of the Vice-Chairman, Managing Director and Director-Business Development

Presently, the Company has a Vice-Chairman – Mr. Roshan Fateh Lal Hinger, Managing Director – Mr. Sumit Malhotra and Director - Business Development – Mr. Jimmy Rustom Anklesaria at the helm of affairs. There is clear demarcation of responsibility and authority between these three.

- The Vice-Chairman is responsible for leading and directing our Company's strategy and business operations. He also interacts with global thought-leaders to enhance the leadership position of BCL.
- The Managing Director is responsible for leading the sales and marketing division. He is also responsible for achieving the annual business plan, taking new initiatives and investments.
- The Director - Business Development is responsible for acquisitions and strategic initiatives.

The Vice-Chairman, Managing Director and the Director-Business Development along with the senior management provide periodic reports to the Board on their responsibilities, performance and targets.

Pecuniary relationship and transactions of Non-Executive Directors with BCL


The register of contracts maintained by the Company pursuant to the provisions of Section 301 of the Companies Act, 1956, contains particulars of all contracts or arrangements to which Section 297 or 299 apply. The register is signed by all the Directors present during the respective Board meetings held from time to time.

Board procedures

Board Meetings and Attendance

During the financial year 2011-12, the Board met eight times. (See Table 3)

TABLE 3: Board meetings

Date of Board Meeting	Duration of gap from previous Board Meeting	Maximum gap permitted as per Clause 49
April 30, 2011	44 days	 120 days
May 22, 2011	21 days	
August 8, 2011	77 days	
September 17, 2011	39 days	
October 12, 2011	24 days	
December 2, 2011	50 days	
February 7, 2012	66 days	
March 27, 2012	48 days	

The maximum time gap between any two meetings is less compared to the mandated requirement of not more than 4 months in Clause 49 of the Listing Agreement. Generally the dates of the meetings were decided well in advance.

The details of attendance of Directors at the eight Board meetings held during the financial year 2011-12 and at the last Annual General Meeting held on August 8, 2011 are given in Table 4.

TABLE 4: Attendance at the meetings of the Board of Directors during 2011-12

Name	Position	Board Meetings held	Board Meetings attended	Whether attended previous AGM on August 8, 2011
Mr. Kushagra Nayan Bajaj	Non-Independent, Non-Executive	8	6	Yes
Mr. Roshan Fateh Lal Hinger	Non-Independent, Executive	8	5	Yes
Mr. Sumit Malhotra	Non-Independent, Executive	8	7	Yes
Mr. Jimmy Rustom Anklesaria*	Non-Independent, Executive	8	5	No
Mr. Gaurav Dalmia	Independent, Non-Executive	8	3	Yes
Mr. Dilip Cherian	Independent, Non-Executive	8	5	Yes
Mr. Haigreave Khaitan	Independent, Non-Executive	8	2	Yes
Mr. Aditya Vikram Ramesh Somani	Independent, Non-Executive	8	7	Yes

*Appointed as Director - Business Development w.e.f. 08.08.2011

Information provided to the Board

The Board of BCL has complete access to any information within the Company. At the meetings, the Board is provided with all the relevant information on important matters affecting the working of the Company as well as all the related details that require deliberation by the members of the Board.

Comprehensive information regularly provided to the Board, *inter alia*, include:

- i) Annual operating plans, budgets and updates;
- ii) Production, sales and financial performance statistics;
- iii) Expansion plans, capital expenditure budgets and updates;
- iv) Plant-wise operational review;
- v) Quarterly financial results;
- vi) Utilisation of IPO proceeds;
- vii) Minutes of meetings of Board Committees - Audit, Remuneration, Shareholders' & Investors' Grievance and Management as well as the abstracts of the circular resolutions passed;
- viii) General notices of interest;
- ix) Staff matters, including senior appointments;
- x) Materially important legal proceedings by or against the Company;
- xi) Share transfer and dematerialisation compliance;
- xii) Significant developments relating to labour relations and human resource relations;
- xiii) Voluntary retirement schemes;
- xiv) Fatal/serious accidents or mishaps and any material effluent or pollution problems;
- xv) Details of foreign exchange exposure and steps taken by management to limit the risk of adverse rate movement;
- xvi) Details of acquisition plans;
- xvii) Information Technology strategies and related investments;
- xviii) Legal compliances reporting system; and
- xix) Insider trading related disclosure procedures and such other matters.

Board Committees

As of March 31, 2012, the Board had five committees (See Table 5)

TABLE 5: Board Committees

Committee	Members (Position)
Audit Committee	Mr. Gaurav Dalmia, Chairman* (Independent, Non-Executive) Mr. Aditya Vikram Ramesh Somani (Independent, Non-Executive) Mr. Dilip Cherian (Independent, Non-Executive) Mr. Roshan Fateh Lal Hinger (Non-Independent, Executive)
Remuneration Committee	Mr. Gaurav Dalmia, Chairman* (Independent, Non-Executive) Mr. Haigreve Khaitan (Independent, Non-Executive) Mr. Aditya Vikram Ramesh Somani (Independent, Non-Executive)
Shareholders' & Investors' Grievance Committee	Mr. Dilip Cherian, Chairman* (Independent, Non-Executive) Mr. Roshan Fateh Lal Hinger (Non-Independent, Executive) Mr. Sumit Malhotra (Non-Independent, Executive)
Management Committee	Mr. Kushagra Nayan Bajaj, Chairman* (Non-Independent, Non-Executive) Mr. Roshan Fateh Lal Hinger (Non-Independent, Executive) Mr. Sumit Malhotra (Non-Independent, Executive) Mr. Gaurav Dalmia (Independent, Non-Executive) Mr. Aditya Vikram Ramesh Somani (Independent, Non-Executive)
IPO Committee	Mr. Kushagra Nayan Bajaj, Chairman* (Non-Independent, Non-Executive) Mr. Roshan Fateh Lal Hinger (Non-Independent, Executive) Mr. Sumit Malhotra (Non-Independent, Executive)

* Chairman of the respective Committee

The Board is responsible for the constituting, assigning, co-opting and fixing of terms of service for committee members of various committees. The Chairman of the Board, in consultation with the Company Secretary of the Company and the Committee Chairman, determines the frequency and duration of the committee meetings. Recommendations of the committees are submitted to the full Board for approval. The quorum for meetings is either two members or one-third of the members of the committees, whichever is higher. In the case of all the above committees of BCL, two members constitute the quorum subject to the specific provisions laid down in the Listing Agreement.

Code of conduct

The Company has adopted a Code of Conduct for the Directors and senior management of the Company. The same has been posted on the website of the Company. The members of the Board and senior management of the Company have submitted their affirmation on compliance with the code for the effective period. The declaration by the Managing Director to that effect forms part of this Report.

Audit Committee

Constitution and composition

The Audit Committee was constituted on August 29, 2008 and was reconstituted on February 4, 2010 and February 11, 2011. The composition of the Audit Committee is given in Table 5.

Meetings and attendance

The Audit Committee met four times during the year on the following dates:

Date of Audit Committee Meetings	Duration of meeting
April 30, 2011	25 Minutes
August 8, 2011	30 Minutes
October 12, 2011	20 Minutes
February 7, 2012	30 Minutes

The attendance of each Committee Member is provided in Table 6

TABLE 6: Attendance at the meetings of the Audit Committee of Directors during financial year 2011-12

Name of Committee Members	Position	Committee Meetings held	Committee Meetings attended
Mr. Gaurav Dalmia, Chairman	Independent, Non-Executive	4	3
Mr. Aditya Vikram Ramesh Somani	Independent, Non-Executive	4	4
Mr. Dilip Cherian	Independent, Non-Executive	4	4
Mr. Roshan Fateh Lal Hinger	Non-Independent, Executive	4	4

All the above members possess sound knowledge of accounts, audit and finance.

Kushagra Nayan Bajaj, Non-Executive Chairman and Mr. V. C. Nagori, Chief Financial Officer are permanent invitees to the Audit Committee meetings. In addition, the heads of the Finance and Internal Audit functions, representatives of statutory auditors and other executives as are considered necessary, generally attended these meetings. The Company Secretary acted as the Secretary to the Audit Committee.

Brief description of Terms of Reference

The scope and function of the Audit Committee is in accordance with Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement, as amended from time to time, and its terms of reference include the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approving payments to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the quarterly and annual financial statements before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;

- d) Significant adjustments to financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions;
 - g) Qualifications in the draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
 6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 7. Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
 8. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 9. Carrying discussions with internal auditors on any significant findings and follow up there on.
 10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 11. Carrying discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
 13. To monitor the use of proceeds received in the initial public offering.
 14. Approval of appointment of CFO (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.
 15. To review the functioning of the Whistle Blower mechanism.

The scope and terms of reference and working of the Audit Committee are constantly reviewed and appropriate changes are made from time to time for greater

effectiveness of the Committee. Presently, these conform to the requirements of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

Remuneration Committee

Composition of the Committee

The composition of the Remuneration Committee is given in Table 5.

Meetings and Attendance

The attendance of each Committee Member is provided in Table - 7.

TABLE 7: Attendance at the meetings of the Remuneration Committee of Directors during financial year 2011-12

Name of Committee Members	Position	Committee Meetings held	Committee Meetings attended
Mr. Gaurav Dalmia, Chairman	Independent, Non-Executive	2	2
Mr. Haigreve Khaitan	Independent, Non-Executive	2	1
Mr. Aditya Vikram Ramesh Somani	Independent, Non-Executive	2	2

Terms of Reference

The Remuneration Committee was constituted in 2010 with the following terms of reference:

- a. To determine the Company's policy on remuneration to Executive Directors and their relatives working in the Company, including pension rights and compensation payments.
- b. To approve the remuneration payable to all managerial personnel (under the Companies Act, 1956) including Executive Directors.

Remuneration Policy

The Remuneration Committee is fully empowered to determine/approve and revise, subject to necessary approvals, the remuneration of managerial personnel including Vice Chairman, Managing Director and Director - Business Development after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past performance and past remuneration, etc.

The Non-Executive Directors are paid sitting fees for every meeting of the Board and its Committees attended by them.

Remuneration to Directors

Remuneration of Non-Executive Directors

Non-Executive Directors were paid sitting fees of ₹ 20,000 for attending each Board Meeting and ₹15,000 for attending each Committee Meeting. The details of sitting fees paid to Non-Executive Directors during the financial year 2011-12 are provided in Table-8.

At the 5th Annual General Meeting held on August 8, 2011, the shareholders of the Company have approved payment of commission to Non-Executive Directors @ 1% of Net Profits of the Company calculated in accordance with Section 349 of the Companies Act, 1956. The Company has not paid any commission to Non-Executive Directors for the year under review.

Remuneration of Executive Directors

The Executive Directors – Mr. Roshan Fateh Lal Hinger, Mr. Sumit Malhotra and Mr. Jimmy Rustom Anklesaria

were paid remuneration as per their respective terms of appointment approved by the shareholders of the Company.

Upon retirement, Mr. Sumit Malhotra and Mr. Jimmy Rustom Anklesaria will be entitled to gratuity and exgratia. No pension will be paid by the Company to any of the Directors.

BCL has no stock option plans and hence such instrument does not form part of the remuneration package payable to any Executive Director and/or Non-Executive Director. During the period under review, the Company has paid Performance Incentive, details of which are disclosed in Table 8. The Company did not advance any loans to any of the Executive and/or Non-Executive Directors during the period under review.

The details of remuneration paid to the directors of the Company are given in Table 8.

TABLE 8: Remuneration of Directors during financial year 2011-12

Name of Directors	Relationship with other directors	Salary(Net)	Performance Incentive	Sitting fees	Total	Notice period
All figures in ₹						
Mr. Kushagra Nayan Bajaj	--	--	--	120,000	120,000	N.A.
Mr. Roshan Fateh Lal Hinger Executive Vice Chairman	--	11,598,163	1,000,000	--	12,598,163	N.A.
Mr. Sumit Malhotra Managing Director	--	10,180,403	1,000,000	--	11,180,403	N.A.
Mr. Jimmy Rustom Anklesaria Director - Business Development	--	8,008,437	3,209,016	--	11,217,453	N.A.
Mr. Gaurav Dalmia	--	--	--	155,000	155,000	N.A.
Mr. Dilip Cherian	--	--	--	220,000	220,000	N.A.
Mr. Haigreave Khaitan	--	--	--	75,000	75,000	N.A.
Mr. Aditya Vikram Ramesh Somani	--	--	--	230,000	230,000	N.A.

Note: The Board of Directors at its meeting held on March 16, 2011, approved re-appointment of Mr. Roshan Fateh Lal Hinger as Whole-time Director and designated as Vice Chairman for a further period of 5 years with effect from April 1, 2011. The Board of Directors at its meeting held on August 8, 2011 approved the appointment of Mr. Sumit Malhotra as Managing Director for a period of 5 years with effect from August 8, 2011. At the same Board Meeting, Mr. Jimmy Rustom Anklesaria was appointed as Whole-time Director (designated Director – Business Development) for a period of 5 years with effect from August 8, 2011. The Company does not have any service contract with any of the Directors.

The Remuneration Committee reviews performance of Executive Directors in consultation with the Head of Human Resources and decides Performance Linked Incentive.

Shareholders' & Investors' Grievance Committee

Constitution and composition

The Shareholders' & Investors' Grievance Committee was constituted in 2010 by the Board for a speedy redressal of all grievances/complaints relating to shareholders/investors. Reference to this Committee has been made by SEBI in Clause 49 of the Listing Agreement.

The composition of the Shareholders' & Investors' Grievance Committee is given in Table 5.

The Committee specifically looks into the redressal of shareholder and investor complaints on matters relating to transfer of shares, non-receipt of refund of application money etc. In addition, the Committee advises on matters which can facilitate better investor services and relations.

Mr. Sujoy Sircar, Company Secretary, is designated as the Compliance Officer.

The Company has designated e-mail id "complianceofficer@bajajcorp.com" exclusively for the purpose of registering complaints by investors electronically. This e-mail id is displayed on the Company's website i.e. www.bajajcorp.com

The following table shows the nature of complaints received from shareholders during the financial year 2011-12. No complaint(s) were pending as on March 31, 2012.

Nature of complaints received during 2011-12	No. of complaints
Non-Receipt of Annual Report	1
Non-Receipt of Dividend Warrants	6
Non-Receipt of Share Certificates	2
Others	5
Total	14

Meetings and attendance

During the year under review, the Shareholders' & Investors' Grievance Committee met four times. The attendance of each Committee Member is provided in Table 9.

TABLE 9: Attendance at the meetings of the Shareholders' & Investors' Grievance Committee of Directors during the financial year 2011-12

Name of Committee Members	Position	Committee Meeting Held	Committee Meeting Attended
Mr. Dilip Cherian, Chairman	Independent, Non-Executive	4	4
Mr. Roshan Fateh Lal Hinger	Non-Independent, Executive	4	3
Mr. Sumit Malhotra	Non-Independent, Executive	4	3

Management Committee

Composition of the Committee

The Composition of Management Committee is given in Table 5.

Meetings and attendance

During the year under review, there was no meeting of the Management Committee.

Terms of reference

The Management Committee is a non-mandatory requirement under the Listing Agreements with the Stock Exchanges. Post listing of the equity shares of the Company on the Stock Exchanges, the complexity and nature of various compliances have increased manifold. Further routine business items are presently being approved by the Board of Directors of the Company. Since some of the activities are required to be completed within a short span of time and since the Directors of the Company are in different locations, it is not possible to convene a Board Meeting on short notice. Therefore, the Board has delegated powers to the committee such as opening and closing of Bank Account, availing working capital facilities and short term borrowing, issue power of attorney, authorise various employees of the company to represent and appear before the statutory authorities etc.

IPO Committee

Composition of the Committee

The composition of IPO Committee is given in Table 5.

The IPO Committee is a non-mandatory requirement under the Listing Agreements with the Stock Exchanges.

Meetings and attendance

During the year under review, there was no meeting of the IPO Committee.

Terms of reference:

The IPO Committee has been authorised to issue notice convening the meeting of Shareholders authorising the Issue and to comply with all requirements of the Companies Act with regard to the same. Further, the IPO Committee has been given all the powers and authority to modify, reapply, redo, make necessary changes, approach and do such acts and deeds that are necessary to do including to modify the Articles of Association subject to the approval of the shareholders of our Company, the DRHP, RHP and the Prospectus, all approvals there under and as required under the applicable law and to approach the SEBI, Stock Exchanges and/or any other statutory authority to resubmit any such modified documentation in this regard. The IPO Committee has also been authorised to approve, adopt and file the Prospectus for the Issue as required under sections 60 and 60B of the Companies Act, with the Registrar of Companies, Maharashtra, located at Mumbai and to make any corrections or alterations therein.

The terms of reference of IPO Committee are quite comprehensive and include the following:

- a) To decide on the actual size of the Issue, including any reservation on a firm or competitive basis, timing, pricing and all the terms and conditions of the issue of the shares, including the price, and to accept any amendments, modifications, variations or alterations thereto;
- b) to appoint and enter into arrangements with the book running lead managers, co-managers to the Issue, underwriters to the Issue, syndicate members to the Issue, stabilizing agent, brokers to the Issue, escrow collection bankers to the Issue, registrars, legal advisors (domestic and international) and any other agencies, intermediaries or persons;
- c) to finalise and settle and to execute and deliver or arrange the delivery of the DRHP, the RHP, Final Prospectus, agreement with the book running, lead managers, memorandum of understanding with the registrar, syndicate agreement, underwriting agreement, escrow agreement, stabilization agreement and all other documents, deeds, agreements and instruments as may be required or desirable in connection with the Issue;
- d) to issue advertisements in such newspapers as it may deem fit and proper about the future prospects of the Company and the proposed issue conforming to the guidelines issued by SEBI;
- e) to open a separate current account(s) with a scheduled bank(s) to receive applications along with application monies in respect of the Issue or any other account with any name and style as required during or after the process of the forthcoming Initial Public Offering (IPO) of the Company;
- f) the opening of a Bank Account of the Company in the name and style of "Bajaj Corp Limited - Public Issue Account" and "Bajaj Corp Limited - Public Issue Refund Account" for the handling of refunds for the Issue;
- g) to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, allocation, finalizing the basis of allocation and allotment of the shares as permissible in law, issue of share certificates in accordance with the relevant rules;
- h) to make any applications to the FIPB, RBI and any other authorities, as may be required, for the purpose of issue of shares by the Company to non-resident investors, including NRI's and FIIs;
- i) to make applications for listing of the equity shares of the Company in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s) and any other documentation to the concerned stock exchange(s);
- j) to finalise the basis of allocation and to allot the shares to the successful allottees;
- k) to settle all questions, difficulties or doubts that may arise in regard to such issues or allotment as it may, in its absolute discretion deem fit;
- l) to do all acts and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Issue;
- m) to authorise and approve the incurring of expenditure and payment of fees in connection with the initial public offer of the Company;
- n) to approve and adopt the DRHP and any other offering document for the public issue as required under Section 60 and other relevant provisions of the Companies Act, 1956 and to file the same with the Registrar of Companies ("ROC") and SEBI, as the case may be, and to make any corrections or alterations therein; and
- o) to do all such acts, deeds and things as may be required to dematerialise the equity shares of the Company and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) limited and such other agencies, authorities or bodies as may be required in this connection.

Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges and compliance with the non-mandatory requirements of this clause has been detailed hereunder:

Non-mandatory requirements under Clause 49 of the Listing Agreement

The status of compliance with the non-mandatory requirements of Clause 49 of the Listing Agreement is provided below:

Remuneration Committee

The Company has a Remuneration Committee, the details of which are provided in this Report under the section "Remuneration Committee".

Audit qualification

It is always the Company's endeavour to present unqualified financial statements. There are no audit qualifications in the Company's financial statements for the year under review.

Training of Board members

Directors are fully briefed on all business-related matters, risk assessment and new initiatives proposed by the Company.

Whistle Blower Policy

The Board of Directors of the BCL and Chairman of the Company are committed to maintain the highest standards of honesty, openness and accountability and recognise that each and every person in BCL has an important role to play in achieving the organisational goals. It is the policy of the Company to encourage employees, when they have reasons to suspect questionable accounting/audit practices, or the reporting of fraudulent financial information to shareholders, the Government or the financial markets, and/or serious misconduct otherwise, to report those concerns to the Company's management.

Subsidiary Companies

At present the Company has no materially Indian unlisted subsidiary company. Accordingly, the requirement of appointing at least one independent director on the Board of Directors of the materially Indian unlisted

subsidiary is not applicable. The Board reviews the financial statements particularly investments made by its Indian unlisted subsidiary company and the minutes of the Board Meetings of the unlisted subsidiary company are placed at the Board Meeting of the Company along with a statement of all significant transactions and arrangements entered into by the Indian unlisted subsidiary company.

