GRINDWELL NORTON LIMITED

Registered Office: Leela Business Park, 5th Level, Andheri-Kurla Road, Andheri (E), Mumbai – 400 059

Dear Member(s),

The Board of Directors of your Company at their meeting held on January 25, 2011, have recommended the following:-

1. with the view to enter into the business relating to polymer products, as and when the opportunity arises, the Board proposes to amend the object clause of the Memorandum of Association of the Company and authorize the Board to commence the new business;
2. reappoint Mr. A. Y. Mahajan as the Managing Director of the Company for a further period of five years from April 1, 2011.

An Explanatory Statement pertaining to the said Resolution setting out all material facts and the reasons for which such Resolution is proposed is also annexed.

The said Resolutions and Explanatory Statement are being sent along with a Postal Ballot Form for your consideration. The Board of Directors have appointed Mr. H. R. Thakur, a practicing Company Secretary, as Scrutinizer for conducting the Postal Ballot voting process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the postal ballot form and return the form duly completed and signed in the attached self-addressed, postage prepaid business reply envelope, so as to reach the Scrutinizer before the close of working hours i.e. 5.30 p.m. on **Monday, March 14, 2011.** Please note that any postal ballot form(s) received after the said date will be treated as not having been received.

Please note that no other documents except duly completed Postal Ballot Form should be sent in the self addressed (postage to be paid by the addressee) envelope, otherwise it will be liable to be rejected.

The Scrutinizer will submit his report to the Chairman of the Company after the completion of the scrutiny of the postal ballots. The results will be announced by the Chairman or any Director of the Company on Thursday, March 17, 2011 at 4.00 p.m. at the Registered Office of the Company at Leela Business Park, 5th Level, Andheri-Kurla Road, Andheri (E), Mumbai – 400 059. The results of the Postal Ballot will be displayed at the Registered Office and posted on the Company's website www.grindwellnorton.co.in besides communication to the Stock Exchanges where the Company's shares are listed.

Thanking you,

For GRINDWELL NORTON LIMITED

K. VISWESWARAN
COMPANY SECRETARY

Enclosures: - As above.

Place: Mumbai
Date: January 25, 2011

Notice pursuant to Section 192A(2) of the Companies Act, 1956

Pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, Notice is hereby given for seeking the approval of the shareholders for the proposals contained in the draft resolutions appended below by way of Postal Ballot. The explanatory statement pertaining to the said Resolutions setting out material facts is annexed hereto along with a Postal Ballot Form for your consideration.

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

   "RESOLVED THAT pursuant to Section 17 and other applicable provisions, if any, of the Companies Act, 1956, the object clause of the Memorandum of Association of the Company be and is hereby altered as under by inserting the following new sub-clause 55 after the present sub-clause 54 of the Clause III

   New Sub-clause 55

   55. To engage in and carry on the business as manufacturers, exporters, importers, dealer and trader in

   1. All types of engineered, high performance polymer products inclusive of polymer coated fabrics, fabric laminates, films, polymer products used for thermal application, automotive application, flour polymer films, silicone and polymer extruded , moulded products, silicone tubing extrusions, seals and polymer components.
   2. All types of woven fabric with glass fibre or any polymer including reinforcements, nets etc.

   RESOLVED FURTHER THAT any one of the Director and Mr. K. Visweswarn, Company Secretary be and are severally hereby authorized to take all necessary actions and do all such acts, deed, matters and things as may be necessary for giving effect to this resolution."

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

   "RESOLVED THAT pursuant to Section 149(2A) and other applicable provisions if any, of the Companies Act, 1956:

   a) approval of the Shareholders be and is hereby accorded to the Company for commencing the business as set out in the newly introduced sub-clause 55 of Clause III of the Memorandum of Association of the Company and

   b) the Board of Directors of the Company be and is hereby authorized to take up all or any of the aforesaid business, as and when deemed fit by them."

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

   "RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310, 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (Act) (including any statutory modification or re-enactment thereof, for the time being in force) and subject to all such sanctions, as may be necessary, the consent of the Company be and is hereby accorded to re-appoint Mr. A.Y. Mahajan as the Managing Director of the Company for a period of 5 (five) years commencing from April 1, 2011 on the terms and conditions including remuneration as set out in the Agreement, to be entered into between the Company and Mr. A. Y. Mahajan, with liberty to the Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers including powers conferred by this resolution) to alter and vary the terms and conditions including remuneration of the said re-appointment and/or Agreement, as may be mutually agreed between the Board and Mr. A.Y. Mahajan, so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto.

   RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of Mr. A.Y. Mahajan, as Managing Director, the remuneration and perquisites set out as aforesaid be paid or granted to him as minimum remuneration and perquisites, provided that the total remuneration by way of salary, perquisites and other allowances shall not exceed the applicable ceiling limit in terms of Schedule XIII to the Companies Act, 1956 as may be amended from time to time or any equivalent statutory re-enactment thereof for the time being in force.

