Haileyburia Tea Estates Limited

Annual Report - 2025-2026

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2025-2026

CORPORATE INFORMATION

Statutory Auditors
M/s. Krishnamoorthy & Krishnamoorthy
Chartered Accountants
61/3229, A2,
Pournami Manikkath Cross Road
Kochi-682016

Internal Auditors
M/s. N. Satheesan & Co
Chartered Accountants
Padmam Apartments
Manikkath Road Kochi-682016

Secretarial Auditors
M/s. AASK & Associates LLP
Company Secretaries
207, Suchet Chambers, 1224/
5Naiwala, Bank Street,
New Delhi -11005

Main Banker
South Indian Bank
Kerala Grameena Bank

Registered Office:
Haileyburia Tea Estates Limited
24/432, Marar RoadWillingdon Island,
Cochin, Ernakulam 682003
CIN: L01132KL1923PLC000415
Email Id: chinnartea@gmail.com
Website: www.chinnartea.co.in

HAILEYBURIA TEA ESTATES LIMITED

Registered office: 24/432, Marar Road, Willingdon Island, Cochin-682003, Kerala
Phone : (0484) 2667653, E-mail : chinnartea@gmail.com, Web: www.chinnartea.co.in

CIN: L01132KL1923PLC000415
GSTIN : 32AAACH5287MIZC

FROM THE DESK OF THE CHAIRMAN

103rd Annual General Meeting — 8th August 2026

Dear Members,

It gives me great pleasure to welcome you to the 103rd Annual General Meeting of M/s Haileyburia Tea Estates Limited, being held virtually on 8th August 2026. As I address you today, I do so with a clear-eyed acknowledgement of the difficulties of the past year and with genuine optimism about the path ahead — optimism that is grounded not in wishful thinking but in the concrete steps we have taken and the positive developments that are now beginning to unfold.

OPERATIONAL PERFORMANCE: FY 2025-26

The year under review has been one of our most challenging. Tea production declined to 7,39,412 kg from 9,64,141 kg in the previous year — a fall of approximately 23%. This was caused by a combination of adverse weather conditions in the second half of the year, a shortage of migrant workers during Q4 arising from elections in Assam and North Bengal, and the disruption to plucking rounds caused by a lockout in August 2025 that affected both quantity and quality of production. As a result, the loss for the year increased to Rs. 449.18 lakhs from Rs. 324.97 lakhs in the previous year.

The operational context was further shaped by a difficult national and sectoral backdrop. Total tea production nationally was 1,203.65 million kg against 1,382.03 million kg in the prior year. Domestic per capita consumption remains stagnant at approximately 840 grams, keeping prices under sustained pressure while input costs continue to rise across wages, fuel, and packing materials. In Kerala specifically, plantation wages have increased from Rs. 502 per day to Rs. 548 per day plus statutory benefits, with a monthly variable DA component effective 1st April 2026. This is nearly double the wage structure in Assam and North Bengal and creates a structural cost disadvantage for Kerala tea in competing on price and quality. For most estates in the region, expenses now exceed income — a matter that demands both Government attention and industry-wide solutions.

Beyond tea, the Company harvested 3,01,580 kg of Robusta coffee, 60,842 kg of Arabica in green cherry form, and 16,105 kg of green pepper. These crops too were impacted by the worker shortage during peak harvest periods.

LEGAL AND FINANCIAL MATTERS: THE CHALLENGES WE HAVE FACED AND HOW WE HAVE RESPONDED

I wish to address these matters with full transparency, as the Members deserve a complete picture of the legal and financial situation and, more importantly, of the vigorous and multi-front response the Management has mounted.

Title Suit. In July 2025, the Government of Kerala filed Title Suit No. 46 of 2025 before the Sub Court, Kattappana, claiming ownership of the entire estate land held by us under registered sale deeds for periods of 71, 79, and 102 years respectively. The Government has simultaneously announced an intention to reclaim 1,66,627 acres across 25 estates in Idukki District. The Company has been in peaceful and uninterrupted possession of its estates throughout this period, has paid land tax continuously, and holds the estates under registered sale deeds. We have contested the suit vigorously. We have also moved the Hon'ble High Court of Kerala at Ernakulam, where matters are being pursued actively. We have been advised that the suit as framed is not maintainable. No such title suit against established plantation companies has succeeded in Kerala's legal history, and we remain confident of a favourable outcome. I am also pleased to inform Members that the new UDF Government, which assumed office recently, has indicated a constructive approach to resolving land-related issues affecting the plantation sector, and we have made comprehensive representations to the Chief Minister and relevant Ministers.

Banking and NPA Classification. As a direct consequence of the title suit and the resulting uncertainty over collateral, our bankers, South Indian Bank Limited, classified our credit accounts as NPA on 04.11.2025 on what we submit are untenable technical grounds, despite a consistent repayment record and a collateral coverage ratio of 22.8:1 (land independently valued at Rs. 166.56 crores against a principal outstanding of Rs. 6.75 crores). We wish to place on record that the Bank had conducted full legal due diligence on our title when sanctioning these facilities in 2019 and had been satisfied with title. The NPA classification is under active legal challenge before the Kerala High Court Division Bench in Writ Appeal WA 846/2026. Simultaneously, the Company has engaged with the Bank's Committee for Stressed MSMEs under the RBI's Framework for Revival and Rehabilitation of MSMEs, and the process has yielded positive signals including an indication that the accounts will be restored to Standard status upon clearance of operational dues. We have also formally disputed penal charges of approximately Rs. 20 lakhs levied without contractual or regulatory basis, and we are in active correspondence with the Bank on a comprehensive Corrective Action Plan covering FITL conversion, interest rate reset, and additional support facilities.

EPFO Matters. EPFO arrears accumulated over several years as a consequence of the Company prioritising bank dues to protect its banking relationship — a choice made under extreme financial pressure to keep operations and employment intact. When resources became available through a land sale in 2023, the Company voluntarily remitted Rs. 1,44,78,653/- directly to EPFO. The Company is contesting the disproportionate damages and interest levied by the RPFC-II, Kottayam before the Central Government Industrial Tribunal, Kochi, and has made representations to the new RPFC for a structured settlement. We remain committed to full resolution of all EPFO obligations.

Asset Monetisation. With the approval of Members and our bankers, the Company has identified 102 acres of non-cultivated land at Chinnar Estate for disposal, the proceeds of which will be used to clear existing financial liabilities and rebuild working capital. The Company has also sought permission for the scientific harvesting of mature cultivated teak trees within the estate boundaries, under full Government supervision, with proceeds earmarked for worker dues and statutory liabilities. These plans were delayed by the title suit injunction but are now being pursued with urgency on multiple fronts, including through the new State Government. Once executed, these transactions will significantly reduce finance costs, improve liquidity, and restore the Company to a stable operational footing.

POLICY SUPPORT AND SECTOR OUTLOOK

On the policy front, there are genuine reasons for optimism. The revised budget for 2026-27, presented on 19th June 2026 by the Hon'ble Chief Minister of Kerala, Shri V.D. Sateesan, proposed encouraging multi-cropping, increased use of plantation land for tourism, and legislative amendments to support planters. The Government of India's ECLGS 5.0 scheme, approved in May 2026, provides 100% sovereign-guaranteed additional working capital for eligible MSMEs affected by the West Asia crisis — a scheme under which this Company is pursuing eligibility actively. The commodity outlook is encouraging: coffee prices are at historic highs, pepper prices in Kerala have risen approximately 35% from five-year averages, and tea prices show structural upward pressure from declining plantation stock across South India.

LOOKING AHEAD

Members, Haileyburia Tea Estates Limited has operated continuously for 103 years. It has endured two World Wars, Indian Independence, decades of labour unrest, multiple commodity price cycles, and now a convergence of a pandemic, a banking crisis, and a Government title suit. Through every one of these challenges, the Company has continued to operate, continued to employ its workers, and continued to honour its obligations to the maximum extent its resources permitted.

The path ahead is clear. The title suit will be resolved — our legal advisors are confident, our possession is unassailable, and the new Government has shown a constructive disposition. The banking relationship will be restored — the CSMSME process is active and the Bank has indicated its willingness to renew. The land sale will be executed — the 102 acres are identified, bank-approved, and shareholder-approved, and only the injunction from the title suit stands between us and execution. When these three things happen — and I believe they will happen within the coming twelve months — the Company will emerge financially restructured, operationally strengthened, and positioned to benefit from the favourable commodity cycle that is unfolding.

I wish to express my profound gratitude to our 700 workers and their families in the remote highlands of Idukki, who have shown extraordinary resilience and loyalty through this difficult period. I also thank our trade union partners, the Tea Board of India, and the various Government authorities who have engaged constructively with our revival efforts. And I thank you, our Members, for your continued confidence in the Company and its Management.

I look forward to reporting to you at the next Annual General Meeting with news of a decisive turnaround.

With warm regards and best wishes,

Vinod Kumar Dugar
Chairman
M/s Haileyburia Tea Estates Limited

Place: Kolkata

HAILEYBURIA TEA ESTATES LIMITED

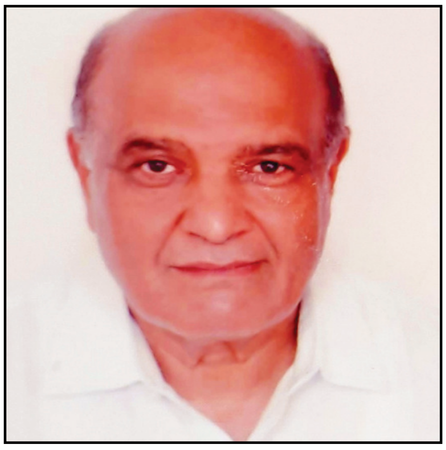
PERFORMANCE & PERSPECTIVE

	2021-22	2022-23	2023-24	2024-25	2025-26
CROP AND YIELD : TEA					
Crop plus bought leaf in Kilograms (Total Made Tea Produced)	1279775	958917	1032091	957895	729092
Yield in Kgs per Hectare	1619	1521	1619	1537	1179
COST, PRICE & MARGIN : TEA					
Estate cost : Paise per Kg.	13694.17	12679.00	13778.24	15690.04	16344.32
All in cost : Paise per Kg.	19695.95	19630.00	21248.35	22957.98	26720.18
Average sale price : Paise per Kg	14,579.00	14,618.00	14,558.00	14,239.00	14,405.00
Margin : Paise per Kg.	(5116.95)	(5012.00)	(6690.35)	(8718.98)	(12315.18)
WORKING RESULTS:					
Gross sale proceeds (Rupees)	211803794.9	194085746	150,688,587	179,264,293	121,750,688
Operating Profit/Loss (Rupees)	(53600774)	(34578589)	(40790819)	(35160737)	(46962160)
Net profit before taxation (Rupees)	(50608922)	(38478356)	22128858	(32497191)	(44918107)
Provision for taxation - FBT (Rupees)					
Profitability of sales (%)	(23.89)	(19.83)	14.69	(18.13)	(36.89)
Net sales per Equity share (Rupees)	134.48	123.23	95.68	113.82	77.30
Earning per Equity Share (Rupees)	(32.13)	(24.43)	14.05	(20.63)	(28.52)
DISTRIBUTION OF INCOME					
Government -Excise duties & taxes (%)	0.33	0.66	0.75	0.61	1.24
Employees Emoluments & Benefits (%)	74.38	73.64	91.79	75.44	95.79
Materials, Fuel & Power (%)	15.11	12.03	16.74	16.00	19.24
Other expenses & Overheads (%)	46.22	52.55	32.93	50.37	48.46
Depreciation (%)	1.62	1.39	1.36	0.91	1.33
Reserves (%)	------	------	------	------	------
Shareholders - Dividends (%)	------	------	------	------	------
Total	137.66	140.28	143.57	143.33	166.06
GENERAL					
Book value per Equity Share (Rupees)	459.04	431.35	430.96	414.33	382.18
Debt Equity ratio (%)	18.25	18.86	19.35	22.06	26.53
Dividend on Equity Shares: Amount (Rs.)	Nil	Nil	Nil	Nil	Nil
Rate(%)	Nil	Nil	Nil	Nil	Nil

BOARD OF DIRECTORS

SHRI VINOD KUMAR DUGAR
CHAIRMAN

Shri Vinod Kumar Dugar is a B.Com (Hons.) graduate and also a member of The Institute of Cost Accountants of India. He carries with him over 52 years of rich and diversified experience in the field of Fertilizers, Cement distribution, manufacturing and marketing of edible oils, photo chemicals and x- ray films. Currently Shri Vinod Kumar Dugar, based at Kolkata, is engaged in real estate development and international commodities business including pulses. His knowledge, experience and wide contacts in industrial circles including Tea are very helpful for the growth and development of the company.



SHRI ASHOK KUMAR DUGAR
MANAGING DIRECTOR

Shri Ashok Kumar Dugar is the most designated senior full time executive of Haileyburia Tea Estates Ltd for more than 38 years as he joined Board on 11thJune, 1988 first time as the Joint Managing Director. Currently Shri Ashok Kumar Dugar is the Managing Director of the Company. He was responsible for formulating and successfully implementing the policies of the company and building and maintaining an effective executive team for overall operations of the Company. His past experience in Tea Industry is taken in to consideration by the Board for reappointed him as the Managing Director for a further period of 3 Years.

SMT. SARITA DUGAR
DIRECTOR

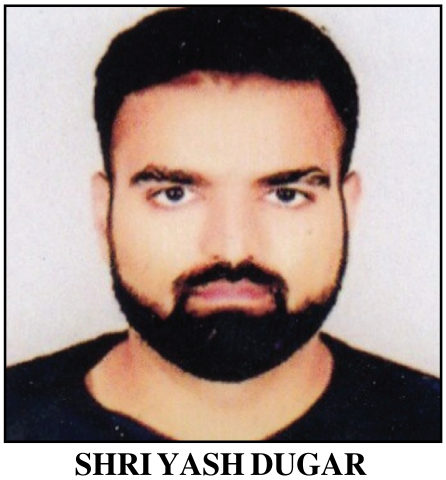
Smt. Sarita Dugar the sole Woman director of the Company. Smt. Sarita Dugar is a postgraduate in M. Sc. (Child development & Nutrition) and also a homemaker.

SHRI SHANKAR MENON
INDEPENDENT DIRECTOR

Shri Menon has more than 43 years' of experience in the Tea Industry beginning with Carritt Moran & Co. (P) Ltd. and he has also worked in all Tea growing areas of India. He had excellent exposure to Assam, Dooars and South Indian tea. He also had exposure to Producing Houses and Buying Organizations in both North East India as well as the South. His experience also includes man management skills with exposure to Administration as well as Staff Union negotiations. He had played a major role in developing new blends and Quality Control with Duncan Tea Ltd. He joined Parcon India Pvt Ltd., at their Head Office in Kolkata as a member of the Board of Directors. Besides the marketing aspect he advised on quality of tea linked to manufacture. He was a member of the Governing Body of the Calcutta Tea Traders Association, the body that oversees running of the Tea Trade at Kolkata. Shri Menon is now the Independent Director of the Company.

SHRI CHACKO ITTYARA
PALATHINGAL
INDEPENDENT DIRECTOR

Shri Chacko has done Electrical Engineering from National Institute of Warangal. He had founded the Electronics Company M/s. Waves Electronics Pvt. Ltd., Cochin in the year 1972. It is market leader in manufacture of Industrial battery charges, Marine Control Systems, Navigation light indicator Panels. Control Panel etc. Shri Chacko P.I is now Independent Director of the Company.



SHRI YASH DUGAR
CHIEF FINANCIAL OFFICER

Shri Yash Dugar is 40 years of age and after schooling at Modern School, Delhi, has attained Masters in Accounts in University of Illinois at Urbana Champagne, USA. He has completed one year Stamford Seed Foundation Management Programme conducted by Stamford University during the year 2019.

He has been associated with the Company since 2010 and has been promoted as the Chief Financial Officer (CFO) of the Company w.e.f. 01.06.2015.

He is currently based at Estates and is responsible for plantations and production.

Committees of the Board

- **AUDIT COMMITTEE**

❖ Shri Shankar Menon, Member

❖ Shri Vinod Kumar Dugar, Member

❖ Shri Chacko Ittyara Palathingal, Member

- **NOMINATION AND REMUNERATION COMMITTEE**

❖ Shri Shankar Menon, Member

❖ Shri Vinod Kumar Dugar, Member

❖ Shri Chacko Ittyara Palathingal, Member

- **SHARE HOLDERS / INVESTORS' GRIEVANCE COMMITTEE**

❖ Shri Vinod Kumar Dugar, Member

❖ Shri Chacko lttyara Palathingal, Member

❖ Shri Shankar Menon, Member

- **VISHAKHA COMMITTEE (INTERNAL COMPLAINTS COMMITTEE UNDER POSH (PROTECTION OF WOMEN FROM SEXUAL HARASSMENT) ACT, 2013**

❖ Smt. Sarita Dugar-Member

❖ Smt. Nisha-Member

❖ Shri M Lingaraj-Member

HAILEYBURIA TEA ESTATES LIMITED

Registered office: 24/432, Marar Road, Willingdon Island

Cochin – 682 003, Kerala State
CIN: L01132KL1923PLC000415
GSTIN : 32AAACH5287M1ZC

Phone : (0484) 2667653
E-mail : chinnartea@gmail.com
Web: www.chinnartea.co.in

NOTICE

NOTICE IS HEREBY GIVEN that the 103rd Annual General Meeting of the Members of Haileyburia Tea Estates Limited will be held on Saturday 08th August 2026, at 11:30 A.M. at Company Registered Office 24/432, Marar Road, Willingdon Island, Kochi, Kerala 682003, for the transaction of the following businesses:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on 31st March, 2026 together with the reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in the place of Sh. Vinod Dugar (DIN:00558896) who retires by rotation at this Annual General Meeting, and being eligible, offers himself for re-appointment.

Special Business

3. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013, Messrs. AASK & Associates LLP, Company Secretaries (Firm Registration No. L2015DE001700), be and are hereby appointed as the Secretarial Auditors of the Company to conduct secretarial audit for a period of five financial years commencing from the financial year 2026-27 on such remuneration as may be determined by the Board of Directors of the Company.”