Information to Shareholders

General information of shareholders' interest is set out in a separate section titled "Shareholder Information".

Auditors' Certificate on Corporate Governance

The Company has obtained a certificate from its Auditors testifying to its compliance with the provisions relating to Corporate Governance laid down in Clause 49 of the Listing Agreement with the Stock Exchanges. This certificate is annexed to the Directors' Report for the year 2011-12 and will be sent to the stock exchanges, along with the Annual Report to be filed by the Company.

Report on Corporate Governance

This section, read together with the information given in the sections (i) Management Discussion and Analysis and (ii) Shareholder Information, constitutes a detailed compliance report on Corporate Governance during the financial year 2011-12.

Management Discussion and Analysis

Management Discussion and Analysis is given in a separate section forming part of the Directors' Report in this Annual Report.

Steps for Prevention of Insider Trading Practices

In compliance with the SEBI (Prevention of Insider Trading) Regulations as amended, the Company has issued a comprehensive set of guidelines advising and cautioning management staff and other relevant business associates on the procedure to be followed while dealing in equity shares of BCL and disclosure requirements in this regard. The Company believes that 'The Code of Internal Procedure and Conduct' that it has framed in this regard will help in ensuring compliance with the amended SEBI regulations.

Material Disclosures and Compliance

Details of related party transaction during the year have been set out under Note No.36 of Notes for Information forming part of Statement on Significant Accounting Policies & Notes forming Part of the Accounts. These are not having any potential conflict with the interests of the Company at large.

Disclosures

All material transactions entered into with related parties have been disclosed in this Corporate Governance Report.

The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India in preparation of its financial statements and the Company has not adopted a treatment different from that prescribed in an Accounting Standard.

The Company has laid down the procedures about Risk Assessment and Minimization and the same has been informed to the Board. These procedures are periodically reviewed to ensure that the Executive Management controls risk through means of a properly defined framework.

Pursuant to Clause 49 of the Listing Agreement, the statement of uses and application of Public Issue proceeds are disclosed to the Audit Committee as part of the quarterly unaudited and annual audited financial statements. The Monitoring Agency report is immediately placed before the Audit Committee upon receipt.

No transaction of material nature has been made by the Company with its Promoters, Directors, Management or Relatives, etc. that may have potential conflict with the interest of Company at large.

The Company publishes its criteria of making payment of sitting fee / remuneration to its Non-Executive Directors in the Annual Report.

None of the Non-Executive Directors of the Company holds equity shares in the Company. The following Executive Directors are holding equity shares of the Company as per details given below:

Sr. No.	Name of the Director	No. of shares held
1	Mr. Sumit Malhotra	250
2	Mr. Jimmy Rustom Anklesaria	250

A new appointee on the Board discloses his shareholding in the Company prior to his appointment. These details are also disclosed in the notice to the general meeting called for the appointment of Directors.

Details of Non-compliance

During the last 3 years there were no instances of non-compliance on any matter related to the capital markets. No penalties or strictures were imposed on the Company by any Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets.

Shareholder Information

Information on general body meetings

Date, Time and Venue of 6th AGM :	August 1, 2012 at 12:00 Noon at Rangaswar Hall, 4th Floor, Yashwantrao Chavan Pratishthan, Y. B. Chavan Centre, General Jagannathrao Bhosle Marg, Nariman Point, Mumbai - 400 021.
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The previous three Annual General Meetings (AGM) of the Company were held on the following date, time and venue. (See Table 10)

TABLE 10: Date, Time and Venue of Annual General Meetings held :

AGM	Day, Date & Time	Venue
3rd AGM	Tuesday, September 29, 2009 at 11.00 A.M.	221, 2nd Floor, Bldg.No.2, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (East), Mumbai - 400 093.
4th AGM	Friday, June 25, 2010 at 2.00 P.M.	221, 2nd Floor, Bldg.No.2, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (East), Mumbai - 400 093.
5th AGM	Monday, August 8, 2011 at 11.00 A. M.	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, 226 Nariman Point, Mumbai – 400 021.

The summary of Special Resolutions and other important resolutions passed at the previous 3 Annual General Meetings are reported below:

3rd AGM

Subject matter of the Resolutions	Type of Resolutions
1. Revision in remuneration payable to Mr. Roshan Fateh Lal Hinger, Vice Chairman up to the remaining tenure of his present term.	Special Resolution
2. Revision in remuneration payable to Mr. Sumit Malhotra, Whole-time Director up to the remaining tenure of his present term.	Special Resolution
3. Resolution under Section 293(1)(d) of the Companies Act, 1956 regarding authority to Board of Directors to borrow money up to a sum not exceeding Rs.500 crore in excess of paid up capital and free reserves.	Ordinary Resolution

4th AGM

Subject matter of the Resolutions	Type of Resolutions
1. Appointment of Mr. Dilip Cherian as Director of the Company, liable to retire by rotation.	Ordinary Resolution
2. Appointment of Mr. Gaurav Dalmia as Director of the Company, liable to retire by rotation.	Ordinary Resolution
3. Appointment of Mr. Aditya Vikram Ramesh Somani as Director of the Company, liable to retire by rotation.	Ordinary Resolution
4. Appointment of Mr. Haigreve Khaitan as Director of the Company, liable to retire by rotation.	Ordinary Resolution
5. Revision in remuneration payable to Mr. Roshan Fateh Lal Hinger, Vice Chairman up to the remaining tenure of his present term.	Special Resolution
6. Revision in remuneration payable to Mr. Sumit Malhotra, Whole-time Director up to the remaining tenure of his present term.	Special Resolution

5th AGM

Subject matter of the Resolutions	Type of Resolutions
1. Appointment and revision in remuneration of Mr. Roshan Fateh Lal Hinger as Whole-time Director of the Company, liable to retire by rotation.	Special Resolution
2. Revision in remuneration payable to Mr. Sumit Malhotra, Whole-time Director up to the remaining tenure of his present term.	Special Resolution
3. Appointment of Mr. Kushagra Nayan Bajaj as Director of the Company, liable to retire by rotation.	Ordinary Resolution
4. Appointment of Mr. Gaurav Dalmia as Director of the Company, liable to retire by rotation.	Ordinary Resolution

Postal Ballot

During the year, pursuant to the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules 2011, one postal ballot was conducted for seeking approval from shareholders as per the details herein below:-

	In Favour	Against	Total
1. SPECIAL RESOLUTION for appointment of Mr. Sumit Malhotra as Managing Director of the Company for a period of 5 (Five) years with effect from August 8, 2011			
No. of Equity shares embodying the votes cast	125181102	4080	125185182
% to total no. of equity shares for which votes have been cast	99.99%	0.01%	100%
Votes representing 5413325 equity shares were invalid and hence rejected.			
2. SPECIAL RESOLUTION for appointment of Mr. Jimmy Rustom Anklesaria as Wholetime Director of the Company for a period of 5 (Five) years with effect from August 8, 2011			
No. of Equity shares embodying the votes cast	125180742	4440	125185182
% to total no. of equity shares for which votes have been cast	99.99%	0.01%	100%
Votes representing 5413325 equity shares were invalid and hence rejected.			
3. SPECIAL RESOLUTION for revision in the terms of remuneration of Mr. Roshan Fateh Lal Hinger, Wholetime Director of the Company for a period of 5 (Five) years with effect from April 1, 2011			
No. of Equity shares embodying the votes cast	125179962	5170	125185132
% to total no. of equity shares for which votes have been cast	99.99%	0.01%	100%
Votes representing 5413375 equity shares were invalid and hence rejected.			

Scrutiniser

The Board of Directors of the Company had appointed Mr. R. Ramachandran, Past President of the Institute of Company Secretaries of India and Practicing Company Secretary as Scrutiniser for conducting Postal Ballot voting process through fair and transparent manner.

Procedure for Postal Ballot

Postal Ballot is carried out following the procedure set out in Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

Financial Calendar

Financial Year 2011-12	:	April 1, 2011 to March 31, 2012
Audited Annual Results for the year ended March 31, 2012	:	April 24, 2012
Mailing of Annual Report	:	First week of July 2012
Unaudited first quarter financial result	:	Second week of August 2012
Unaudited second quarter financial results	:	Second week of November 2012
Unaudited third quarter financial results	:	Second week of February 2013

Dividend Announcement

The Board of Directors of the Company at its meeting held on February 7, 2012 declared interim dividend @ 400% (₹ 4.00 per share) on the equity share of the face value of ₹ 1 /- each and the same was paid to the shareholders. The interim dividend shall be taken as final dividend for the financial year 2011-12.

Date of Book closure

July 21, 2012 to August 1, 2012 (both days inclusive).

Payment of Dividend

Dividend paid by account payee/non-negotiable instrument or through NECS/RTGS/Electronic Clearing Service (ECS) as notified by the SEBI through the stock exchanges. In view of the advantages of receiving dividend through NECS/RTGS/ECS, shareholders are requested to opt for this mode. The details of action required to be taken by shareholders in this regard are outlined in the notice of the annual general meeting. For further clarifications or additional details, shareholders may please contact the Company. The declared dividend is paid by the Company within the statutory time period under the Companies Act, 1956.

Unclaimed Dividends

Pursuant to the provisions of Section 205A to Section 205C of the Companies Act, 1956, all unclaimed/unpaid monies by way of dividend transferred to the "Unpaid Dividend Account" of the Company as contemplated under Section 205A of the Companies Act, 1956 that remains unclaimed/unencashed for a period of 7 (seven) years from the respective date of such transfer has to be transferred by the Company to "The Investor Education and Protection Fund" being the fund established by the Central Government under Section 205C (1) and no claims shall lie thereafter against the said Fund or the Company in respect of such amounts transferred.

The details of unclaimed dividend are as under:-

Dividend for the year	No. of Share-holders	Amount (₹)	Date of Declaration of Dividend	Due Date of transfer to the Investor Education and Protection Fund
2010-2011	111	20,434.50	Monday, August 8, 2011	Thursday, September 13, 2018
2011-2012	257	94,768.00	Tuesday, February 7, 2012	Sunday, April 14, 2019

Information on Directors being appointed / re-appointed

The information regarding Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting is given under Annexure to items 3, 4 & 6 of the Notice convening Annual General Meeting.

Communication to Shareholders

The Company has published its quarterly, half-yearly and annual results in all the editions of Free Press (English) and Navshakti (vernacular), Mumbai. Quarterly results were sent to the Stock Exchanges immediately after the Board approved them. The financial results and other relevant information are regularly and promptly updated on the website of the Company www.bajajcorp.com.

Share Transfer

The power to approve share transfer/transmission, etc. as well as the dematerialisation/ rematerialisation has been delegated to Mr. Kushagra Nayan Bajaj, Chairman, Mr. Roshan Fateh Lal Hinger, Vice Chairman & Whole-time Director, Mr. Sumit Malhotra, Managing Director, Mr. D.K. Maloo, Vice President (Finance), Mr. Sujoy Sircar, Company Secretary of the Company with effect from October 21, 2010. All transfers pertaining to shares held in physical form as well as requests for dematerialisation/ rematerialisation are processed in fortnightly cycles.

Registrar and Transfer Agent

Karvy Computershare Private Limited, as the Registrar and Share Transfer Agents of BCL, handle all share transfers and related processes. They provide the entire range of services to the Shareholders of the Company relating to share transfers, change of address or mandate and dividend. The electronic connectivity with both the depositories - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is also handled by Karvy Computershare Private Limited.

Share Transfer System

Share transfers received by the Company are registered within 15 days from the date of receipt in most of the cases, provided the documents are complete in all respects.

The number of shares transferred in physical category during the year 2011-12 was Nil as compared to 35 shares in 2010-11.

Dematerialisation of Shares

During the year 2011-12, nil shares were dematerialised as compared to 36 shares during the year 2010-11. The distribution of shares in physical and electronic modes as at March 31, 2012 and March 31, 2011. (See Table 11)

TABLE 11: Details of Shares held in physical and electronic mode (Face Value ₹ 1/- each)

Categories	Position as at March 31, 2012*		Position as at March 31, 2011**		Shares Dematerialised during financial year 2011-12	
	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding
Physical	756	0.00	41	0.00	Nil	0.00
Demat:						
NSDL	21267707	14.42	4262758	14.45	0	0.00
CDSL	126231537	85.58	25237201	85.55	0	0.00
Sub-total	147499244	100.00	29499959	100.00	0	0.00
Total	147500000	100.00	29500000	100.00	-	-

* Represents the new sub-divided equity shares of face value of ₹ 1/- each

** Represents the old equity shares of face value of ₹ 5/- each

Listing on stock exchanges and stock codes

The Company's equity shares are listed and traded on the following stock exchanges :

Name	Address	Stock Code
BSE Ltd. (BSE)	1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	533229
The National Stock Exchange of India Ltd. (NSE)	Exchange Plaza, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051	BAJAJCORP

The ISIN Number of Company's Equity Shares (face value of ₹ 1/- each) for NSDL & CDSL is INE933K01021.

The Company has paid listing fees for the financial year 2011-12 to all the stock exchanges where its securities are listed.

Market Price Data

Equity Shares

The details of high/low market price of the equity shares of the Company at BSE Limited (BSE) and at The National Stock Exchange of India Limited (NSE) during the last accounting year of the Company are provided hereunder. (See Table 12)

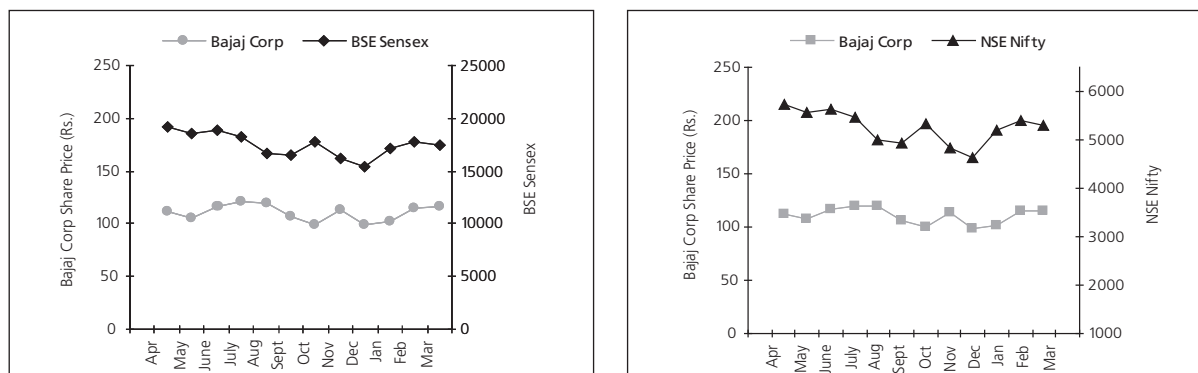
TABLE 12: Monthly high/low Market Price of Equity Shares of BCL during financial year 2011-12

Month	Quotation at The Stock Exchange, Mumbai (BSE)						Quotation at NSE					
	HIGH		LOW		CLOSING		HIGH		LOW		CLOSING	
	FV ₹ 5	FV ₹ 1	FV ₹ 5	FV ₹ 1	FV ₹ 5	FV ₹ 1	FV ₹ 5	FV ₹ 1	FV ₹ 5	FV ₹ 1	FV ₹ 5	FV ₹ 1
April 2011	568.00		491.15		561.90		568.70		448.30		560.70	
May 2011	584.50			101.50		105.40	584.90			100.30		107.25
June 2011		119.35		103.55		117.00		124.50		104.55		116.05
July 2011		130.50		112.80		121.20		130.95		126.20		120.35
August 2011		125.95		105.05		118.85		126.20		105.10		119.25
September 2011		132.30		99.50		106.40		132.30		99.00		106.10
October 2011		110.60		95.10		99.80		110.50		94.45		99.65
November 2011		113.45		99.00		112.90		113.65		97.30		113.00
December 2011		116.80		95.10		98.35		117.00		96.15		98.70
January 2012		104.90		96.50		102.55		104.50		96.25		102.15
February 2012		129.90		101.55		115.50		125.00		100.35		115.60
March 2012		123.80		110.20		115.70		121.00		104.00		115.30

Note: Pursuant to the approval accorded by the Members of the Company through Postal Ballot on April 18, 2011, the face value of ₹ 5/- per equity share was sub divided into face value of ₹ 1/- per equity share. Accordingly the quotation on BSE as well as NSE, since the first week of April 2011 till 1st week of May 2011, is available for equity share of the face value of ₹ 5/- each.

The comparable movements of BCL's shares against the broad based indices, namely BSE Sensex and NSE Nifty during the year ended March 31, 2012 is depicted in Chart A.

CHART A: Relative Performance of BCL's shares versus BSE Sensex/NSE Nifty :



Distribution of Shareholding

The shareholding distribution of equity shares (Face Value ₹1/- each) as at March 31, 2012 (See Table 13)

TABLE 13: Shareholding distribution as at March 31, 2012

Distribution Schedule as on March 31, 2012					
Sr. No	Category	No of shareholders	% of total shareholders	Number of shares	% of Capital
1	upto 5000	19614	99.17	2765623	1.87
2	5001 - 10000	43	0.22	295581	0.20
3	10001 - 20000	51	0.26	645259	0.44
4	20001 - 30000	24	0.12	591758	0.40
5	30001 - 40000	4	0.02	146709	0.10
6	40001 - 50000	2	0.01	88507	0.06
7	50001 - 100000	16	0.08	1218964	0.83
8	100001 and above	24	0.12	141747599	96.10
	Total	19778	100.00	147500000	100.00

Shareholding Pattern

Table 14 gives the shareholding pattern (Face Value ₹ 1/- each) of the Company as at March 31, 2012

TABLE 14: Shareholding pattern as at March 31, 2012

Category	March 31, 2012		March 31, 2011	
	No. of shares*	Percentage	No. of shares	Percentage
Promoters	125000000	84.75	25000000	84.75
Mutual Funds/UTI	428490	0.29	1371385	4.65
Financial Institutions/Banks	2410	0.00	580	0.00
Foreign Institutional Investors	13573802	9.20	1391265	4.71
NRIs & OCBs	237271	0.16	26638	0.09
Bodies Corporate	2895421	1.96	1056566	3.58
Individuals	5112505	3.47	582660	1.98
Others	250101	0.17	70906	0.24
Total	147500000	100.00	29500000	100.00

* Pursuant to sub-division of face value of equity shares from ₹ 5/- to ₹ 1/- w.e.f. May 6, 2011

Investor Services

The Company under the overall supervision of Mr. Sujoy Sircar, Company Secretary is committed to provide efficient and timely services to its shareholders. Before IPO, all the share transfers and related process were being conducted in-house. Post IPO i.e. w.e.f. August 18, 2010, the Company has appointed M/s. Karvy Computershare Private Limited as its registrar and share transfer agents for rendering the entire range of services to the shareholders of the Company in regard to share transfer, change of address, change of mandate, dividend, etc. The electronic connectivity with both the depositories - NSDL and CDSL is being maintained by Karvy Computershare Private Limited. The Company Secretary in co-ordination with the Registrar and Transfer Agent at periodic intervals attends and resolves various investor related complaints to the satisfaction of the investors.

Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in the case of death of all the registered Shareholder/s. The prescribed form for such nomination can be obtained from the Company. Nomination facility in respect of shares held in electronic form is also available with Depository Participant (DP) as per the bye-laws and business rules applicable to NSDL and CDSL.

Plant Locations

Hair Oil Manufacturing Units

1. Parwanoo, Himachal Pradesh

Khasra N 434
Opp ESI Hospital,
Sector-1, Parwanoo,
Tehsil Kasauli, District Solan, Himachal Pradesh

2. Dehradun, Uttarakhand

Industrial Khasra No. 122/13 MI,
Selaquin Ind. Area,
Dehradun, Uttarakhand

3. Paonta Sahib, Himachal Pradesh

Village Batamandi,
Tehsil Paonta Sahib,
District Sirmore, Himachal Pradesh

4. Udaipur, Rajasthan

Old Station Road,
Udaipur 313 001
Rajasthan

Address for Correspondence

Investors and shareholders can correspond with:

- 1) The Company at the following address:
Secretarial Department
Bajaj Corp Limited
221 Solitaire Corporate Park,
167 Guru Hargovind Marg
Chakala, Andheri (E)
Mumbai - 400 093
Tel: (9122) 66919477/78 Fax: (9122) 66919476
E-mail: complianceofficer@bajajcorp.com
Website: www.bajajcorp.com

AND/OR

- 2) The Registrars and Share Transfer Agents of the Company M/s. Karvy Computershare Private Limited at their following address: -

By Post/ Courier/ Hand Delivery	M/s Karvy Computershare Private Limited Unit : Bajaj Corp Limited 17-24, Vittal Rao Nagar, Madhapur, Hyderabad -500081 Phone No. (91 40) 4465 5000/2342 0815-28 Fax No. (91 40) 2342 0814 Email: einward.ris@karvy.com
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Declaration

I, Sumit Malhotra, Managing Director of Bajaj Corp Limited, hereby affirm and declare, to the best of my knowledge and belief and on behalf of the Board of Directors of the Company and senior management personnel, that :

- The Board of Directors has laid down a code of conduct for all Board members and senior management of the Company ;
- The code of conduct has been posted on the website of the Company ;
- The code of conduct has been complied with.

