



Godrej Industries Limited

Regd. Office : Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai - 400 079.
Tel. : 2518 8010/20/30 Fax : 2518 8066 Website : www.godrejinds.com

Dear Shareholder(s),

NOTICE OF POSTAL BALLOT

(Pursuant to Section 192A of the Companies Act, 1956)

The Board of Directors of the Company has approved the following items for the shareholders approval through Postal Ballot, at their meeting held on January 24, 2011:

1. Modification of Godrej Industries Limited Employee Stock Option Plan - I
2. To invest in securities of and/or place intercorporate deposits with and/or invest in debentures of and/or give guarantee(s) to and/or make loans or any other form of debt to and/or investment in Godrej International Trading and Investments Pte. Ltd. under Section 372A of the Companies Act, 1956, upto a sum of ₹ 5 Crore

Accordingly, the proposed Draft Resolutions and the Explanatory Statement thereto are sent to you along with a Postal Ballot Form for your consideration. Mr. B.M. Shemlani, Chartered Accountant and failing him Mr. Kalidas Vanjpe, Practicing Company Secretary has been appointed by the Board as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to read the instructions printed in the accompanying Postal Ballot Form and return the same along with assent (**FOR**) or dissent (**AGAINST**), in the attached self addressed postage pre-paid envelope so as to reach the Scrutinizer **before the close of working hours (5:30 p.m.) on Friday, April 8, 2011**. Please note that any Postal Ballot Form(s) received after the said date will be treated as not having been received. No other form or photocopy thereof is permitted. The Scrutinizer will submit his report to the Board of Directors of your Company after completion of the scrutiny. Results of the Postal Ballot will be announced by the Chairman or any Director of the Company on Wednesday, April 13, 2011 at 11.00 a.m at the Conference Room, Cafeteria Building, Godrej Industries Ltd., Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400 079. Members of the Company, who wish to be present at the time of declaration of results, may be present at the above venue. The declaration by the Chairman as stated above shall be treated as declaration of results by the Chairman at a meeting of the shareholders as per the provisions of the Companies (Passing of Resolution by Postal Ballot) Rules, 2001. After the above declaration by the Chairman the results of the Postal Ballot will be posted on the Company's website viz., www.godrejinds.com and also communicated to the Stock Exchanges where the Company's shares are listed.

As per the provisions of the Companies Act, 1956, Special Resolution shall be declared as passed in Postal Ballot if votes cast in favour are equal to or exceed three times the votes cast against the resolution.

DRAFT RESOLUTIONS

1. Modification of the Godrej Industries Limited Employee Stock Option Plan - I

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 the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the Guidelines") and any other applicable law for the time being in force and as may be amended from time to time, consent and approval of the Company be and is hereby granted to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee including Compensation Committee, which the Board may constitute, to exercise its powers including the powers conferred by this resolution) for carrying out the following amendments / modifications in the Godrej Industries Limited Employee Stock Option Plan - I (hereinafter referred to as "GIL ESOP" / "the Plan"):

The following amendments shall be applicable to the options granted by the Compensation Committee on April 5, 2007, April 11, 2007, January 23, 2008, March 31, 2008, May 2, 2008, May 26, 2008, and June 3, 2008 under the Plan:-

(i) First paragraph of Clause no.5.5

Existing Clause:

From the date of Vesting of the Options, the Option Grantee shall be entitled to Exercise the Options within such period as may be prescribed by the Compensation Committee which period shall not exceed a period of two years or three years as the case may be from the date of the respective Vesting of the Options.

Amended Clause:

From the date of Vesting of the Options, the Option Grantee shall be entitled to Exercise the Options within such period as may be prescribed by the Compensation Committee which period shall not exceed a period of four years from the date of the respective Vesting of the Options.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its sole and absolute discretion deem fit, necessary, desirable, expedient or proper for such purpose and with authority on behalf of the Company to settle any issues, questions, difficulties or doubts that may arise in this regard or any other matter incidental or consequential thereto and its decision shall be final and binding on the members without requiring the Board to secure any further consent or approval of the members of the Company.