By order of the Board of Directors

Place: Cochin

Date: 29.05.2026

(Kartikeya Mishra)
COMPANY SECRETARY
Memb. No. A73246
Address: Haileyburia Tea Estates Limited
24/432, Marar Road, Willingdon Island,
Cochin, Kerala 682003

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. [3] – Appointment of Secretarial Auditor

The Board of Directors of the Company, on the recommendation of the Audit Committee (where applicable), has considered it desirable, in the interest of ensuring continuity, consistency and strengthening of the Company's corporate governance and compliance framework, to appoint **M/s. AASK & ASSOCIATES LLP, Company Secretaries**, (Firm Registration No. L2015DE001700), as the Secretarial Auditor of the Company for a term of **five (5) consecutive financial years**, commencing from the financial year **[2026-27]** and ending with the financial year **[2030-31]**, subject to such remuneration as may be determined by the Board of Directors from time to time in consultation with the Secretarial Auditor.

M/s. AASK & ASSOCIATES LLP, Company Secretaries, is a peer-reviewed firm of Company Secretaries in Practice possessing extensive experience in conducting secretarial audits, corporate law advisory, governance and regulatory compliance assignments. The Board is of the opinion that the firm has the requisite expertise, experience and capability to discharge the functions of Secretarial Auditor effectively.

The proposed appointment for a term of five years is intended to ensure continuity in the audit process, facilitate a deeper understanding of the Company's business and compliance environment, and enhance the effectiveness of the secretarial audit function.

The Company has received the consent of M/s.AASK& ASSOCIATES LLP, Company Secretaries, to act as the Secretarial Auditor of the Company and confirmation that their appointment, if approved, would be in accordance with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

Accordingly, the Board recommends the Ordinary Resolution set out at Item No. [3] of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their shareholding, if any, in the Company.

Voting: All registered shareholders are entitled to vote on this resolution.

Members can vote in person or by appointing a proxy, as per the applicable provisions of the Companies Act, 2013.

Details regarding e-voting will be provided in a separate notice

By order of the Board of Directors

Place: Cochin
Date: 29.05.2026

(Kartikeya Mishra)
COMPANY SECRETARY
Memb. No. A73246
Address: Haileyburia Tea Estates Limited
24/432, Marar Road, Willingdon Island,
Cochin, Kerala 6820

Annexure to Item No. 2 of the Notice

Details of Director seeking appointment and re-appointment at the 103rd Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

DIN	**00558896**
Name of the Director	Shri. Vinod Kumar Dugar
Date of Birth	16/04/1955
Nationality	Indian
Date of Appointment on the Board	26/11/1999
Qualifications	B.Com (H), ICWA
Experience and nature of his expertise	Business
No. of shares held in the Company	-
Relationship with other Directors and Key Managerial Personnel	Elder Brother of Shri Ashok Kumar Dugar, Managing Director
Terms & Conditions of Appointment	liable to retire by rotation
Number of meetings of Board attended during the financial year 2025-26	4 of 4
Directorship held in other Public Company	12
Chairmanships/Memberships of Committees of Board of Companies including this company of which she is a Director.	3
Remuneration Details (Including sitting Fees & Commission)	Rs. 4,000.00 per Board Meeting to be attended.

By order of the Board of Directors

Place: Cochin
Date: 29.05.2026

Ashok Kumar Dugar
Managing Director
DIN:00559035

Notes:-

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 (''the Act''), in respect of the Special Business under Item nos. 3 set above and the details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and Secretarial Standard on General Meeting (SS-2) in respect of the Directors seeking appointment/ re-appointment at this Annual General Meeting is annexed hereto.
2. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM. Corporate Members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. In compliance with the aforesaid MCA Circulars and SEBI Circular, the Notice of the 103rd AGM and other documents are being sent through physical mode as well as electronic mode to those Members whose email addresses and residential addresses are registered with the Company/ Depositories.
5. Members may also note that the Notice of this Annual General Meeting and the Annual Report for the year 2023 will also be available on the Company's website **www.chinnartea.co.in**for their download and on the website of PurvaSharegistry India Pvt. Ltd. (RTA) https:// www.purvashare.com.
6. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of 103rd AGM, i.e. August, 08 2026 at 11:30 A.M. Members seeking to inspect such documents can send an email to chinnartea@gmail.com
7. Green Initiative: To support the Green Initiative, members who have not registered their e-mail address are requested to register their e-mail address for receiving all communication including Annual Report, Notices, and Circulars etc from the Company electronically.
8. Share Transfer permitted only in Demat: As per Regulation 40 of the Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019. In view of the above and to avail the benefits of dematerialization and ease portfolio management, Members are requested to consider dematerialized shares held by them in physical form.
9. Shareholders' Communication: Members are requested to send all communications relating to shares and change of address, bank details, email address etc. to the Registrar and Share Transfer Agents at the following address:

PurvaSharegistry (India) Pvt. Ltd.
Address: Unit No. 9, Ground Floor, Shiv Shakti Ind. Estt,
J. R. Boricha Marg, Lower Parel East, Mumbai, Maharashtra 400011
Tel. No. 022-49614132 and 022-49700138.

10. Voting:

All persons whose names are recorded in the Register of Members maintained by the Depositories as on the cut-off date namely August 1, 2026 only shall be entitled to vote at the Annual General Meeting by availing the facility of remote e-voting or by voting at the General Meeting.

I. VOTING THROUGH ELECTRONIC MEANS

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with PurvaSharegistry (India) Private Limited (Purva) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by Purva.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.chinnartea.co.in. The AGM Notice is also disseminated on the website of Purva e-voting (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. https://evoting.purvashare.com.

THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM/EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

Purva e-Voting System – For Remote e-voting and e-voting during AGM/EGM

7. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.

8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with PurvaSharegistry (India) Private Limited (Purva) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by Purva.
9. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
10. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
11. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at https://chinnartea.co.in/. The Notice can also be accessed from the websites of the Stock Exchanges i.e. The Calcutta Stock Exchange Limited at https://www.cse-india.com. The AGM/EGM Notice is also disseminated on the website of PURVA (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. https://evoting.purvashare.com/.
13. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
14. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021.

THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM/EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

(i) The voting period begins on Tuesday, 04th August 2026 10:00 A.M. and ends on Friday, 07th August 2026 05:00 P.M. During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 01st August 2026 may cast their vote electronically. The e-voting module shall be disabled by Purva for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders**, **by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular**,** Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME/ PURVA, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, youwill be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play 5) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on **company name or e-Voting service provider name** and you will be re-directed to **e-Voting service provider website** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	**Help desk details**
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.comor contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.:1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

1) The shareholders should log on to the e-voting website https://evoting.purvashare.com.
2) Click on "Shareholder/Member" module.
3) Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) If you are holding shares in demat form and had logged on to www.evotingindia.com or www.evoting.nsdl.comand voted on an earlier e-voting of any company, then your existing password is to be used.
5) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. ● If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVENT NO. for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO/ABSTAIN" for voting. Select the option YES or NO or ABSTAIN as desired. The option YES implies that you assent to the Resolution, option NO implies that you dissent to the Resolution and option ABSTAIN implies that you are not voting either for or against the Resolution.

(xi) Click on the "NOTICE FILE LINK" if you wish to view the Notice.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) **Facility for Non – Individual Shareholders and Custodians – Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to https://evoting.purvashare.com and register themselves in the "Custodians / Mutual Fund" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to evoting@purvashare.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively,non-individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; chinnartea@gmail.com, if they have voted from individual tab & not uploaded same in the Purva e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/ OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is the same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend the meeting will be available where the EVENT NO. of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 **days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at chinnartea@gmail.com . The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 **days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at chinnartea@gmail.com. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the Purva e-Voting System, you can write an email to evoting@purvashare.com or contact at 022-49614132and 022-49700138.

All grievances connected with the facility for voting by electronic means may be addressed to Ms. Deepali Dhuri,Compliance Officer, Purva Sharegistry (India) Private Limited, Unit No. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai - 400011 or send an email to evoting@purvashare.com or contact at 022-022-49614132and 022-35220056.

By order of the Board of Directors

Place: Cochin
Date: 29.05.2026

(Kartikeya Mishra)
Company Secretary
Membership No. A73246

HAILEYBURIA TEA ESTATES LIMITED
(CIN No: L01132KL1923PLC000415)
Regd. Office:24/432, Marar Road,Willingdon Island, Kochi-682003
Ph: 0484-2667653, e-mail: *chinnartea@gmail.com.* *Web: www.chinnartea.co.in*

DIRECTOR'S REPORT

To

The Members,
M/s Haileyburia Tea Estates Limited

Your Directors take pleasure to present the Annual Report of your Company together with the Balance Sheet, Profit & Loss Account and Cash Flow Statement for the year ended 31st March, 2026.

1. FINANCIAL SUMMARY:

The Company's financial performance, for the financial year ended March 31, 2026:

(Amount in INR)

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**
Revenue from Operations	15,52,10,991.00	22,17,77,965.00
Profit Before Tax	(4,49,18,107.00)	(3,24,97,191.00)
Less: Current Tax	0.00	0.00
Deferred Tax	0.00	0.00
Income Tax earlier years	0.00	0.00
Profit For the Year	(4,49,18,107.00)	(3,24,97,191.00)
Add:Balance in Profit and LossAccount (Other Comprehensive Income)	(57,04,595)	62,94,575
Closing Balance	(5,06,22,702)	(2,62,02,616)

2. STATE OF AFFAIRS /HIGHLIGHTS:

a. The Company has been engaged in the business of Tea, Coffee, Pepper and other plantation activities.

b. There has been no change in the business of the Company during the financial year ended March 31, 2026.

<u>Operations during the year 2025-2026 under review:-</u>

The company has incurred an operational loss of Rs. 4,69,62,160 (Cash loss of Rs. 4,33,04,643) against Rs. 3,08,62,895 previous year. The company has produced following crops during the current financial year:-

CROP	BUDGET 2025-2026	ACTUAL MADE TEA		DIFFERENCE		PREVIOUS YEAR ACTUAL
		In Kgs.	%	Qty.	%	
Made Tea	**1450564**	**729092**	**51%**	**721472**	**49%**	**957895**
Coffee- Robusta	**437735**	**301580**	**68%**	**136155**	**32%**	**326436**
Coffee- Arabica	**71176**	**60842**	**85%**	**10334**	**15%**	**40600**
Black Pepper	**48229**	**16105**	**33%**	**32124**	**67%**	**11788**

The total sale of retail Tea packets by Consumer Products division was 2,89,428 Kgs against previous year sale of 4,31,777 Kgs. For bulk sales direct private sales was 4,52,996 Kgs. and auction sales 96,638 Kgs.

The main reason for the unsatisfactory performance and high loss attributed to:-

a. Lower made tea crop of 7,29,092 Kgs. against previous year 9,57,895 Kgs. i.e. a drop of 2,28,803 Kgs or 23.89%.

b. Adverse climate conditions, during 2nd half

c. Migrant workers which contribute to the major productive work force had left for native Assam and West Bengal during the Jan-March 2026 quarter due to Assembly election; resulting into a severe shortage of manpower.

d. Company had to undergo lock out at all divisions and factory for the period 05th august 2025 to 1st September 2025 due to obstruction in work and unlawful activities of a section of worker and estates were reopened after reconciliation meeting held by Joint Labour Commissioner, Ernakulam.

e. Delayed in plucking rounds due to shortage of workers affecting the quality and price realization.

Outlook

The Company has budgeted for made tea crop of 14,16,584 for current financial year at average cost of Rs. 167.05 per kg, including factoring of the increased wages of Rs. 548.00 per day plus benefits against Rs. 500.00 per day w.e.f. 01.04.2026. The continuous increase in costs including that of fuel, pesticides and packing material is a major concern.

The Company on its part trying to improve the plucking productivity by switching over to battery operated machines which will reduce man days, require shorter plucking round and improve quality.

The Tea industry globally is carrying over surplus and unsold stocks resulting in its price and sales pressure. The continued war in Russia-Ukraine and Middle east is affecting exports. The non-availability and shortage of Commercial LPG has severally affected the workings of Tea stalls, small restaurants in the state of Kerala affecting consumption and off take.

The above market survey and continued increase in cost of production is a matter of concern and all stake holders including workers, trade unions, Tea board, Central and State Governments, Banks etc. have to take urgent remedial measures for very survival of industry.

3. WEBLINK OF ANNUAL RETURN, IF ANY:

The Company is maintaining its website www.chinnartea.co.in

4. MEETINGS OF BOARD OF DIRECTORS:

During the year under review the, Board Meetings were held 4 (four) times during the Financial Year ended March 31, 2026, i.e., 22/05/2025, 08/08/2025, 14/11/2025 and 11/02/2026 in compliance with the provisions of Section 173. Details are given as follows:

		Attendance	
Date of meeting (DD/MM/YYYY)	**Total Number of directors as on the date of meeting**	**Number of directors attended**	**% of attendance**
22/05/2025	5	5	100
08/08/2025	5	5	100
14/11/2025	5	5	100
11/02/2026	5	4	80

Audit Committee:-

During the year under review the, Audit Committee Meetings were held 4 (four) times during the Financial Year ended March 31, 2026, i.e., 22/05/2025, 08/08/2025, 14/11/2025 and 11/02/2026 in compliance with the provisions of Section 177. Details are given as follows:

Shri Shankar Menon	Member	(Independent Director)
Shri VinodKumar Dugar	Member	(Non-Executive Director)
Shri ChackoIttyara Palathingal	Member	(Independent Director)

		Attendance	
Date of meeting (DD/MM/YYYY)	**Total Number of directors as on the date of meeting**	**Number of members attended**	**% of attendance**
22/05/2025	3	3	100
08/08/2025	3	3	100
14/11/2025	3	3	100
11/02/2026	3	2	66.67

Nomination and Remuneration Committee:-

During the year under review the, Nomination and Remuneration Committee Meetings were held 2 (two) times during the Financial Year ended March 31, 2026, i.e., 08/08/2025 and 14/11/2025 in compliance with the provisions of Section 178. Details are given as follows:

Shri Shankar Menon	Member	(Independent Director)
Shri VinodKumar Dugar	Member	(Non-Executive Director)
Shri Chacko Ittyara Palathingal	Member	(Independent Director)

		Attendance	
Date of meeting (DD/MM/YYYY)	**Total Number of directors as on the date of meeting**	**Number of directors attended**	**% of attendance**
08/08/2025	3	3	100
14/11/2025	3	3	100

5. DETAILS IN RESPECT OF FRAUD:

During they are under review, the Statutory Auditor in their report have not reported any instances of frauds committed in the Company by its Officers or Employees under section 143(12) of the Companies Act, 2013.

6. BOARD'S COMMENT ON THE AUDITORS' REPORT:

Statutory Auditors

a) We draw attention to note No.17(a)(i) being the Notes forming part of the financial statements, wherein it is stated that, w.e.f. 04.11.2025, the company's working capital facility has been categorized as Non-Performing Asset (NPA) for the reasons stated therein.

b) The Company has defaulted in repayment of loans and payment of interest thereon to lenders during the year, subsequent to call back of facility by the bankers. The details of such defaults are as follows:

Nature of borrowing	Name of lender	Amount of default (₹ thousands)	Principal / Interest	Period of default
CCOD	South Indian Bank	67500	Principal	150 days
CCOD	South Indian Bank	5169	Interest	150 days
ECLGS	South Indian Bank	1111	Principal	150 days
ECLGS	South Indian Bank	315	Interest	150 days

Comment:- South Indian Bank, Thodumpaddy Branch has wrongly classified the account as NPA w.e.f. 4th Nov 2025 without a single default in servicing the installment and interest and in fact as per their own report filed with CIBIL for prior past 36 months there has no delay no delay. Bank has admitted that default is of Technical nature in spite of company having complied with all requirements of submission of stock statements, financial statements and renewal proposals and all other queries in time, solely due to de-tagging of collateral security of the entire estate property of approx. 2294 acres on account of Title Suite.

The company has both administratively and legally challenged the arbitrary classification a Writ Appeal No 846/2046 is pending before the Division Bench of Hon'ble Kerala High Court, Ernakulam Bench and is being listed for hearing before Chief Justice during 1st Week of June 2026.

In the meantime, the Bank has also initiated the process of Frame work of Relief & Rehabilitation under MSME's claim constituted a committee with an independent external member, which has met on the 26th March 2026 and 12th May 2026 to consider the corrective Action Plan submitted company . The Bank has vide their mail dated 21st May 2026 expressed their willingness to consider the renewal of NPA accounts in case of the overdue operational dues arisen after NPA classification and debit freeze date of 4th Nov 2026 are cleared against which company deposits during intervening period after 4th Nov 2026 will be also considered. The company is in discussion with Bank and has simultaneous also filed application for grant of ECGLS 5.0 which works out to Rs. 1.35 Crores and have also requested bank of other funding including for payment for gratuity to retired workers.

c) We draw attention to note no.44 being the notes forming part of the audited financial statements of the company, as stated therein, the company has not fully implemented the provisions under Labour Codes for the reasons stated therein.

Comment:- The Board informed to the Statutory Auditors that the new Labour Codes is not implemented by the Government of Kerala. Once they are being come into force in the State of Kerala we will comply with provisions of the new Labour Codes.

d) There is deficiency in complying with the requirement of obtaining externalconfirmations, independent confirmations, etc. to ensure the reliability of financial information, in accordance with SA 505.

Comment:- During the course of Audit, we have provided the external confirmations to the extent we received. However few external confirmations/independent confirmations was pendency on account of non-receiving from the party, we will provide confirmation/independent confirmations as soon as we received.

e) We draw attention to Note no. 27(l) to the financial statements regarding the non-creation/non-registration of charge in respect of borrowings.

Comment:- As per the Companies Act, 2013 there are two types of Charges:- Fixed charge and Floating Charge. A floating charge is a type of loan security that "floats" over changing assets, like inventory or cash. If we use a floating charge, you might face strict restrictions on your business operations once it "crystallizes" (turns into a fixed charge) due to a missed payment or bankruptcy.

f) We further draw attention to Note No.27(a) being the notes forming part of the financial statements wherein it is stated that the absolute ownership of the estate properties of the company has been questioned by the Government of Kerala, vide original Suit (OS) no. 46/2025, filed u/s 26 (Order VII) of the CPC dated 07th July 2025, and a title suit was filed before the Sub-Court, Kattapana. Further an injunction order was passed on 09th July 2025, restraining the company from transacting any property listed in that order. The company has filed a suit before the Sub-court Kattapana against the above referred title suit which is pending for disposal.

