

Minutes of the meeting of Godrej Industries Limited held on Monday, January 17, 2011 for announcement of the result of postal ballot as per the provisions of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

Date Monday, January 17, 2011
 Time 11:00 a.m.
 Venue The Conference Room No.2, Cafeteria Bldg.,
 Godrej Industries Ltd., Vikhroli, Mumbai 400 079
 Present Mr. A.B. Godrej, Chairman and Shareholder
 Mr. V. Srinivasan, Executive Vice President (Finance & Estate) &
 Company Secretary and Shareholder
 Mr. Bharat Shemlani, Scrutinizer

Following members were also present in person:

Mr. D. A. Fernandes
 Mr. A. K. Jain
 Ms. V. Tauro
 Mr. K.R. Rajput
 Mr. K. G. Mudaliar
 Ms. K.K. Master
 Mr. N. J. Ashar

Mr. A.B. Godrej, Chairman, took the Chair.

The Chairman informed the Members that the Board of Directors had, at its meeting held on October 27, 2010, given its approval to the following business subject to the approval of shareholders:

Special Resolutions:

1. Modification of Godrej Industries Limited Employee Stock Option Plan – I
2. Approval of Employees Stock Grant Scheme and allotment of equity shares thereunder to the Employees of the Company and its subsidiaries
3. Increase in remuneration payable to Mr. N. B. Godrej for the financial year 2010 – 2011
4. Waiver of refund of remuneration paid to Mr. V. F. Banaji
5. Waiver of refund of remuneration paid to Mr. M. P. Pusalkar

The Chairman further informed that the shareholders' approval for the proposed resolution was sought under the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules 2001.

Accordingly, vide postal ballot notice, the draft Resolution and Explanatory Statement thereto were sent to the shareholders along with a Postal Ballot Form for their consideration. Mr. Bharat Shemlani, Practising Chartered Accountant and failing him Mr. Kalidas Vanjpe, Practising Company Secretary was appointed as Scrutinizer for conducting the postal ballot process in a fair and transparent manner. The last date for receipt of the postal ballot form duly completed was fixed as Wednesday, January 12, 2011.

The Chairman then informed the Members that Mr. B. M. Shemlani had submitted his report on the Postal Ballot which was as under:

In all 1,852 ballot papers representing 25,46,83,249 equity shares of the face value of ₹1/- each were received from the shareholders.

Result of Special Resolutions:

Item No.1			
Modification of Godrej Industries Limited Employee Stock Option Plan - I			
Special Resolution			
Category	Votes	Shares	Percentage
For	1,582	25,44,41,250	99.91
Against	158	1,81,589	0.07
Invalid	112	60,410	0.02
Total	1,852	25,46,83,249	100.00

The votes cast "FOR" the Special Resolution out of the total votes polled is 99.91%.

Item No.2			
Approval of employees Stock Grant Scheme and allotment of equity shares thereunder to the Employees of the Company and its Subsidiaries			
Special Resolution			
Category	Votes	Shares	Percentage
For	1,541	25,24,70,524	99.13
Against	167	21,48,199	0.84
Invalid	144	64,526	0.03
Total	1,852	25,46,83,249	100.00

The votes cast "FOR" the Special Resolution out of the total votes polled is 99.13%.

Item No.3			
Increase in remuneration payable to Mr. N. B. Godrej for the financial year 2010-2011			
Special Resolution			
Category	Votes	Shares	Percentage
For	1,462	25,45,60,548	99.95
Against	243	54,312	0.02
Invalid	147	68,389	0.03
Total	1,852	25,46,83,249	100.00

The votes cast "FOR" the Special Resolution out of the total votes polled is 99.95%.

Item No.4			
Waiver of refund of remuneration paid to Mr. V. F. Banaji			
Special Resolution			
Category	Votes	Shares	Percentage
For	1,359	25,43,87,258	99.88
Against	333	2,25,858	0.09
Invalid	160	70,133	0.03
Total	1,852	25,46,83,249	100.00

The votes cast "FOR" the Special Resolution out of the total votes polled is 99.88%.