For Bajaj Corp Limited

Place : Mumbai
Date : April 24, 2012

Sumit Malhotra
Managing Director

Certificate

To,

The Members of
Bajaj Corp Limited

We have examined the compliance of conditions of Corporate Governance by BAJAJ CORP LIMITED (the Company) for the year ended March, 31, 2012 as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges of India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **R. S. Dani & Company**
Registration No: 000243C
Chartered Accountants

C. P. Kothari
Partner
Membership No. 072229

Date : April 24, 2012
Place : Mumbai

Management Discussion and Analysis

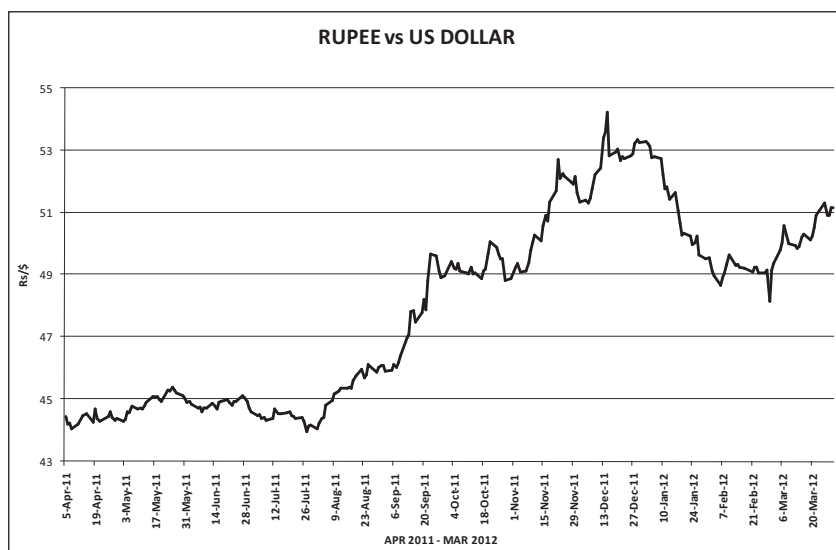
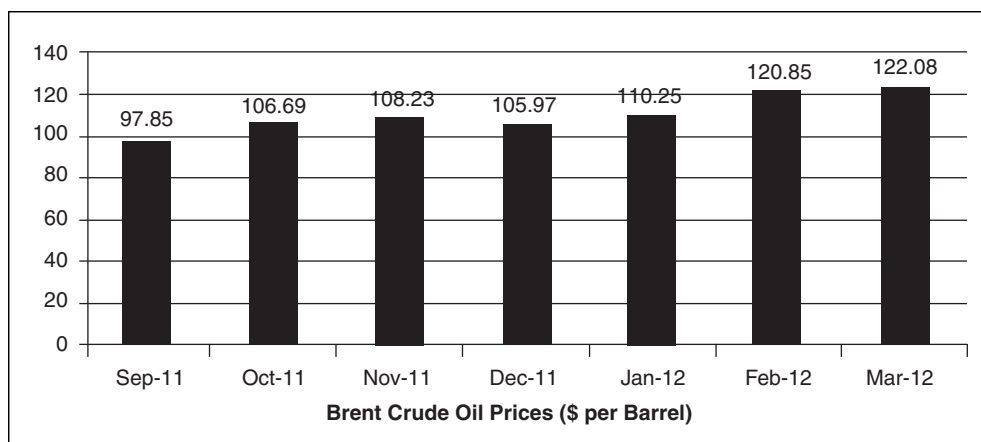
The Indian Economy

The year 2011-2012 was characterized by inflation woes. To control inflation, Reserve Bank of India has raised the policy rates by record 3.75% in last 2 years. The headline WPI inflation which remained above 9% for nearly two years has moderated significantly to below 7% by March 2012 at 6.89%. The non-food manufactured products inflation has dropped from a high of 8.4% in November 2011 to 4.7% in March 2012, actually coming below RBI monitored level of 5% for the first time in two years. This provided the base for RBI to cut policy rates for the first time in last two year by 50 basis points.

Crude oil prices reached a high of \$125 per barrel by end of March 12 giving rise to expectations of a repeat of July 2008 when the prices touched \$136 a barrel.

CRUDE PRICES IN \$ PER BARREL

Crude oil prices remained at elevated levels throughout the year from \$95 to \$125 per barrel averaging \$111 per barrel. In the last 6 months crude oil prices have been on constant rise. However, in India the fuel inflation moderated from 15% in Nov 2011 to 10.4% in March 2012 reflecting absence of commensurate pass-through to domestic consumers.

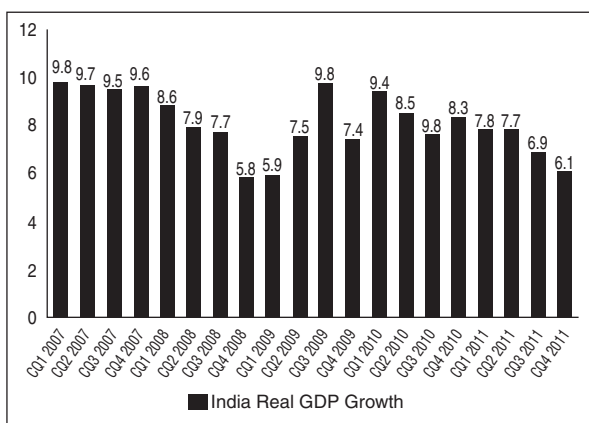


Despite the monetary policy tightening, the Indian GDP has grown by 6.9% in 2011-12 thereby showing the resilience of the Indian economy. However from the index of industrial production numbers it is clear that the growth have been lower than 6.9% implied in the advance estimate of GDP.

The domestic growth should be better than 2011-12 with RBI loosening the monetary policy and shifting its stance to support growth than controlling inflation.

If the global growth outlook remains stable, India should be able to see GDP growth above 7% in the year 2012-13.

INDIAN GDP (Source Indian Statistical Organisation)



Fast Moving Consumer Goods (FMCG) Sector

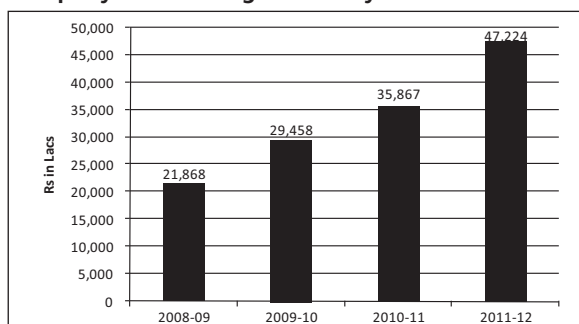
The year 2011 saw the FMCG industry clock a growth of 15.1% and reach ₹ 16,70,640 million (as per Nielsen). During the year the industry has seen inflationary pressures on margins, however the volume growths in most FMCG categories have been good. Most sectors in the FMCG industry have seen players taking a large price hike to accommodate (in some cases partially) the negative impact of spiraling raw and packaging material prices.

The Company continues to grow at a healthy pace both in terms of volume and value. For the past 5 consecutive quarters, the Company has grown at 20% by volume and close to 30% by value. Despite uncertain and volatile market scenario, the Company has constantly registered growth year on year. The highlights of the Company's performance in FY12 are:

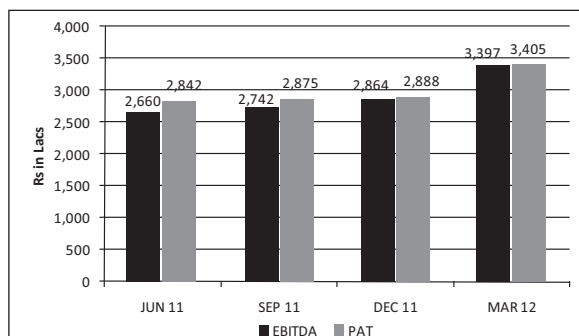
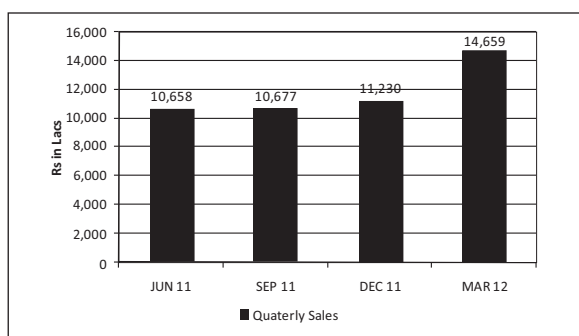
- Sales increased to ₹ 47,224 lacs in FY12 from ₹ 35,867 lacs in FY11, registering a growth of 31.66%
- Earnings before interest, depreciation and tax increased to ₹ 11,664 lacs in FY12 from ₹ 10,893 lacs in FY 11, registering a growth of 7.08%

- Profit after Tax (PAT) increased by 42.79% from ₹ 8,410 lacs in FY11 to ₹ 12,009 lacs in FY12.

Company sales during last four years:



Quarterly sales, EBITDA & PAT of the Company during the year are as follows:



The Hair Oil Industry

The growth of the Indian hair oil industry has slowed down during the FY 12. Hair oils grew by 1.2% in volume terms. However due to the multiple price increases taken by all major players in the hair oil market the industry grew by 22.0% in value terms.

Light hair oils again became the fastest growing segment within the hair oil Industry with a 17.1% volume and 27.1% value growths. Bajaj Almond Drops was again one of the fastest growing brands in the hair oil market and grew 21.3% by volume and 29.5% by value.

The key to growth of light hair oils is getting the consumer to shift from other hair oils. Since one of the largest

segment of hair oil users (around 31%) is currently using unbranded hair oils, all companies target this segment. The consumers of unbranded hair oils are mainly from the lower income strata as well as from the rural areas. With the growing disposable income in the rural areas, brands with good penetration and low unit selling price

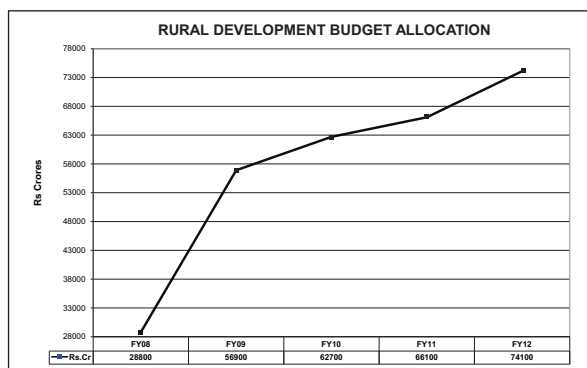
packs have benefited the most. The disposable income has grown mainly on account of Rural Income Promotion schemes run by the Government of India. Despite a stagnation of spends, on this account during FY12, the disposable incomes of the rural population continues to grow due to remunerative crop prices.

Table: Budget of rural development schemes introduced by the government

(₹ in Crore)

Name of Scheme	FY08	FY 09	FY10	FY11	FY12E
Mahatma Gandhi National Rural Employment Scheme	16300	37500	39100	40100	40000
Swarnajayanti Gram Swarozgar Yojana	1700	2300	2400	2600	2600
DRDA (District Rural Development Agriculture)	300	300	300	400	400
Rural Housing	3900	8800	8800	9300	8900
Pradhan Mantri Gram Sadak Yojana	6500	7800	12000	12000	12200
Total : Department of Rural Development	28800	56900	62700	66100	74100

Source: Budget Documents



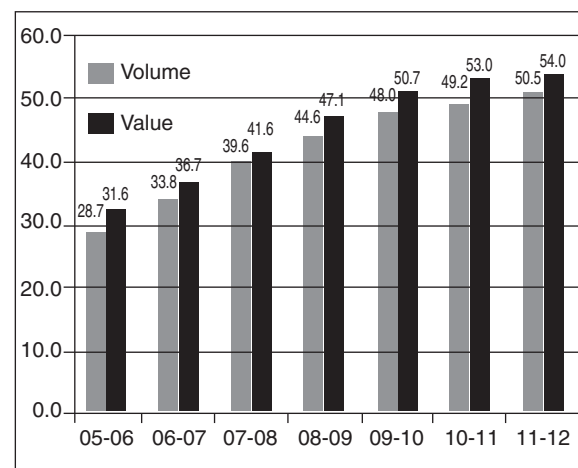
To ensure that our lead brand continues to grow, we have focused on rural and semi urban towns and villages. Towards this objective we have continued increasing our distribution reach as well as pushing low unit selling price packs.

OUR BRANDS

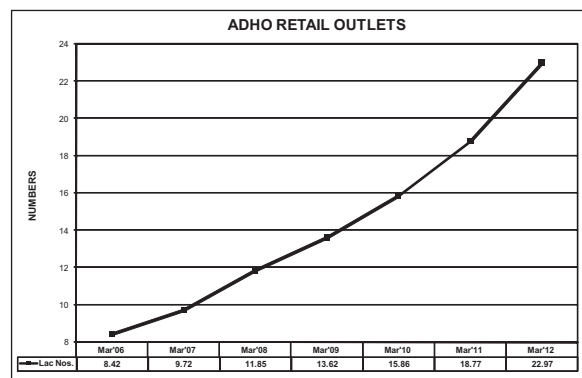
The Company has a range of brands that are mainly competing in the hair oil Industry. Beside the lead brand Bajaj Almond Drops Hair Oil, the other brands are - Bajaj Brahmi Amla Hair Oil, Bajaj Jasmine Hair Oil, Bajaj Amla Shikakai Hair Oil and Bajaj Black Toothpowder. We have launched a new brand during the year – Bajaj Kailash Parbat Cooling Oil.

The success of our lead brand is seen in the growth in the market share of the brand in the Light Hair Oil segment.

Graph: Market Share trends of ADHO in Light Hair Oils

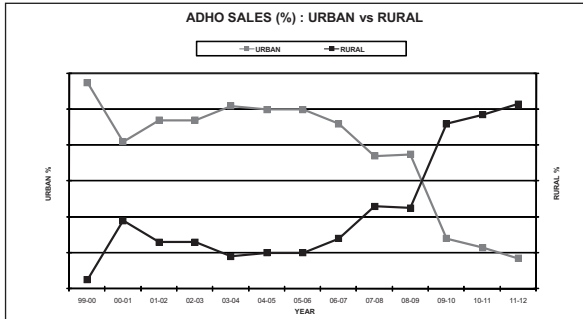


Graph: The Retail reach of our lead Brand has grown over the years:



Consequently, the sale of Bajaj Almond Drops Hair Oil has steadily grown faster in the rural areas. This is reflected in the ratio of Sales of Bajaj Almond Drops Hair Oil in the Urban vs the Rural areas.

Graph: The Retail reach of our lead Brand has grown over the years:



Graph: Stock Points-A Trend

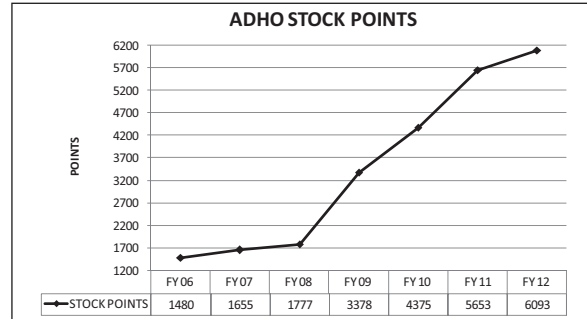


Table: Saliency of Low Unit selling Price SKUs

SKU	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12
Sachet	1%	2%	3%	4%	6%	7%	10%	13%
20	1%	1%	1%	1%	1%	3%	3%	3%
50	17%	19%	18%	17%	17%	18%	16%	16%
75	2%	2%	3%	5%	5%	4%	4%	3%
100	45%	45%	41%	39%	38%	34%	33%	29%
200	34%	31%	28%	24%	220%	21%	20%	19%
300	0%	0%	6%	10%	11%	13%	14%	11%
500	0%	0%	0%	0%	0%	0%	0%	6%
Grand Total	100%	100%	100%	100%	100%	100%	100%	100%

Sales & Distribution

During FY12 Company's sales & distribution strategy was to improve penetration and increase product availability in the rural and semi urban towns and villages. We have experimented with rural promotional and rural distribution vans. The rural promotional vans were run in West Bengal and were a great success in increasing the awareness of Bajaj Almond Drops. Encouraged by the success of this method of promotion, we are planning to role this out in 5 additional states during FY13.

The Rural distribution vans were run in Rajasthan and Madhya Pradesh, two states where our lead brand has a high market share. The expenses on account of these vans are shared between the Company and the Super Stockists covering that area. The main objective of the Rural Distribution Vans is extending distribution to small towns and villages which hitherto got their stock from the wholesale markets in the larger towns. This is an economical way of reaching the small towns and villages and will be taken to other states with high Market Shares of our lead brand.

WAY AHEAD

The Company will continue to focus on improving the market share of Bajaj Almond Drops Hair Oil in the Light Hair Oil market space. As we have consistently been doing we will continue to use highly visible media campaigns and distribution led retail push to improve the market share during the FY 13 also.

Acquisitions Initiative/ Strategy

In the Red Herring document for the Bajaj Corp Limited IPO in August 2010 the Company had informed that part of the IPO funds would be used for acquisitions i.e. inorganic growth.

Towards this initiative, Bajaj Corp created a formal organization structure with a team of executives and managers to aggressively pursue the Merger and Acquisition (M & A) initiative in a structured and methodical manner. A head of M&A was brought on board as Executive Director - Business Development in August 2011 and a team of managers was appointed to drive the M & A initiative. The Executive Director had prior experience of leading M&A at one of the largest Indian FMCG companies with a strong track record of both domestic and cross border M&A as well as operating International Business.

By the 3rd quarter of FY 2011 an M&A Play Book was in place which provided the framework and boundaries for the acquisition strategy of Bajaj Corp. Hair care and skin care were identified as top priority categories in the M&A Play book, followed by other personal and household care segments. Skin care and hair care are the two fastest growing sectors in personal care across the world and also in India.

The Company has pursued several opportunities during the FY2011-12 both within India and outside India. The Company has progressed to different stages of the M&A process in various transactions in multiple geographies including in India. In view of the confidentiality obligations the Company is not in a position to share the details of the opportunities pursued, including some where the process of negotiations with the sellers is in progress as on date.

For each acquisition opportunity a very robust and detailed process is followed by the Company's M&A team .

The Company continues to pursue M&A very aggressively and expects to close some acquisition transaction in H1 of FY 13. However, in interest of its shareholder value the Company will make very prudent decisions on acquisitions by way of pricing of the deals, having observed some hard knocks that other Indian and foreign companies have taken since 2008 when they have been over aggressive in pursuit of their inorganic growth and the hits taken on account of impairment / forex losses and challenges at the time of closing of their ECBs.

During the process of its acquisition forays the Company had engaged the services of reputed advisors in the field of strategic advisory, tax and structuring advisory and legal advisory as the case may be. The Company will continue to take counsel of such experts as it believes that they bring tremendous knowledge, expertise and also some

excellent processes which help enhance the Company's competencies besides helping in areas of governance.

Launch of New Products

Company launched Kailash Parbat Thanda Tel in the year 2011-12. Kailash Parbat is a cooling oil which sells mainly in the summer season. In the very first year of its launch we have managed to build distribution and notched up a market share of 1.8%. The brand is now available in 2.02 lakh outlets across India. The response from the trade has been very encouraging.

Besides this, the Company has few new products in its pipeline which are under product formulation and packaging design testing stage. Market research is being conducted. Once it meets all parameters we will launch these products one by one.

Operations

The Company has been continuously striving to strengthen procurement, manufacturing, marketing & human resource management and back-end operations which is demonstrated in the Company's performance during the year 2011-12.