Comment:- The District Collector, Idukki has most surprisingly challenged the 3 title documents registers by Sub Registrar in 1923 (Haileyburia) 1946 (Semmni Valley) and 1954 (Chinnar) on vague ground of being fraudulently obtained without any specific details vide Title Suite No – 46/2025 before Hon'ble Sub Court , Kattapanna. The Hon'ble Court vide an expartee temporary injunction order dated 9th July 2025 restrained. Company not to alienate on deal with the said property without disclosing the pendency of title suite and outcome of the sale on transfer shall be subject to outcome of the suit. The company has filed its Written statement and also initiated the following further steps.

a. An OP (C) No 816/2026 has been filed before Kerala High Court, Ernakulam, Branch under Article 227 of Constitution, seeking time bound disposal of title suite. The above petition has been admitted by the High Court and a detailed status report has been received from the Sub Court, Kattappana. Co. is actively perusing same.

b. Co has further filed an IA No of 2026 in OS No 46 of 2025, an application under order VII Rule11 (C) of CPC for rejection of plaint on following grounds.

i. Company is enjoying uninterrupted and peaceful possession of land for 102,79 and 71 years respectively undertaking plantations with all approvals.

ii. Company has been paying Land Tax during the entire period, which would have not been payable in case the land belonged to Govt. as claimed.

iii. The Suit has been filed after long time gap of permitted 30 years in case of Government and 12 years for private properties and is time barrel.

It is further relevant to note that the above title suits haven been filed in terms of GO (MS) No 172/2019 / RD dated 6th June 2019 for total 1,66,627 Acres including 25 cases in Idukki districts as per schedule prepared by Special Officer, Land Redemption, Thiruvananthapuram.

In fact Govt. has not succeeded in any of the Title Suits filed by the respective District Collector and have rather lost in case of Ponmudi Estate, Cheruvalley Estate, Gospel from Asia (Assign of HML) MMJ Plantations (Koltamala and Bon Ami estates and company is confident of a favorable verdict in its favor and taking all steps t cut time lines. The company in mean time continues peaceful possession, carries out entire operations.

The title suite should be therefore treated as merely a vaguer non sustainable claim made in general blanket Title Suite by Court, which till adjudicated should have no bearings on title.

g) In respect of Statutory dues:-

The company is not regular in depositing undisputed statutory dues including Provident Fund, gratuity, income tax deducted at source, and such other statutory dues to the appropriate authorities. The extent of arrears of outstanding statutory dues as of 31st March 2026, outstanding for more than six months from the date they became payables are given below:

Sl. No.	Particulars	Amount outstanding (Rs. In 000's)
1	Plantation Tax	1379.52
2	Kerala Labour Welfare Fund	278.46
3	Land Tax	1147.15
4	Employees Provident Fund	58914.22
5	Gratuity to Retired Employees	25475.59
6	Tax deducted / collected at source	1249.98

Comment :- Due to the continued cash loss, company is suffering from working capital deficiency. The major outstanding in EPF and Gratuity fund heads will be meet from sale of non-performing capital assets like matured planted teak trees and non-cultivated land for which all steps are being taken. Company is depositing due TDS, and plantation tax/KWA as soon as possible.

h) Details of dues of Income Tax or Sales Tax or Service Tax or Goods and Service Tax, duty of customs or duty of excise or value added tax or cess, which have not been deposited on account of any dispute as on 31st March, 2026 are given below.

Sl. No.	Nature of the statute	Forum where Dispute is pending	Amount Outstanding (Rs. in thousands)
1	Tax deducted at source	Income Tax Officer – TDS, Ernakulam	511.97
2	Civil Law	Munsiff's Court, Peerumedu	411.86
3	Sales Tax	Deputy Commissioner, Commercial Taxes Department, Kottayam	520.11
4	Employees Provident Fund	Central Government Industrial Tribunal-Cum-Court, Ernakulam	2941.58

Comment:- The same has been reported under the contingent liabilities, we are working with this and will try to met out the same

i) According to the information and explanations given to us and based on the records examined by us, the Company has been sanctioned working capital limits in excess of ¹ 5 crore, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly statements of current assets filed by the Company with such banks or financial institutions are in agreement with the books of account of the company, except for the following:

Quarter Ended	Figures are per books of accounts (Rs. In '000s)	Figures as per statement filed with Bank (Rs. In '000s)	Difference (Rs. In '000s)
30th June 2025	Rs. 34685.88	Rs. 41651.43	Rs. 6965.54
30th September 2025	Rs. 20698.27	Rs. 27420.41	Rs. 6722.13

Comment:- The net realizable value of stock is valued at the price realized after the end of the each quarter. The details of stock are furnished to the bank on or before the 7 th of the month after the end of the quarter .However , the quarterly unaudited statement is finalized with in a period of 45 Days . The difference in value is mainly due to changes in the net realizable value . There is no variation in quantity of the stocks but only in the Valuation.

Secretarial Auditor

a) Intimation to stock exchange, with respect to reconciliation of share capital audit report, has been given in reference to regulation 55A of SEBI (LODR) Regulations, 2015. However, regulation 55A was omitted on October 03, 2018 superseded by regulation 76 of SEBI (Depositories and Participants) Regulations, 2018and as clarified by the management, Calcutta Stock Exchange Limited still continuing with the nomenclature of regulation 55A in their filing portal due to which the Company had to file with the same nomenclature.

Comment:-We are reporting to Calcutta Stock exchange on quarterly basis. Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996 states the quarterly reconciliation of share capital audit, we reporting under the old Regulation of 55A as the XBRL portal of the Calcutta Stock exchange does not give us option to report the same in New Regulation 76 of the updated SEBI (Depositories and Participants) Regulations, 2018. However from the next upcoming Quarter onwards we will file under Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996 and will mention the new Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 in our covering letter at the time of filing.

b) The Board of Directors of the Company have consented to convert its unsecured loan amounting to INR 4,25,00,000/- (Rupees Four Crores Twenty-Five Lakhs) obtained from Periyar Plantations Private Limited into a secured loan.However, the Company has not received consent from Periyar Plantations Private Limited to execute the same.

Comment:- We have passed Board Resolution for the conversion of unsecured loan obtained from M/s Periyar Plantations Private Limited to Secured Loan, on the basis of representations received from that company. However due to some issues that companyis unable to give the final confirmation from the management like the signing of the documents, as a fact we will reversing the resolution passed in the Board Meeting to nullify the effect of the resolution.

7. MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes or commitments occurred between the end of the financial year to which the financial statements relate and the date of this report that affect the financial position of the company.

8. CHANGE IN DIRECTORSHIP:

There has been no change in the constitution of the board during the financial year. The structure of the board remains the same.

9. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS,COURTS AND TRIBUNALS:

a. Title suit no. 46/2025- state of Kerala, the District Collector, Idukki Vs. Haileyburia Tea Estates Ltd.

The Government of Kerala in terms of GO (MS No. 172/2019/RD dated 06/06/2019) as per Schedule furnished by the Special Officer, Government Land Redemption decided to file title suits reclaiming 1,66,627.23 acres of plantation land including for 25 estates in Idukki district alone.

Suit no. 46/2025 has been filed against all 3 titles in 1072.6323 acres of HaileyburiaEstatesregistered in 1923, for 860.5361 acres of Semni valley estate, for 412.4527 acres of Chinnar estate registered in 1954. The Sub-Judge , Kattapana Sub-Court vide ex-parte order dated 09th July 2025 granted temporary injunction restraining company for encumbering or alienating plant schedule properly without disclosing about this suit claim and transfer of right, title or intent if any will be subject to the result of this suit.

The company has filed its written statement on 31st October 2025. It has further filed an OP(C) No. 816/2026, before the Hon'ble High Court of Kerala, Ernakulam Bench, seeking time bound disposal of title suit. The Hon'ble High Court has summoned a detailed status report from Kattappana Sub-Court and company is actively pursuing the same. In addition company has also filed an IA No. 1 of 2026, an application under order VII, Rule 11 (C) of CPC for rejection of plaint, since the suit is time barred and government has collected land tax regularly, the case is not sustainable

b. South Indian Bank case

The Company has challenged the wrongful classification of its accounts without any financial or procedural default before Hon'ble High Court Ernakulam bench by WP(C) 45633/2025. Since the Hon'ble High Court Single judge in spite of discussing the merits did not admit the matter purely on maintainability ground, the company has therefore filed a Writ Appeal No. 846/2026. The matter is being listed during the first week of June 2026 in Double bench court headed by Learned Chie Justice of Kerala High Court..

In meantime, South Indian Bank has formed a MSME committee to consider company's corrective action plan under Framework of Revival and Rehabilitation(FRR) policy issued by Department of MSME and approved by RBI.

10. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

The particulars of contracts or arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in form AOC-2 is attached as "Annexure" to this report.

11. COMPLIANCE WITH SECRETARIAL STANDARD:

The Company has Complied with the applicable Secretarial Standards (as amended from time to time) on meetings of the Board of Directors and Meeting of Shareholders (EGM/AGM) i.e. SS-1 and SS-2 issued by The Institute of Company Secretaries of India and approved by Central Government under Section118(10) of the Companies Act, 2013.

12. PARTICULARS OF LOANS AND INVESTMENT:

The Company has not made any investments, given guarantees, and provided securities during the financial year under review. Therefore, there is no need to do any compliance under Section 186 of the Companies Act, 2013.

13. TRANSFER TO RESERVE:

The Board of Directors of your company has decided not to transfer any amount to the Reserves for the financial year under review.

14. DIVIDEND:

The Board does not recommend any dividend on Equity Shares of the Company.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

A. Conservation of Energy, Technology Absorption

Conservation of energy is of utmost significance to the Company. Operations of the Company are not energy intensive. However, every effort is made to ensure optimum use of energy by using energy- efficient computers, processes and other office equipment. Constant efforts are made through regular/ preventive maintenance and upkeep of existing electrical equipment to minimize breakdowns and loss of energy.

The Company is continuously making efforts for induction of innovative technologies and techniques required for the business activities.

• Steps taken by company for utilizing alternate sources of energy: NIL

• Capital investment on energy conservation equipment's: NIL

B. Foreign Exchange earnings and Outgo

Earnings	NIL
Outgo	NIL

16. RISK MANAGEMENT POLICY:

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the Company and its mitigation process/ measures have been formulated in the areas such as business, project execution, dg event, financial, human, environment and statutory compliance.

17. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE ["POSH"]:

The Company has adopted a policy for prevention of sexual harassment at the workplace, in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). An Internal Complaints Committee ("ICC") has been duly constituted as per the provisions of the POSH Act to redress complaints regarding sexual harassment at the workplace.

During the financial year under review, the Company has complied with all the provisions of the POSH Act and the rules framed there under. Further details are as follow:

a. Number of complaints of Sexual Harassment received in the Year 0.00

b. Number of Complaints disposed off during the year 0.00

c. Number of cases pending for more than ninety days 0.00

18. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

As on March 31, 2026, Company doesn't have any Subsidiary & Joint Venture and Associate Companies at the end of the year.

19. INTERNAL FINANCIAL CONTROL:

The Company has in place adequate internal financial controls with reference to financial statements. During the financial year, such controls were tested and no reportable material weakness in the design or operation was observed.

20. **AUDITOR:**

a. Statutory Auditors

As per the provisions of Sections 139 and 141 of the Companies Act,2013 and rules madethere under (herein after referred to as "The Act"), M/s. Krishnamoorthy and Krishnamoorthy, Chartered Accountants (FRN 001488S), Kochi, the Statutory Auditors of the Company appointed for the term of five years i.e. till the conclusion of Annual General Meeting to be held in 2027.

b. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act 2013 and rules made there under; the company appointed M/s AASK & Associates LLP, Company Secretaries (Firm Registration No. L2015DE001700) as Secretarial Auditor during the year.

c. Cost Auditors

In accordance with the provisions of Section 148 of the Act read with Companies (Audit &Auditors) Rules, 2014, Company is not required to maintain cost records. Hence company isnot required to appoint Cost auditor

21. **DIRECTOR'S RESPONSIBILITY STATEMENT:**

The Directors would like to inform the Members that the Audited Accounts for the financial year ended March31, 2026, are in full conformity with the requirements of the Companies Act, 2013. The Financial Accounts are audited by the Statutory Auditors, M/s Krishnamoorthy and Krishnamoorthy, Chartered Accountants, FRN 001488S. The Directors further confirm that:

a. In the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable accounting standards, read with the requirements set out under Schedule III to the Act, have been followed, and there are no material departures from the same.

b. The Directors have selected such accounting policies, applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company for the financial year ended March 31, 2026.

c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.

d. The Directors have prepared the annual accounts on a 'going concern' basis.

e. The Company being unlisted, sub-clause (e) of Section 134(3) of the Companies Act, 2013, pertaining to laying down internal financial controls, is not applicable to the Company.

f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. **DEPOSITS:**

The Company has not accepted any deposits under Section 73 of the Companies Act, 2013 during the financialyear.

23. **CORPORATE SOCIAL RESPONSIBILITY:**

The CSR is not applicable to company.

24. **COST RECORD:**

As per section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, your Company is not required to maintain cost records.

25. **STATEMENT ON DECLARATION FROM INDEPENDENT DIRECTORS:**

The Company has received necessary declarations from all Independent Directors of the Company in accordance with the provisions of Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

26. **ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

Pursuant to the provisions of section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and it powers) Rules, 2014, the Company has adopted Whistle Blower Policy/Vigil Mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct. It also provides for adequate safeguards against victimization of directors /employees who avail of the Mechanism. The Company affirms denied access to the Audit Committee. To ensure proper functioning of vigil mechanism the Audit Committee of the Company on quarterly basis take note of the same.

27. **PARTICULARS OF EMPLOYEES, DIRECTORS AND KEY MANAGERIAL PERSON:**

In terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the necessary disclosures have been annexed as 'Annexure - __' to the Directors' Report.

28. **MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis Report for the year under review has been annexed as 'Annexure – __' to the Directors' Report.

29. **CORPORATE GOVERNANCE**:

The Company has adopted best corporate practices and is committed to conducting its business in accordance with the applicable laws, rules and regulations. The Company's Corporate Governance practices are driven by effective and strong Board oversight, timely disclosures, transparent accounting policies and high level of Integrity in decision making. However the Corporate Governance Report is not applicable to company.

30. **FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES & INDIVIDUAL DIRECTORS**:

The Board of Directors has evaluated the performance of all Independent Directors, Non-Independent Directors and its Committees. The Board deliberated on various evaluation attributes for all directors and after due deliberations made an objective assessment and evaluated that all the directors in the Board have adequate expertise drawn from diverse industries and business and bring specific competencies relevant to the Company's business and operations. The Board found that the performance of all the Directors was quite satisfactory. The Board also noted that the term of reference and composition of the Committees was clearly defined. The Committee performed their duties diligently and contributed effectively to the decisions of the Board. The functioning of the Board and its committees were quite effective. The Board evaluated its performance as a whole and was satisfied with its performance and composition of Independent and Non-Independent Directors.

31. **PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE,2016:**

There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

32. **DIFFERENCE IN VALUATION:**

The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

33. **MATERNITY BENEFIT:**

The Company affirms that it has duly complied with all provisions of the Maternity Benefit Act, 1961, and has extended all statutory benefits to eligible women employees during the year.

ACKNOWLEDGMENT

Your directors place on records their appreciation of the contributions made by employees and consultants at all levels, who, with their competence, diligence, solidarity, co-operation, and support, have enabled the company to achieve the desired results. The board of directors gratefully acknowledges the assistance and cooperation received from the central and state government departments, shareholders, and stakeholders.

For and on behalf of the Board of Directors
Haileyburia Tea Estates Limited

	Sd/-	Sd/-
	Ashok Kumar Dugar	**Sarita Dugar**
	Managing Director	Director
Place: Cochin	DIN: 00559035	DIN: 00141933
Date: 29.05.2026	Address:- 91, Sector 15A Noida	Address:- 91, Sector 15A Noida

Annexure A

FORM NO. MR - 3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members
Haileyburia Tea Estates Limited
CIN: L01132KL1923PLC000415
XXIV/432, Marar Road, Willingdon
Island, Cochin – 682003, Kerela

We have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **HAILEYBURIA TEA ESTATES LIMITED** (hereinafter referred as 'the Company'), having its Registered Office at **XXIV/432, Marar Road, Willingdon Island, Cochin – 682003, Kerela, listed on Calcutta Stock Exchange Limited ("CSE")**.The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026, complied with the statutory provisions listed hereunder and also that the Company has board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:

I. The Companies Act, 2013 ('the Act') and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **[Not Applicable as the Company has not issued any further share capital during the financial year under review]**;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **[Not applicable as the Company has not issued and listed any non-convertible securities during the financial year under review]**;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued **[Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent]**;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations,2021 **[Not applicable as the Company has not delisted/proposed to delist its equity shares from any Stock Exchange during the financial year under review]**; and

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations,2018 **[Not applicable as the Company has not bought back/proposed to buy-back any of its securities during the Financial Year under review]**.

VI. The Listing Agreement entered into by the Company with Calcutta Stock Exchange Limited;

- The Company has claimed exemption(s) under Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide its letter to Calcutta Stock Exchange Limited dated June 08, 2020."
- In terms of **Para 2.2** of Circular **SEBI/HO/DDHS/CIR/P/2018/144** dated November 26, 2018 issued by Security and Exchange Board of India, the Company does not fall under the category of "Large Corporate" ("LC") and hence the framework of the said circular is not applicable to the Company for the reporting period.

VII. The other laws as informed and certified by the management of the Company specifically applicable to the Company based on specific industry/sector:

1. The Tea Act, 1953 and the Tea Rules, 1954;
2. Tea Board Regulations, Guidelines and Orders;
3. The Tea Waste Control Order, 1959;
4. The Tea Warehouse (Licensing) Order, 1989;
5. The Tea (Marketing) Control Order, 2003;
6. The Food Safety and Standards Act, 2006;
7. Food Safety and Standard Rules 2011;
8. The Legal Metrology Act, 2009 and rules made thereunder.

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

We have also examined compliance with the applicable clauses of the following:

1. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR, 2015").
2. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India. *However, the stricter applicability of the Secretarial Standards is to be observed by the Company.*
3. General Circular no. 09/2024 dated September 19, 2024 read with General Circular no. 14/2020 dated April 08, 2020, General Circular no. 17/2020 dated April 13, 2020 and General Circular no. 20/2020 dated May 05, 2020 issued by the Ministry of Corporate Affairs to hold Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM);

4. Provisions of regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading Regulations),2015 with respect to maintenance of Structural Digital Database (SDD).

During the period under review, the Company had generally complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above:

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director during the period under review. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice(s) were generally given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally at least seven days in advance to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per minutes of the meetings of the Board and Committees of the board signed by the Chairperson of the respective meetings, all the decisions of the Board and Committee Meetings were carried through unanimously and there was no instance of dissent in Board or Committee meetings. However, the fact that the resolutions have been passed unanimously was not captured in the minutes.
- As per the records, the Company has generally filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act.
- **We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. We have given our recommendations to the Company towards better processes, wherever required.