Item No.5			
Waiver of refund of remuneration paid to Mr. M. P. Pusalkar			
Special Resolution			
Category	Votes	Shares	Percentage
For	1,359	25,43,85,941	99.88
Against	328	2,23,658	0.09
Invalid	165	73,650	0.03
Total	1,852	25,46,83,249	100.00

The votes cast "FOR" the Special Resolution out of the total votes polled is 99.88%.

The special resolutions as approved by the Shareholders vide the Postal Ballot process are as follows:-

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

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 January 23, 2008, March 31, 2008, May 2, 2008, May 26, 2008 and June 3, 2008 under the Plan:-

(i) Clause no.5.4:**Existing Clause:**

The Employee Stock Options granted under GIL ESOP shall vest as follows:

The Options shall vest in the eligible Employees within such period as may be prescribed by the Compensation Committee, which period shall be not less than one year and may extend upto three years from the date of grant of Options. Vesting may occur in tranches, subject to the terms and conditions of Vesting, as may be stipulated by the Compensation Committee.

Amended Clause:

The Employee Stock Options granted under GIL ESOP shall vest as follows:

The Options shall vest in the eligible Employees within such period as may be prescribed by the Compensation Committee, which period shall be not less than one year and may extend upto five years from the date of grant of Options. Vesting may occur in tranches, subject to the terms and conditions of Vesting, as may be stipulated by the Compensation Committee.

In the event that, during the 4th and 5th year of the vesting period, the average of the closing market price of the shares of the Company on the Bombay Stock Exchange and National Stock Exchange on each day exceeds the Exercise Price by not less than ₹50/- for a consecutive period of thirty days, the options shall be deemed to have vested on the day immediately following the thirtieth day, as determined by the Compensation Committee.

(ii) 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 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 three 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. Approval of Employees Stock Grant Scheme 2011 and allotment of equity shares thereunder to the Employees of the Company and its subsidiaries

"RESOLVED THAT in accordance with the applicable provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, Reserve Bank of India Regulations and other rules, regulations and guidelines of any statutory / regulatory authority(ies) that are or may become applicable and subject to any approvals, permissions and sanctions of any authority(ies) as may be required, and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'the Board', which term shall be deemed to include any Committee(s) already constituted / to be constituted by the Board to exercise its powers including the powers conferred by this resolution), consent of the Company be and is hereby accorded to the Board for the introduction and implementation of the Employee Stock Grant Scheme 2011 [the 'ESGS Scheme'], the salient features of which are furnished in the Explanatory Statement to this Notice and to award Stock Grants and allot equity shares pursuant to ESGS Scheme to such employees, whether working in India or out of India, except those who are promoters or belong to the promoter group, under the ESGS Scheme, at such price or prices, in one or more tranches and on such terms and conditions, as may be fixed or determined by the Board and/ or the Compensation Committee formed in accordance with the ESGS Scheme;

RESOLVED FURTHER THAT consent of the Company be and is also hereby accorded to the Board to extend the benefits of the ESGS Scheme, to such person(s) who are in employment of the Company's subsidiaries (both present and future, Indian and overseas subsidiaries), whether working in India or out of India, and to the Directors of such subsidiaries, whether whole-time or not, and to such other persons as may from time to time be allowed to enjoy the benefits of the ESGS Scheme under applicable laws and regulations prevailing from time to time, except those who are promoters or

belong to the promoter group, under the ESGS Scheme, on such terms and conditions as may be fixed or determined by the Board;

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company, to make and carry out any modifications, changes, variations, alterations or revisions in the terms and conditions of the ESGS Scheme or to the terms of Stock Grants awarded and/or vested but not exercised, including modifications or changes to the quantum and price of such Stock Grants, from time to time which are in accordance with applicable laws and regulations prevailing from time to time, as it may deem fit, necessary or desirable, without requiring the Board to secure any further consent(s) or approval(s) of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution;

RESOLVED FURTHER THAT for the purpose of bringing into effect and implementing the ESGS Scheme and generally for giving effect to this resolution, the Board be and is hereby authorized, on behalf of the Company, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and with power to settle any issues, questions, difficulties or doubts that may arise in this regard;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any powers conferred herein, to the Compensation Committee or any other Committee of Directors, with power to further delegate to any executives/officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc., as may be necessary in this regard.