2. To invest in securities of and/or place intercorporate deposits with and/or invest in debentures of and/or give guarantee(s) to and or make loans or any other form of debt to and/or investment in Godrej International Trading and Investments Pte. Ltd. under Section 372A of the Companies Act, 1956, upto a sum of ₹ 5 Crore

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 372A and the other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force and as may be enacted from time to time) (hereinafter referred to as 'the Act'), and/or any other approvals, as may be required, the Company be and is hereby authorised to invest in securities of Godrej International Trading and Investments Pte. Ltd., Singapore ("GITI" / "said Company") and / or acquire by way of subscription, purchase or otherwise and/or place intercorporate deposits with and/or make loans or any other form of debt to and/or investment in the said Company and/or give guarantees in connection with loan(s) given by any other person to the said Company, upto a sum of ₹ 5 Crore (Rupees Five Crore Only), notwithstanding that the aggregate of the loans and investments so far made in or to be made in and the guarantees so far given or to be given to all bodies corporate, exceeds the limits laid down by the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company and/or the Management Committee of the Board of Directors and/or Mr. A.B. Godrej, Chairman, Mr. N.B. Godrej, Managing Director, Ms. T.A. Dubash, Executive Director & President (Marketing), Mr. M. Eipe, Executive Director & President (Chemicals), Mr. V. Srinivasan, Executive Vice-President (Finance & Estate) & Company Secretary, and Mr. C.G. Pinto, Associate Vice-President (Finance), be and are hereby severally authorised to take from time to time all decisions and steps necessary or expedient or proper in respect of the above investment/ debt including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them through recall, renewal, transfer, sale, disinvestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the specified limits for effecting the above transaction.

RESOLVED FURTHER THAT this resolution be valid for the period from the date of approval of the Shareholders to March 31, 2014 and that during this period, the limits indicated hereinabove in case of divestment, renewal, withdrawal, transfer or sale of investment/ guarantee as the case may be, be restored to the original sanctioned limit of ₹ 5 Crore.

By Order of the Board of Directors
for Godrej Industries Limited

V. Srinivasan
Executive Vice-President (Finance & Estate)
& Company Secretary

Mumbai, January 24, 2011

Registered Office:
Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai 400 079.

Notes:

1. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 setting out material facts is annexed hereto.
2. Resolution passed by the members through Postal Ballot is deemed to have been passed at a General Meeting of the members.
3. Document(s) referred to in the accompanying Notice and the Explanatory Statement are available for inspection to the Members of the Company at the Registered Office of the Company between 10.00 a.m. and 12.00 noon on any working day of the Company upto Friday, April 8, 2011.

EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS AS REQUIRED BY SECTION 173(2) OF THE COMPANIES ACT, 1956.

1. Modification of the Godrej Industries Limited Employee Stock Option Plan - I

At the Extraordinary General Meeting of the members of the Company held on December 1, 2005, the members had approved grant of loan to a trust to be created for the benefit of the employees for purchasing 15,00,000 equity shares (90,00,000 equity shares consequent to stock split on August 25, 2006) under a plan titled "Godrej Industries Limited Employee Stock Option Plan" (GIL ESOP).

Under the Plan, the Company had granted a total of 31,19,500 options to employees (net of retirement/lapsed/death) on April 5, 2007, April 11, 2007, January 23, 2008, March 31, 2008, May 2, 2008, May 26, 2008 and June 3, 2008.

The economy and the stock market are on the path of recovery. While the Company's share price has improved from its lows, it is still well below the exercise price making the aforesaid stock options unattractive.

The Board of Directors of the Company has therefore proposed certain modifications to the Plan for the aforesaid tranches, to continue meeting the objective of the plan, viz.: to attract, retain, reward and motivate employees, thus contributing to the growth and profitability of the Company.

The Board considers the aforesaid changes to be in the interest of the option grantees.

The details of the options granted are as follows:

Sr. No.	Name of Option Grantee	No. of Options Granted	Sr. No.	Name of Option Grantee	No. of Options Granted	Sr. No.	Name of Option Grantee	No. of Options Granted
Employees from Godrej Industries Limited			61	Mr. S R Surve	20,000	120	Ms. MSMS Kumar	14,500
1	Mr. A A Rege	100,000	62	Mr. S S Palnitkar	20,000	121	Mr. M V Anand	14,500
2	Mr. A D Padhye	50,000	63	Mr. S S Patil	10,000	122	Mr. M S Bal	21,750
3	Mr. A S Tuteja	50,000	64	Mr. Sanjay L Gupta	10,000	123	Mr. Mahesh N Kansagra	14,500
4	Mr. B S Mehta	100,000	65	Mr. Sanjeev Sharma	15,000	124	Mr. Makarand Karnataki	21,750
5	Mr. C D Wakankar	110,000	66	Mr. Satish R Warriar	25,000	125	Mr. Manish Kumar Agarwal	14,500
6	Mr. D E Mistry	100,000	67	Mr. Shibu James	15,000	126	Mr. Manthan Ramasamy	35,000
7	Mr. K K Lalan	50,000	68	Mr. Sreekanth Vancheeswarar	10,000	127	Mr. Mohan B Kumbhar	14,500
8	Mr. N S Nabar	100,000	69	Mr. Srikanth Bhushi	15,000	128	Mr. A V Arun Subbiah	29,000
9	Mr. R H Khajotia	50,000	70	Ms. Usha Iyer	10,000	129	Mr. Nasim Ali	29,000
10	Mr. R V Jog	100,000	71	Mr. V G Kirkire	14,000	130	Mr. Nitin Gosain	21,750
11	Mr. V Srinivasan	100,000	72	Mr. V K Mehrotra	10,000	131	Mr. P Dilip Kumar	14,500
12	Mr. V Swaminathan	50,000	73	Mr. V P Kelkar	15,000	132	Mr. P K Hegde	14,500
13	Mr. A V Apte	25,000	74	Mr. V G Hazare	20,000	133	Mr. P N Narkhede	72,500
14	Mr. C G Pinto	25,000	75	Ms. Veena Verma	10,000	134	Mr. P P Joshi	21,750
15	Mr. Omar Momin	25,000	76	Mr. Vijaykumar M G	15,000	135	Mr. Praful Bhat	25,000
16	Mr. S M Lovekar	25,000	77	Mr. Vikash Sharma	15,000	136	Mr. Puneet Pokhriyal	35,000
17	Mr. Ashutosh Tiwari	100,000	78	Mr. Vivek Gawri	10,000	137	Mr. Qureshi G A	21,750
18	Mr. A B Bozorgi	15,000	79	Mr. A S Oberoi	10,000	138	Mr. R Annamalai	14,500
19	Mr. A K Venai	15,000	80	Ms. Alolika Dhongade	10,000	139	Mr. R R Govindan	72,500
20	Mr. A S Karandikar	15,000	81	Mr. L Sriram	10,000	140	Mr. R S Masali	14,500
21	Mr. Amit K Jain	10,000	82	Mr. V S Mane	10,000	141	Mr. R S Vijan	110,000
22	Mr. B J Prajapati	10,000	83	Mr. Atul Prakash	25,000	142	Mr. R K Bansal	21,750
23	Mr. D L Vyas	25,000	84	Mr. Nitin Phanse	20,000	143	Mr. Rajeev Lochan Arora	14,500
24	Mr. Dnyanesh Sabnis	10,000	85	Ms. Karishma Kripalani	10,000	144	Mr. Rakesh Dogra	29,000
25	Mr. H N Bechara	7,000	Employees from Godrej Agrovet Limited			145	Mr. S N Bhat	14,500
26	Mr. H R Jani	25,000	86	Mr. A K Malani	35,000	146	Mr. S. Vardaraj	72,500
27	Mr. Hemant J Sawant	15,000	87	Mr. A P Vyas	14,500	147	Mr. S.V.Sardesai	21,750
28	Mr. H B Gandhi	10,000	88	Mr. A Renganadthan	21,750	148	Mr. Sadhu Charan Panda	14,500
29	Mr. J P Bhatt	15,000	89	Mr. Abhay S Pusalkar	14,500	149	Mr. Samir G Pai Raikar	14,500
30	Mr. J R Shah	20,000	90	Mr. Amit Dubey	14,500	150	Mr. S S Shere	21,750
31	Mr. K G Mudaliar	15,000	91	Mr. Anirban Banerjee	36,250	151	Mr. Saurab Bhala	21,750
32	Mr. K R Natarajan	10,000	92	Mr. Arijit Mukherjee	21,750	152	Mr. Shriram V Natekar	21,750
33	Mr. K S Malwania	15,000	93	Mr. Atul Aggrawal	14,500	153	Mr. Sougata Niyogi	14,500
34	Mr. Karthikeyan T K	10,000	94	Mr. B Ravindra Rao	14,500	154	Mr. Subhash Vengayil	21,750
35	Mr. K R Rajput	10,000	95	Mr. B N Vyas	72,500	155	Mr. Sudhakar K	21,750
36	Mr. M D Kangutkar	10,000	96	Mr. B S Yadav	355,000	156	Mr. Sudhir D Kadav	14,500
37	Mr. M G Subramaniam	20,000	97	Capt. A Y Rajendra	26,250	157	Mr. Sudhir Gupta	14,500
38	Mr. M M Shah	20,000	98	Capt. Sunil K Ipe	14,500	158	Mr. Sushil Sawant	29,000
39	Mr. M R Shah	15,000	99	Mr. D A Lad	14,500	159	Mr. Uddhav H Patil	21,750
40	Mr. M S Mukherjee	15,000	100	Mr. D B Kolekar	14,500	160	Mr. Umesh Anekal	10,150
41	Ms. Mugdha U Tambe	10,000	101	Mr. D I Desai	14,500	161	Mr. V G Butala	21,750
42	Mr. N B Solanki	10,000	102	Mr. D S Bhullar	87,500	162	Mr. V V Chaubal	36,250
43	Mr. N D Elavia	25,000	103	Mr. Debajeet Mukherjee	29,000	163	Mr. V K Khot	21,750
44	Mr. Nancy Gonsalves	15,000	104	Mr. Deepu Oommen	14,500	164	Mr. Viney Vatal	29,000
45	Ms. Nupur Gurbaxani	10,000	105	Mr. Dhruva Jyoti Banerjee	21,750	165	Mr. Vinod Kumar Tanwar	14,500
46	Mr. P A Nerurkar	15,000	106	Dr. A R Sirsikar	20,300	166	Mr. Y H Mehta	29,000
47	Mr. P Hariharan	20,000	107	Dr. V M Ramraj	29,000	167	Mr. Praful Bhat	25,000
48	Mr. P P Deo	25,000	108	Dr. J V Deshpande	21,750	Employees from Godrej Properties Limited		
49	Mr. P S Patange	10,000	109	Dr. Umesh Devurkar	21,750	168	Mr. K P Sudhir	50,000
50	Mr. P V Chawathe	10,000	110	Mr. G G Srinivas Rao	21,750	169	Mr. K T Jithendran	100,000
51	Mr. Prakash Dadlani	25,000	111	Mr. G K Sukthankar	26,250	170	Mr. Nishikant Shimpi	50,000
52	Mr. R A Mithaiwala	10,000	112	Mr. Govind P Shelar	21,750	171	Mr. Amandeep Singh	10,000
53	Mr. R Sanjiva Kumar	15,000	113	Mr. J S Ramani	14,500	172	Mr. Nitin Wagle	25,000
54	Mr. Rathnakar Sali	20,000	114	Mr. K K Shahi	14,500	173	Mr. Rajendra Khetawat	25,000
55	Mr. Roji Joseph	10,000	115	Mr. Kameshwar Rao	21,750	174	Mr. Santosh Tamhane	25,000
56	Mr. Rugvedaya Dubhashi	20,000	116	Mr. Kiran Kumar Gellaboin	14,500	175	Mr. Shodhan Kumbhavi	25,000
57	Mr. S Gourishankar	3,500	117	Mr. KSVS Prasad	14,500	176	Mr. P S Sohoni	14,000
58	Mr. S K Patnaik	15,000	118	Mr. L F John	29,000	177	Mr. Jitendra G Labadiya	15,000
59	Mr. S K Pednekar	10,000	119	Mr. Lalit Kumar Mishra	29,000			
60	Mr. S M Telang	10,000						