  We further report that during the audit period the Company had the following event(s) /action(s) having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:
- The Company had regular business transaction(s) with Herbicide (India) Limited, R & R Tech Mach Limited, Rikhabchand Sohanlal Limited and Periyar Plantations Private Limited which having common directorships.
- The Company has obtained loans from corporates in which directors are interested along with other intercorporate loans.
- The Board of Directors of the Company have consented for either voluntary delisting of its equity shares from Calcutta Stock Exchange Limited (CSE) or to go for National Stock Exchange (NSE) dissemination. The Company has also obtained approval of its shareholders in the 102nd Annual General Meeting.
- The Board of Directors of the Company have consented to convert its unsecured loan amounting to INR 4,25,00,000/- (Rupees Four Crores Twenty-Five Lakhs) obtained from Pariyar Plantations Private Limited into a secured loan. However, the Company has not received consent from Pariyar Plantations Private Limited to execute the same.
- The Directorate of Enforcement, Cochin Zonal Office, vide Provisional Attachment Order No. 03/2025 dated 03 January 2025, provisionally attached approximately 102 acres of land situated at Chinnar Estate under Section 5(1) of the Prevention of Money Laundering Act, 2002.

  The Management has informed us that the Company challenged the said provisional attachment by filing Writ Petition (Criminal) No. 215/2025 before the Hon'ble High Court of Kerala, which, vide its order dated 27 March 2025, granted an interim stay on further proceedings. Subsequently, the Adjudicating Authority under the Prevention of Money Laundering Act, 2002, vide its order dated 03 September 2025, confirmed the provisional attachment in favour of the Directorate of Enforcement.

The Management has further represented that the Company has initiated appropriate legal proceedings against the said order before the Appellate Tribunal PMLA, competent appellate forum under the Prevention of Money Laundering Act, 2002, and the matter is presently pending adjudication. The Company has further informed that the permitted one-year period to Provisional attachment order has also been lapsed on January 03, 2026. *We express no opinion on the merits of the pending proceedings.*

- Intimation to stock exchange, with respect to reconciliation of share capital audit report, has been given in reference to regulation 55A of SEBI (LODR) Regulations, 2015. However, regulation 55A was omitted on October 03, 2018 superseded by regulation 76 of SEBI (Depositories and Participants) Regulations, 2018and as clarified by the management, Calcutta Stock Exchange Limited still continuing with the nomenclature of regulation 55A in their filing portal due to which the Company had to file with the same nomenclature.
- Based on the information and explanations provided by the Management and the records made available for our examination, we note that the title of the Company's immovable properties stands in the name of the Company. However, the absolute ownership of certain properties situated in the State of Kerala has been challenged by the Government of Kerala through Original Suit (O.S.) No. 46/2025 filed under Section 26 of the Code of Civil Procedure, 1908, before the Sub-Court, Kattappana restrained.

  The Management has informed us that the Company has initiated appropriate legal proceedings before the Sub-Court, Kattappana and also filed an OP (C) No. 816/2026 before the Hon'ble Kerala High Court Ernakulam Bench suing the time bound disposal of suit. The above OP has been admitted by the Hon'ble Kerala High Court and detailed status report called from Kattappana sub-court. in connection with the aforesaid title dispute, and the matter is presently pending adjudication. We express no opinion on the merits of the pending litigation.
- The Company has obtained approval from its shareholders, by way of special resolution, in its 102nd Annual General Meeting for sale of approx. 120 acres of land of the Company situated at Idduki District of Kerela on a slump sale basis.

For AASK and Associates LLP
Company Secretaries
Firm Regn. No. L2015DE001700
Peer Review No. 6483/2025

Place: Delhi
Date: May 29, 2026

CS Mani Khurana
Designated Partner
ACS: 65904; C.P. No.: 27880
UDIN: A065904H000545174

Note: This report is to be read with 'Annexure' attached herewith and forms an integral part of this report.

Annexure B

To,

The Members
Haileyburia Tea Estates Limited
CIN: L01132KL1923PLC000415
XXIV/432, Marar Road, Willingdon
Island, Cochin – 682003, Kerela

Our Secretarial Audit Report for the financial year ended **March 31, 2026** of even date is to be read along with this letter:

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operating effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances as produced before us.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. We have conducted verification & examination of records, as facilitated by the Company, for the purpose of issuing this Report.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company nor any search or investigation was conducted for the purpose of detecting fraud, financial irregularities etc., which may or may not have financial impact.
7. There are inherent limitations of an audit which poses unavoidable risk of some misstatements even though the audit is performed as per the audit practices.
8. Matter(s) pending before any Statutory Authority or which are subject to final adjudication / order, if any, are not captured in this report till the time the same is disposed-off.
9. The contents of this report have to be read in conjunction with the reports furnished or to be furnished by any other auditor or authority with respect to the Company.
10. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company and we do not take any responsibility for actions taken by regulators or stakeholders based on reliance on this report, in isolation from other statutory or internal documents.

For AASK and Associates LLP
Company Secretaries
Firm Regn. No. L2015DE001700
Peer Review No. 6483/2025

CS Mani Khurana
Designated Partner
ACS: 65904; C.P. No.: 27880
UDIN: A065904H000545174

Place: Delhi

Date: May 29, 2026

Annexure C

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee of the Company, who are in receipt of remuneration during the financial year 2025-26 are as under:

Sl. No.	Name	Age (Years)	Qualification& Experience	Date of Commencement of employment	Designation	Remuneration received
1	Shri Ashok Kumar Dugar	69	B.Com.	11.06.1988	Managing Director	14,40,000
2	Shri Yash Dugar	40	M.Sc.	27.09.2010	Chief Financial Officer	15,00,000
3	Shri Shreshth Dugar	37	B.Sc.	02.03.2014	Chief Marketing Officer	18,00,000
4	Shri Lingaraj	54	PGDM,HSM	01.06.2015	Senior Manager	7,99,720
5	Shri Tilak Chetrey	51	B COM	10.01.2025	General Manager	14,51,924
6	Nishamol G	43	BBA	01.04.2006	Assistant Section Officer	4,31,492
7	Kartikeya Mishra	37	CS	14.11.2024	Company Secretary	4,80,000
8	Antony N.A	43	B.COM	01.07.2012	Senior Accountant	5,20,434
9	Sadanandan	59	M.Ecno	20.10.2025	Manager	3,21,290
10	Sooraj B B	36	B.COM	01.03.2011	Purchase Manager	3,92,075

Note:

1 None of the above employees except Shri Ashok Kumar Dugar, Shri Yash Dugar and Shri Shreshth Dugar are relative (as defined under Section 2(77) of the Companies Act, 2013) of any director or manager of the Company. Shri Ashok Kumar Dugar and Smt Sarita Dugar are the parents of Shri Yash Dugar and Shri Shreshth Dugar.

2. There is no employee who is in receipt of remuneration in excess of the remuneration that is drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, two per cent or more of the equity shares of the Company.

For and on behalf of the Board of Directors of

HAILEYBURIA TEA ESTATES LTD.

Place: Cochin

Date: 29.05.2026

(Sd/-)	(Sd/-)
(Ashok Kumar Dugar)	(Sarita Dugar)
MANAGING DIRECTOR	DIRECTOR
DIN: 00559035	**DIN:00141933**

ANNEXURE –D

Form AOC – 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions **not at arm's length basis: NIL**
2. Details of material contracts or arrangement or transactions **at arm's length basis**

(a)	Name (s) of the related party and nature of relationship	M/s. Vivek Fertilizers Shri Vinod Dugar is a Director Smt. Sarita Dugar is a Director Shri. Ashok Kumar Dugar is a Director
(b)	Nature of contracts/arrangements/transactions	Loan of the year Rs. 65,00,000 Interest of Rs.2,18,959
(e)	Date (s) of approval by the Board, if any	29/05/2026

(a)	Name (s) of the related party and nature of relationship	Rikhabchand Sohanlall Limited Shri Vinod Dugar is a Director
(b)	Nature of contracts/arrangements/transactions	Loan repaid Rs. 21,975; Interest of Rs. 2,19,745 on short term loan
(e)	Date (s) of approval by the Board, if any	29/05/2026

(a)	Name (s) of the related party and nature of relationship	Herbicides India Limited Shri Ashok Kumar Dugar is a Director
(b)	Nature of contracts/arrangements/transactions	Loan of the year Rs. 17,15,000 Interest of Rs. 3,50,135
(e)	Date (s) of approval by the Board, if any	29/05/2026

(a)	Name (s) of the related party and nature of relationship	R & R Tech Mach Limited Shri Ashok Kumar Dugar is a Director
(b)	Nature of contracts/arrangements/transactions	Loan of the year Rs. 38,00,000 Interest of Rs.4,67,425
(e)	Date (s) of approval by the Board, if any	29/05/2026

(a)	Name (s) of the related party and nature of relationship	Sarita Dugar-Director and wife of Shri Ashok Kumar Dugar
(b)	Nature of contracts/arrangements/transactions	Loan repaid during the year Rs. 8,13,311and interest charges repaid Rs. 27,92,603
(e)	Date (s) of approval by the Board, if any	29/05/2026

(a)	Name (s) of the related party and nature of relationship	Periyar Plantations Pvt. Ltd. Relative of director is member of the company
(b)	Nature of contracts/arrangements/transactions	Loan received during the year Rs.7,44,23,247 Interest charges to Periyar Plantations Pvt. Ltd. Rs. 48,19,993 Loan repaid during the year Rs. 8,04,83,319
(e)	Date (s) of approval by the Board, if any	29/05/2026

(a)	Name (s) of the related party and nature of relationship	Periyar Plantations Pvt. Ltd. Relative of director is member of the company
(b)	Nature of contracts/arrangements/transactions	Trading of packet tea, Coffee, pepper
(e)	Date (s) of approval by the Board, if any	29/05/2026

(Form shall be signed by the persons who have signed the Board's report.)

For and on behalf of the Board of Directors of

HAILEYBURIA TEA ESTATES LTD.

Place: Cochin

Date: 29.05.2026

(Sd/-)	(Sd/-)
(Ashok Kumar Dugar)	(Sarita Dugar)
MANAGING DIRECTOR	DIRECTOR
DIN: 00559035	**DIN:00141933**

ANNEXURE E

Details of Ratio of Remuneration of Director

(Section 197(12),r/w Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014)

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Ashok Kumar Dugar-5.00
(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	NIL
(iii) The percentage increase in the median remuneration of employees in the financial year;	The percentage increase in the median remuneration is 1.46 % for the financial year 2025-26
(iv) The number of permanent employees on the rolls of company;	29
(v) The explanation on the relationship between average increase in remuneration and company performance;	Not Applicable
(vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	—
(vii) Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	The shares are listed in Kolkata stock exchange. No trading took place in the current Year
(viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The average % of salary of employees and executives other than KMPs have marginally increased
(ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	The Company had a net Loss 4,49,18,107 Against which the Salary drawn by MD was Rs.14,40,000 Lakhs only.
(x) The key parameters for any variable component of remuneration availed by the directors;	NA
(xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	NA
(xii) Affirmation that the remuneration is as per the remuneration policy of the company.	Yes, the remuneration is as per the remuneration policy of the Company

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY: NA

For and on behalf of the Board of Directors of
HAILEYBURIA TEA ESTATES LTD.

Place: Cochin
Date: 29.05.2026

(Sd/-)	(Sd/-)
(Ashok Kumar Dugar)	(Sarita Dugar)
MANAGING DIRECTOR	DIRECTOR
DIN: 00559035	**DIN:00141933**

SCHEDULE -1

NOMINATION AND REMUNERATION POLICY

A. Introduction: This policy on Nomination and Remuneration of Directors, Key Managerial Personnel ("KMP"), Senior Management Personnel (SMP) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, in order inter-alia to pay equitable remuneration to Directors, KMPs and other employees of the Company. This policy shall act as guidelines on matters relating to the remuneration, appointment of the Directors, Key Managerial Personnel and Senior Management and other employees.

B. Applicability:- The Policy is applicable to :

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel and Other employees

C. Definitions:

In this policy unless the context otherwise requires

a) "Act" means The Companies Act, 2013 and rules made thereunder, as amended from time to time.

b) "Company" means Haileyburia Tea Estates Limited.

c) "Board" means Board of Directors of Haileyburia Tea Estates Limited

d) "Committee" means Nomination and Remuneration Committee of the Company as constituted by the Board from time to time.

g) "Key Managerial Personnel" or "KMP" means Managing Director, Whole-time Director, Chief Financial Officer, Company Secretary and such other persons who may be deemed to be KMP under the Companies Act, 2013.

h) "Senior Management Personnel" means officers/ personnel of the Company, who are members of its core management team excluding Board of Directors and shall comprise all members of management one level below the Chief Executive Officer/ Managing Director/ Whole Time Director/ Manager (including Chief Executive Officer/ Manager, in case they are not part of the Board) and shall include Company Secretary and Chief Financial Officer.

D. ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE :

Nomination and Remuneration Committee shall govern the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. devising a policy on diversity of board of directors;

4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
5. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. recommend to the board, all remuneration, in whatever form, payable to senior management;
7. support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual directors;
8. To carry any other duties as may be required under the SEBI (Listing Obligation & Disclosures Requirement) Regulations, 2015 and Companies Act, 2013 or as may be delegated by the Board of Directors from time to time.

E. CRITERIA FOR SELECTION OF CANDIDATES FOR MEMBERSHIP ON THE BOARD OF DIRECTORS, KMPs AND SENIOR MANAGEMENT PERSONNEL

a. General Criteria

A person to be appointed as Director, KMP or senior management Personnel should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

Further, person to be appointed/re-appointed as director should:

- be an individual of the highest integrity and have an inquiring mind, a willingness to go into details and the ability to work well with others;
- be free of any conflict of interest that would violate any applicable law or regulation or interfere with the proper performance of the responsibilities of a director;
- be willing and able to devote sufficient time to the affairs of the Company and be diligent in fulfilling the responsibilities of a director and Board committees' member; and
- have the capacity and desire to represent the best interests of the stakeholders as a whole.
- not be disqualified under the provisions of the Companies Act, 2013 and applicable rules and regulations.

b. Specific Criteria

In addition to the aforesaid, the Nomination & Remuneration Committee may, if it deems it advisable from time to time, develop specific criteria outlining the qualification, skills, experience, expertise, backgrounds, and other characteristics that should be represented on the Board to enhance its effectiveness. Any such criteria should take into account the particular needs of the Company based on its business, size, ownership, growth objectives, community, customers and other characteristics and should be adjusted as these Company characteristics evolve.

REMUNERATION POLICY

The remuneration policy of the Company reflects the Company's objectives for good corporate governance as well as sustained long- term value creation for shareholders and guided by a common reward framework and set of principles and objectives as more fully and particularly envisaged under Section 178 of the Act, inter-alia principles pertaining to determining qualifications, positive attributes, integrity and independence etc. Remuneration policy of Haileyburia Tea Estates Limited is as follows:

a. Executive Directors' Remuneration

1. At the time of appointment or re-appointment, Managing Director and the Executive Directors of the Company i.e. Whole-time Director as defined in the Companies Act, 2013 by whatever name may be called (hereinafter known as Executive Directors) shall be paid such remuneration as may be proposed by Nomination & Remuneration Committee and subsequently approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013.

2. The remuneration shall be subject to the approval of the Members of the Company at its General Meeting, wherever required under the provisions of the Companies Act, 2013 and rules made there under or under the provision of any other laws as may be applicable.

3. The remuneration of the Executive Directors is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises performance bonus and may include:

- Short-term incentives, based on the achievement of a number of individual, pre- defined financial and strategic business targets recommended by the Committee.

- Long-term incentives in the form of stock options, promoting a balance between short- term achievements and long-term thinking. The Directors shall be eligible to participate in the stock options only subject to the compliance of the conditions under the provisions of the Companies Act, 2013, Listing Regulations and the other Rules/ Regulations as prescribed by the Securities & Exchange Board of India ("SEBI") in this regard.

- Pension contributions, made in accordance with applicable laws and employment agreements.

- Severance payments in accordance with termination clauses in employment agreements and subject to the provisions of the Companies Act, 2013 and other applicable laws.

4. In determining the remuneration (including the element as defined in clause3) the Nomination & Remuneration Committee shall ensure/ consider the following:

I. Remuneration shall be evaluated annually against performance and a benchmark of international companies, which in size and complexity are similar to R Systems.

II. Balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.

III. Responsibility required to be shouldered by the Executive Directors, the industry benchmarks and the current trends.

Minimum remuneration to Executive Directors

If, in any financial year, the Company has no profits or its profits are inadequate, the company shall pay remuneration to its Executive Directors in accordance with the provision of the Companies Act, 2013 and rules made thereunder.

b. Remuneration for Non-Executive Directors

Non-Executive members of the Board shall be entitled for sitting fees for attending the meetings of the Board or committees thereof. The sitting fee will be as fixed by the Board of Directors from time to time in accordance with the provisions of the Companies Act, 2013 and other applicable rules and regulations. Non-Executive directors shall not be entitled to any fixed or monthly salary or other remuneration.

c. Remunerationpolicy for the Key Managerial Personnel, Senior Management Personnel and other employees

The KMP (Except for Managing Director and Whole-time Director), Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and/ or as may be approved by the Committee.

In determining the remuneration to Key Managerial Personnel, Senior Management Personnel and other employees the following shall be considered:

I. the relationship of remuneration and performance benchmark is clear;

II. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;

III. the Company shall follow a compensation mix of fixed component and variable component. Fixed Component comprises salaries, perquisites and retirement benefits and a variable component comprises performance bonus and may include:

- Short-term incentives, based on the achievement of a number of individual, pre- defined financial and strategic business targets.
- Long-term incentives in the form of stock options, promoting a balance between short- term achievements and long-term thinking, in accordance to various applicable laws.
- Pension contributions, made in accordance with applicable laws and employment agreements.
- Severance payments in accordance with termination clauses in employment agreements. Severance payments shall comply with local legal framework.

IV. the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market. The Benchmark information is obtained from internationally recognized compensation service consultancies, whenever required.

Additional Criteria for Appointment of Independent Directors:

The Committee shall consider qualifications for Independent Directors as mentioned in herein earlierunder the head 'Definitions' and also their appointment shall be governed as per the provisions ofListing Obligations (as amended from time to time) and Companies Act, 2013.

Term / Tenure:

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act,2013 and rules made thereunder as amended from time to time.

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules madethereunder or under any other applicable Act, rules and regulations or any other reasonable ground,the Committee may recommend to the Board for removal of a Director, KMP or Senior ManagementPersonnel subject to the provisions and compliance of the said Act, rules and regulations.