1. Procurement

During FY12 there was a significant increase in the prices of crude oil from \$110 per barrel in March 11 to \$125 per barrel in March 12. As a result of which a sharp increase of 26% was witnessed in the prices of LLP (Light Liquid Paraffin), one of the key raw materials, over the average prices of previous year. Similarly, refined edible oil market also remained highly volatile during the year. The year saw unprecedented inflation in food prices. Commodities like refined oil had spiraled to an all-time high. The prices of refined oil, one of the major raw material for our project, had shot up by 25% over the previous year which has adversely affected our margins.

Prices of key packing material, glass bottle, also registered an increase of 12% over average prices of previous year.

Exercising effective cost control over raw and packing materials was the biggest challenge faced by the Company. Inflationary pressure on input cost was mitigated through combination of efficient sourcing and cost saving actions across the supply chain. We also increased storage capacity of light liquid paraffin at our plants to take advantage of lower price contracts.

2. Manufacturing

Company has five production facilities (including third party manufacturing facility), of which three

units are situated in Himachal Pradesh (at Parwanoo & Paonta Sahib) one is situated in Uttarakhand (Dehradun) for manufacturing of all variants of hair oils and one unit is located at Udaipur, Rajasthan for the manufacturing of our oral care product. During the year, operations at Paonta Sahib Unit, which is our main facility, were further scaled up.

3. Human Resources & Industrial Relations

The Company is committed to develop its line managers into analytically inclined decision makers, spread business intelligence capability to more organizational functions and drive significant internal and external business efficiencies as a result.

Our success in today's competitive environment hinges on strengthening the link between diversity and business results, thereby being responsive to the needs and demands of an increasingly diverse work force.

We have focused on deliverables that include staffing, development of challenging work experiences, career planning services, and internal communications.

It is our constant endeavour to build on the business knowledge for our employees, in order for them to apply that knowledge, contributing to strategic decision making, developing competitive cultures, making things happen fast and creating market driven connectivity.

During the year 2011-12, Company had scheduled various functional/behavioral programs, Organizational Development and Employee Engagement initiatives, apropos to our Engagement Model "OORJA", across locations and job classifications, in order to develop the competitive edge and align/empower the workforce with the organizations business side. The endeavour was to grade and identify differentiated levels of performers in order to enable differentiated development structure (Segmented Approach) for each. Three Man Days of Functional/Soft Skills program(s) were scheduled for the frontline sales force and three man days of functional and behavioral training for the sales managers were conducted with proper evaluation to measure the effectiveness/retention and return on investment.

As on March 31, 2012 the company had 354 people on its roll.

The industrial relations at the Company's units, head office and sales centers were cordial throughout the year, under review.

Financial Review

During FY12 Company registered a strong growth in sales. Sales at ₹ 47,223.53 lacs recorded a growth of 31.66% over previous year mainly due to strong double digit growth (21.24%) in volume.

Abridged Profit & Loss Account of the Company

(₹ in lacs)

Particulars	2011-12	2010-11	YoY %
Sales	47,223.53	35,867.26	31.66%
Other Operating Income	107.94	76.80	40.55%
Total	47,331.47	35,944.06	31.68%
Cost of Material Consumed	21,990.29	15,500.86	41.86%
Employee Cost	2,289.60	1,626.02	40.81%
Advertisement & Sales Promotional expenses	6,470.90	4,047.06	59.89%
Other Expenses	4,916.89	3,877.19	26.82%
EBITDA	11,663.79	10,892.93	7.08%
Finance Cost	7.85	10.56	-25.66%
Depreciation	259.92	179.40	44.88%
Other Income	3,737.66	1,701.59	119.66%
Profit before exceptional item & Tax	15,133.68	12,404.56	22.00%
Exceptional Item	0.00	1,896.25	
Taxes	3,124.90	2,098.03	48.94%
Profit After Tax	12,008.78	8,410.28	42.79%

EBITDA margin declined from 30.37% to 24.70% during the year mainly on account of substantial increase in cost of raw & packing materials, notably LLP, Refined Oil and glass bottles and also because of increase in amounts spent on advertisement & sales promotion.

During the year Company registered a growth of 42.79% in PAT.

Key Profitability Ratios

Particulars	2011-12	2010-11
EBITDA/Sales	24.70%	30.37%
Profit before Tax & Excep. Item/Sales	32.05%	34.58%
PAT/Sales	25.43%	23.45%
Earnings Per Share (₹)	8.14	6.04

Key Balance Sheet Ratios

Particulars	2011-12	2010-11
ROCE	37.64%	52.30%
RONW	29.87%	41.86%
Book Value per Share (₹)	29.00	25.51
Net Working Capital* in no. of days sales	-21	-58

* Excludes cash & bank balance

With efficient management of supply chain, receivables and creditors, Company continued to keep the net working capital (excluding cash & bank balance) at negative level.

We continue to be a debt free Company.

During the year Company paid an Interim Dividend @ 4.00/- per share i.e, 400% of its share capital. This translated into a cash outflow of ₹ 6857 lacs (including Corporate Dividend Tax) and a dividend payout ratio of 57%.

The Board proposed to confirm the aforesaid interim dividend as final dividend.

Initial Public Offer (IPO)

Company came out with IPO in August 2010 and listed its securities on NSE & BSE on August 18, 2010. Company issued 45 lacs fully paid up equity shares of face value of ₹ 5/- each at a premium of ₹ 655/- thereby raising a total fund of ₹ 29700 Lacs.

Main purpose of raising money was :

- promotion of future products of Company,
- acquisition and other strategic initiatives
- general corporate purpose

The Company proposes to launch four products in personal care segments and intends to utilize issue proceeds towards product promotion expenses. The status of products to be promoted 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 2011-12 Company successfully launched the product.
Product 3	Company has already soft launched the product in certain export markets. Date of domestic launch will depend on consumer feedback.
Product 4	The communication strategy is being worked out by the Company.

Utilisations of the proceeds of the IPO is as under:

₹ in crore

Expenditure Items	Estimated Expenditure				Total expenditure incurred till Mar 31, 2012
	2010-11	2011-12	2012-13	Total	
Promotion of future products	60.70	71.30	88.00	220.00	9.20
Acquisition & other strategic initiatives	0.00	0.00	50.00	50.00	0.00
General corporate purposes	5.50	0.00	0.00	5.50	0.00
Issue related expenses	21.50	0.00	0.00	21.50	18.96
Total	87.70	71.30	138.00	297.00	28.16

Pending utilisation, net proceeds of the IPO have been invested in interest bearing liquid instruments, bank deposits and other financial products as mentioned herein below:

Particulars	₹ in crore
(a) In Fixed Deposits with Banks	9.00
(b) In Certificate of Deposits of Banks	244.83
(c) In Bonds	15.00
(d) In Current Account with Bank	0.01
Total	268.84

Internal Control Systems & Adequacy

Company has in place, an adequate internal control and internal audit system managed by qualified and experienced people. Main objective of the system is

- to safeguard the Company's assets against loss through unauthorized use and pilferage
- to ensure that all transactions are authorized, recorded and reported correctly and timely
- to ensure that operations are conducted in an efficient and cost effective manner
- to ensure various compliances under statutory regulations and corporate policies are made on time
- to figure out the weaknesses persisting in the system and suggest remedial measure for the same

Internal audits are undertaken on a continuous basis covering all the operations i.e., manufacturing, sales & distribution, marketing, finance, etc. Reports of internal audits are reviewed by management from time to time and desired actions are initiated to strengthen the control and effectiveness of the system.

Risks & Concerns

Our Company, like any other enterprise, is exposed to business risk which can be an internal risks as well as external risks.

One of the key risks faced by the Company in today's scenario is the wide and frequent fluctuations in the prices of its raw material. Crude Oil prices went up as high as \$ 125 per barrel during the year which resulted into hike in prices of its derivatives. Any further increase in prices of raw materials could create a strain on the operating margins of the Company. While Bajaj Almond Drops has exhibited adequate pricing power, unprecedented increase in raw material prices consequent to crude price increase may not be fully passed on and some impact may have to be absorbed by the Company.

Inflationary tendencies in the economy and deterioration of macro economic indicators can impact the spending power of the consumer because of which down trading from branded products to non-branded can occur which can affect the operating performance of the Company.

We operate in a highly competitive FMCG market with competitors who may have better ability to spend more aggressively on advertising and marketing and more flexibility to respond to changing business and economic conditions. Further, there are regional or smaller competitors who have certain advantages over us. An increase in the amount of competition that we face could have a material adverse effect on our market share and sales.

The FMCG environment is competition intensive and to ensure survival in this industry one has to focus on branding, product development and innovation but such expenditure carry the inherent risk of failure.

Any unexpected changes in regulatory framework pertaining to fiscal benefits and other related issue can affect our operations and profitability.

However the Company is well aware of the above risks and as part of business strategy has put in mechanism to ensure that they are mitigated with timely action.

Cautionary Statement

Statements in the management discussion and analysis report describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations and futuristic in nature. Actual performance may differ materially from those either expressed or implied. Such statements represent intentions of the management and the efforts put into realise certain goals. The success in realising these depends on various factors both internal and external. Investors, therefore, are requested to make their own independent judgments before taking any investment decisions.

Certification by Chief Executive Officer and Chief Financial Officer of the Company

We, Sumit Malhotra, Managing Director (MD) and V. C. Nagori, Chief Financial Officer (CFO), of Bajaj Corp Limited, to the best of our knowledge and belief certify that:

1. We have reviewed the Balance Sheet and Profit and Loss Account of the Company for the year ended March 31, 2012 and its entire schedule and notes on accounts, as well as the Cash Flow Statement.
2. To the best of our knowledge and information:
 - a. These statements do not contain any materially untrue statement or omit to state a material fact or contains statement that might be misleading;
 - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the Company, which are fraudulent, illegal or violate the Company's code of conduct.
4. The Company's other certifying officers and we are responsible for establishing and maintaining internal controls for financial reporting and procedures for the Company, and we have evaluated the effectiveness of the Company's internal controls and procedures pertaining to financial reporting.
5. The Company's other certifying officers and we have disclosed, based on our most recent evaluation, wherever applicable, to the Company's auditors and through them to the Audit Committee of the Company's Board of Directors:
 - a. All significant deficiencies in the design or operation of internal controls, which we are aware and have taken steps to rectify these deficiencies;
 - b. Significant changes in internal control over financial reporting during the year;
 - c. Any fraud, which we have become aware of and that involves Management or other employees who have a significant role in the Company's internal control systems over financial reporting;
 - d. Significant changes in accounting policies during the year.

Place : Mumbai
Date : April 24, 2012

Sumit Malhotra
Managing Director
Bajaj Corp Limited

V C Nagori
Chief Financial Officer
Bajaj Corp Limited

Auditors' Report

To the Members of Bajaj Corp Limited

1. We have audited the attached Balance Sheet of Bajaj Corp Limited as at March 31, 2012 and also the annexed Profit & Loss Account of the Company and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 (together 'the Order'), issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in Para 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the applicable Accounting Standards referred to in Sec 211 (3C) of the Companies Act, 1956.
 - (v) On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors are disqualified as on March 31, 2012 from being appointed as director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012,
 - (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date and
 - (c) in the case of cash flow statement, of the cash flows for the year ended on that date.

For **R. S. Dani & Company**
Chartered Accountants
Registration No. : 000243C

Place : Mumbai
Date : April 24, 2012

C. P. Kothari
Partner
M.No. 072229

Annexure to the Auditors' Report

Referred to in Paragraph 3 of our Report of even date.

On the basis of the records produced to us for our verification /perusal, such checks as we considered appropriate, and in terms of information and explanations given to us on our enquiries, we state that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management at the reasonable intervals during the year. According to the information and explanations given to us and the records produced to us for verification, discrepancies noticed on such physical verification were not, in our opinion, material and the same have been properly dealt with in the Books of Accounts.
- (c) Fixed assets disposed of during the year were not material enough to affect the going concern identity of the Company.
- (ii) (a) The Inventories of finished goods, stores, spare part and raw materials have been physically verified by the management. In our opinion the frequency of verification is reasonable.
- (b) The procedures of physical verification of Inventories followed by the management as explained to us are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of accounts.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of the clauses 4(iii) (a) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of the clauses 4(iii) (e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. As per the information given to us, no major weaknesses in the internal controls have been identified by the management during the year. During the course of our audit, nothing had come to our notice that may suggest a major weakness in the internal control systems of the Company.
- (v) (a) Based on audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that contracts or arrangements referred to in section 301 of the Act have been entered in the register maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market price at the relevant time.
- (vi) During the year 2011-12, Company has not accepted any deposit from the public.
- (vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (viii) During the year 2011-12 the Company was engaged in production of Hair Oil which comes under the list of Cosmetic or Toiletries item for which Compulsory Cost Accounting records should be maintained by the Company. On the basis of Records produced we are of the opinion that prima facie cost records and accounts prescribed by Central Government under section 209(1)(d) of the Companies Act, 1956 in respect of products of the Company covered under the rules under the said section have been maintained.
- (ix) (a) According to the records of the Company, the

- Company has been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income-tax, Sales-tax, Wealth-tax, Service-tax, Custom Duty, Excise Duty and Cess and other statutory dues to the extent applicable to it.
- (b) There is no disputed due on account of sales tax, wealth tax, income tax, service tax, custom duty, excise duty and cess.
- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any bank or financial institution. The Company has not obtained any borrowings by way of debentures.
- (xii) The Company has not granted any loans or advance secured by pledge of shares, debentures or other securities.
- (xiii) The Company is not a Chit Fund/ Nidhi / Mutual Fund/ Society to which the provisions of Special Statute relating to Chit Fund are applicable. Accordingly Clause (xiii) of Para 4 is not Applicable.
- (xiv) The Company has, in our opinion, maintained proper records of the transactions and contracts with respect to its investments and timely entries of such transactions are made therein. We also report that the Company has held the investments in its own name.
- (xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks or financial institutions, the terms & condition whereof are not prejudicial to the interest of the Company.
- (xvi) The Company has not accepted any term loan during the year under review.
- (xvii) According to the information and explanation given to us, and overall examination of the financial statement of the Company, we are of the opinion that short-term funds have not been used for long-term purpose and vice versa.
- (xviii) According to the information and explanation given to us, the Company has not made any Preferential Allotment of shares during the year to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year. Accordingly Clause (xix) of Paragraph 4 is not applicable.
- (xx) The Management has disclosed the end use of money raised by public issues and we have verified the same.
- (xxi) As per the information and explanation given to us on our enquiries on this behalf there were no frauds on or by the Company which have been noticed or reported during the year;

For **R. S. Dani & Company**
Chartered Accountants
Registration No. : 000243C

Place : Mumbai
Date : April 24, 2012

C. P. Kothari
Partner
M.No. 072229

Balance Sheet as at March 31, 2012

(₹ in Lacs)

PARTICULARS	Note No.	As At March 31, 2012		As At March 31, 2011	
I. EQUITY AND LIABILITIES					
(1) Shareholder's Funds					
(a) Share Capital	B1	1,475.00		1,475.00	
(b) Reserves and Surplus	B2	41,310.18		36,158.53	
(c) Money received against share warrants		-	42,785.18	-	37,633.53
(2) Share application money pending allotment					
			-		-
(3) Non-Current Liabilities					
(a) Long-term borrowings		-		-	
(b) Deferred tax liabilities (Net)	B3	96.14		4.84	
(c) Other Long term liabilities	B4	37.46		28.09	
(d) Long term provisions	B5	7.23	140.83	147.65	180.58
(4) Current Liabilities					
(a) Short-term borrowings		-		-	
(b) Trade payables	B6	4,673.89		3,536.53	
(c) Other current liabilities	B7	1,806.18		1,200.77	
(d) Short-term provisions	B8	-	6,480.07	3,267.96	8,005.26
Total			49,406.08		45,819.37
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets	B9				
(i) Tangible assets		3,866.09		2,167.19	
(ii) Intangible assets		24.30		1.45	
(iii) Capital work-in-progress		-		28.96	
(iv) Intangible assets under development		-		-	
Total		3,890.39		2,197.60	
(b) Non-current investments	B10	2,724.84		-	
(c) Deferred tax assets (net)		-		-	
(d) Long term loans and advances	B11	5,049.85		40.93	
(e) Other non-current assets		-	11,665.08	-	2,238.53
(2) Current assets					
(a) Current investments	B12	31,260.71		33,006.25	
(b) Inventories	B13	2,841.02		1,442.58	
(c) Trade receivables	B14	514.10		603.45	
(d) Cash and cash equivalents	B15	2,732.69		8,134.35	
(e) Short-term loans and advances	B16	105.57		42.24	
(f) Other current assets	B17	286.91	37,741.00	351.97	43,580.84
Total			49,406.08		45,819.37

As per our report of even date

For **R. S. Dani & Company**

Chartered Accountants

Registration No.: 000243C

For and on behalf of the Board

Kushagra Nayan Bajaj

Chairman

Roshan Fateh Lal Hinger

Vice Chairman & Whole-time Director

Sumit Malhotra

Managing Director

C. P. Kothari

Partner

M. No. 072229

Place : Mumbai

Date : April 24, 2012

Jimmy Rustom Anklesaria

Whole-time Director

Aditya Vikram Ramesh Somani

Director

Dilip Cherian

Director

Gaurav Dalmia

Director

Haigreave Khaitan

Director

Sujoy Sircar

Company Secretary

Profit and Loss Statement for year ended March 31, 2012

(₹ in Lacs)

PARTICULARS	Note No.	For the year ended March 31, 2012	For the year ended March 31, 2011
I. Revenue from operations	B20	47,331.47	35,944.06
II. Other Income	B21	3,737.66	1,701.59
III. Total Revenue (I + II)		51,069.13	37,645.65
IV. Expenses			
1. Cost of materials consumed	B22	19,441.90	13,259.05
2. Purchase of Stock-in-Trade		3,444.33	2,411.75
3. Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	B24	(895.94)	(169.94)
4. Employee benefit expense	B25	2,289.60	1,626.02
5. Financial costs	B26	7.85	10.56
6. Depreciation and amortization expense		259.92	179.40
7. Other expenses	B27	11,387.79	7,924.25
Total Expenses		35,935.45	25,241.09
V. Profit before exceptional & extraordinary items and tax (III - IV)		15,133.68	12,404.56
VI. Exceptional Items		-	1,896.25
VII. Profit before extraordinary items and tax (V - VI)		15,133.68	10,508.31
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		15,133.68	10,508.31
X. Tax expense:			
1. Current tax		3,033.60	2,098.92
2. Deferred tax		91.30	(0.89)
XI. Profit(Loss) for the period from continuing operations (IX - X)		12,008.78	8,410.28
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		12,008.78	8,410.28
XVI. Earning per equity share:	B35		
1. Basic		8.14	6.04
2. Diluted		8.14	6.04

As per our report of even date

For **R. S. Dani & Company**Chartered Accountants
Registration No.: 000243C

For and on behalf of the Board

Kushagra Nayan Bajaj
Chairman**Roshan Fateh Lal Hinger**
Vice Chairman & Whole-time Director**Sumit Malhotra**
Managing Director**C. P. Kothari**

Partner

M. No. 072229

Place : Mumbai

Date : April 24, 2012

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Director

Dilip Cherian

Director

Gaurav Dalmia

Director

Haigreave Khaitan

Director

Sujoy Sircar

Company Secretary

Cash Flow Statement (Indirect Method) for the year ended March 31, 2012

(₹ In Lacs)

Particulars	For the year ended 31.03.12	For the year ended 31.03.11
A. Cash Flow from Operating Activities		
Net Profit before exceptional items & tax	15,133.68	12,404.56
Adjustments for:		
Depreciation	259.92	179.40
Misc. Expenditure written off	3.11	3.16
Interest Income	(3,298.74)	(1,127.18)
Dividend Income	-	(47.51)
Loss/(Profit) on sale of Investment	(346.04)	(526.90)
Operating profit before working capital changes	11,751.93	10,885.53
Adjustments for:		
(Increase)/decrease in Debtors	89.34	(294.31)
(Increase)/decrease in Inventories	(1,398.45)	(453.38)
(Increase)/decrease in Loans & Advances	(71.34)	184.93
(Increase)/decrease in Other Current Assets	61.95	(327.86)
Increase/(decrease) in Creditors	1,137.36	2,186.59
Increase/(decrease) in Other liabilities	605.41	107.99
Increase/(decrease) in provisions	(140.43)	(5.96)
Cash generated from operations	12,035.77	12,283.53
Less: Direct taxes paid/deducted at source	3,051.29	2,137.98
Net Cash from/ (Used in) Operating Activities (A)	8,984.48	10,145.55
B. Cash Flow from Investing Activities		
(Purchase)/Sale of fixed assets	(1,961.54)	(615.71)
Interest received	3,298.74	1,127.18
Dividend received	-	47.51
Inter Corporate Deposit to Subsidiary	(4,965.00)	-
(Purchase)/ sale of Investment (Net)	(633.25)	(32,269.25)
Net Cash from/ (Used in) Investing Activities (B)	(4,261.05)	(31,710.27)
C. Cash Flow from Financing Activities		
Issue of Equity Shares	-	29,700.00
Dividend Paid	(8,702.50)	-
Dividend Tax Paid	(1,422.59)	-
Share Issue Expenses	-	(1,676.09)
Net Cash from/ (Used in) Financing Activities (C)	(10,125.09)	28,023.91
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	(5,401.66)	6,459.19
Cash & Cash Equivalents - Opening Balance	8,134.35	1,675.16
Cash & Cash Equivalents - Closing Balance	2,732.69	8,134.35
Cash & Cash Equivalents (Closing Balance) Comprises:		
Cash in Hand	10.60	10.53
Remittance in Transit including Cheques in Hand	136.55	1,248.22
Balances in Banks	2585.54	6,875.60
Total	2732.69	8134.35

As per our report of even date

For **R. S. Dani & Company**

Chartered Accountants

Registration No.: 000243C

For and on behalf of the Board

Kushagra Nayan Bajaj

Chairman

Roshan Fateh Lal Hinger

Vice Chairman & Whole-time Director

Sumit Malhotra

Managing Director

C. P. Kothari

Partner

M. No. 072229

Place : Mumbai

Date : April 24, 2012

Jimmy Rustom Anklesaria

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Director

Dilip Cherian

Director

Gaurav Dalmia

Director

Haigreave Khaitan

Director

Sujoy Sircar

Company Secretary

Statement on Significant Accounting Policies & Notes forming part of the Accounts for the year ended March 31, 2012

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis Of Preparation Of Financial Statements

The Financial Statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) in India and the provisions of the Companies Act, 1956. Income and Expenditure of all "Material Items" are accounted on accrual basis.