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

For GRINDWELL NORTON LIMITED

K. VISWESWARAN
COMPANY SECRETARY

Registered Office:
Leela Business Park,
5th Level, Andheri-Kurla Road,
Andheri (E), Mumbai – 400 059

Date : January 25, 2011

NOTE:-

1. The relative Explanatory Statement pursuant to Sections 173(2) and 192A(2) of the Companies Act, 1956 setting out material facts is annexed hereto.
2. The Board of Directors has appointed Mr. H. R. Thakur, a Practising Company Secretary as Scrutinizer for conducting the postal ballot process in a fair and transparent manner and to receive and scrutinize the completed Ballot Papers from the Members. The Postal Ballot Form and the self addressed business reply envelope are enclosed for use of the Members.
3. You are requested to carefully read the instructions printed in the Postal Ballot Form and return the said Postal Ballot Form (no other form or photocopy of the Postal Ballot Form is permitted) duly completed with the assent (for) or dissent (against), in the attached self addressed Business Reply Envelope, so as to reach the Scrutinizer on or before Monday, March 14, 2011 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the results of postal ballot will be announced at 4.00 p.m. on Thursday, March 17, 2011, at the Registered Office of the Company at Leela Business Park, 5th Level, Andheri-Kurla Road, Andheri (E), Mumbai – 400 059. The results of the Postal Ballot will be published in English and Marathi newspapers and will also be posted on the website of the Company.
4. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company between 10.00 A.M. and 1.00 P.M. on working days up to Monday, March 14, 2011.

EXPLANATORY STATEMENT PURSUANT TO SECTIONS 173(2) and 192A OF THE COMPANIES ACT, 1956

Item Nos. 1 & 2 :

Your Company plans to undertake new initiatives and enter into areas of new business pertaining to Polymer Products. The new business initiative is being looked at from the point of view of adding value to the Company's business thus enhancing shareholders value. The polymer products are part of the Saint – Gobain Group and the Company being a part of Saint Gobain Group is expanding its business arena by venturing into the new business initiative.

With this end in view, the Special Resolutions are recommended for amending the Object Clause of the Memorandum of Association of the Company, as well as authorising the Board of Directors to commence such business, as and when the need arises. These Special Resolutions set out in item nos. 1 & 2 are aimed at undertaking and enabling the commencement of such new business.

Your Directors recommend these Special Resolutions for your approval.

None of the Directors of the Company are concerned or interested in these Special Resolutions.

Item No. 3.

Mr. A. Y. Mahajan was appointed as Managing Director of the Company at the Board Meeting held on March 26, 1991 for a period of five years commencing from April 1, 1991 to March 31, 1996. He was reappointed for three successive five year tenures from April 1, 1996 to March 31, 2001, April 1, 2001 to March 31, 2006 and April 1, 2006 to March 31, 2011. His current term of office ceases on March 31, 2011.

The Board of Directors (Board) of the Company, at their meeting held on January 25, 2011 has re-appointed Mr. A.Y. Mahajan, as the Managing Director of the Company, for a further period of five years commencing from April 1, 2011 to March 31, 2016, on the terms and conditions as set out below:

1. **Nature of Duties:**

   Mr. A. Y. Mahajan as Managing Director shall, subject to the supervision and control of the Board of Directors (Board), be entrusted with substantial powers of management and shall also perform such duties, as may from time to time be entrusted by the Board.

2. **Period of Agreement:**

Five years with effect from 1st April, 2011 to 31st March, 2016.

3. **Remuneration:**

I. a) Salary of Rs.6,10,524/- per month.

b) Other benefits (including Provident Fund, Superannuation, Gratuity etc.) of Rs.2,16,765/- per month.

The Managing Director shall not be entitled for sitting fees for attending meetings of the Board and its Committees.

The Board has been authorised and empowered to modify the terms and conditions of the Agreement including the remuneration payable, from time to time, however the remuneration payable shall be within the maximum limits prescribed under Schedule XIII to the Companies Act, 1956 as amended from time to time.

II. The Managing Director shall be eligible to all the perquisites as are applicable to the Senior Management Personnel of the Company viz., Mediclaim / Hospitalisation for self and family, Personal Accident Insurance for self, Hard Furnishing / Club Membership, Reimbursement of Mobile / Telephone expenses, providing cars maintained by Company etc.

4. **Commission / Incentive**

As may be approved by the Board, for each year, subject to the overall limit of total managerial remuneration of each year as per the provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, as amended from time to time.