Criteria for Evaluation of Independent Director and the Board:

Following are the Criteria for evaluation of performance of Independent Directors and the Board:

1. Executive Directors:

The Executive Directors shall be evaluated on the basis of targets / Criteria given to executiveDirectors by the board from time to time

2. Non Executive Director:

The Non Executive Directors shall be evaluated on the basis of the following criteria i.e.whether they:

(a) act objectively and constructively while exercising their duties;

(b) exercise their responsibilities in a bona fide manner in the interest of the company;

(c) devote sufficient time and attention to their professional obligations for informedand balanced decision making;

(d) do not abuse their position to the detriment of the company or its shareholders or forthe purpose of gaining direct or indirect personal advantage or advantage for anyassociated person;

(e) refrain from any action that would lead to loss of his independence

(f) inform the Board immediately when they lose their independence,

(g) assist the company in implementing the best corporate governance practices.

(h) strive to attend all meetings of the Board of Directors and the Committees;

(i) participate constructively and actively in the committees of the Board in which theyare chairpersons or members;

(j) strive to attend the general meetings of the company;

(k) keep themselves well informed about the company and the external environment inwhich it operates;

(l) do not to unfairly obstruct the functioning of an otherwise proper Board orcommittee of the Board;

(m) moderate and arbitrate in the interest of the company as a whole, in situations ofconflict between management and shareholder's interest.

(n) abide by Company's Memorandum and Articles of Association, company's policiesand procedures including code of conduct, insider trading guidelines etc.

Policy on Board diversity:

The Board of Directors shall have the optimum combination of Directors from the different areas / fields like production, Management, Quality Assurance, Finance, Sales and Marketing, Human Resources etc or as may be considered appropriate.

Remuneration:

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-timeDirector, KMP and Senior Management Personnel to the Board for their approval.The level and composition of remuneration so determined by the Committee shall be reasonableand sufficient to attract, retain and motivate directors, Key Managerial Personnel and SeniorManagement of the quality required to run the company successfully. The relationship ofremuneration to performance should be clear and meet appropriate performance benchmarks. Theremuneration should also involve a balance between fixed and incentive pay reflecting short andlong-term performance objectives appropriate to the working of the company and its goals:

1. Director/ Managing Director

Besides the above Criteria, the Remuneration/ compensation/ commission etc to be paid toDirector/ Managing Director etc shall be governed as per provisions of the Companies Act,2013 and rules made thereunder or any other enactment for the time being in force.

2. Non executive Independent Directors

The Non- Executive Independent Director may receive remuneration by way of sitting feesfor attending meetings of Board or Committee thereof. Provided that the amount of such feesshall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules madethereunder or any other enactment for the time being in force.

3. KMPs / Senior Management Personnel

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on theexperience, qualification and expertise of the related personnel and governed by the limits, ifany prescribed under the Companies Act, 2013 and rules made thereunder or any otherenactment for the time being in force.

4. Other Employees

The remuneration to be paid to other employees shall be decided and approved by Head ofHuman Resource department and managing Director of the Company jointly.

5. Director's and Officers' Insurance

Where any insurance is taken by the Company on behalf of its Directors, KMPs/ SeniorManagement Personnel etc. for indemnifying them against any liability, the premium paidon such insurance shall not be treated as part of the remuneration payable to any suchpersonnel.

Conformity with the Act/Listing Obligations

This policy is in conformity with the provisions of the Companies Act, 2013 and ListingObligations. However, if due to subsequent changes in the Act, a particular clause or any part ofthis policy becomes inconsistent with the Act/Listing Obligations, the provisions of the Act/Listing Obligations shall prevail.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Haileyburia Tea Estates Ltd.
(CIN: L01132KL1923PLC000415)
XXIV/432, Marar Road,
Willingdon Island, Cochin – 682003, Kerala

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Haileyburia Tea Estates Ltd** having its registered office at **XXIV/432 MARAR ROADWILLINGDON ISLAND COCHIN, ERNAKULAM, Kerala-682003** (hereinafter referred as '**the Company'**), produced before us by the Company for the purpose of issuing this certificate, in accordance with the provisions of Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number ("DIN") status at the portal www.mca.gov.in) as considered necessary by us and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below, for the financial year ended on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other statutory authority:

S. No.	Name of the Director	DIN	Original date of appointment
1.	Mr. Palathingal Ittyara Chacko	00631315	09/08/2014
2.	Mr. Ashok Kumar Dugar	00559035	11/06/1988
3.	Ms. Sarita Dugar	00141933	30/03/2015
4.	Mr. Vinod Kumar Dugar	00558896	26/11/1999
5.	Mr. Shankar Menon	00113753	01/02/2023

Ensuring the eligibility for the appointment/ continuity of a Director on the Board of the Company is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

AASK and Associates LLP
Company Secretaries
Firm Regn. No. L2015DE001700
Peer Review No. 6483/2025

CS Sachin Khurana
Designated Partner
FCS: 10098; C.P. No.: 13212
UDIN: F010098H000793254

Place: Delhi
Date: May 29, 2026

CFO Compliance Certification

To,

The Board of Directors

Haileyburia Tea Estates Limited

24/432, Marar Road, Willingdon Island

Cochin, Ernakulam, Kerala 682003.

I, Yash Dugar, Chief Financial Officer of Haileyburia Tea Estates Limited, to the best of my knowledge and belief, certify that:

(a) I have reviewed financial statements and the cash flow statement for the year ended on 31.03.2026 and that to the best of my knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) 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.

(b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended on 31.03.2025 which are fraudulent, illegal or volatile of the company's code of conduct.

(c) I accept the responsibility for establishing and maintaining internal controls for Financial Reporting and I have evaluated the effectiveness of internal control systems ofthe company pertaining to financial reporting.

(d) I have indicated to the auditors and the Audit committee:

- (i) That there was no significant changes in internal control over financial reporting during the year;
- (ii) That there was no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) There were no instances of significant fraud of which I have become aware of and the involvement of the management or an employee having a significant role in internal control system over financial reporting.

Sd/-

Yash Dugar

Chief Financial Officer

Date:27.05.2026

Place: Kochi

Independent Auditor's Report

To

THE BOARD OF DIRECTORS OF
M/s HAILEYBURIA TEA ESTATES LIMITED

Opinion

We have audited the accompanying Financial Statements of **M/s. HAILEYBURIA TEA ESTATES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026 and its loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

BASIS OF OPINION:

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

We draw attention to the following matter:

a) Attention is invited to Note No.21- "Other current liabilities" of Rs.133418.20thousands (Rs.110532.21thousands), being the note forming part of financial statements, which include substantial amounts of overdue payments including statutory dues, consisting of Employees Provident Fund contributions (including disputed amounts) of Rs.61855.80thousands (Rs.51486.12thousands) , Superannuation Trust contributions Rs.4362.25 (Rs.3959.05) thousands, gratuity to retired employees Rs.25475.59 (Rs.21399.87) thousands, income tax deducted at source Rs.1249.98 (Rs.542.35) thousands, land tax Rs.1147.15thousands (Nil), plantation tax Rs.1379.52 (Rs.1379.52) thousandsetc. The amount of interest and/or penalty, if any, that may be payable on account of these delays could not be ascertained at this stage and no provision has been created in the financial statements in respect thereof.

b) We draw attention to note No.17(a)(i) being the Notes forming part of the financial statements, wherein it is stated that, w.e.f. 04.11.2025, the company's working capital facility has been categorized as Non-Performing Asset (NPA) for the reasons stated therein.

c) We draw attention to note No.41, being the notes forming part of the financial statements, wherein it is stated that the Company has accumulated losses and its networth has fully eroded and that the company has incurred cash losses during the current year and also during previous years and is facing severe financial stress including constraints in liquidity and banking operations.As reported therein, the Management is taking remedial steps to mitigate the possible impact of these aspects on the future operations of the Company and considering such measures, as stated therein, the financial statements have been prepared on a going concern assumption basis.

d) We draw attention to note no.42 being the notes forming part of the financial statements, as stated therein, because of the restrictions imposed in the operations of the banking account, some of the routine operational expenses are settled by another companyand such transactions are journalized to set off from trade receivables.

e) We draw attention to note no.44 being the notes forming part of the audited financial statements of the company, as stated therein, the company has not fully implemented the provisions under labour codes for the reasons stated therein.

f) Attention is invited to Note No.50 forming part of financial statements, explaining provisional attachment of 102 acres of land of the Company by Enforcement Directorate (ED) and the interim stay granted by the Hon'ble Judicial High Court.

g) There is deficiency in complying with the requirement of obtaining external confirmations, independent confirmations, etc. to ensure the reliability of financial information, in accordance with SA 505.

h) We draw attention to Note no. 27(l) to the financial statements regarding the non-creation/non-registration of charge in respect of borrowings.

Our opinion is not modified in respect of the above matters.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report

Information Other than the Financial Statements and Auditor's Report Thereon:

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the Financial Statements:

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) prescribed under Section 133 of the Act, read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of financial statements.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. We draw attention to Note No.41, being the notes forming part of the financial statements, wherein it is stated that the company has incurred cash losses during the current and previous years and is facing severe financial stress including constraints in liquidity and banking operations. However, the financial statements have been prepared on a going concern assumption basis, for the reasons stated therein.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We draw attention to Note No.41, being the notes forming part of the financial statements, wherein it is stated that the company has incurred cash losses during the current and previous years and is facing severe financial stress including constraints in liquidity and banking operations. However, the financial statements have been prepared on a going concern assumption basis, for the reasons stated therein.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in thefinancial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements:

1. As required by The Companies (Auditor's Report) Order, 2020 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, enclosed herewith, a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

e. On the basis of the written representations received from the directors by the Company and taken on record in the meeting of the Board of Directors, none of the Directors is disqualified as on 31st March, 2026 from being appointed as a Director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in AnnexureB.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year and hence there is no requirement of reporting on the compliance of the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the details of pending litigations in the Financial Statements. Refer Note No.51(f) A &B to the Ind AS Financial Statements.

ii) ii.The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except for a sum of Rs.44,863/- lying outstanding on account of redemption of Preferential Shares which is kept deposited in a separate bank account, but has not been transferred to Investor Education and Protection Fund pending availability of details.

iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

v) The company has not declared any dividend during the financial year and hence, there is no requirement of reporting on the compliance of Section 123 of the Act for the current year.

vi) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with or disabled, and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Krishnamoorthy and Krishnamoorthy

Place: Cochin - 16

Chartered Accountants (FRN: 001488S)

Date: 29/05/2026

(Sd/-)

UDIN: 26233091UWVLNW5707

CA. Devaprabha R Shenoy

Partner (M No. 233091)

Annexure 'A' to the Independent Auditor's Report

(Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) In respect of Companies Property, Plant and Equipment's and Intangible assets:

(a) i)The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(b) ii) The Company does not have any intangible assets during the year. Accordingly, the provisions of clause 3(i)(a)(B) of the Order are not applicable to the Company.

(c) We are informed that these property, plant and equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.

(d) According to the information and explanations given to us and based on our examination of the records, we report that the title deeds of all immovable properties disclosed in the financial statements are held in the name of the Company as at the balance sheet date, except for the factors stated hereunder:

i. We have been informed that the original title deeds of these immovable properties have been deposited with the bankers as security against borrowings.

ii. We further draw attention to Note No.27(a) being the notes forming part of the financial statements wherein it is stated that the absolute ownership of the estate properties of the company has been questioned by the Government of Kerala, vide original Suit (OS) no. 46/2025, filed u/s 26 (Order VII) of the CPC dated 07th July 2025, and a title suit was filed before the Sub-Court, Kattapana.Further an injuction order was passed on 09th July 2025, restraining the company from transacting any property listed in that order. The company has filed a suit before the Sub-court Kattapana against the above referred title suit which is pending for disposal.

(e) According to the information and explanations given to us and on the basis of our examination of books of accounts and other relevant documents of the company, the Company has not revalued its Property, Plant and Equipment or Intangible Assets or both during the year.

(f) As informed to us and according to the information and explanations given to us and on the basis of our examination of books of accounts and other relevant documents of the company, there are no proceedings that have initiated or are pending against the company for holding any Benami Property under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) In respect of its inventories:

a) According to the information and explanations given to us, and based on our examination of the records, the management has conducted physical verification of inventory at reasonable intervals. In our opinion, the coverage and procedures of such verification are appropriate. No material discrepancies of 10% or more in the aggregate for each class of inventory were noticed during the course of such verification.

b) According to the information and explanations given to us and based on the records examined by us, the Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly statements of current assets filed by the Company with such banks or financial institutions are in agreement with the books of account of the company, except for the following:

Quarter ended	Figures as per Statements filed with Bank	Figures as per books of accounts	Difference (Rs. In lakhs)
30th June 2025	Rs. 34685.88	Rs. 41651.43	Rs. 6965.54
30th September 2025	Rs. 20698.27	Rs. 27420.41	Rs.6722.13

Note: The reason for the variation is explained in the relevant note (Note No.27(i)) forming part of financial statements.

(iii) In respect ofinvestments, guarantee, security, loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:

According to the explanations and information given to us and based on the records examined by us, the company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships orother parties. Accordingly, paragraphs (iii) (a) to (f) of CARO 2020 are not applicable.

(iv) In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with:

In our opinion and according to the information and explanations given to us, the Company has not made any investments, granted any loans, provided any guarantees or security to which the provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable. Accordingly, reporting under this clause is not applicable.

(v) In respect of deposits accepted or accepted amounts which are deemed to be deposit, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, and the nature of contravention if any:

According to the explanations and information given to us and based on the records examined by us, the Company has not accepted any deposits or amounts which are deemed to be deposit, from the public during the year as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) In respect of maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 and whether or not such accounts and records have been so made and maintained.

The Central Government of India has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act for any activities of the company and according paragraph 3 (vi) of the order not applicable.

(vii) In respect of statutory dues:

In respect of statutory dues, according to the explanations and information given to us and based on the records examined by us:

(a) the company is not regular in depositing undisputed statutory dues including Provident Fund, gratuity, income tax deducted at source, and such other statutory dues to the appropriate authorities. The extent of arrears of outstanding statutory dues as of 31st March 2026, outstanding for more than six months from the date they became payables are given below:

Sl. No.	Particulars	Amount outstanding (Rs. In lakhs)
1	Plantation Tax	1379.52
2	Kerala Labour Welfare Fund	278.46
3	Land Tax	1147.15
4	Employees Provident Fund	58914.22
5	Gratuity to Retired Employees	25475.59
6	Tax deducted / collected at source	1249.98

(b) Details of dues of Income Tax or Sales Tax or Service Tax or Goods and Service Tax, duty of customs or duty of excise or value added tax or cess, which have not been deposited on account of any dispute as on 31st March, 2026 are given below.

Sl. No.	Nature of the statute	Forum where Dispute is pending	Amount outstanding (Rs. In lakhs)
1	Tax deducted at source	Income Tax Officer – TDS,Ernakulam	511.97
2	Civil Law	Munsiff's Court, Peerumedu	411.86
3	Sales Tax	Deputy Commissioner, Commercial Taxes Department, Kottayam	520.11
4	Employees Provident Fund	Central Government Industrial Tribunal-Cum-Court, Ernakulam	2941.58

(viii) Whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), if so, whether the previously unrecorded income has been properly recorded in the books of account during the year:

According to the information and explanations given to us and based on the records of the company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) In respect of company defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender:

a) The Company has defaulted in repayment of loans and payment of interest thereon to lenders during the year, subsequent to call back of facility by the bankers. The details of such defaults are as follows:

Nature of borrowing	Name of lender	Amount of default (1 thousands)	Principal / Interest	Period of default
CCOD	South Indian Bank	67500	Principal	150 days
CCOD	South Indian Bank	5169	Interest	150 days
ECLGS	South Indian Bank	1111	Principal	150 days
ECLGS	South Indian Bank	315	Interest	150 days

b) The company is not declared a willful defaulter by any bank, financial institution, or other lender.

c) Based on information and records the funds raised on a short-term basis have not been utilized for long term purposes.

d) During the year the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

e) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.

(x) In respect of moneys raised by way of initial public offer or further public offer (including debt instruments) were applied for the purposes for which those are raised and the preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. If not, providing the details:

a) According to the information and explanations given to us, and based on the records of the company examined by us, we report that the Company has not raised any amount by way of issue of shares during the year.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

(xi) In respect of reporting on Fraud:

a) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year, nor have we been informed of any such cases by the Management.

b) No report under subsection 12 of Section 143 of Companies Act has been filed by the Auditors in form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

c) According to explanations and information given to us, we have considered the effectiveness of whistle blower mechanism in the company, there are no whistle- blower complaints received by the company during the year.

(xii) In respect of reporting on Nidhi Company:

a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the CARO 2020 Order is not applicable to the Company and hence not commented upon.

b) As Company is not a Nidhi Company, there is no default in payment of interest on deposits or repayment thereof.

(xiii) Reporting on Related Party Transactions:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) Reporting on Internal Audit:

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has an effective Internal Audit system commensurate with the size of the Company and the nature of its business.

(xv) Reporting on Non-Cash transactions with Directors:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) In respect of company's required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained:

a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India

(xvii) In respect of reporting of cash losses:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the company has incurred cash loss of Rs.43304 thousands in the Financial Year under report and has incurred cash loss of Rs.30862 thousandsduring the preceding previous year.

(xviii) Reporting on Auditors Resignation:

There has been no resignation of statutory auditors of the Company during the year, but the term of office of the previous auditors is over by the conclusion of last annual general meeting.

(xix) Reporting on Financial Position:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that uncertainty exists as on the date of the audit report about company'scapability for meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date, mainly because of mounting due of statutory liabilities and others added with the difficulties faced in the banking operations and the acute financial stress faced by the Company because of the cash loss incurred year after year, as explained in note no. 41 and 42 being the note forming part of financial statements.

(xx) Reporting on CSR Compliance

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the CSR compliance is not applicable to the Company during the year and hence there is no requirement of commenting on the compliance of second proviso to sub-section (5) of section 135 of the said Act;

(xxi) Reporting on preparation of Consolidated Financial Statements.

The company has no subsidiaries /Associate companies and therefore preparation of Consolidated Financial statements is not required.