2. Fixed Assets

Fixed assets are reflected in the accounts at historical cost less accumulated depreciation.

3. Depreciation

Depreciation on fixed assets is provided on written down value method at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

4. Revenue Recongnition

Revenue is recognised when the significant risk and rewards of ownership of the goods have been passed to the buyers. Sale of goods is exclusive of Sales tax/VAT.

5. Inventories

- (a) Stock of raw & packing materials is valued at cost or net realisable value whichever is lower. Cost is arrived at on Weighted Average basis.
- (b) Stock of Goods-in-Process and Finished goods is valued at cost or net realisable value whichever is lower.

6. Investments

Long term investments are stated at cost of acquisition. Diminution in value of such long term investments is not provided for except where determined to be of permanent nature. Current investments are stated at lower of cost or fair market value.

7. Preliminary Expenses

One fifth of the preliminary expenses have been written off during the year.

8. Research & Development

Revenue expenditure on Research and Development is charged against the profit for the year and Capital expenditure on Research and Development is shown as an addition to Fixed Assets.

9. Foreign Currency Transaction

Transactions in foreign currency are recorded at exchange rate prevailing on the date of the transaction. Exchange rate differences resulting from foreign exchange transactions settled during the period, are recognized in the Profit and Loss Account.

10. Employee Benefits:

(a) Short Term Employee Benefits:

Short term employee benefits are recognised as expenditure at the undiscounted value in the Profit and Loss Account of the year in which the related service is rendered.

(b) Post Employment Benefits:

(i) Defined Contribution Plans

Employees' own and Employer's Contribution are paid to the Government Provident Fund Authority and are recognised during the year in which the related service is rendered

Employee Pension Scheme: Contribution to Employee's Pension Scheme 1995 is made to the Government Provident Fund Authority.

(ii) Defined Benefit Plans

Gratuity & Leave Encashment :

Gratuity and Leave Encashment liabilities are covered under the Gratuity cum-Insurance Policy and Leave Encashment Policy respectively, of Life Insurance Corporation of India (LIC). The present value of the obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Profit and Loss Account. Company has taken a new Leave Encashment Policy from Life Insurance Corporation of India (LIC) during the year for payment of leave encashment liability.

11. Income Tax And Deferred Taxation

The liability of Company on account of Income Tax is estimated considering the provisions of the Income Tax Act, 1961. Deferred tax is recognised, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one year and capable of reversal in one or more subsequent year.

12. Impairments of Assets

The Carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication

of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired.

13. Contingent Liabilities

Disputed liabilities and claims against the Company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, etc.), pending in appeal/court for which no reliable

estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts. However, no claims, appeals, show cause notice are pending at any level with any fiscal authorities.

Present obligation as a result of past event with possibility of outflow of resources, when reliably estimable is recognized in accounts. However, there is no contingent liability against the Company.

B. NOTES FOR INFORMATION:

1. Share Capital

(i) Description of Equity Share Capital

Particulars	As at 31.03.2012			As at 31.03.2011		
	Face Value per Share	No.s (In Lacs)	Amount (₹ in Lacs)	Face Value per Share	No.s (In Lacs)	Amount (₹ in Lacs)
a) Authorised	1.00	2,000.00	2,000.00	5.00	400.00	2,000.00
b) Issued	1.00	1,475.00	1,475.00	5.00	295.00	1,475.00
c) Subscribed & Paid up	1.00	1,475.00	1,475.00	5.00	295.00	1,475.00

(ii) The Company on May 06, 2011 had split its equity shares from ₹ 5/- each to equity shares of ₹ 1/- each. Consequent to the same the issued, subscribed and paid up capital of the Company changed to 1475 Lacs equity shares of ₹ 1/- each from 295 Lacs equity shares of ₹ 5/- each.

(iii) Out of the total equity shares of 1475 lacs, 1250 lacs shares are hold by M/s Bajaj Resources Ltd., the holding Company.

(iv) Details of shareholders holding more than 5% shares of the Company as on March 31, 2012 are given below:

Name of Shareholders	As at 31.03.2012		As at 31.03.2011	
	No. of Shares held	% of holding	No. of Shares held	% of holding
1. Bajaj Resources Ltd.	1,250.00	84.75%	250.00	84.75%

(v) Total equity shares includes fully paid bonus shares of 500 lacs & 250 lacs issued by Company on November 03, 2009 and February 22, 2010 in the ratio of 1:1 and 1:4 respectively.

2. Reserves & Surplus

(₹ in Lacs)

Particulars	As at 31.03.2012		As at 31.03.2011	
a) Securities Premium Reserves				
Opening Balance	29,475.00		-	
Add: Securities Premium credited on Share Issue	-	29,475.00	29,475.00	29,475.00
b) General Reserves				
Opening Balance	2,167.00		1,325.00	
Add: Reserve created during the year	1,210.00	3,377.00	842.00	2,167.00
c) Profit and Loss Account				
Opening Balance	4,516.53		216.21	
Add: Transferred from P&L A/c	12,008.78		8,410.28	
Less: Transferred to General Reserve	1,210.00		842.00	
Less: Interim Dividend	5,900.00		-	
Less: Proposed Dividend	-		2,802.50	
Less: Corporate Dividend Tax	957.13	8,458.18	465.46	4,516.53
		41,310.18		36,158.53

3. Deferred Tax

(₹ in Lacs)

Particulars	Opening Balance		Liability/(Asset) Created		Closing Balance	
	FY2011-12	FY2010-11	FY2011-12	FY2010-11	FY2011-12	FY2010-11
Deferred Tax Liabilities/(Asset) on account of timing difference in Depreciation	53.89	51.04	44.59	2.85	98.48	53.89
Deferred Tax Liability/(Asset) on account of timing difference in Provision for Leave Encashment	(49.05)	(45.31)	46.71	(3.74)	(2.34)	(49.05)
Total	4.84	5.73	91.30	(0.89)	96.14	4.84

(₹ in Lacs)

Particulars	As at 31.03.2012	As at 31.03.2011
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4. Other Long term liabilities

a) Creditors for Fixed Assets Purchased	37.46	28.09
	37.46	28.09

5. Long Term Provisions

a) Provision for Employee Benefits - Leave Encashment	7.23	147.65
	7.23	147.65

6. Trade Payables

a) Sundry Creditors for Goods	2,890.97	2,334.59
b) Sundry Creditors for expenses	1,782.92	1,201.94
	4,673.89	3,536.53

7. Other Current Liabilities

a) Statutory Liabilities	677.44	529.97
b) Advances from Customers	307.89	208.04
c) Security Deposits from C&F and Others	47.50	39.50
d) Application Money Refundable	3.65	3.85
e) Unclaimed Dividends	1.74	-
f) Other Outstanding Liabilities	767.96	419.41
	1,806.18	1,200.77

8. Short Term Provisions

a) Provision for Dividend & Dividend Tax	-	3,267.96
	0.00	3,267.96

9. Fixed Assets

(₹ in Lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on 01.04.2011	Additions	Deductions	As on 31.03.2012	Upto 31.03.2011	For the Period	Deductions	Upto 31.03.2012	As at 31.03.2012	As at 31.03.2011
1. Tangible Assets										
(a) Land	427.09	-	-	427.09	-	-	-	-	427.09	427.09
(b) Factory Building	645.76	0.12	-	645.88	74.17	57.18	-	131.35	514.53	571.59
(c) Other Building	558.97	1,635.55	-	2,194.52	42.97	67.31	-	110.28	2,084.24	516.00
(d) Plant & Machinery	702.32	188.87	0.32	890.87	144.74	83.72	0.02	228.44	662.43	557.58
(e) Vehicles	28.25	85.38	13.29	100.34	16.72	17.21	9.04	24.89	75.45	11.53
(f) Office & Other Equipments	21.49	6.91	0.11	28.29	2.23	2.97	0.05	5.15	23.14	19.26
(g) Computer	36.38	25.35	-	61.73	14.26	15.21	-	29.47	32.26	22.12
(h) Furniture & Fixtures	3.17	8.78	0.04	11.91	0.49	0.50	0.02	0.97	10.94	2.68
(i) Electrical Fittings	47.03	2.27	-	49.30	7.69	5.60	-	13.29	36.01	39.34
Total	2,470.46	1,953.23	13.76	4,409.93	303.27	249.70	9.13	543.84	3,866.09	2,167.19
2. Intangible Assets										
(a) Computer Software	2.44	33.07	-	35.51	0.99	10.22	-	11.21	24.30	1.45
Total	2.44	33.07	-	35.51	0.99	10.22	-	11.21	24.30	1.45
Total (1+2)	2,472.90	1,986.30	13.76	4,445.44	304.26	259.92	9.13	555.05	3,890.39	2,168.64
Previous Year	1,963.68	524.23	15.01	2,472.90	127.50	179.40	2.64	304.26	2,168.64	1,836.18
Capital Work in Progress									-	28.96

Note : None of the above assets are on lease.

(₹ in Lacs)

Particulars	As at 31.03.2012	As at 31.03.2011
10. Non-current investments		
a) Trade Investments	-	-
b) Other Investments - Equity Instrument	2,724.84	-
	2,724.84	0.00

Above investment represents 10,000 (PY - NIL) Equity shares (unquoted) of face value of ₹ 10/- each of M/s Uptown Properties & Leasing Private Ltd., wholly owned subsidiary and the same has been valued at cost.

11. Long term loans and advances

a) Security Deposits	62.27	36.56
b) Advance to suppliers of fixed assets	22.58	4.37
b) Loans & advances to related parties	4,965.00	-
	5,049.85	40.93

- (i) All the above loans and advances are unsecured and considered good.
- (ii) Loans & advances to related parties represents inter corporate deposit given to wholly owned subsidiary - M/s Uptown Properties & Leasing Pvt. Ltd.

12. Current Investments

a) Investment in Debt Mutual Funds	-	1,421.38
b) Investment in Bank's CDs	29,760.71	31,584.87
c) Investment in Public Sector Bonds	1,500.00	-
	31,260.71	33,006.25

- (i) All the above investments are valued at cost
- (ii) Scriptwise breakup of above investments is as follows:

a) Investment in Mutual Funds

(₹ in Lacs)

Mutual Fund	Opening		Purchases		Redemption		Closing	
	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs
HDFC Liquid Fund	508,963	100.00	7,561,635	1,501.44	8,070,598	1,601.44	-	-
Birla Sunlife Cash Plus - Institutional Prem.	2,039,347	320.00	237,067,785	61,393.33	239,107,132	61,713.33	-	-
Birla Sun Life - Fixed Term Plan	10,013,754	1,001.38	-	-	10,013,754	1,001.38	-	-
Birla Sun Life - Saving Fund Institutional Fund- Growth	-	-	15,687,978	2,997.00	15,687,978	2,997.00	-	-
Birla Sun Life - Floating Rate Short Term Growth	-	-	70,567,641	9,374.75	70,567,641	9,374.75	-	-

Mutual Fund	Opening		Purchases		Redemption		Closing	
	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs
Kotak Flexi Debt Scheme Institutional - Growth	-	-	22,859,267	2,846.62	22,859,267	2,846.62	-	-
Kotak Floater Long Term Fund-Growth	-	-	7,600,575	1,232.00	7,600,575	1,232.00	-	-
UTI Liquid Cash Plan-Growth	-	-	20,654	350.00	20,654	350.00	-	-
UTI Treasury Advantage Fund-Growth	-	-	21,769	295.00	21,769	295.00	-	-
UTI Money Market Fund-Growth	-	-	799,497	9,115.00	799,497	9,115.00	-	-
UTI Floating Rate Fund-Growth	-	-	59,441	675.00	59,441	675.00	-	-
Reliagre Liquid Fund -Super Institutional Plan	-	-	170,630	2,316.00	170,630	2,316.00	-	-
HDFC Cash Management Fund - Treasury Adv. Plan -Growth	-	-	6,065,447	1,300.00	6,065,447	1,300.00	-	-
Peerless Ultra Short Term Fund -Growth	-	-	19,761,952	2,250.00	19,761,952	2,250.00	-	-
Taurus Short Term Income Fund - Growth	-	-	29,064	500.00	29,064	500.00	-	-
JM Short Term Fund -Growth	-	-	4,174,861	600.00	4,174,861	600.00	-	-
JM High Liquidity Fund -Growth	-	-	1,140,017	200.00	1,140,017	200.00	-	-
JM High Liquidity Fund Super IP-Growth	-	-	2,984,326	500.00	2,984,326	500.00	-	-
DSP Black Rock Liquidity Fund - Growth	-	-	13,509	200.00	13,509	200.00	-	-
Total	12,562,064	1,421.38	3,965,860,48	97,646.15	4,091,481,12	99,067.53	-	-

b) Investment in Bank's CDs (Certificate of Deposits)

(₹ in Lacs)

Bank's CDs	Opening		Purchases		Redemption		Closing	
	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs
Andhra Bank	-	-	1,000	901.51	-	-	1,000	901.51
Axis Bank	2,500	2,268.77	7,500	7,184.61	8,500	8,090.08	1,500	1,363.30

Bank's CDs	Opening		Purchases		Redemption		Closing	
	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs
Bank of Baroda	2,500	2,270.68			2,500	2,270.68	-	-
Bank of India	2,500	2,271.28	5,000	4,817.79	7,500	7,089.07	-	-
Bank of Maharashtra	-	-	3,500	3,418.04	2,500	2,441.78	1,000	976.26
Canara Bank	4,000	3,701.02	6,000	5,515.68	5,000	4,695.71	5,000	4,520.99
Central Bank of India	3,500	3,180.79	5,000	4,658.97	6,000	5,573.35	2,500	2,266.41
Corporation Bank	2,500	2,270.41	2,500	2,262.59	2,500	2,270.41	2,500	2,262.59
Dena Bank	2,500	2,273.29			2,500	2,273.29	-	-
IDBI Bank Ltd	-	-	5,500	5,058.99	1,000	977.61	4,500	4,081.38
Indian Overseas Bank	2,500	2,271.15	3,000	2,770.31	3,000	2,766.56	2,500	2,274.90
Oriental Bank of Commerce	3,500	3,180.06	4,000	3,884.38	7,500	7,064.44	-	-
Punjab National Bank	2,500	2,443.73	9,000	8,443.78	6,500	6,358.28	5,000	4,529.23
State Bank of Hyderabad	-	-	1,500	1,430.83	500	455.74	1,000	975.09
State Bank of India	1,000	910.04	-	-	1,000	910.04	-	-
State Bank of Patiala	-	-	4,000	3,726.09	1,500	1,457.21	2,500	2,268.88
Syndicate Bank	5,000	4,543.65	-	-	5,000	4,543.65	-	-
UCO Bank	-	-	3,500	3,391.90	1,000	960.66	2,500	2,431.24
United Bank of India	-	-	1,000	908.93	-	-	1,000	908.93
Total	34,500	31,584.87	62,000	58,374.39	64,000	60,198.55	32,500	29,760.71

c) Investment in Bonds

(₹ in Lacs)

Bonds	Opening		Purchases		Redemption		Closing	
	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs
IDBI Bank Ltd (9.38%)			50	503.53	50	503.53	-	-
Indian Railway Finance Corp. Ltd (9.57%)	-	-	50	494.69	50	494.69	-	-
Indian Railway Finance Corp. Ltd (8.10%)	-	-	5,000	50.31	5,000	50.31	-	-
National Bank For Agriculture & Rural Dev. (9.40%)	-	-	50	500.00	-	-	50	500.00
National Fertilizers Ltd (9.42%)	-	-	30	302.52	30	302.52	-	-
Power Finance Corp. Bond (9.61 %)	-	-	250	2,538.07	250	2,538.07	-	-
Power Finance Corp. Bond (9.63 %)	-	-	200	2,001.80	150	1,501.80	50	500.00
Power Finance Corp. Bond (9.70 %)	-	-	100	1,000.00	100	1,000.00	-	-

Bonds	Opening		Purchases		Redemption		Closing	
	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs
Power Finance Corp. Bond (9.55 %)	-	-	300	3,005.66	300	3,005.66	-	-
Power Finance Corp. Bond (9.33%)	-	-	50	500.00	-	-	50	500.00
Rural Electrification Corp. Ltd (9.48%)	-	-	200	2,005.66	200	2,005.66	-	-
Rural Electrification Corp. Ltd (9.38%)	-	-	200	2,041.83	200	2,041.83	-	-
Tamilnadu Generation & Distribution Corporation	-	-	70	700.00	70	700.00	-	-
Total	-	-	6550	15,644.07	6400	14,144.07	150	1,500.00

(iii) Aggregate Book Value of Investments

(₹ in Lacs)

Particulars	2011-12	2010-11
a) Quoted Investments	-	-
Market Value - ₹ NIL (Previous year : NIL)		
b) Unquoted Investments	31,260.71	33,006.25
	31,260.71	33,006.25

(₹ in Lacs)

Particulars	As at 31.03.2012	As at 31.03.2011
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13. Inventories

a) Raw Materials	765.39	404.46
b) Packing Materials	451.95	310.39
c) Finished Goods	1,397.50	548.74
d) Stock in trade (in respect of goods acquired for trading)	185.29	117.78
e) Work-in-progress	40.89	61.21
	2,841.02	1,442.58

(i) Finished goods includes goods in transit of ₹ NIL (previous year : NIL)

(ii) Raw & packing material are valued at cost and finished goods are valued at cost or realizable value whichever is lower.

14. Trade Receivables

a) Outstanding for a period exceeding 6 months from the date they are due for payment	8.13	6.44
b) Others	505.97	597.01
	514.10	603.45

(i) All the above trade receivables are unsecured and considered good.

15. Cash and cash equivalents

a) Balances with Banks	2,585.54	6,875.60
b) Cheques, drafts in hand	136.55	1,248.22
c) Cash in hand	10.60	10.53
	2,732.69	8,134.35

Balances with Bank includes:

- (i) Amount of ₹ 1.74 Lacs towards unclaimed dividend (Previous year : ₹ NIL)
- (ii) Amount of ₹ 3.65 Lacs towards refundable share application money (Previous year : ₹ 3.85 Lacs)
- (iii) Fixed deposits with more than 12 months maturity of ₹ NIL (Previous year : NIL)

16. Short-term loans and advances

a) Advances to Suppliers	61.29	31.79
b) Loans & advances to Staff	25.56	9.42
c) Advance Payment for Direct Tax (Net)	18.72	1.03
	105.57	42.24

- (i) All the above short term loans and advances are unsecured and considered good.
- (ii) All the above short term loans and advances are provided to non-related parties

17. Other current assets

a) Accrued Income	276.76	155.40
b) Prepaid Expenses	6.09	5.09
c) Miscellaneous Expenditure (to the extent not written off)	3.80	6.91
d) Other Recoverables	0.26	184.57
	286.91	351.97

- (i) All the above short term loans and advances are unsecured and considered good.
- (ii) All the above short term loans and advances are provided to non-related parties

(₹ in Lacs)

Particulars	As at 31.03.2012	As at 31.03.2011
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18. Contingent liabilities and commitments (to the extent not provided for)

(i) Contingent Liabilities	-	-
(ii) Commitments	-	-
	-	-

19. Initial Public Offer (IPO)

Company came up with its IPO in August 2010 and listed its securities on NSE & BSE on August 18, 2010. Company issued 45 lacs fully paid up equity shares of face value of ₹ 5/- each at a premium of ₹ 655/- thereby raising a total fund of ₹ 29700 Lacs.