Approval of shareholders is sought by way of this Special Resolution to amend the Plan in compliance of the Guidelines.

None of the Directors are concerned or interested in this resolution.

The Board of Directors of the Company commends the passing of the resolutions as set out at Item No.1 of the Notice.

2. To invest in securities of and/or place intercorporate deposits with and/or invest in debentures of and/or give guarantee(s) to and or make loans or any other form of debt to and/or investment in Godrej International Trading and Investments Pte. Ltd. under Section 372A of the Companies Act, 1956, upto a sum of ₹ 5 Crore

The particulars of the companies where investment/lending/giving guarantee to loan/placement of intercorporate deposits is proposed are given below:

Name & Regd. Office of the Company	Investments as on date (₹ Crore) & % of holding	Maximum amount of guarantee/ investment (₹ Crore)	Principal business of the Company	Purpose of investment/ giving guarantee	Source of funds	Nature of concern / interest of Directors
Godrej International Trading & Investments Pte. Ltd., 10 Anson Road, # 21-04 International Plaza, Singapore 079903	NIL	5.00	Trading in palm oils / vegetable oils and investment	To capitalize the Company for its business activities	Internal sources / long term funding	None of the Directors are interested in the resolution

By Order of the Board of Directors
for Godrej Industries Limited

V. Srinivasan
Executive Vice-President (Finance & Estate)
& Company Secretary

Mumbai, January 24, 2011

Registered Office:
Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai 400 079.