For Krishnamoorthy and Krishnamoorthy
Chartered Accountants (FRN: 001488S)

Place: Cochin - 16
Date: 29/05/2026
UDIN: 26233091UWVLNW5707

(Sd/-)
CA. Devaprabha R Shenoy
Partner (M No. 233091)

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause of Sub-section 3 of Section 143 of the Companies Act 2013 (the Act)

We have audited the internal financial controls over financial reporting of **M/s. HAILEYBURIA TEA ESTATES LIMITED** ("the Company"), as of 31st March 2026, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the ICAI).These responsibilities include the design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to respective company's policies the safeguarding of its assets the prevention and detection of frauds and errors the accuracy and completeness of the accounting records and the timely preparation of reliable financial information as required under the Companies Act 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act 2013 to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls material misstatements due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us the Company has in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st 2026 based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Krishnamoorthy and Krishnamoorthy
Chartered Accountants (FRN: 001488S)

Place: Cochin - 16
Date: 29/05/2026
UDIN: 26233091UWVLNW5707

(Sd/-)
CA. Devaprabha R Shenoy
Partner (M No. 233091)

HAILEYBURIA TEA ESTATES LIMITED
BALANCE SHEET AS AT 31st MARCH, 2026

	Particulars	Note No.	As at 31-03-2026 Rs.In 000's	As at 31-03-2025 Rs.In 000's
I.	ASSETS			
1	**Non-current Assets**			
	a) Property, Plant and Equipment	4	920,241.43	919,946.80
	b) Intangible Assets under Development			
	c) Capital Work in Progress			
	d) Financial Assets			
	(i) Investments	5	6.89	6.89
	(ii) Others	6	2,722.61	2,657.56
	e) Deferred Tax Assets (Net)			
	f) Other Non Current Assets	7	193.98	351.97
	Total Non Current Assets		**923,164.91**	**922,963.21**
2	**Current Assets**			
	a) Inventories	8	19,692.26	12,505.29
	b) Financial Assets			
	(i) Investments			
	(ii) Trade Receivable	9	1,854.11	18,898.79
	(iii) Cash and Cash Equivalents	10	1,264.49	256.97
	(iv) Bank Balance other than (iii) above		-	-
	(v) Loans		-	-
	(iv) Others	11	6,370.85	5,658.18
	c) Current Tax Assets (Net)			
	d) Other Current Assets	12	1,002.05	1,505.93
	Total Current Assets		**30,183.76**	**38,825.15**
	Total Assets (1+2)		**953,348.67**	**961,788.36**
II.	EQUITY AND LIABILITIES			
	Equity			
	a) Equity Share Capital	13	15,750.00	15,750.00
	b) Other Equity	14	601,940.71	652,563.42
	Total Equity		**617,690.71**	**668,313.42**
	Liabilities			
1	**Non-Current liabilities**			
	a) Financial Liabilities.			
	(i) Borrowings	15	604.21	893.81
	(ii) Trade Payables			
	b) Provisions	16	15,986.78	16,293.07
	c) Deferred Tax Liability(Net)			
	d) Other Non Current Liabilities			
	Total Non Current Liability		**16,590.98**	**17,186.88**
2	**Current Liabilities**			
	a) Financial Liabilities.			
	(i) Borrowings	17	163,276.26	146,540.72
	(ii) Trade Payables			
	(A) total outstanding dues of micro enterprises and small enterprises: and	18	1,762.71	1,562.58
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises)	19	11,221.16	10,777.11
	(iii) Other Financial liabilities (other than those specified in item (c)	20	2,212.10	1,696.52
	b) Other Current Liabilities	21	133,418.21	110,532.22
	c) Provisions	22	7,176.53	5,178.92
	d) Current Tax Liabilities (Net)		-	-
	Total Current Liability		**319,066.97**	**276,288.07**
	Total Liabilities		**335,657.95**	**293,474.94**
	Total Equity and Liabilities (1+2)		**953,348.67**	**961,788.36**

See accompanying notes to the financial statements

As per our report of even date annexed
For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN No. 0014888)

(Sd/-)
Devaprabha R. Shenoy
Partner
Membership No. 233091

Place: Cochin
Date: 29/05/2026

For and on behalf of Board

(Sd/-)
Ashok Kumar Dugar
Managing Director
DIN (00559035)

(Sd/-)
Sarita Dugar
Director
DIN (00141933)

(Sd/-)
Yash Dugar
Chief Financial Officer

(Sd/-)
Kartikeya Mishra
Company Secretary

Place: Cochin
Date: 29/05/2026

HAILEYBURIA TEA ESTATES LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2026

	Particulars	Note No.	As at 31-03-2026 Rs.in 000's	As at 31-03-2025 Rs.in 000's
	INCOME			
I.	Revenue from operations	28	155,210.99	221,777.96
II.	Other Income	29	2,044.05	2,663.55
III.	**Total Income (I+II)**		**157,255.04**	**224,441.51**
IV.	**EXPENSES:**			
	a. Cost of materials consumed	30	12.40	139.76
	b. Purchase of Stock -in-Trade	31	19,281.90	18,331.82
	c. Changes in inventories of finished goods, stock -in-trade and work in progress	32	-7,796.87	23,855.53
	d. Employee benefits expense	33	116,628.63	135,245.17
	e. Finance costs	34	22,111.54	18,554.63
	f. Depreciation and amortisation expense	4	1,613.46	1,634.30
	g. Other expenses	35	50,322.08	59,177.50
	Total Expenses (IV)		**202,173.15**	**256,938.70**
V.	**Profit / (Loss) before Exceptional items and tax (III-IV)**		**-44,918.11**	**-32,497.19**
VI.	Exceptional Items		-	-
VII.	**Profit / (Loss) before tax (V-VI)**		**-44,918.11**	**-32,497.19**
VIII.	Tax expense:			
	1. Current tax		-	-
	2. Deferred tax		-	-
IX.	**Profit/ (Loss) for the period from continuing operations (VII-VIII)**		**-44,918.11**	**-32,497.19**
X.	**Profit/ (Loss) from discontinued operations**		-	-
XI.	**Tax expense of discontinued operations**		-	-
XII.	**Profit/ (Loss) from discontinued operations (after tax)(X-XI)**		-	-
XIII.	**Profit/ (Loss) for the period (IX+XII)**		**-44,918.11**	**-32,497.19**
XIV.	**Other Comprehensive Income**			
	A - (i) items that will not be reclassified to Profit or Loss			
	(a) -Remeasurement of defined benefit plans		-5,704.60	6,294.58
			-	-
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss			
	B - (i) items that will be reclassified to Profit or Loss		-	-
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
XV.	**Total Comprehensive Income for the period (XIII+XIV)**		**-50,622.70**	**-26,202.62**
	(Comprising Profit(Loss) and other Comprehensive Income for the period)			
XVI.	**Earnings per equity share:**			
	Nominal value of share Rs. 10/- (Rs. 10/-)			
	a. Basic		**(28.52)**	**(20.63)**
	b. Diluted		**(28.52)**	**(20.63)**

See accompanying notes to the financial statements

As per our report of even date annexed
For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN No. 0014888)

(Sd/-)
Devaprabha R. Shenoy
Partner
Membership No. 233091

Place: Cochin
Date: 29/05/2026

For and on behalf of Board

(Sd/-)
Ashok Kumar Dugar
Managing Director
DIN (00559035)

(Sd/-)
Sarita Dugar
Director
DIN (00141933)

(Sd/-)
Yash Dugar
Chief Financial Officer

(Sd/-)
Kartikeya Mishra
Company Secretary

Place: Cochin
Date: 29/05/2026

Haileyburia Tea Estates Limited

Statement of Changes in Equity

EQUITY SHARE CAPITAL

HAILEYBURIA TEA ESTATES LIMITED
STATEMENT OF CHANGES IN EQUITY
EQUITY SHARE CAPITAL

	Note	Amount in Rs.in 000's
As at 1.4.2024		15,750.00
Changes in Equity Capital	12.1	-
As at 31.3.2025		15,750.00
Changes in Equity Capital	12.1	-
As at 31.3.2026		15,750.00

OTHER EQUITY (Amount in Rs)

	---------Reserves and Surplus-------------				
	Capital Reserve	Retained Earnings	Revaluation Reserve	Other Comprehensive income	Total
Balance as at 01.04.2024	265.33	-203,392.91	882,050.10	-156.51	678,766.03
					-
Profit for the year (31.03.2025)		-32,497.19			-32,497.19
Other Comprehensive Income				6,294.58	6,294.58
Balance as at 31.03.2025	**265.33**	**-235,890.10**	**882,050.10**	**6,138.07**	**652,563.42**
				-	-
Profit for the year (31.03.2026)		-44,918.11	-		-44,918.11
Other Comprehensive Income				-5,704.60	-5,704.60
Balance as at 31.03.2026	**265.33**	**-280,808.21**	**882,050.10**	**433.47**	**601,940.71**

See accompanying notes to the financial statements

As per our report of even date annexed
For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN No. 0014888)

(Sd/-)
Devaprabha R. Shenoy
Partner
Membership No. 233091

Place: Cochin
Date: 29/05/2026

For and on behalf of Board

(Sd/-)
Ashok Kumar Dugar
Managing Director
DIN (00559035)

(Sd/-)
Sarita Dugar
Director
DIN (00141933)

(Sd/-)
Yash Dugar
Chief Financial Officer

(Sd/-)
Kartikeya Mishra
Company Secretary

Place: Cochin
Date: 29/05/2026

Notes to financial statements for the year ended 31st March, 2026

1. CORPORATE INFORMATION

The Company was Incorporated in 1923. The company is engaged in tea plantation and in the manufacturing of made tea with one green leaf processing factory and three estates. The Tea Plantations of the company is situated in the high range region at Elappara ,Idukki District, Kerala . The Company is having its presence in the packet tea operations and trading in tea. The Company is primarily engaged in auction tea sales and trading of packet tea manufactured/purchased by it. The Company also undertakes small-scale cultivation and production of coffee and pepper.

2. BASIS OF PREPARATION

2.1 **Statement of compliance**The financial statements have been prepared in accordance to the applicable Indian accounting standards (Ind AS) prescribed under section 133 of the Companies act, 2013 read with the Companies (Indian accounting standards) rules and other relevant provisions of the act and rules thereunder, as amended from time to time and guidelines issued by SEBI.

2.2 **Basis of measurement**The financial statements have been prepared on historical cost basis except when otherwise indicated.

2.3 **Functional and presentation of currency**The financial statements are presented in INR which is company's presentation and functional currency and all values are rounded to the nearest thousands (up to two decimals) except when otherwise indicated.

2.4 Use of judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

2.5 Current / Non Current classification

All the assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of the products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycles 12 months for the purpose of current and non-current classification of assets and liabilities

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Property, Plant and Equipment and Depreciation:

Property, Plant and Equipment except land are recognised as per Cost model that is assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Land has been recognised under revaluation model that is revalued amount less subsequent impairment losses. Expenditure on development and new planting are capitalized under Bearer Plants and depreciated from the date when they are ready for commercial harvest On transition to Ind As, the Company has elected to continue with the carrying value of all its property, plant and equipment as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation on Property , Plant & Equipment has been provided based on the useful life of the assets prescribed in Part C of Schedule II of the Companies Act, 2013 after retaining 5% of the original cost as residual value on written down value method. In the case of depreciable assets which were revalued, the depreciation is provided including for the revalued amount . The revaluation reserve is transferred to Retained Earnings at the time of retirement/disposal of the revalued asset. The depreciation method applied, residual value of asset and useful life of an asset are reviewed at each financial year end. Depreciation on assets purchased /sold during the year is proportionately charged.

Useful life of bearer plants-tea has been considered on the basis of technical evaluation at 50 years and are depreciated from the date when they are ready for commercial harvest

The Management had made an effort to identity components having significant cost to the total cost of the asset and is having different useful life than that of the whole of the asset. Based on a technical evaluation no components having these characteristics had been identified, which is having a material impact on the measurement of depreciation. The estimated useful lives of tangible and intangibles are:

Type of asset	Method	Useful lives
Building	Written down value	30 years
Plant and equipment	Written down value	15 years
Furniture and fixtures	Written down value	10 years
Vehicles	Written down value	10 years
Bearer plants	Written down value	50 years
Computer	Written down value	3 years

3.2 <u>Impairment of Assets</u>:

Impairment of assets has been recognized for assets for which indications of impairment do exist. Impairment loss is recognized only in cases where the Recoverable Amount is less than carrying cost.

3.3 Investments

Non Current Investments are stated at cost of acquisition. In case of persisting decline in the market value of such investments, a provision for diminution in value is made wherever necessary. Decline in value, if any, which is not considered temporary in nature, is provided for.

3.4 Inventories:

Inventories are consistently valued as under:

i. Stores — At lower of cost or net realizable value .

ii. Stock-in-trade — valued at lower of cost or at net realizable value. Net realizable value is arrived at on the basis of average price realized after the balance sheet date

iii. Biological Assets other than bearer plants

The Company measures biological assets, if any in inventory, at fair value less cost to sell with changes in fair value recognised in statement of Profit and Loss.

3.5 Employee Benefits:

(A) Long Term Employee Benefits

(a) Defined Contribution Plans

The company has defined contribution plans for employees comprising of Provident Fund and Family Pension Fund. The contributions paid/payable to these plans are charged to Profit & Loss Account for the period to which they are related.

(b) Defined Benefit Plan

The company makes contributions to the Trust towards Gratuity liability . The net present value of the obligation for gratuity benefits as determined on actuarial valuation, conducted annually using the projected unit cost method, as adjusted for unrecognised past service cost, if any and as reduced by fair value of plan assets, if any, is recognized in the accounts. Actuarial gains and losses are recognized in full in the profit and loss account for the period in which they occur under the head other Comprehensive income/loss

The eligibility for gratuity is determined based on the continuous service of minimum 240 days in a year rendered by each employees including eligible leave of 24 days in a year.

(B) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service.

3.6 Tax on income

Income tax is accounted in accordance with Ind AS 12 Income Taxes, which includes current taxes and deferred taxes. Deferred tax assets/liabilities representing timing differences between accounting income and taxable income are recognised to the extent considered capable of being reversed in subsequent years. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that deferred tax assets arising due to unabsorbed depreciation and losses are recognised if there is a virtual certainty that sufficient future taxable income will be available to realise the same.

3.7 Revenue Recognition

i) Sales are recorded at invoice/sale note values, but excluding Goods and Service Tax collection

ii) Sale of Tea income is recognized on the following basis:

Auction Sale:	On receipt of Broker's Sale Notes.
Consignment Sales	On receipt of concerned Sales Statement from Consignment Agents.
Local Sales	On raising the Bills.
Tea Waste	Accounted as and when sold.

3.8 Borrowing cost:

Borrowing cost attributable to the acquisition / construction of a qualifying asset is capitalized as part of the cost of the asset. Other borrowing costs are recognized as expense in the period in which they are incurred.

3.9 Earnings per share:

The earnings considered in ascertaining the company's EPS comprise the net profit /loss after tax (includes the effect of any extra ordinary items). The number of shares used in computing the basic EPS is the weighted average number of shares outstanding during the year.

3.10 Provisions and Contingent liabilities

Provisions are recognised when the company has a present obligation as a result of past events, for which it is probable that a cash outflow will be required and reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value except in case of decommissioning, restoration and similar liabilities that are recognised as cost of Property, Plant and Equipment. Value of Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current management estimates.

3.11 Segment Accounting:

Segment reporting: The Company's operations primarily comprise of only one segment, i.e. Planting, Manufacturing and sale of tea. In the opinion of the Management, this is the only primary reportable segment within the meaning of IndAS108.

Note No 4

CONSOLIDATED SCHEDULE OF PROPERTY, PLANT AND EQUIPMENTS FOR THE YEAR ENDED 31.03.2026

Particulars	Land & Development	Bearer Plants	Building *	Plant and Machinery #	Electrical Installations	Water suppluy installations	Furniture & Office equipments	Vehicles #	Other Asset	Total
Gross Carrying Amount as on 31-03-2025	901,680.73	10,451.83	58,050.33	34,702.52	12,125.71	3,448.26	5,331.72	11,945.57	16.97	**1,037,753.63**
Addition	-	-	-	1,379.46	120.32	-	347.90	170.08	-	**2,017.76**
Less: Grant Reduced for Biomedical	-	-	-	-	-	-		-		**-**
Less: Disposal	-	-	-	-	-	-	-	2,006.57	-	**2,006.57**
Gross Carrying Amount as on 31-03-2026	**901,680.73**	**10,451.83**	**58,050.33**	**36,081.98**	**12,246.03**	**3,448.26**	**5,679.62**	**10,109.08**	**16.97**	**1,037,764.83**
as on 31-03-2025	901,680.73	10,451.83	58,050.33	34,702.52	12,125.71	3,448.26	5,331.72	11,945.57	16.97	1,037,753.63
Accumulated Depreciation as on 31-03-2025	-	1,463.75	52,313.52	33,246.21	11,167.40	3,375.32	5,021.40	11,203.11	16.12	**117,806.84**
Depreciation/Amortisation the for year	-	179.76	636.36	335.28	161.52	8.11	154.44	137.99	-	**1,613.46**
Disposal	-	-	-	-	-	-	-	1,896.91		**1,896.91**
Accumulated Depreciation as on 31-03-2026	**-**	**1,643.52**	**52,949.87**	**33,581.49**	**11,328.93**	**3,383.44**	**5,175.84**	**9,444.19**	**16.12**	**117,523.40**
as on 31-03-2025	-	1,463.75	52,313.52	33,246.21	11,167.40	3,375.32	5,021.40	11,203.11	16.12	117,806.84
Net Carrying Amount as on 31-03-2026	**901,680.73**	**8,808.31**	**5,100.46**	**2,500.48**	**917.10**	**64.83**	**503.78**	**664.89**	**0.85**	**920,241.43**
as on 31-03-2025	901,680.73	8,988.08	5,736.82	1,456.30	958.31	72.94	310.32	742.45	0.85	919,946.79

HAILEYBURIA TEA ESTATES LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2026

5	**INVESTMENTS**		**Rs. 000's**
		As at 31.03.2026	**As at 31.03.2025**
	Unquoted (Non Trade):		
	(i) Investment in Government or Trust Securities:-		
	6 Year NSC VIII Issue -at cost	**6.89**	6.89
	TOTAL	**6.89**	**6.89**
6	**NON - CURRENT FINANCIAL ASSETS: OTHERS**		**Rs. 000's**
		As at 31.03.2026	**As at 31.03.2025**
	(a) Security Deposits - Refer Note 50 (d)	2,335.20	2,246.14
	(b) Bank Deposit with more than 12 months maturity	387.41	411.42
	(Fixed Deposit Rs.3.87 lakhs (3.63 lakhs) was taken as a Bank Guarantee in favour of Kerala State Electricity Board and is under lien)		
	TOTAL	**2,722.61**	**2,657.56**
7	**NON-CURRENT ASSETS : OTHERS**		**Rs. 000's**
		As at 31.03.2026	**As at 31.03.2025**
	OTHER ADVANCE		
	(a) Income tax advance - Central and State	193.98	351.97
	TOTAL	**193.98**	**351.97**
8	**INVENTORIES**		**Rs. 000's**
	PARTICULARS	**As at 31.03.2026**	**As at 31.03.2025**
	Finished Goods	13,785.88	5,989.01
	Stores & Spares ,Packing Materials and Others	3,697.79	3,311.47
	Others - Fertilisers and Chemicals	2,208.59	3,204.81
	Inventories are valued at lower of cost or net realizable value. Cost is arrived at on weighted average method		
	TOTAL	**19,692.26**	**12,505.29**
9	**TRADE RECEIVABLES**		**Rs. 000's**
		As at 31.03.2026	**As at 31.03.2025**
	Unsecured, Considered Good	1,854.11	18,898.79
	Unsecured, Considered Doubtful	2,799.23	1,748.78
	Less: Provision for Doubtful Debts	2,799.23	1,748.78
		-	-
	TOTAL	**1,854.11**	**18,898.79**

Trade Receivables Ageing Schedule **Rs. 000's**

As on 31.03.2026		Outstanding for following periods from due date of payment #					
Particulars	Unbilled	Less than 6 Months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	-	1,854.11	-	-	-	-	1,854.11
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)Undisputed Trade Receivables - credit impaired	-	-	-	1,176.19	767.55	855.48	2,799.23
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v)Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-

Trade Receivables Ageing Schedule **Rs.000's**

As on 31.03.2025		Outstanding for following periods from due date of payment #					
Particulars	Unbilled	Less than 6 Months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	-	18,898.79			-	-	18,898.79
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-		-	-

(iii) Undisputed Trade Receivables - credit impaired				576.19	567.55	605.04	1,748.78
(iv)Disputed Trade Receivables - considered good	-	-	-	-	-		-
(v)Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)Disputed Trade	-	-	-	-	-	-	-

10	CASH AND CASH EQUIVALENTS	Rs. 000's	
		As at 31.03.2026	As at 31.03.2025
	Balance with Banks		
	In Current Accounts	1,115.64	166.35
	In Fixed Deposit accounts	-	41.02
	Cash on hand	148.85	49.60
	TOTAL	**1,264.49**	**256.97**
10.1	Current account with Banks include one account having a closing balance of Rs.44,863.00 being the balance outstanding in Preference Share Redemption account.		