Position of IPO Funds at the end of the year is as follows:

Particulars	FY2011-12	FY2010-11
Amount collected through IPO	29700.00	29700.00
Less : IPO expenses	1896.25	1896.25
Less : Fund utilized for promotion of future products	919.68	37.70
Closing Balance of IPO Funds as on 31st March	26884.07	27766.05

Pending utilisation, net proceeds of the IPO have been invested in interest bearing debt liquid instruments, bank deposits and other financial products as mentioned herein below:

Particulars	As at 31.03.2012	As at 31.03.2011
a) In Fixed Deposits with Banks	900.00	3,819.33
b) In units of Debt Mutual Funds	-	1,001.38
c) In Certificate of Deposits of Banks	24,483.37	22,890.88
d) In Bonds of Public Sector	1,500.00	-
e) In Current Account with Bank	0.70	54.46
Total	26,884.07	27,766.05

20. Revenue from operations

(₹ in Lacs)

Particulars	FY2011-12	FY2010-11
a) Sale of products	47,223.53	35,867.26
b) Other operating revenues	107.94	76.80
	47,331.47	35,944.06

21. Other Income

a) Interest Income	3,298.74	1,127.18
b) Dividend Income (on Debt Mutual Fund Investment)	-	47.51
c) Net gain/(loss) on sale of investments	346.04	526.90
d) Other non-operating income (net of expenses)	92.88	-
	3,737.66	1,701.59

22. Statement of material consumed

(i) Raw Material Consumed

(₹ in Lacs)

Product	Opening Stock		Purchases		Consumption		Closing Stock	
	Qty (Kg)	Amount	Qty (Kg)	Amount	Qty (Kg)	Amount	Qty (Kg)	Amount
Refined Oil	77,109	48.82	2,438,954	1,744.49	2427133	1,721.67	88,930	71.64
	(74,371)	(38.26)	(2,021,661)	(1,152.19)	(2018923)	(1,141.63)	(77,109)	(48.82)
Light Liquid Paraffin	2,567,21	188.45	9,256,048	7,811.73	9,013,645	7,617.82	4,991,24	382.36
	(82,352)	(37.64)	(7,520,108)	(5,032.11)	(7,345,739)	(4,881.30)	(2,567,21)	(188.45)
Perfumes & Others	39,191	167.19	4,080,39	2211.97	3,876,77	2,067.77	59,553	311.39
	(30,431)	(167.70)	(2,050,58)	(1,179.94)	(1,962,98)	(1,180.45)	(39,191)	(167.19)
Total	3,730,21	404.46	12,103,041	11768.19	11,828,455	11,407.26	6,476,07	765.39
	(1,871,54)	(243.60)	(9,746,827)	(7,364.24)	(9,560,960)	(7,203.38)	(3,730,21)	(404.46)

(Figures in bracket are for previous year)

(ii) Packing Material Consumed

(₹ in Lacs)

Product	Consumption	
	No. (Lacs)	Amount
Glass Bottles	1192.93	4583.73
Plastic Bottles & Caps	1282.71	1046.98
Printed Packing Material	2657.81	1883.40
Other Packing Material		520.53
Total		8034.64
Previous Year		(6055.67)

23. Details Of Production, Stock & Turnover:

Quantitative information regarding Opening and Closing stock, Purchases and Sales:-

Manufactured Goods :

(₹ in Lacs)

Product	Unit	Opening Stock		Production		Sales		Closing Stock	
		Qty	Amount	Qty		Qty	Amount	Qty	Amount
Hair Oil	K.Ltr.	408.10	510.83	13743.58		13241.18	41056.96	910.50	1397.50
		(357.49)	(361.02)	(11020.39)		(10969.78)	(31084.27)	(408.10)	(510.83)

Traded Goods :

(₹ in Lacs)

Product	Unit	Opening Stock		Purchases		Sales		Closing Stock	
		Qty	Amount	Qty	Amount	Qty	Amount	Qty	Amount
Hair Oil	K.Ltr.	108.55	144.76	2345.58	3330.12	2333.17	6021.32	120.96	169.77
		(135.58)	(159.94)	(1,658.32)	(2,310.58)	(1,685.35)	(4,648.17)	(108.55)	(144.76)
Tooth Powder	M.T.	9.23	10.93	70.07	114.21	68.88	145.25	10.42	15.52
		(9.86)	(11.36)	(81.72)	(101.17)	(82.35)	(134.82)	(9.23)	(10.93)

(Figures in bracket are for previous year)

24. Change in Inventories

(₹ in Lacs)

Particulars	FY2011-12	FY2010-11	Changes
a) Finished Goods	1,397.50	548.74	-848.76
	(548.74)	(361.02)	(-187.72)
b) Stock in trade (in respect of goods acquired for trading)	185.29	117.78	-67.51
	(117.78)	(171.30)	(53.52)
c) Work-in-progress	40.89	61.22	20.33
	(61.22)	(25.48)	(-35.74)
Total	1,623.68	727.74	-895.94
	(727.74)	(557.80)	(-169.94)

(Figures in bracket are for previous year)

25. Employee benefit expense

Particulars	2011-12	2010-11
a) Salaries & Wages	2,092.09	1,488.17
b) Contribution to provident & other funds	157.83	120.63
c) Staff Training & Welfare expenses	39.68	17.22
	<u>2,289.60</u>	<u>1,626.02</u>

26. Financial Costs

a) Interest Expense	3.15	3.12
b) Bank charges	4.70	7.44
	<u>7.85</u>	<u>10.56</u>

27. Other Expenses

Particulars	FY2011-12	FY2010-11
A. Selling & Distribution Overheads		
Schemes & Sales Promotion Exp.	2,693.28	2,402.31
Advertisement	3,777.62	1,644.75
Freight & Octroi	2,108.91	1,620.22
Cash Discount	542.83	572.47
Travelling and Conveyance	591.39	399.50
Royalty	520.87	395.63
Other Selling Overheads	401.29	295.40
	<u>10,636.19</u>	<u>7,330.28</u>
B. General & Administrative Overheads		
Rent	164.02	143.72
Manufacturing Expenses	149.65	130.51
Legal & Professional Exp.	91.89	44.71
Postage and Telephone	51.33	41.25
Power and fuel	43.32	38.53
Insurance	25.78	21.81
Audit Fees & Expenses	14.57	7.08
Repairs - Machinery	11.19	8.51
Repairs - Others	6.65	9.11
Repairs - Building	1.87	8.07
Rates & taxes	9.35	6.60
Miscellaneous Expenses	181.98	134.07
TOTAL	<u>751.60</u>	<u>593.97</u>
TOTAL (A + B)	<u>11,387.79</u>	<u>7,924.25</u>

28. Payment to Auditors

a) For Statutory Audit	6.74	3.31
b) For Tax Audit	2.25	1.10
c) For others services	1.43	0.77
d) For reimbursement of expenses	4.15	1.90
TOTAL	<u>14.57</u>	<u>7.08</u>

29. Imported And Indigenous Raw Material Consumption

(₹ in Lacs)

Particulars	FY2011-12		FY2010-11	
1. Imported CIF, Custom Duty and other Charges	-	-	-	-
2. Indigenous	11,407.27	100%	7,203.38	100%

(₹ in Lacs)

Particulars	FY2011-12	FY2010-11
-------------	-----------	-----------

30. Expenditure in Foreign Currency

Professional Fees	-	189.94
Travelling	29.71	10.14

31. Earning in Foreign Currency

FOB Value of Exports	279.31	174.89
----------------------	---------------	--------

32. Managerial Remuneration under section 198 of the Companies Act, 1956 paid or payable during the year to the Directors:

a) Salary & Allowances	340.27	191.07
b) Contribution to Provident Fund	9.47	4.03
c) Monetary Value of Perquisites	0.22	0.22
Total	349.96	195.32

Computation of net profit in accordance with Section 198 and section 309 (5) of the Companies Act, 1956 and calculation of Remuneration/Commission payable to Directors

(₹ in Lacs)

Particulars	FY2011-12	FY2010-11
Profit for the year before tax as per Profit & Loss A/c	15,133.68	10,508.31
Add : Managerial remuneration	349.96	195.32
Directors sitting fees	7.60	6.40
Adjusted net profit	15,491.24	10,710.03
Maximum permissible remuneration	1,704.04	1,178.10

33. Segment Reporting

As the Company's business activity falls within a single segment viz. 'Cosmetics and toiletries' and the sales substantially being in the domestic market, the disclosure requirements of the Accounting Standard (AS) 17 "Segment Reporting" as prescribed by the Companies (Accounting Standard) Rules 2006 are not applicable. However it does not have any impact on the true and fair view of the state of affairs in case of Balance Sheet and Profit and Loss Account.

34. Employee related dues**A. Defined Benefit Plan**

(₹ in Lacs)

		2011-12		2010-11	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
a.	Components of Employer Contribution				
	Current Service Cost	34.33	98.42	18.61	-
	Interest Cost	15.04	-	14.25	-
	Expected Return on Plan Assets	(15.04)	-	(14.25)	-
	Actuarial (Gain)/Loss	2.32	-	1.39	-
		<u>36.65</u>	<u>98.42</u>	<u>20.00</u>	<u>-</u>
b.	Change in Defined Obligation				
	Present Value of Obligation as at beginning of the year	159.83	-	150.27	-
	Current Service Cost	34.33	98.42	18.61	-
	Interest Cost	15.04	-	14.25	-
	Actuarial (Gain)/Loss	0.00	-	0.00	-
	Benefits Paid	(34.24)	-	(23.30)	-
	Present Value of Obligation as at the end of the year	<u>174.96</u>	<u>98.42</u>	<u>159.83</u>	<u>-</u>
c.	Change in Fair Value of Plan Assets				
	Present Value of Plan Assets as at beginning of the year	159.83	-	150.27	-
	Expected Return on Plan Assets	15.04	-	14.25	-
	Actuarial Gain/(Loss)	(2.32)	-	(1.39)	-
	Actual Company Contribution	36.65	98.42	20.00	-
	Benefits Paid	(34.24)	-	(23.30)	-
	Present Value of Plan assets as at the end of the year	<u>174.96</u>	<u>98.42</u>	<u>159.83</u>	<u>-</u>
d.	Actuarial assumptions :				
	Discount Rate	8%		8%	
	Estimated Rate of Return on Plan Assets	9.25%		9.25%	
	Salary Escalation Ratio Inflation	5%		5%	
	Method	Projected Unit Credit Method			
	Mortality Rate	LIC (1994-96) Ultimate			

B. Defined Contribution Plan

Company's Contribution to different contribution plans:

(₹ in Lacs)

Particulars	FY 2011-12	FY 2010-11
a. Provident Fund	103.39	83.29
b. Employees State Insurance	13.60	13.30
c. Employees Superannuation Fund	0.00	0.56
d. EDLI Contribution	1.66	0.93
e. Group Insurance	2.52	2.55
Total	<u>121.17</u>	<u>100.63</u>

35. Basic & Diluted Earnings per share (EPS) computed in accordance with Accounting Standard 20 "Earning per share" as prescribed under the Companies (Accounting Standard) Rules, 2006

Particulars	2011-12	2010-11
Profit After Tax (₹ in Lacs)	12008.78	8410.28
Adjusted weighted average number of shares outstanding		
Basic (In Lacs)	1475.00	1392.40
Diluted (In Lacs)	1475.00	1392.40
Earning per Share (face value Re. 1/- per share)		
Basic (₹)	8.14	6.04
Diluted (₹)	8.14	6.04

36. As per Accounting Standard 18 (AS-18) 'Related Party Disclosures', prescribed by the Companies (Accounting Standard) Rules, 2006, the disclosures of transactions with the related parties as defined in AS-18 are given below :

(i) List of related parties and relationships:

Name of the Related Party	Relationship
1. Bajaj Resources Ltd.	Holding Company
2. Mr Kushagra Bajaj	Key Management Personnel
3. Mr Roshan F Hinger	Key Management Personnel
4. Mr Sumit Malhotra	Key Management Personnel
5. Mr Jimmy Anklesaria	Key Management Personnel
6. Mr Apoorv Bajaj	Key Management Personnel
7. Uptown Properties & Leasing Pvt Ltd.	Subsidiary Company (w.e.f 28.09.2011)
8. Bajaj Infrastructure Development Company Ltd	Associates
9. Bajaj Hindusthan Ltd.	Associates
10. Abhitech Developers Pvt. Ltd.	Associates
11. Lalitpur Power Generation Company Ltd.	Associates

(ii) Transactions during the period with Related Parties:

(₹ in Lacs)

S No	Nature of Transaction	Holding Company	Key Management Personnel	Subsidiary Company	Associates	Total	Outstanding as on 31.03.12
A.	Profit & Loss A/c Items						
1.	Dividend Paid	7,375.00	-	-	-	7,375.00	-
		(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
2.	Royalty Expense	520.87	-	-	-	520.87	520.87
		(395.63)	(0.00)	(0.00)	(0.00)	(395.63)	(395.63)
3.	Rent Paid	72.80	-	-	13.90	86.70	-
		(72.80)	(0.00)	(0.00)	(0.00)	(72.80)	(0.00)
4.	Purchase	-	-	-	-	-	-
		(2.25)	(0.00)	(0.00)	(0.00)	(2.25)	(0.00)
5.	Sale of Vehicle	-	-	-	-	-	-
		(13.92)	(0.00)	(0.00)	(0.00)	(13.92)	(0.00)
6.	Remuneration	-	388.32	-	-	388.32	-
		(0.00)	(223.44)	(0.00)	(0.00)	(223.44)	(0.00)

S No	Nature of Transaction	Holding Company	Key Management Personnel	Subsidiary Company	Associates	Total	Outstanding as on 31.03.12
7.	Sitting Fees Paid	- (0.00)	1.20 (1.65)	- (0.00)	- (0.00)	1.00 (1.65)	- (0.00)
8.	Guarantee Commission received	- (0.00)	- (0.00)	- (0.00)	92.88 (0.00)	92.88 (0.00)	92.88 (0.00)
9.	Reimbursement of Expenses	- (0.00)	- (0.00)	- (0.00)	- (13.26)	- (13.26)	- (0.00)
B. Balance Sheet Items							
10.	Deposit for Rent	- (5.50)	- (0.00)	- (0.00)	6.30 (0.00)	6.30 (5.50)	11.80 (5.50)
11.	Investment In Equity	- (0.00)	- (0.00)	2,724.84 (0.00)	- (0.00)	2,724.84 (0.00)	2,724.84 (0.00)
12.	Loan Given	- (0.00)	- (0.00)	4,965.00 (0.00)	- (0.00)	4,965.00 (0.00)	4,965.00 (0.00)
C. Off Balance Sheet Items							
13.	Corporate Guarantee given	- (0.00)	- (0.00)	- (0.00)	55,000.00 (0.00)	55,000.00 (0.00)	- (0.00)
14.	Counter Guarantee received	- (0.00)	- (0.00)	- (0.00)	55,000.00 (0.00)	55,000.00 (0.00)	- (0.00)

(Figures in bracket are for previous year)

37. Trade creditors include dues to Small Industrial Undertaking. There are no Small Scale Industrial Undertaking to whom an amount of ₹ One Lac or more was payable and outstanding for more than 30 days.
38. Previous year's figures have been regrouped/rearranged wherever necessary.

As per our report of even date
For **R. S. Dani & Company**
Chartered Accountants
Registration No.: 000243C

For and on behalf of the Board

Kushagra Nayan Bajaj
Chairman

Roshan Fateh Lal Hinger
Vice Chairman & Whole-time Director

Sumit Malhotra
Managing Director

C. P. Kothari
Partner
M. No. 072229
Place : Mumbai
Date : April 24, 2012

Jimmy Rustom Anklesaria
Whole-time Director

Aditya Vikram Ramesh Somani
Director

Dilip Cherian
Director

Gaurav Dalmia
Director

Haigreve Khaitan
Director

Sujoy Sircar
Company Secretary

Auditors' Report on Consolidated Financial Statements

To
The Board of Directors,
Bajaj Corp Limited

1. We have audited the attached Consolidated Balance Sheet of **Bajaj Corp Limited** ("the company") and its subsidiary ("the Group") as at March 31, 2012 and also the annexed Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statement has been prepared by the Company's Management in accordance with the requirement of the

Accounting Standard 21 "Consolidated Financial Statement" notified pursuant to the Companies (Accounting Standards) Rules, 2006 and on the basis of separate audited statement of the company and its subsidiary.

4. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In case of the Consolidated Balance Sheet, of the state of affairs of the group as at March 31, 2012,
 - (b) In the case of the Consolidated Profit and Loss Account, of the results of the group for the year ended on that date and
 - (c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the group for the year ended on that date.

For **R. S. Dani & Company**
Chartered Accountants
Registration No. : 000243C

Place : Mumbai
Date : April 24, 2012

C. P. Kothari
Partner
M.No. 072229

Consolidated Balance Sheet as at March 31, 2012

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2012	
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	B1	1,475.00	
(b) Reserves and Surplus	B2	41,308.92	
(c) Money received against share warrants		-	42,783.92
(2) Share application money pending allotment			-
(3) Minority Interest			-
(4) Non-Current Liabilities			
(a) Long-term borrowings		-	
(b) Deferred tax liabilities (Net)	B3	96.37	
(c) Other Long term liabilities	B4	37.46	
(d) Long term provisions	B5	7.23	141.06
(5) Current Liabilities			
(a) Short-term borrowings		-	
(b) Trade payables	B6	4,674.90	
(c) Other current liabilities	B7	1,806.67	
(d) Short-term provisions		-	6,481.57
TOTAL			49,406.55
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	B8		
(i) Tangible assets		3,869.03	
(ii) Intangible assets		24.30	
(iii) Capital work-in-progress		-	
(iv) Intangible assets under development		-	
TOTAL		3,893.33	
(b) Goodwill on consolidation		4,300.10	
(c) Non-current investments		-	
(d) Deferred tax assets (net)		-	
(e) Long term loans and advances	B9	84.85	
(f) Other non-current assets		-	8,278.28
(2) Current assets			
(a) Current investments	B10	31,260.71	
(b) Inventories	B11	6,194.00	
(c) Trade receivables	B12	514.10	
(d) Cash and cash equivalents	B13	2,747.41	
(e) Short-term loans and advances	B14	122.46	
(f) Other current assets	B15	289.59	41,128.27
TOTAL			49,406.55

As per our report of even date

For **R. S. Dani & Company**

Chartered Accountants

Registration No.: 000243C

For and on behalf of the Board

Kushagra Nayan Bajaj

Chairman

Roshan Fateh Lal Hinger

Vice Chairman & Whole-time Director

Sumit Malhotra

Managing Director

C. P. Kothari

Partner

M. No. 072229

Place : Mumbai

Date : April 24, 2012

Jimmy Rustom Anklesaria

Whole-time Director

Aditya Vikram Ramesh Somani

Director

Dilip Cherian

Director

Gaurav Dalmia

Director

Haigreve Khaitan

Director

Sujoy Sircar

Company Secretary

Consolidated Profit and Loss Statement for the year ended March 31, 2012

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2012
I. Revenue from operations	B18	47,331.47
II. Other Income	B19	3,737.66
III. Total Revenue (I + II)		51,069.13
IV. Expenses		
1. Cost of materials consumed	B20	19,441.90
2. Purchase of Stock-in-Trade		3,444.33
3. Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	B22	(895.94)
4. Employee benefit expense	B23	2,289.60
5. Financial costs	B24	7.85
6. Depreciation and amortization expense		260.15
7. Other expenses	B25	11,399.75
Total Expenses		35,947.64
V. Profit before exceptional & extraordinary items and tax (III - IV)		15,121.49
VI. Exceptional Items		-
VII. Profit before extraordinary items and tax (V - VI)		15,121.49
VIII. Extraordinary Items		-
IX. Profit before tax (VII - VIII)		15,121.49
X. Tax expense:		
1. Current tax		3,022.66
2. Deferred tax		91.31
XI. Profit(Loss) for the period from continuing operations (IX - X)		12,007.52
XII. Profit(Loss) from discontinuing operations		-
XIII. Tax expense of discounting operations		-
XIV. Profit(Loss) from Discontinuing operations (XII - XIII)		-
XV. Profit(Loss) for the period (XI + XIV)		12,007.52
XVI. Earning per equity share:	B29	
1. Basic		8.14
2. Diluted		8.14

