

allotment of further shares, such further shares shall be offered to the existing shareholders of such company in the manner laid down in Section 81 unless the shareholders in a general meeting decide otherwise.

The special resolution, if passed, will have the effect of allowing the Board to issue and allot Securities otherwise than on pro rata basis to the existing shareholders.
The Board of Directors believes that such an issue of Securities of the Company is in the interest of the Company.

None of the Directors of the Company is any way concerned or interested in the said resolution.

The Board recommends the resolution for acceptance by the members.

ITEM NO.2

In terms of the foreign Exchange Management Act,1999, the Foreign Institutional Investors (FIIs) or their sub-accounts registered with SEBI, may in aggregate, hold upto 24% of the paid up Share Capital of the Company. With the improvement in the economy in general and tea market in particular and the upswing in the capital market, investment by various foreign entities, including that by FIIs in the share capital of Indian companies has been on an increase. Various FIIs have recently shown interest and are eager to increase their exposure in Indian Tea Companies. In view of this and considering the proposed issues of securities, it is proposed to seek the consent of the shareholders to authorise the Board of Directors to permit the limit for investment by FIIs upto an aggregate of 49% of the paid up share capital of the Company, as and when required.

None of the Directors of the Company is any way concerned or interested in the said resolution.

The Board recommends the resolution for acceptance by the members.

Registered & Head Office:

"INDUSTRY HOUSE"

10, Camac Street

Kolkata 700 017

Dated, the 14th October, 2010

By order of the Board
For Jay Shree Tea & Industries Limited
R.K.GANERIWALA
President & Secretary