11	FINANCIAL ASSETS - OTHERS	Rs. 000's	
		As at 31.03.2026	As at 31.03.2025
	Others		
	(a)Staff / Workers Advances:	4,930.62	4,563.13
	(b)Advance to Suppliers:		
	I. Unsecured considered Good	1,440.23	1,095.05
	ii. Unsecured considered doubtful	6,068.73	6,068.73
	Less: Provision made	6,068.73	6,068.73
	TOTAL (A+B)	**6,370.85**	**5,658.18**

12	OTHER CURRENT ASSETS	Rs. 000's	
		As at 31.03.2026	As at 31.03.2025
	Advance Other than Capital Advance		
	(a) Rent Deposit	368.00	360.00
	(b) Sales Tax Refundable	-	520.11
	(c) Prepaid Expenses	291.87	307.82
	(d) Interest Accrued	24.18	-
	Others		
	(a) Machinery subsidy receivable from Tea Board	318.00	318.00
	TOTAL	**1,002.05**	**1,505.93**

13	EQUITY SHARE CAPITAL	Rs. 000's	
		As at 31.03.2026	As at 31.03.2025
	Authorised:		
	50,00,000(50,00,000) Equity Shares of Rs. 10/- each	**50,000.00**	**50,000.00**
	Issued and Subscribed and fully paid:		
	15,75,000 Equity Shares of Rs. 10/- each	**15,750.00**	**15,750.00**
		15,750.00	**15,750.00**

13.1	Reconciliation of shares at the beginning and at the end of the financial year	Rs. 000's	
	PARTICULARS	Number of shares	Amount (Rupees)
	As at the beginning of the financial year	15,75,000	15,750.00
	As at the end of the financial year	15,75,000	15,750.00

13.2	Particulars of Shareholders holding more than 5% shares in the Company	As at 31.03.2026		As at 31.03.2025	
	PARTICULARS	%	No of Shares	%	No of Shares
	Ashok Kumar Dugar	24.73	389430	24.73	389430
	Sarita Dugar	24.76	389892	24.76	389892
	Shreshth Dugar	12.21	192295	12.21	192295
	Yash Dugar	11.93	187951	11.93	187951

13.3 Shares held by the Promoters at the end of the year

PARTICULARS

Name	No of Shares		% of Total Shares		As at 31.03.2026 % of Changes During the year	As at 31.03.2025 % of Changes During the year
	As at 31.03.2026	As at 31.03.2025	As at 31.03.2026	As at 31.03.2025		
Ashok Kumar Dugar	389430	389430	24.73	24.73	NIL	NIL
Sarita Dugar	389892	389892	24.76	24.76	NIL	NIL
Yash Dugar	187951	187951	11.93	11.93	NIL	NIL
Shikha Dugar	13000	13000	0.83	0.83	NIL	NIL
Shrehsth Dugar	192295	192295	12.21	12.21	NIL	NIL

13.4 Terms and conditions attached to shares

The Company has issued only one class of equity shares having a face value of Rs.10/- per share . Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees . The dividend proposed by the Board of Directors is subject to the approval of share holders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the company , after distribution of all preferential amounts, in proportion of their holding.

14 OTHER EQUITY: Rs. 000's

	PARTICULARS	As at 31.03.2026	As at 31.03.2025
a	**Capital Reserve**	**265.33**	**265.33**
	(as per last Balance Sheet)		
b	**Revaluation Reserve**		
	(On revaluation of properties as on 31.03.92 and Revaluation of land as on 31.03.2011)	882,050.10	882,050.10
	As per last Balance Sheet		
	Less: Revaluation reserve reversal on property sold (Refer Note No 36(a))	-	
	Total	**882,050.10**	**882,050.10**
c	**Retained Earnings**		
	Opening Balance	**-235,890.10**	**-203,392.91**
	Net Profit after tax transferred from the Statement of profit and loss	-44,918.11	-32,497.19
	Amount available for Appropriation	**-280,808.21**	**-235,890.10**
d	**Other Comprehensive Income**		
	Opening Balance	**6,138.07**	**-156.51**
	For the year	**-5,704.60**	**6,294.58**
	Closing balance	**433.47**	**6,138.07**
	TOTAL (a+b+c+d)	**601,940.71**	**652,563.42**

Nature and purposes of the Reserves

Capital Reserve

Capital reserve was created out of capital profits earned from some specific transaction of a capital nature. It is not available for distribution to the shareholders

Revaluation Reserve

Revaluation reserve was created by revaluation of certain capital asset in the past . It is not available for distribution to the shareholders

Other Comprehensive Income

Other Comprehensive income was created by accounting for remeasurement of employees benefit obligations

15 BORROWINGS (Non Current Liabilities) Rs. 000's

PARTICULARS	As at 31.03.2026	As at 31.03.2025
Secured Loans:		
Term Loan from Banks	893.81	1,158.32
Less Current Maturity of Long Term Debts (Refer Note No 17c)	289.61	264.51
TOTAL	**604.21**	**893.81**

15.1 (I). Loan from Banks

(A) Vehicle Loan from Bank

(1) Car Loan from taken on 02.09.2019 is secured by hypothecation of the vehicle. The loan is repayable in 83 EMIs of Rs.32.28/- each and the rate of interest @ 10.45%

16 PROVISIONS Rs. 000's

	As at 31.03.2026	As at 31.03.2025
Provision for Employee Benefits	15,986.78	**16,293.07**
TOTAL	**15,986.78**	**16,293.07**

17 BORROWINGS Rs. 000's

	PARTICULARS	As at 31.03.2026	As at 31.03.2025
a.	**Secured Loans:**		
	i). Loans repayable on Demand from Bank	76,070.58	72,128.99
	The loan is secured by the hypothecation of standing crops present and future, stock ,book debts and equitable mortgage of three Estates (927.83 Hectors) with building at 11.50% and 17.45 % Interest and the limit is Rs.6.75 Crores. The Loan is guaranteed by 2 Directors, Chief financial Officer and Chief Marketing Officer of the Company. Effective from 4th November 2025, the bank has categorised the working capital facility as a Non -Performing Asset (NPA), for the reason that the account became overdue for closure for more than 180 days. The Management is taking all possible efforts to settle the matter.		
b.	**Unsecured Loans:**		
1	**Loan from related Parties**		
	i) From Corporate in which Directors are interested	56,685.32	47,450.36
	(a) The above loan is repayable within a period of less than 12 months with interest @ 12% per annum. Interest is provided yearly and added to the loan amount.		
	ii) Loan From Directors	23,730.75	21,696.93
	Loan is unsecured and repayable on demand with interest 12.5 % per annum . Interest is provided yearly and added to the loan amount. There is no default in the repayment of loan and interest		
2	**Other Parties**		
	i). Other Inter-corporate loans	6,500.00	4,999.93
	a) Loan is unsecured and repayable on demand along with Interest which is paid upfront @ 14% and 15% per annum. There is no default in the repayment of loan and interest		
c.	Current maturities of long term borrowings - Bank (Refer Note No 15)	289.61	264.51
	TOTAL	**163,276.26**	**146,540.72**

(i)Term Loan Limit 1,30,47,925)
(1) Loan was availed on 07.07.2020 under Emergency Credit Line Guarantee Scheme of Government of India, on the security of hypothecation of standing crops ,stocks and book debts, extension of equitable mortgage of immovable properties of working capital loan limit of Rs. 6.75 crores (refer note 17 (a))
(2) The loan is repayable within four years from date of disbursement (including the moratorium period of twelve months) by monthly instalment of Rs.362442.36 from 08/08/2021 onwards
(3) Interest is payable at 9.25 Pa monthly rest as and when debited

(ii)Term Loan Limit 80,00,000)
(1)Loan was availed on 30.11.2021 under Emergency Credit Line Guarantee Scheme of Government of India, on the security of hypothecation of standing crops ,stocks and book debts, extension of equitable mortgage of immovable properties of working capital loan limit of Rs.6. 75 crores (refer note 17 (a))
(2) The loan is repayable within five years from date of disbursement (including the morotorium period of two years) by monthly instalment of Rs.222300 from 01/12/2023 onwards
(3) Interest is payable at 8.65 Pa monthly rest as and when debited.
Refer note no. 17(a) on matters relating to default in the repayment of loans and interest of the afforesaid loans

		Rs. 000's	
		As at 31.03.2026	As at 31.03.2025
18	**Trade Payables**		
	(A) total outstanding dues of micro , small and medium enterprises :and		
	Principal Amount Due	1,049.30	1,100.23
	Interest Amount Due	713.41	462.35
	TOTAL	**1,762.71**	**1,562.58**
19	(B) total outstanding dues of creditors other than micro, small and medium enterprises.)	11,221.16	10,777.11
	Closing Balance	**11,221.16**	**10,777.11**

The company has taken steps to identify the suppliers who qualify under the definition of micro ,small and medium enterprises, as defined under the Micro, Small and

Trade payables Ageing Schedule Rs. 000's

As on 31.03.2026						
Particulars		**Outstanding for following peroids from due date of payment #**				
	Unbilled	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i)MSME		31.08	1,018.22			1,049.30
(ii) OTHERS		9,377.58	237.24	51.91	1,554.42	11,221.16
(iii) Disputed dues - MSME						
(iv) Disputed dues - OTHERS						

Trade payables Ageing Schedule Rs.000's

As on 31.03.2025						
Particulars		**Outstanding for following periods from due date of payment #**				
	Unbilled	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i)MSME		1,100.23	-	-	-	1,100.23
(ii) OTHERS		8,937.22	51.91	83.78	1,704.20	10,777.11
(iii) Disputed dues - MSME						
(iv) Disputed dues - OTHERS						

Due to micro, small and medium enterprises pursuant to Section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006: Rs.000's

		As at 31.03.2026	As at 31.03.2025
i)	Principal amount remaining unpaid	1,049.30	1,100.23
ii)	Interest due Theron	462.35	457.22
iii)	Interest paid by the Company in terms of Section 16 of MSMED act,2006 along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year		
iv)	Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006	251.07	5.13
v)	Interest accrued and remaining unpaid as at the year end	713.41	462.35
vi)	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act ,2006	713.41	462.35

		Rs. 000's	
20	**Other Financial Liabilities**		
		As at 31.03.2026	**As at 31.03.2025**
	Interest Accrued	2,212.10	1,696.52
	TOTAL	**2,212.10**	**1,696.52**

		Rs. 000's	
21	**Other current Liabilities:**	**As at 31.03.2026**	**As at 31.03.2025**
	Taxes (other than income tax) payable	4,280.00	2,503.16
	Employers provident fund payable	61,855.80	51,486.12
	Gratuity due to retired employees	25,475.59	21,399.87
	Amount due to employees	21,103.83	20,210.03
	Amount due to directors	7,138.11	5,485.82
	Advance from Customers/brokers	3,078.79	661.47
	Sup.Annuation fund Contribution Trust	4,362.25	3,959.05
	Others -Payable	6,123.83	4,826.69
	TOTAL	**133,418.21**	**110,532.22**

		Rs. 000's	
22	**PROVISIONS**		
	PARTICULARS	**As at 31.03.2026**	**As at 31.03.2025**
	Provision for employee benefits	7,176.53	5,178.92
	TOTAL	**7,176.53**	**5,178.92**

		Rs. 000's	
23	**Contingent liabilities**		
	PARTICULARS	**As at 31.03.2026**	**As at 31.03.2025**
A	**Claims against the company not acknowledged as debt:**		
	1. Case Pending before Hon'ble Munsiffs court ,Peerumedu for payment of value of improvements on the land of the company by a third party.	411.86	411.86
	2. TDS default on short deduction and short payments	395.01	395.01
	3.Sales Tax AY 2015-16 Appeal before Dy Commissioner Appeals ,Kottayam	520.11	520.11
B	**Bank Guarantee**		
	1.The Bankers have Issued a Guarantee to Kerala State Electricity Board Ltd for Security Deposit	178.48	178.48
24	**No Dividend is proposed to be distributed to Equity Share holders for the period since the Company has incurred heavy loss**		
25	**No Securities have been issued for a specific purpose for the period**		
26	**The Company has used the borrowings from the Banks and Financial Institution for the specific purpose for which it was taken**		
27	**Additional Regulatory Information**		

(a)	Title deeds of immovable property is held in the name of the Company. However, the absolute ownership of the estate properties of the company has been questioned by the Government of Kerala, Vide original Suit (OS) no. 46/2025, filed u/s 26 (Order VII) of the CPC dated 07th July 2025, and a title suit filed before the Sub-Court, Kattapana. Further an injuction order was passed on 09th July 2025, restraining the company from transacting any property listed in that order. The company has filed a suit before the Sub-court Kattapana against the above referred title suit which is pending for disposal.						
(b)	There is no investment in Property						
(c)	The Company has not revalued its Property, Plant and Equipment including Right- of- Use assets during the year. The revaluation of property was made on 31.03.1992 and 31.03.2011						
(d)	There is no revaluation of Intangible assets during the year						
(e)	No loans or advances in the nature of loans were granted to the promoters ,directors, key managerial persons and related party either severally or jointly with any other person						
(f)	There is no capital working progress as on date						
(g)	There is no intangible asset under development						
(h)	There is no benami property held by the Company						
(i)	The Company has borrowed from Banks on the basis of security of current assets . The details of current assets (Inventories & Book Debts) field by the company are as follows						
Sl no	QUARTER	NAME OF BANKS	PARICTULARS OF SECURITY PROVIDED	AMOUNT AS PER THE BOOKS OF THE ACCOUNTS	AMOUNT AS REPORTED IN THE QUARTERLY RETURN	AMOUNT OF DIFFERENCE	REASON FOR MATERIAL DISCREPENCY
1	Jun-25	SOUTH INDIAN BANK LTD	CURRENT ASSETS	34,686	41,651	(6,966)	While furnishing quarterly stock reports to banks on or before 7th of the next month, the realisable balue till such date is considered, However, in the unaudited financial statements the realisable value till the date of finalising the accounts is also considered based on subsequent sales. This results in variation because of the variation in realisable value.
2	Sep-25	SOUTH INDIAN BANK LTD	CURRENT ASSETS	20,698	27,420	(6,722)	
3	Dec-25	SOUTH INDIAN BANK LTD	CURRENT ASSETS	24,180	-	24,180	
4	Mar-26	SOUTH INDIAN BANK LTD	CURRENT ASSETS		-	-	
(j)	Company is not declared wilful defaulter by any bank, financial institution or any other lender, except that the working capital facility has been downgraded as NPA by the bank for technical reasons.						