As per our report of even date

For **R. S. Dani & Company**Chartered Accountants
Registration No.: 000243C

For and on behalf of the Board

Kushagra Nayan Bajaj
Chairman**Roshan Fateh Lal Hinger**
Vice Chairman & Whole-time Director**Sumit Malhotra**
Managing Director**C. P. Kothari**
Partner

M. No. 072229

Place : Mumbai

Date : April 24, 2012

Jimmy Rustom Anklesaria
Whole-time Director**Aditya Vikram Ramesh Somani**
Director**Dilip Cherian**
Director**Gaurav Dalmia**
Director**Haigreave Khaitan**
Director**Sujoy Sircar**
Company Secretary

Consolidated Cash Flow Statement (Indirect Method) for the year ended March 31, 2012

(₹ In Lacs)

Particulars	For the year ended 31.03.12
A. Cash Flow from Operating Activities	
Net Profit before exceptional items & tax	15,121.49
Adjustments for:	
Depreciation	260.15
Misc. Expenditure written off	3.11
Interest Income	(3,298.74)
Dividend Income	-
Loss/(Profit) on sale of Investment	(346.04)
Operating profit before working capital changes	11,739.97
Adjustments for:	
(Increase)/decrease in Debtors	89.34
(Increase)/decrease in Inventories	(1,398.45)
(Increase)/decrease in Loans & Advances	(71.34)
(Increase)/decrease in Other Current Assets	61.95
Increase/(decrease) in Creditors	1,137.36
Increase/(decrease) in Other liabilities	606.27
Increase/(decrease) in provisions	(140.43)
Cash generated from operations	12,024.67
Less: Direct taxes paid/deducted at source	3,062.23
Net Cash from/ (Used in) Operating Activities (A)	8,962.44
B. Cash Flow from Investing Activities	
(Purchase)/Sale of fixed assets	(1,961.54)
Interest received	3,298.74
Dividend received	-
(Purchase)/ sale of Investment (Net)	(5,561.49)
Net Cash from/ (Used in) Investing Activities (B)	(4,224.29)
C. Cash Flow from Financing Activities	
Issue of Equity Shares	-
Dividend Paid	(8,702.50)
Dividend Tax Paid	(1,422.59)
Share Issue Expenses	-
Net Cash from/ (Used in) Financing Activities (C)	(10,125.09)
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	(5,386.94)
Cash & Cash Equivalents - Opening Balance	8,134.35
Cash & Cash Equivalents - Closing Balance	2,747.41
Cash & Cash Equivalents (Closing Balance) Comprises:	
Cash in Hand	10.60
Remittance in Transit including Cheques in Hand	136.55
Balances in Banks	2600.26
Total	2747.41

As per our report of even date

For **R. S. Dani & Company**

Chartered Accountants

Registration No.: 000243C

For and on behalf of the Board

Kushagra Nayan Bajaj

Chairman

Roshan Fateh Lal Hinger

Vice Chairman & Whole-time Director

Sumit Malhotra

Managing Director

C. P. Kothari

Partner

M. No. 072229

Place : Mumbai

Date : April 24, 2012

Jimmy Rustom Anklesaria

Whole-time Director

Aditya Vikram Ramesh Somani

Director

Dilip Cherian

Director

Gaurav Dalmia

Director

Haigreve Khaitan

Director

Sujoy Sircar

Company Secretary

Statement on Significant Accounting Policies & Notes Forming Part of the Consolidated Accounts for the year ended March 31, 2012

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Principal of Consolidation

- (a) The Consolidated Financial Statement relates to Bajaj Corp Limited (the parent company) and Uptown Properties and Leasing Private Limited (a wholly owned subsidiary body corporate incorporated in India.)
- (b) The consolidated financial statements have been prepared on the basis of AS-21, issued by ICAI read with the following basic assumptions:
 - (i) The financial statements of the parent company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and resulting in unrealized profits or losses. Investments of parent company in subsidiaries are eliminated against respective proportionate stake of parent company therein on the respective dates when such investments were made by way of debiting/crediting the difference of the two in Goodwill.
 - (ii) The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's separate financial statements unless stated otherwise.
 - (iii) Minority interest, where lying, in the net income of consolidated subsidiaries have been adjusted against the income of the group so as to arrive at net income attributable to the parent company. Minority interest, consisting of equity attributable to them on the date such investments were made by the parent company and movement in their equity since the date of parent subsidiary relationship, has been disclosed in the consolidated financial statement separately.

- (iv) FY 2011-12 was the first occasion when consolidated financial statements are presented hence comparative figures for the previous year are not presented (As per Accounting Standard 21 as prescribed under the Companies (Accounting Standard) Rules, 2006)

2. Basis Of Preparation Of Financial Statements

The Financial Statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) in India and the provisions of the Companies Act, 1956. Income and Expenditure of all "Material Items" are accounted on accrual basis.

3. Fixed Assets

Fixed assets are reflected in the accounts at historical cost less accumulated depreciation.

4. Depreciation

Depreciation on fixed assets is provided on written down value method at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

5. Revenue Recognition

- (a) Revenue is recognised when the significant risk and rewards of ownership of the goods have been passed to the buyers. Sale of goods is exclusive of Sales tax/VAT.
- (b) Recognition of revenue in respect of construction project is recognized in accordance with the "Guidance Note on Recognition of Revenue by Real Estate Developers" issued by the Institute of Chartered Accountants of India.
- (c) Income earned by way of leasing or renting out of commercial premises is recognized as income in accordance with Accounting Standard 19 on Leases. Initial direct costs such as legal expenses, brokerage, etc. are recognized as expenses on accrual basis in the Profit and Loss Account.

6. Inventories

- (a) Stock of raw & packing materials is valued at cost or net realisable value whichever is lower. Cost is arrived at on Weighted Average basis.
- (b) Stock of Goods-in-Process and Finished goods is valued at cost or net realisable value whichever is lower.

7. Investments

Long term investments are stated at cost of acquisition. Diminution in value of such long term investments is not provided for except where determined to be of permanent nature. Current investments are stated at lower of cost or fair market value.

8. Borrowing Costs

- (a) Borrowing costs that are attributable to the acquisition, development and construction of qualifying assets are treated as direct cost and are considered for capitalization.
- (b) All other borrowing costs are recognized as an expenses in the period in which they are incurred.

9. Preliminary Expenses

One fifth of the preliminary expenses have been written off during the year.

10. Research & Development

Revenue expenditure on Research and Development is charged against the profit for the year and Capital expenditure on Research and Development is shown as an addition to Fixed Assets.

11. Foreign Currency Transaction

Transactions in foreign currency are recorded at exchange rate prevailing on the date of the transaction. Exchange rate differences resulting from foreign exchange transactions settled during the period, are recognized in the Profit and Loss Account.

12. Employee Benefits:

- (a) Short Term Employee Benefits:

Short term employee benefits are recognised as expenditure at the undiscounted value in the Profit and Loss Account of the year in which the related service is rendered.

- (b) Post Employment Benefits:

- (i) Defined Contribution Plans

Employees' own and Employer's Contribution are paid to the Government Provident Fund Authority and are recognised during the year in which the related service is rendered.

Employee Pension Scheme: Contribution to Employee's Pension Scheme 1995 is made to the Government Provident Fund Authority.

- (ii) Defined Benefit Plans

Gratuity & Leave Encashment :

Gratuity and Leave Encashment liabilities are covered under the Gratuity cum-Insurance Policy and Leave Encashment Policy respectively, of Life Insurance Corporation of India (LIC). The present value of the obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Profit and Loss Account. Company has taken a new Leave Encashment Policy from Life Insurance Corporation of India (LIC) during the year for payment of leave encashment liability.

13. Income Tax And Deferred Taxation

The liability of company on account of Income Tax is estimated considering the provisions of the Income Tax Act, 1961. Deferred tax is recognised, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one year and capable of reversal in one or more subsequent year.

14. Impairments of Assets

The Carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired.

15. Contingent Liabilities

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, etc.), pending in appeal/court for which no reliable estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts. However, no claims, appeals, show cause notice are pending at any level with any fiscal authorities.

Present obligation as a result of past event with possibility of outflow of resources, when reliably estimable is recognized in accounts. However, there is no contingent liability against the company.

B. NOTES FOR INFORMATION:**1. Share Capital**

(i) Description of Equity Share Capital

Particulars	As at 31.03.2012		
	Face Value per Share	No.s (In Lacs)	Amount (₹ in Lacs)
a) Authorised	1.00	2,000.00	2,000.00
b) Issued	1.00	1,475.00	1,475.00
c) Subscribed & Paid up	1.00	1,475.00	1,475.00

(ii) The Company on May 06, 2011 had split its equity shares from ₹ 5/- each to equity shares of ₹ 1/- each. Consequent to the same the issued, subscribed and paid up capital of the company changed to 1475 Lacs equity shares of ₹ 1/- each from 295 Lacs equity shares of ₹ 5/- each.

(iii) Out of the total equity shares of 1475 lacs, 1250 lacs shares are hold by M/s Bajaj Resources Ltd., the holding Company

(iv) Details of shareholders holding more than 5% shares of the Company as on March 31, 2012 are given below:

Name of Shareholders	As at 31.03.2012	
	No. of Shares held	% of holding
1. Bajaj Resources Ltd.	1,250.00	84.75%

(v) Total equity shares includes fully paid bonus shares of 500 lacs & 250 lacs issued by Company on November 03, 2009 and February 22, 2010 in the ratio of 1:1 and 1:4 respectively.

2. Reserves & Surplus

(₹ in Lacs)

Particulars	As at 31.03.2012	
a) Securities Premium Reserves		
Opening Balance	29,475.00	
Add: Securities Premium credited on Share Issue	-	29,475.00
b) General Reserves		
Opening Balance	2,167.00	
Add: Reserve created during the year	1,210.00	3,377.00
c) Profit and Loss Account		
Opening Balance	4,516.53	
Add: Transferred from P&L A/c	12,007.52	
Less: Transferred to General Reserve	1,210.00	
Less: Interim Dividend	5,900.00	
Less: Proposed Dividend	-	
Less: Corporate Dividend Tax	957.13	8,456.92
TOTAL		41,308.92

3. Deferred Tax

(₹ in Lacs)

Particulars	Opening Balance	Liability/(Asset) Created	Closing Balance
Deferred Tax Liabilities/(Asset) on account of timing difference in Depreciation	54.10	44.61	98.71
Deferred Tax Liability/(Asset) on account of timing difference in Provision for Leave Encashment	(49.05)	46.71	(2.34)
Total	<u>5.05</u>	<u>91.32</u>	<u>96.37</u>

(₹ in Lacs)

Particulars	As at 31.03.2012
4. Other Long term liabilities	
a) Creditors for Fixed Assets Purchased	37.46
	37.46
5. Long Term Provisions	
a) Provision for Employee Benefits - Leave Encashment	7.23
	7.23
6. Trade Payables	
a) Sundry Creditors for Goods	2,890.97
b) Sundry Creditors for expenses	1,783.93
	4,674.90
7. Other Current Liabilities	
a) Statutory Liabilities	677.93
b) Advances from Customers	307.89
c) Security Deposits from C&F and Others	47.50
d) Application Money Refundable	3.65
e) Unclaimed Dividends	1.74
f) Other Outstanding Liabilities	767.96
	1,806.67
8. Fixed Assets	

(₹ in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2011	Additions	Deductions	As on 31.03.2012	Upto 31.03.2011	For the Period	Deductions	Upto 31.03.2012	As at 31.03.2012	As at 31.03.2011
1. Tangible Assets										
(a) Land	427.09	-	-	427.09	-	-	-	-	427.09	427.09
(b) Factory Building	645.76	0.12	-	645.88	74.17	57.18	-	131.35	514.53	571.59
(c) Other Building	558.97	1,635.55	-	2,194.52	42.97	67.31	-	110.28	2,084.24	516.00
(d) Plant & Machinery	707.17	188.87	0.32	895.72	146.42	83.95	0.02	230.35	665.37	560.75
(e) Vehicles	28.25	85.38	13.29	100.34	16.72	17.21	9.04	24.89	75.45	11.53
(f) Office & Other Equipments	21.49	6.91	0.11	28.29	2.23	2.97	0.05	5.15	23.14	19.26
(g) Computer	36.38	25.35	-	61.73	14.26	15.21	-	29.47	32.26	22.12
(h) Furniture & Fixtures	3.17	8.78	0.04	11.91	0.49	0.50	0.02	0.97	10.94	2.68
(i) Electrical Fittings	47.03	2.27	-	49.30	7.69	5.60	-	13.29	36.01	39.34
Total (1)	2,475.31	1,953.23	13.76	4,414.78	304.95	249.93	9.13	545.75	3,869.03	2,170.36
2. Intangible Assets										
(a) Computer Software	2.44	33.07	-	35.51	0.99	10.22	-	11.21	24.30	1.45
Total (2)	2.44	33.07	-	35.51	0.99	10.22	-	11.21	24.30	1.45
Total (1 + 2)	2,477.75	1,986.30	13.76	4,450.29	305.94	260.15	9.13	556.96	3,893.33	2,171.81
Previous Year	1,963.68	524.23	15.01	2,472.90	127.50	179.40	2.64	304.26	2,168.64	1,836.18
Capital Work in Progress									-	28.96

Note : None of the above assets are on lease.

(₹ in Lacs)

Particulars	As at 31.03.2012
-------------	------------------

9. Long term loans and advances

a) Security Deposits	62.27
b) Advance to suppliers of fixed assets	22.58
Total	84.85

(i) All the above loans and advances are unsecured and considered good.

10. Current Investments

a) Investment in Debt Mutual Funds	-
b) Investment in Bank's CDs	29,760.71
c) Investment in Public Sector Bonds	1,500.00
Total	31,260.71

(i) All the above investments are valued at cost

(ii) Scriptwise breakup of above investments is as follows:

a) Investment in Mutual Funds

(₹ in Lacs)

Mutual Fund	Opening		Purchases		Redemption		Closing	
	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs
HDFC Liquid Fund	508,963	100.00	7,561,635	1,501.44	8,070,598	1,601.44	-	-
Birla Sunlife Cash Plus - Institutional Prem.	2,039,347	320.00	237,067,785	61,393.33	239,107,132	61,713.33	-	-
Birla Sun Life - Fixed Term Plan	10,013,754	1,001.38	-	-	10,013,754	1,001.38	-	-
Birla Sun Life - Saving Fund Institutional Fund- Growth	-	-	15,687,978	2,997.00	15,687,978	2,997.00	-	-
Birla Sun Life - Floating Rate Short Term Growth	-	-	70,567,641	9,374.75	70,567,641	9,374.75	-	-
Kotak Flexi Debt Scheme Institutional-Growth	-	-	22,859,267	2,846.62	22,859,267	2,846.62	-	-
Kotak Floater Long Term Fund-Growth	-	-	7,600,575	1,232.00	7,600,575	1,232.00	-	-
UTI Liquid Cash Plan-Growth	-	-	20,654	350.00	20,654	350.00	-	-
UTI Treasury Advantage Fund-Growth	-	-	21,769	295.00	21,769	295.00	-	-
UTI Money Market Fund-Growth	-	-	799,497	9,115.00	799,497	9,115.00	-	-
UTI Floating Rate Fund-Growth	-	-	59,441	675.00	59,441	675.00	-	-
Reliagre Liquid Fund -Super Institutional Plan	-	-	170,630	2,316.00	170,630	2,316.00	-	-
HDFC Cash Management Fund-Treasury Adv. Plan-Growth	-	-	6,065,447	1,300.00	6,065,447	1,300.00	-	-
Peerless Ultra Short Term Fund -Growth	-	-	19,761,952	2,250.00	19,761,952	2,250.00	-	-
Taurus Short Term Income Fund -Growth	-	-	29,064	500.00	29,064	500.00	-	-

Mutual Fund	Opening		Purchases		Redemption		Closing	
	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs
JM Short Term Fund -Growth	-	-	4,174,861	600.00	4,174,861	600.00	-	-
JM High Liquidity Fund -Growth	-	-	1,140,017	200.00	1,140,017	200.00	-	-
JM High Liquidity Fund Super IP-Growth	-	-	2,984,326	500.00	2,984,326	500.00	-	-
DSP Black Rock Liquidity Fund -Growth	-	-	13,509	200.00	13,509	200.00	-	-
Total	12,562,064	1,421.38	396,586,048	97,646.15	409,148,112	99,067.53	-	-

b) Investment in Bank's CDs (Certificate of Deposits)

(₹ in Lacs)

Bank's CDs	Opening		Purchases		Redemption		Closing	
	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs
Andhra Bank	-	-	1,000	901.51	-	-	1,000	901.51
Axis Bank	2,500	2,268.77	7,500	7,184.61	8,500	8,090.08	1,500	1,363.30
Bank of Baroda	2,500	2,270.68	-	-	2,500	2,270.68	-	-
Bank of India	2,500	2,271.28	5,000	4,817.79	7,500	7,089.07	-	-
Bank of Maharashtra	-	-	3,500	3,418.04	2,500	2,441.78	1,000	976.26
Canara Bank	4,000	3,701.02	6,000	5,515.68	5,000	4,695.71	5,000	4,520.99
Central Bank of India	3,500	3,180.79	5,000	4,658.97	6,000	5,573.35	2,500	2,266.41
Corporation Bank	2,500	2,270.41	2,500	2,262.59	2,500	2,270.41	2,500	2,262.59
Dena Bank	2,500	2,273.29	-	-	2,500	2,273.29	-	-
IDBI Bank Ltd	-	-	5,500	5,058.99	1,000	977.61	4,500	4,081.38
Indian Overseas Bank	2,500	2,271.15	3,000	2,770.31	3,000	2,766.56	2,500	2,274.90
Oriental Bank of Commerce	3,500	3,180.06	4,000	3,884.38	7,500	7,064.44	-	-
Punjab National Bank	2,500	2,443.73	9,000	8,443.78	6,500	6,358.28	5,000	4,529.23
State Bank of Hyderabad	-	0.00	1,500	1,430.83	500	455.74	1,000	975.09
State Bank of India	1,000	910.04	-	-	1,000	910.04	-	-
State Bank of Patiala	-	0.00	4,000	3,726.09	1,500	1,457.21	2,500	2,268.88
Syndicate Bank	5,000	4,543.65	-	-	5,000	4,543.65	-	-
UCO Bank	-	-	3,500	3,391.90	1,000	960.66	2,500	2,431.24
United Bank of India	-	-	1,000	908.93	-	-	1,000	908.93
Total	34,500	31,584.87	62,000	58,374.39	64,000	60,198.55	32,500	29,760.71

c) Investment in Bonds

(₹ in Lacs)

Bonds	Opening		Purchases		Redemption		Closing	
	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs
IDBI Bank Ltd (9.38%)	-	-	50	503.53	50	503.53	-	-
Indian Railway Finance Corp. Ltd (9.57%)	-	-	50	494.69	50	494.69	-	-
Indian Railway Finance Corp. Ltd (8.10%)	-	-	5,000	50.31	5,000	50.31	-	-
National Bank For Agriculture & Rural Dev. (9.40%)	-	-	50	500.00	-	-	50	500.00
National Fertilizers Ltd (9.42%)	-	-	30	302.52	30	302.52	-	-
Power Finance Corp. Bond (9.61 %)	-	-	250	2,538.07	250	2,538.07	-	-

Bonds	Opening		Purchases		Redemption		Closing	
	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs	Units	₹ in Lacs
Power Finance Corp. Bond (9.63 %)	-	-	200	2,001.80	150	1,501.80	50	500.00
Power Finance Corp. Bond (9.70 %)	-	-	100	1,000.00	100	1,000.00	-	-
Power Finance Corp. Bond (9.55 %)	-	-	300	3,005.66	300	3,005.66	-	-
Power Finance Corp. Bond (9.33%)	-	-	50	500.00	-	-	50	500.00
Rural Electrification Corp. Ltd (9.48%)	-	-	200	2,005.66	200	2,005.66	-	-
Rural Electrification Corp. Ltd (9.38%)	-	-	200	2,041.83	200	2,041.83	-	-
Tamilnadu Generation & Distribution Corporation	-	-	70	700.00	70	700.00	-	-
Total	-	-	6550	15,644.07	6400	14,144.07	150	1,500.00

(iii) Aggregate Book Value of Investments

(₹ in Lacs)

Particulars	As at 31.03.2012
a) Quoted Investments	-
Market Value - ₹ NIL (Previous year : NIL)	
b) Unquoted Investments	31,260.71
Total	31,260.71

(₹ in Lacs)

Particulars	As at 31.03.2012
-------------	------------------

11. Inventories

a) Raw Materials	765.39
b) Packing Materials	451.95
c) Finished Goods	1,397.50
d) Stock in trade (in respect of goods acquired for trading)	185.29
e) Work-in-progress (Manufactured Goods)	40.89
f) Work-in-progress (Real estate construction projects)	3,352.98
Total	6,194.00

(i) Finished goods includes goods in transit of ₹ NIL (previous year : NIL)

(ii) Raw & packing material are valued at cost and finished goods are valued at cost or realizable value whichever is lower.