5. **Minimum Remuneration**

In case of loss or inadequacy of profits in any financial year during the currency of the tenure of Mr. A. Y. Mahajan as Managing Director, the Company will pay salary and perquisites as minimum remuneration provided that the total remuneration by way of salary, perquisites and other allowances shall not exceed the applicable ceiling limit in terms of Schedule XIII to the said Act as may be amended from time to time or any equivalent statutory re-enactment thereof for the time being in force.

6. **Termination**

The Company and Mr. A.Y. Mahajan are entitled to terminate the contract or agreement by giving six months written notice to the other party.

The terms and conditions including remuneration payable to Mr. A.Y. Mahajan are submitted for your approval. Mr. A.Y. Mahajan has vast knowledge, rich and varied experience in the working of your Company. Mr. Mahajan has a Master in Economics from Mumbai University and an MBA from Cornell University, USA. Under his leadership, the Company has steadily grown in size, profits and strength. The Board recommends the re-appointment of Mr. A.Y. Mahajan as Managing Director of the Company on the terms and conditions as set out above.

Except Mr. A.Y. Mahajan, no other Director was concerned or interested in this resolution.

The copy of the resolution passed by the Board of Directors on January 25, 2011 and the draft of agreement to be entered into with Mr. A. Y. Mahajan shall be kept available for inspection at the Registered Office of the Company between 10:00 A.M. and 1:00 P.M. on any working day up to Monday, March 14, 2011.

This may be treated as the requisite abstract under Section 302 of the Companies Act, 1956.

For GRINDWELL NORTON LIMITED

K. VISWESWARAN
COMPANY SECRETARY

Registered Office:
Leela Business Park,
5th Level, Andheri-Kurla Road,
Andheri (E), Mumbai – 400 059

Date : January 25, 2011

GRINDWELL NORTON LIMITED

Regd. Office :- Leela Business Park, 5th Level, Andheri-Kurla Road, Andheri (E), Mumbai - 400 059

POSTAL BALLOT FORM

(To be returned to the Scrutinizer, appointed by the Company)

1. Name & Registered Address of the Sole / first named shareholder :

2. Name(s) of joint holder(s), (if any) :

3. Registered Folio No./ DP ID No./Client ID No.* :
*(Applicable to investors holding Shares in dematerialised form)

4. Number of Share(s) held :

I / We hereby exercise my/our vote in respect of the Special Resolution(s) to be passed through Postal Ballot for the business stated in the Postal Ballot Notice of the Company by sending my / our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate box below.

Description	No. of Equity Shares	I/We assent to the Resolution **(FOR)**	I/We dissent to the Resolution **(AGAINST)**
1. Special Resolution under Section 17 of the Companies Act, 1956, for amendment to the Object Clause of the Memorandum of Association of the Company.			
2. Special Resolution under Section 149(2A) of the Companies Act, 1956, authorising the Board of Directors to commence the new business thereof.			
3. Ordinary Resolution under Section 198, 269 and 309 read with Schedule XIII to the Companies Act, 1956 for reappointing Mr. A. Y. Mahajan as the Managing Director of the Company for a period of five years commencing from April 1, 2011.			

mail ID :
ace :
te :

Signature of the Member

PLEASE SEND YOUR POSTAL BALLOT FORM IN THE ENVELOPE ENCLOSED HEREWITH.

NOTE : PLEASE READ THE INSTRUCTIONS PRINTED OVERLEAF

Orient Press Ltd. Tel.: 40285888

INSTRUCTIONS

1. A member desiring to exercise vote by postal ballot may complete this Postal Ballot Form and send it to the Company in the self-addressed Business Reply Envelope (enclosed herewith). However, envelopes containing Postal Ballots, if sent by courier, at the expenses of the registered shareholder will also be accepted.

2. The self-addressed Business Reply Envelope (postage to be borne by the Addressee) bears the address of the Scrutinizer appointed by the Board of Directors of the Company.

3. This Form should be completed and signed by the shareholder. In case of joint holding, this Form should be completed and signed (as per the specimen signature registered with the Company) by the first named shareholder and in his absence, by the next named shareholder.

4. In case of shares held by Companies, Trusts, Societies etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authority, with signature(s) of Authorised Signatory(ies).

5. Postal Ballot cannot be exercised by a Proxy.

6. Incomplete, unsigned or incorrectly filled Postal Ballot Forms are subject to rejection by the Scrutinizer.

7. Members are requested not to send any other matter along with the Postal Ballot Form in the enclosed self-addressed Business Reply Envelope. If any extraneous papers are found, the same will be destroyed by the Scrutinizer.

8. Duly completed Postal Ballot Forms should reach the Company not later than the close of working hours on Monday, March 14, 2011. Postal Ballot Forms received after this date will be strictly treated as if the reply from the member has not been received.

9. Voting rights shall be reckoned on the paid up value of shares registered in the name of the shareholder(s) on the date of despatch of the Notice.

10. The Scrutinizer's decision on the validity of postal ballot will be final.