RESOLVED FURTHER THAT in accordance with the applicable provisions of the Companies Act, 1956, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and other rules, regulations and guidelines of any statutory / regulatory authority(ies) that are or may become applicable and subject to any approvals, permissions and sanctions of any authority(ies) as may be required and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent, authority and approval of the members of the Company be and is hereby accorded to the Board of Directors which term shall be deemed to include any Committee(s) already constituted / to be constituted by the Board to exercise its powers including the powers conferred by this resolution) to create, issue, offer and allot in one or more tranches under the said proposed Employees Stock Grant Scheme 2011 at any time to or for the benefit of employees and directors of the Company and its Subsidiary Companies (except those who are promoters or belong to the promoter group) such number of equity shares of the Company, not exceeding 25,00,000 (Twenty Five Lac Only) at such price and on such terms and conditions as may be fixed or determined by the board in accordance with the (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 or any other applicable provisions of any laws as may be prevailing at the relevant date"


CHAIRMAN'S
INITIALS

3. Increase in remuneration payable to Mr. N. B. Godrej for the financial year 2010-11

RESOLVED THAT pursuant to the provisions of Sections 198, 309 and 310 read with Schedule XIII to the Companies Act, 1956 and subject to approval of the Central Government, the increase in remuneration payable to Mr. N. B. Godrej, Managing Director amounting to ₹4.47 crore for a period effective from April 1, 2010 to March 31, 2011 be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company and Mr. V. Srinivasan, Executive Vice-President (Finance & Estate) & Company Secretary and/ or Mr. Clement Pinto, Associate Vice President (Finance) and/or Mr. K. R. Rajput, Deputy Company Secretary, be and are hereby severally authorised to all do all such acts, deeds and things as may be required or considered necessary or incidental thereto, in this regard.

4. Waiver of refund of remuneration paid to Mr. V.F. Banaji

RESOLVED THAT pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, as amended upto date, any amendments or re-enactments thereto and any other Acts, rules or other statutes applicable and subject to approval of the Central Government, consent of the shareholders be and is hereby accorded for waiver of refund of excess remuneration paid to Mr. V.F. Banaji – Executive Director & President (Group Corporate Affairs) for the period April 1, 2010 to April 30, 2010 for an amount not exceeding ₹1.89 crore/-.

RESOLVED FURTHER THAT the Board of Directors of the Company and Mr. V. Srinivasan, Executive Vice-President (Finance & Estate) & Company Secretary and/ or Mr. Clement Pinto, Associate Vice President (Finance) and/or Mr. K. R. Rajput, Deputy Company Secretary, be and are hereby severally authorised to all do all such acts, deeds and things as may be required or considered necessary or incidental thereto, in this regard.

5. Waiver of refund of remuneration paid to Mr. M.P. Pusalkar

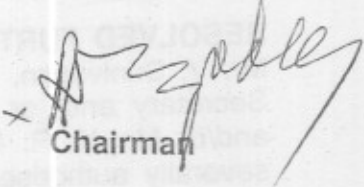
RESOLVED THAT pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, as amended upto date, any amendments or re-enactments thereto and any other Acts, rules or other statutes applicable and subject to the approval of the Central Government, consent of the Shareholders be and is hereby accorded for waiver of refund of excess remuneration paid to Mr. M.P. Pusalkar – Executive Director & President (Corporate Projects), for the period April 1, 2010 to April 30, 2010 for an amount not exceeding ₹2.42 crore.

RESOLVED FURTHER THAT the Board of Directors of the Company and Mr. V. Srinivasan, Executive Vice-President (Finance & Estate) & Company Secretary and/ or Mr. Clement Pinto, Associate Vice President (Finance) and/or Mr. K. R. Rajput, Deputy Company Secretary, be and are hereby

severally authorised to all do all such acts, deeds and things as may be required or considered necessary or incidental thereto, in this regard.

Therefore, the Special Resolutions as mentioned in the postal ballot notice, the text of which is reproduced hereinabove has been passed with the requisite majority.

The meeting then concluded with a vote of thanks to the Chair.


Chairman

Date: January 17, 2011.