12. Trade Receivables

a) Outstanding for a period exceeding 6 months from the date they are due for payment	8.13
b) Others	505.97
Total	514.10

(i) All the above trade receivables are unsecured and considered good.

(₹ in Lacs)

Particulars	As at 31.03.2012
13. Cash and cash equivalents	
a) Balances with Banks	2,600.26
b) Cheques, drafts in hand	136.55
c) Cash in hand	10.60
Total	2,747.41

Balances with Bank includes:

- (i) Amount of ₹ 1.74 Lacs towards unclaimed dividend
- (ii) Amount of ₹ 3.65 Lacs towards refundable share application money
- (iii) Fixed deposits with more than 12 months maturity of ₹ NIL

14. Short-term loans and advances

a) Advances to Suppliers	61.29
b) Loans & advances to Staff	25.56
c) Advance Payment for Direct Tax (Net)	35.61
Total	122.46

- (i) All the above short term loans and advances are unsecured and considered good.
- (ii) All the above short term loans and advances are provided to non-related parties

15. Other current assets

a) Accrued Income	276.76
b) Prepaid Expenses	6.09
c) Miscellaneous Expenditure <i>(to the extent not written off)</i>	3.80
d) Other Recoverables	2.94
Total	289.59

- (i) All the above short term loans and advances are unsecured and considered good.
- (ii) All the above short term loans and advances are provided to non-related parties.

16. Contingent liabilities and commitments (to the extent not provided for)

(i) Contingent Liabilities	-
(ii) Commitments	-
Total	-

17. Initial Public Offer (IPO)

Company came up with its IPO in August 2010 and listed its securities on NSE & BSE on August 18, 2010. Company issued 45 lacs fully paid up equity shares of face value of ₹ 5/- each at a premium of ₹ 655/- thereby raising a total fund of ₹ 29700 Lacs.

Position of IPO Funds at the end of the year is as follows:

(₹ in Lacs)

Particulars	As at 31.03.2012
Amount collected through IPO	29700.00
Less : IPO expenses	1896.25
Less : Fund utilized for promotion of future products	919.68
Closing Balance of IPO Funds as on 31st March, 2012	26884.07

Pending utilisation, net proceeds of the IPO have been invested in interest bearing debt liquid instruments, bank deposits and other financial products as mentioned herein below:

(₹ in Lacs)

Particulars	As at 31.03.2012
a) In Fixed Deposits with Banks	900.00
b) In Certificate of Deposits of Banks	24483.37
c) In Bonds of Public Sector	1500.00
d) In Current Account with Bank	0.70
Total	26884.07

18. Revenue from operations

Particulars	FY2011-12
a) Sale of products	47,223.53
b) Other operating revenues	107.94
Total	47,331.47

19. Other Income

a) Interest Income	3,298.74
b) Dividend Income (on Debt Mutual Fund Investment)	-
c) Net gain/(loss) on sale of investments	346.04
d) Other non-operating income (net of expenses)	92.88
Total	3,737.66

20. Statement of material consumed

(i) Raw Material Consumed

(₹ in Lacs)

Product	Opening Stock		Purchases		Consumption		Closing Stock	
	Qty (Kg)	Amount	Qty (Kg)	Amount	Qty (Kg)	Amount	Qty (Kg)	Amount
Refined Oil	77,109	48.82	24,389,54	1,744.49	2,427,133	1,721.67	88,930	71.64
Light Liquid Paraffin	2,567,21	188.45	92,560,48	7,811.73	9,013,645	7,617.82	4,99,124	382.36
Perfumes & Others	39191	167.19	4,080,39	2,211.97	3,876,77	2,067.77	59,553	311.39
Total	3,730,21	404.46	12,103,041	11,768.19	11,828,455	11,407.26	6,47,607	765.39

(ii) Packing Material Consumed

(₹ in Lacs)

Product	Consumption	
	No. (Lacs)	Amount
Glass Bottles	1192.93	4583.73
Plastic Bottles & Caps	1282.71	1046.98
Printed Packing Material		1883.40
Other Packing Material		520.53
Total		8034.64

21. Details Of Production, Stock & Turnover:

Quantitative information regarding Opening and Closing stock, Purchases and Sales:-

Manufactured Goods :

(₹ in Lacs)

Product	Unit	Opening Stock		Production		Sales		Closing Stock	
		Qty	Amount	Qty		Qty	Amount	Qty	Amount
Hair Oil	K.Ltr.	408.10	510.83	13743.58		13241.18	41056.96	910.50	1397.50

Traded Goods :

(₹ in Lacs)

Product	Unit	Opening Stock		Purchases		Sales		Closing Stock	
		Qty	Amount	Qty	Amount	Qty	Amount	Qty	Amount
Hair Oil	K.Ltr.	108.55	144.76	2345.58	3330.12	2333.17	6021.32	120.96	169.77
Tooth Powder	M.T.	9.23	10.93	70.07	114.21	68.88	145.25	10.42	15.52

22. Change in Inventories

(₹ in Lacs)

Particulars	FY2011-12	FY2010-11	Changes
a) Finished Goods	1,397.50	548.74	-848.76
b) Stock in trade (in respect of goods acquired for trading)	185.29	117.78	-67.51
c) Work-in-progress	40.89	61.22	20.33
Total	1,623.68	727.74	-895.94

(₹ in Lacs)

Particulars	FY2011-12
-------------	-----------

23. Employee benefit expense

a) Salaries & Wages	2,092.09
b) Contribution to provident & other funds	157.83
c) Staff Training & Welfare expenses	39.68
	2,289.60

24. Financial Costs

a) Interest Expense	3.15
b) Bank Charges	4.70
	7.85

25. Other Expenses

A. Selling & Distribution Overheads	
Schemes & Sales Promotion Exp.	2,693.28
Advertisement	3,777.62
Freight & Octroi	2,108.91
Cash Discount	542.83
Travelling and Conveyance	592.26
Royalty	520.87
Other Selling Overheads	401.29
Total	10,637.06

(₹ in Lacs)

Particulars	FY2011-12
B. General & Administrative Overheads	
Rent	164.02
Manufacturing Expenses	149.65
Legal & Professional Exp.	96.65
Postage and Telephone	51.33
Power and fuel	46.61
Insurance	25.78
Audit Fees & Expenses	14.90
Repairs - Machinery	11.19
Repairs - Others	6.65
Repairs - Building	1.87
Rates & taxes	9.40
Miscellaneous Expenses	184.64
TOTAL	762.69
TOTAL (A + B)	11,399.75

26. Payment to Auditors

a) For Statutory Audit	7.02
b) For Tax Audit	2.30
c) For others services	1.43
d) For reimbursement of expenses	4.15
TOTAL	14.90

27. Segment Reporting

As the company's business activity falls within a single segment viz. 'Cosmetics and toiletries' and the sales substantially being in the domestic market, the disclosure requirements of the Accounting Standard (AS) 17 "Segment Reporting" as prescribed by the Companies (Accounting Standard) Rules 2006 are not applicable. However it does not have any impact on the true and fair view of the state of affairs in case of Balance Sheet and Profit and Loss Account.

28. Employee related dues**A. Defined Benefit Plan**

Particulars	2011-12	
	Gratuity	Leave Encashment
a. Components of Employer Contribution		
Current Service Cost	34.33	98.42
Interest Cost	15.04	-
Expected Return on Plan Assets	(15.04)	-
Actuarial (Gain)/Loss	2.32	-
	36.65	98.42
b. Change in Defined Obligation		
Present Value of Obligation as at beginning of the year	159.83	-
Current Service Cost	34.33	98.42
Interest Cost	15.04	-
Actuarial (Gain)/Loss	0.00	-
Benefits Paid	(34.24)	-
Present Value of Obligation as at the end of the year	174.96	98.42

Particulars	2011-12	
	Gratuity	Leave Encashment
c. Change in Fair Value of Plan Assets		
Present Value of Plan Assets as at beginning of the year	159.83	-
Expected Return on Plan Assets	15.04	-
Actuarial Gain/(Loss)	(2.32)	-
Actual Company Contribution	36.65	98.42
Benefits Paid	(34.24)	-
Present Value of Plan assets as at the end of the year	174.96	98.42
d. Actuarial assumptions :		
Discount Rate	8%	
Estimated Rate of Return on Plan Assets	9.25%	
Salary Escalation Ratio Inflation	5%	
Method	Projected Unit Credit Method	
Mortality Rate	LIC (1994-96) Ultimate	

B. Defined Contribution Plan

Company's Contribution to different contribution plans:

(₹ in Lacs)

Particulars	FY 2011-12
a. Provident Fund	103.39
b. Employees State Insurance	13.60
c. Employees Superannuation Fund	0.00
d. EDLI Contribution	1.66
e. Group Insurance	2.52
	121.17

29. Basic & Diluted Earnings per share (EPS) computed in accordance with Accounting Standard 20 "Earning per share" as prescribed under the Companies (Accounting Standard) Rules, 2006

Particulars	FY 2011-12
Profit After Tax (₹ in Lacs)	12007.52
Adjusted weighted average number of shares outstanding	
Basic (In Lacs)	1475.00
Diluted (In Lacs)	1475.00
Earning per Share (face value Re. 1/- per share)	
Basic (₹)	8.14
Diluted (₹)	8.14

30. As per Accounting Standard 18 (AS-18) 'Related Party Disclosures', prescribed by the Companies (Accounting Standard) Rules, 2006, the disclosures of transactions with the related parties as defined in AS-18 are given below :

- (i) List of related parties and relationships:

Name of the Related Party	Relationship
1. Bajaj Resources Ltd.	Holding company
2. Mr Kushagra Bajaj	Key Management Personnel
3. Mr Roshan F Hinger	Key Management Personnel
4. Mr Sumit Malhotra	Key Management Personnel
5. Mr Jimmy Anklesaria	Key Management Personnel
6. Mr Apoorv Bajaj	Key Management Personnel
7. Bajaj Infrastructure Development Company Ltd	Associates
8. Bajaj Hindusthan Ltd.	Associates
9. Abhitech Developers Pvt. Ltd.	Associates
10. Lalitpur Power Generation Company Ltd.	Associates

- (ii) Transactions during the period with Related Parties:

(₹ in Lacs)

S No	Nature of Transaction	Holding company	Key Management Personnel	Associates	Total	Outstanding as on 31.03.12
A.	Profit & Loss A/c. Items					
1.	Dividend Paid	7,375	-	-	7,375.00	-
2.	Royalty Expense	520.87	-	-	520.87	520.87
3.	Rent Paid	72.80	-	13.90	86.70	-
4.	Remuneration	-	388.32	-	388.32	-
5.	Sitting Fees Paid	-	1.20	-	1.00	-
6.	Guarantee Commission income	-	-	92.88	92.88	92.88
B.	Balance Sheet Items					
7.	Deposit for Rent	-	-	6.30	6.30	11.80
C.	Off Balance Sheet Items					
8.	Corporate Guarantee given	-	-	55,000.00	55,000.00	-
9.	Counter Guarantee received	-	-	55,000.00	55,000.00	-

31. Trade creditors include dues to Small Industrial Undertaking. There are no Small Scale Industrial Undertaking to whom an amount of ₹ One Lac or more was payable and outstanding for more than 30 days.

32. Previous year's figures have been regrouped/rearranged wherever necessary.

As per our report of even date

For **R. S. Dani & Company**

Chartered Accountants

Registration No.: 000243C

For and on behalf of the Board

Kushagra Nayan Bajaj

Chairman

Roshan Fateh Lal Hinger

Vice Chairman & Whole-time Director

Sumit Malhotra

Managing Director

C. P. Kothari

Partner

M. No. 072229

Place : Mumbai

Date : April 24, 2012

Jimmy Rustom Anklesaria

Whole-time Director

Aditya Vikram Ramesh Somani

Director

Dilip Cherian

Director

Gaurav Dalmia

Director

Haigreave Khaitan

Director

Sujoy Sircar

Company Secretary

Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Company

(₹ in Lacs)

1.	Name of the Subsidiary	Uptown Properties & Leasing Pvt Ltd.
2.	Holding Company's Interest	10,000 Equity shares of Rs. 10/-each fully paid up
3.	Extent of Holding	100.00%
4.	Subsidiary Financial Year ended on	31.03.2012
5.	Net aggregate amount of subsidiaries Profit/(Loss) dealt within the holding company's accounts :	
	(i) For the financial year of the subsidiary	₹ 0.00
	(ii) For the previous year of the subsidiary since it become the holding company's subsidiary	₹ 0.00
6.	Net aggregate amount of subsidiaries Profit/(Loss), so far as it concerns members of the holding company, not dealt within the holding company's accounts :	
	(i) For the financial year of the subsidiary	(₹ 1.26)
	(ii) For the previous years of the subsidiary since it become the holding company's subsidiary	₹ 0.00

Details of Subsidiary Companies for the FY 2011-12

	Particulars	Amount (₹ in Lacs)
1.	Capital	1.00
2.	Reserves	-1577.52
3.	Total Assets	3390.21
4.	Total Liabilities	3390.21
5.	Details of Investments	0.00
6.	Turnover	1500.00
7.	Profit before taxation	987.50
8.	Provision for taxation	209.54
9.	Profit after taxation	777.95
10.	Interim & Proposed dividend	NIL

As per our report of even date
For **R. S. Dani & Company**
Chartered Accountants
Registration No.: 000243C

For and on behalf of the Board

Kushagra Nayan Bajaj
Chairman

Roshan Fateh Lal Hinger
Vice Chairman & Whole-time Director

Sumit Malhotra
Managing Director

C. P. Kothari
Partner
M. No. 072229
Place : Mumbai
Date : April 24, 2012

Jimmy Rustom Anklesaria
Whole-time Director

Aditya Vikram Ramesh Somani
Director

Dilip Cherian
Director

Gaurav Dalmia
Director

Haigreave Khaitan
Director

Sujoy Sircar
Company Secretary

Dear Shareholder,

Sub: Green Initiative in Corporate Governance – Electronic Mode of Service of Documents

Ministry of Corporate Affairs, Government of India (MCA) vide its Circular Nos.17 & 18 dated 21/04/2011 and 29/04/2011 respectively has clarified that the Company would be in compliance of the provisions of the Companies Act, 1956, if the Company serves the Notice of General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report, etc. to its shareholders through electronic mode, at the e-mail address provided by them to the Company.

Our Company appreciates the initiative taken by MCA, as it believes strongly in a Greener Environment. This initiative also helps in prompt receipt of communication, apart from helping avoid losses/delays in postal transit

1. Shareholders holding shares in demat (electronic) form

- a) In case you are holding shares of the Company in demat (electronic) form, the Company proposes to send the aforesaid documents to you in electronic form, at the e-mail address provided by you and which will be made available to us by your Depository Participant (DP).
- b) In case of any change in your e-mail address, we request you to inform the said change to your DP to enable them to update their record.
- c) As such, e-mail address registered by you with your DP will henceforth be used by the Company for service of said documents, including those covered under Section 219 of the Companies Act, 1956.
- d) If however, you wish to continue to receive the said documents in physical mode, please send us an e-mail at complianceofficer@bajajcorp.com or write to the Secretarial Department of the Company at its Registered Office at 221, 2nd Floor, Bldg.No.2, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (East), Mumbai - 400 093 quoting reference of your DP ID & Client ID and name of 1st registered shareholder.

2. Shareholders holding shares in physical form

In case you wish to receive all the above communications in electronic form, kindly register your e-mail address with the Secretarial Department of the Company at its Registered Office 221, 2nd Floor, Bldg.No.2, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (East), Mumbai - 400 093 or Kavy Computershare Private Limited, our Share Transfer Agent. You may use the format given below for registering your e-mail address.

We wish to inform you that in addition to getting the documents through your registered e-mail, you can also have access to the documents through our Company website, www.bajajcorp.com. The document will also be available to you for inspection at the Registered Office of the Company during office hours.

We are sure you would appreciate the "Green Initiative" taken by MCA, just as it is being welcomed by Companies like us. Upon receipt of a request from you, your Company shall also send you the physical copy of the above documents free of cost.

Thanking you,

Yours faithfully,
For **Bajaj Corp Limited**

Sujoy Sircar
Company Secretary

BAJAJ CORP LIMITED

FORM FOR REGISTRATION/ CHANGE IN EMAIL ID FOR E - COMMUNICATION

(In terms of Circulars dt. 21.04.2011 and 29.04.2011 issued by the Ministry of Corporate Affairs)

Folio No./DP ID & Client ID :

Name of 1st Registered holder :

Name of Joint holders :

E-mail ID (to be registered) :

Please register my above e-mail ID in your records for receiving communication in electronic form, from the company of which I/We am/are shareholder(s).

Date: Signature:

(First holder)

Note: Shareholder(s) are requested to keep the company informed of change, if any, in the e-mail address.

- 1) Shareholders who are holding shares in Demat/Electronic mode, Registration/change in e-mail address shall be communicated to respective Depository Participant.
- 2) Shareholders holding shares in Physical form, kindly register your e-mail address with Secretarial Department of the Company at its Registered Office or Kavy Computershare Private Limited, our Share Transfer Agent.

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bajaj corp limited

Registered Office: 2nd floor, Building No. 2, Solitaire Corporate Park, 167 Guru Hargovind Marg, Andheri (E), Mumbai - 400 093

D.P. Id No.		Folio No.	
Client Id No.		No. of Shares	

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

I/We hereby record my/our persence at the 6th Annual General Meeting of the Company being to be held at the Rangaswar Hall, 4th Floor, Yashwantrao Chavan Pratishthan, Y.B. Chavan Centre, General Jagannath Bhosle Marg, Nariman Point, Mumbai-400 021 on Wednesday, August 1, 2012 at 12.00 noon.

NAME/S OF THE SHAREHOLDER (IN BLOCK LETTERS)	
NAME OF THE PROXY (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER/PROXY	

Notes:

1. Member/s intending to appoint a Proxy should complete the Proxy Form below and deposit it at the Registered Office of the Company not later than 48 hours before the time of commencement of the meeting.
2. A Proxy need not be a member.
3. A Proxy cannot speak at the meeting or vote on show of hands.

< Tear Here >

bajaj corp limited

Registered Office: 2nd floor, Building No. 2, Solitaire Corporate Park, 167 Guru Hargovind Marg, Andheri (E), Mumbai - 400 093

D.P. Id No.		Folio No.	
Client Id No.		No. of Shares	

PROXY FORM

I/We _____ of _____ in the district of _____ being a member/
members of BAJAJ CORP LIMITED, hereby appoint _____ of _____ in the district
of _____ or failing him _____ of _____ in the district of
_____ or failing him _____ of _____ in the district of _____

as my/our proxy to vote for me/us on my/our behalf at the 6TH ANNUAL GENERAL MEETING of the Company to be held at the Rangaswar Hall, 4th Floor, Yashwantrao Chavan Pratishthan, Y.B. Chavan Centre, General Jagannath Bhosle Marg, Nariman Point, Mumbai-400 021 on Wednesday, August 1, 2012 at 12.00 noon and any adjournment thereof.

Affix
15 Paise
Revenue
stamp

Signed this _____ day of _____ 2012

Signature/s of shareholder/s

N.B.: The Proxy Form duly signed should reach the Registered Office of the Company at least 48 hours before the time of commencement of the meeting.

नया bajaj
**कैलाश
परबत**

ठंडा तेल



चंदन की शीतलता.
बादाम का पोषण.



चम्पी चंदन की



bajaj
Corp Ltd.

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Registered Office: 221, 2nd Floor, Building No.2, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (East), Mumbai- 400093.