(k)	The Company has no transaction with companies struck off under section 248 of the Companies Act ,2013 or section 560 of the Companies Act 1956,					
(l)	**Registration of Charges and Satisfaction with Register of Companies (Hypothecation of Vehicles)** Rs.000's					
	(i) Creation of Charges - Charges has not been created with the Registrar of Companies , Kerala in respect of Securities of loans availed					
	Name of the Bank	**Amount of Loan**	**Date of Availing**	**Details of Security**	**Period of Delay**	
	HDFC Bank-93736407	2,000.00	02.09.2019	Vehicles	Yet to be created	
	(ii) Satisfaction of Charges -					
	(a) The Company had availed a loan of Rs.500000 from Union Bank of India ,Mattanchery Branch. The charge was created on 13.04.1971 and satisfaction of charges is yet to be registered with Registrar of Company ,Kerala even though loan is closed					
	(b) The Company also availed a loan of Rs.130000 from Chartered Bank Cochin. The charge was created on 18.07.1960 and satisfaction of charges has not been registered with Register of Company, Kerala even though loan is closed					
(m)	Compliance with the number of layers of Companies -NOT APPLICABLE					
(n)	**Financial Ratio Rs.000's**					

	Ratio	Numerator	Denominator	Current period	Previous period	% of Variance	Reason for Variance
	Current Ratio	**Current assets**	**Current liabilities**				
	2025-26	30,183.76	319,066.97	0.09		-32.68	Increase in borrowings grouped
	2024-25	38,825.15	276,288.07		0.14		
	Debt Equity Ratio	**Total debt**	**Shareholders equity**				
	2025-26	335,657.95	617,690.71	0.54		23.75	NA
	2024-25	293,474.94	668,313.42		0.44		
	Debt Service coverage ratio	**Earnings available for debt service**	**Debt service**				
	2025-26	-44,918.11	18,059.39	-2.49		12.40	NA
	2024-25	-32,497.19	14,685.66		-2.21		
	Return on equity ratio	**Net profit after taxes - Preference dividend**	**Average shareholders equity**				
	2025-26	-44,918.11	643,002.07	-0.07		46.48	Increase in net loss during the year
	2024-25	-32,497.19	681,414.72		-0.05		
	Inventory turnover ratio	**Sales**	**Average inventory**				
	2025-26	155,210.99	16,098.77	9.64		4.01	NA
	2024-25	221,777.96	23,925.27		9.27		
	Trade receivable turnover ratio	**Net credit sales**	**Average accounts receivables**				
	2025-26	155,210.99	10,376.45	14.96		-2.12	NA
	2024-25	221,777.96	14,512.77		15.28		

	Trade payable turn over ratio	**Net credit purchases**	**Average trade payables**				
	2025-26	19,294.30	12,661.78	1.52		23.43	NA
	2024-25	18,471.58	14,962.57		1.23		
	Net capital turnover ratio	**Net sales**	**Working capital**				
	2025-26	155,210.99	-288,883.21	-0.54		-42.47	Net sales decreased significantly
	2024-25	221,777.96	-237,462.91		-0.93		
	Net profit Ratio	**Net profit**	**Net sales**				
	2025-26	-44,918.11	155,210.99	-0.29		97.50	Expenses has not decreased in proportion to the
	2024-25	-32,497.19	221,777.96		-0.15		
	Return on capital employed	**Earnings before interest and tax**	**Total assets - current liability**				
	2025-26	-22,806.56	634,281.71	-0.04		76.78	Decrease in EBIT
	2024-25	-13,942.56	685,500.30		-0.02		
	Return on investment	**Earnings before interest and tax**	**Investment**				
	2025-26			NA		NA	NA
	2024-25				NA		
(o)	There is no scheme of arrangements approved by the competent authority in terms of section 230 to 237 of the Companies Act 2013						
(p)	The Company has not advanced or loaned or invested funds to any other person or entity with understanding that intermediary shall directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee ,security or the like to or on behalf of the Ultimate beneficiaries						
(q)	There are no transactions that are not recorded in the books of account, to be surrendered or disclosed as income during the year in the assessment under Income Tax Act 1961						
(r)	Corporate social responsibilities - The Companies is not covered under Section 135 of the Companies Act 2013						
(s)	The company has not traded or invested in Crypto currency or Virtual Currency during the financial year						
(t)	There are no transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.						

HAILEYBURIA TEA ESTATES LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

Rs. 000's

28	Revenue from operations	**For the year ended 31.03.2026**	**For the year ended 31.03.2025**
	Sale of Products		
	Tea	121,750.69	179,264.29
	Coffee	29,737.25	39,726.48
	Pepper	3,081.55	2,503.58
	Others	641.50	283.61
	TOTAL	**155,210.99**	**221,777.96**

Rs. 000's

29	**Other Income**	**For the year ended 31.03.2026**	**For the year ended 31.03.2025**
	Interest on Deposits	143.44	84.06
	Other non operating Income	1,835.65	2,488.73
	Excess Provision Written back	64.97	90.75
	TOTAL	**2,044.05**	**2,663.55**

Rs. 000's

30	**Cost of materials consumed**	**For the year ended 31.03.2026**	**For the year ended 31.03.2025**
	Green tea leaf consumed Green tea leaf purchased is transferred to production department immediately and there for the cost of leaf purchased is disclosed as cost of material consumed	12.40	139.76
	TOTAL	**12.40**	**139.76**

Rs. 000's

31	**Purchase of Stock In Trade**	**For the year ended 31.03.2026**	**For the year ended 31.03.2025**
	Purchase of Black Tea for Blending	19,234.24	18,331.82
	Purchase of Coffee	47.66	-
	TOTAL	**19,281.90**	**18,331.82**

Rs. 000's

32	**Change in Inventories of finished goods, stock-in-trade and work in progress**	**For the year ended 31.03.2026**	**For the year ended 31.03.2025**
	Opening Stock		
	Manufactured and Traded Goods- Tea	5,989.01	27,810.19
	Manufactured Goods- Coffee	-	2,018.23
	Traded Goods -Others	-	16.12
		5,989.01	**29,844.54**
	Less: Closing Stock		
	Manufactured and Traded Goods- Tea	12,255.46	5,989.01
	Manufactured Goods- Coffee	1,530.42	-
	Traded Goods -Others	-	-
	Total	**13,785.88**	**5,989.01**
	(Increase) /Decrease in stock	**-7,796.87**	**23,855.53**

			Rs. 000's
33	**Employee Benefits Expense**	**For the year ended 31.03.2026**	**For the year ended 31.03.2025**
	Salaries & Wages	104,213.23	117,486.47
	Bonus	1,903.39	3,223.13
	Contribution to Provident and Other Funds	5,910.12	6,901.56
	Gratuity Expenses	2,564.62	4,951.32
	Workmen and Staff Welfare Expenses	2,037.28	2,682.70
	TOTAL	**116,628.63**	**135,245.17**

			Rs. 000's
34	**Finance Costs**	**For the year ended 31.03.2026**	**For the year ended 31.03.2025**
	Interest expense on borrowings	22,111.54	18,554.63
	TOTAL	**22,111.54**	**18,554.63**

			Rs. 000's
35	**Other Expenses**	**For the year ended 31.03.2026**	**For the year ended 31.03.2025**
a	Consumption of Stores & Consumables	3,424.30	4,207.33
b	Manuring & Pesticides	6,397.44	6,025.90
c	Other cultivation and estate maintenance expenses	733.88	888.55
d	Power, Fuel, Water & Gas	13,601.15	18,446.44
e	Repairs & Maintenance:		
	- Building	3,209.40	3,409.75
	- Plant & Machinery	117.68	165.64
	- Vehicles	5,369.37	6,694.01
f	Loading, Transportation and Other charges on products	1,432.52	1,813.56
g	Insurance	430.35	475.38
h	Rent	2,520.09	1,632.46
i	Rates & Taxes	1,507.78	1,090.74
j	Postage & Telephone	304.49	311.55
k	Printing & Stationery	348.62	261.03
l	Travelling & Conveyance	514.18	456.91
m	Directors Sitting Fees	79.60	395.17
n	Advertisement & sales promotion expenses	4,889.61	5,934.08
o	Professional Charges	1,731.20	761.06
p	Bank Charges	63.45	845.98
q	Other Expenses	1,995.93	1,273.65
r	Auditor's Remuneration (Refer Note 35.1)	356.00	240.00
s	Provision for doubtful debt	1,043.95	576.19
t	Interest on delayed payment to MSME	251.07	5.13
u	Reversal of excess provision for income	-	1,500.00
v	Coffee Development Expenses written off	-	1,767.00
	TOTAL	**50,322.08**	**59,177.50**

			Rs. 000's
35.1	**Details of Auditor's Remuneration**	**For the year ended 31.03.2026**	**For the year ended 31.03.2025**
	a. For Statutory Audit	300.00	210.00
	b. For Taxation Matteres	50.00	30.00
	c. For Other Service	6.00	
	d. Out of Pocket Expenses - Reimbursed	-	
	TOTAL	**356.00**	**240.00**

36 FINANCIAL INSTRUMENTS

A. Accounting classification and fair values

(a) Financial assets and liabilites as at March 31,2026

PARTICULARS	Fair Value through P&L				Fair Value through OCI				Amortised Cost	Total Carrying Value
Assets	Carrying Va	LEVEL 1	LEVEL 2	LEVEL 3	Carrying Va	LEVEL 1	LEVEL 2	LEVEL 3		
Trade Receivables									1,854.11	1,854.11
Cash & Cash Equivalents									1,264.49	1,264.49
Bank Balance other than Cash & Cash Equivalents									NIL	NIL
Other financial Assets									6,370.85	6,370.85
Total	-	-	-	-	-	-	-	-	9,489.45	9,489.45
Liabilities										
Lease liabilities									NIL	NIL
Trade Payables									12,983.87	12,983.87
Other financial liabilities									2,212.10	2,212.10
Total	-	-	-	-	-	-	-	-	15,195.97	15,195.97

(a) Financial assets and liabilites as at March 31,2025

PARTICULARS	Fair Value through P&L				Fair Value through OCI				Amortised Cost	Total Carrying Value
Assets	Carrying Va	LEVEL 1	LEVEL 2	LEVEL 3	Carrying Va	LEVEL 1	LEVEL 2	LEVEL 3		
Trade Receivables									18,898.79	18,898.79
Cash & Cash Equivalents									256.97	256.97
Bank Balance other than Cash & Cash Equivalents									NIL	NIL
Other financial Assets									5,658.18	5,658.18
Total	-	-	-	-	-	-	-	-	24,813.94	24,813.94
Liabilities										
Lease liabilities									NIL	NIL
Trade Payables									12,339.68	12,339.68
Other financial liabilities									1,696.52	1,696.52
Total	-	-	-	-	-	-	-	-	14,036.20	14,036.20

The financial instrument are classifed in to 3 levels based on the inputs used to arrive at fair value measurements as described below:

LEVEL 1. Inputs are quoted prices (unadjusted) in active markets for identifical assets or liabilities

LEVEL 2. Inputs other than quoted prices included within Level 1 that are observabke for the asset or liability , either directly or indirectly

LEVEL 3. Inputs for the assets or liability that are not based on observable market data (unobservable inputs)

37 The gratuity eligibilty of each employee was determined on the basis of number of days in active service to become eligible for gratuity as 240 days in a year . Hence the year of employees services, where active service were less than 240 days, were excluded for calculation of Gatuity as per provision of the Act . The provision for gratuity liability payable as on 31.03.2026 was calculated on acturial valuation using projected unit credit method and the difference in defined benefit obligation of Rs.5704 thousands was considered as other Comprehensive loss .

38 Landed Properties have been recognised under Revaluation model based on technical revaluation and the consequent increase in value of the assets aggregates to Rs.904368.358 thousands with a corresponding credit having been taken in the year 31/03/2011 under Revaluation Reserve Account. In respect of assets sold, the corresponding amount has been withdrawn there from, and the current year end balance is Rs.882050.098 thousands (PY- Rs.882050.098 thousands). In respect of Estates, the cost of extension of cultivable land including cost of development is capitalized net of subsidy received.

39 Local self Government Department, Trivandrum under MLA-ADF scheme, issued Government order on 24/12/2014 for metalling and tarring the private road of 8Km in Haileyburia Estate at an estimated cost of 10000 thousands to Kerala State Nirmithi Kendra (KSNS) without consent from the company. The work was started without Company's permission on 30.07.2015. KSNS entered Company's estate on 30.07.2015 with support from local people and started widening the road. They have massively destructed the estate property by destroying the revetments or retaining walls, uprooted plants or trees etc. The Company had approached High Court of Kerala. High court had stayed the work of metalling and tarring the existing 6 meters width. The Company has taken up with the Government for an investigation about illegal and unauthorised mass destruction and sought for compensation of loss on account of the episode. The situation remains without any change during the current year also.

40 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses

41 The Company has incurred significant losses during the current and previous years and is facing severe financial stress, including erosion of net worth and constraints in liquidity and banking operations. However, the management has undertaken and is in the process of implementing various revival and restructuring measures, including operational revival plans and other corrective actions aimed at improving the financial position and operational performance of the Company. The management has also prepared mitigation plans and is exploring avenues for improving liquidity and restoring profitability in future periods.The management's assessment of the appropriateness of the going concern assumption is supported by documentary evidence relating to matters including realistic and implementable mitigation plans, viable funding arrangements and financial support mechanisms, restructuring proposals and ongoing negotiations/approvals with lenders, committed promoter/group support, reliable cash flow forecasts based on reasonable assumptions, and operational revival initiatives evidencing improvement in business performance.Based on the expected outcome of the aforesaid measures, management's assessment of future business prospects, and the supporting evidence available, the financial statements have been prepared on a going concern assumption basis, which contemplates realization of assets and settlement of liabilities in the normal course of business

42 Because of the difficulties faced in the operations of the banking account on account of restrictions imposed by the bank, for ensuring the continuity of the activities, some of the routine operational expenses are paid through the bank account of another company and such transactions are journalised in the books of accounts of the Company during the year. The Management confirms that this temporary arrangement will be regularised immediately.

43 During the year, the operations of the Company at its factory and estate were temporarily disrupted due to a lock-out/lockdown for a period of 27 days. Pursuant to mutual understanding arrived at between the Company and the workers, wages/salaries for the said period were paid only on the basis of actual days worked. The management, based on a legal opinion obtained in this regard and considering the facts and circumstances of the matter, is of the view that no further liability exists towards unpaid wages/benefits relating to the said period. Accordingly, no provision has been recognised in the financial statements in respect of the same.

44 As at March 31, 2026, the Labour Codes enacted by the Central Government have not been fully implemented in the State of Kerala; as the State Government has expressed reservations regarding certain provisions of the Labour Codes and is understood to be considering state-specific legislative measures in this regard.The management has assessed the possible impact of the proposed Labour Codes on the Company's financial statements and employee benefit obligations. Based on such assessment, the management is of the opinion that implementation of the Labour Codes, is not expected to have any material impact on the financial statements of the Company.

45	**Information Regarding Production, Sales, Purchased and Closing Stocks**				
	a. Production: (in Kg.)				
	Class of Goods	**2025-26**		**2024-25**	
a)	Green leaves produced	3,009,825		4,040,135	
b)	Green leaves bought	620		8,735	
c)	Made tea processed - Own leaves	728,947		955,859	
d)	Made tea processed - Bought leaves	145		2,036	
	b.Buy back /Purchase others				
	Traded Tea	160,478		138,928	
	c. The opening and closing stock of finished goods:				
		2025-26		**2024-25**	
	Class of Goods	**Quantity**	**Value**	**Quantity**	**Value**
		Kg.	**Rs.In 000's**	**Kg.**	**Rs.In 000's**
A	**Opening Stock**				
i)	Loose Tea	18,538	2,823.13	194,313	26,602.96
ii)	Packet Tea	18,205	3,052.72	8,190	1,203.93
iii)	Tea waste	2,829	113.16	100	3.30
iv)	Coffee	-		14,422	2,018.23
v)	Pepper & Waste	-		31	16.12
B	**Closing Stock**	**Quantity**	**Value**	**Quantity**	**Value**
		Kg.	**Rs.In 000's**	**Kg.**	**Rs.In 000's**
i)	Loose Tea	77,595	10,549.55	18,538	2,823.13
ii)	Packet Tea	8,500	1,593.14	18,205	3,052.72
iii)	Tea waste	2,506	112.77	2,829	113.16
iv)	Coffee	6,701	1,530.42	-	-
v)	Pepper & Waste			-	-
	d. Turnover:				
Sl. No.	**Class of Goods**	**2025-26**		**2024-25**	
		Quantity	**Value**	**Quantity**	**Value**
		Kg.	**Rs.In 000's**	**Kg.**	**Rs.In 000's**
i)	Loose Tea	549,634	68,922.43	821,632	103,862.89
ii)	Packet Tea	289,428	51,945.26	431,777	74,626.91
iii)	Samples /Gratis/Damaged	1,157	-	9,174	-
iv)	Sale of Tea waste	20,500	883.00	21,500	774.50
v)	Coffee	140,028	29,737.25	163,765	39,726.48
vi)	Pepper	16,105	3,081.55	3,500	2,503.58
	Total	**1,016,851**	**154,569.49**	**1,451,348**	**221,494.36**

46 Earning and Expenditure in foreign Currency:

a.There were no earnings in foreign exchange during this year

b.Expenditure in foreign currency during the financial year is – Nil.

47 Investment in Govt. Securities consists of 6 year NSC VIII issue, which is pledged with Sales Tax Authorities.

48 No adjustments in accounts have been made in respect of 83.94 hectares of land in Company's possession for which petition for assignment thereof in favour of the Company is still pending before the Govt. of Kerala. Notice to vacate part of the area has been received from the Revenue Department against which action has been taken up with appropriate Authority.

49 Short term loans and advances include Rs.6068.73 thousands (Rs.6068.73 thousands) being the balance of the amount advanced to a plantation concern based on an agreement dtd 15.02.2013 for supply of Green leaves for a period of five years, with a view to increase the bought leaf operation volume. The advance given is in the nature of trade advance to carry out pruning and development of the estate taken on lease, so as to increase the yield. The party could not supply green leaves as per agreement and the company filed a suit for the recovery of the dues and the Hon'ble High Court has disposed off the suit in favour of the Company, but the party had gone on appeal before the Hon'ble Apex Court and the proceedings are pending . However the company has made a provision for doubtful debts for the entire amount of the dues.

50 Vide order No.03/2025 dates 03-01-2025, the Directorate of Enforcement (ED) has provisionally attached 102 acres of land of the company at Chinnar Estate in the case of Shelji George & Ours u/s 5(1)of the Prevention and Money Laundering Act, 2002 (PMLA).The company has obtained a writ petition from the Hon'ble High Court of Kerala against the said attachment order. The financial impact, if any, of this action has not been assessee at this stage.

51 Disclosure required under of Ind As

(a) Ind As 33 - Earnings Per Share

For the purpose of calculation of Basic and Diluted Earnings per Share, the following amounts are considered:

			Rs. In 000's
	Particulars	**2025-26**	**2024-25**
a)	Net Profit/ (Loss)	-44,918	-32,497
b)	Weighted average no: of Equity Shares	1,575	1,575
c)	Earnings Per Share	-28.52	-20.63

(b) Ind As 19 "Employees Benefits"

a) Defined Contribution Plans:

During the year, the following amounts have been recognized in the Profit and Loss Account on account of defined contribution plans:

		Rs. In 000's
Particulars	**2025-26**	**2024-25**
Employers contribution to Provident Fund	5,856.03	6,901.56

	b) Defined Benefit Plans: Gratuity Funded Obligation	Rs. In 000's			
	Particulars		**Gratuity (Funded)**		
		2025-26	**2024-25**		
	Discounted rate (p.a)	7.15%	6.60%		
	Rate of increase in compensation Levels (p.a)	4.50%	4.50%		
	Rate return of plan assets (p.a)	-	-		
	Reconciliation of Opening and Closing balances of present value of defined benefit obligations	**2025-26**	**2024-25**		
	Obligations at the beginning of the year	43,018.06	47,503.41		
	Current Service Cost	1,323.20	2,493.17		
	Past Service Cost	-	-		
	Interest Cost	1,957.27	2,468.53		
	Actuarial (Gain)/loss	4,998.98	-6,303.03		
	Benefits Paid	-1,501.79	-3,144.03		
	Obligations at the end of the year	49,795.71	43,018.06		
		Rs. In 000's			
	Reconciliation of Opening and Closing balances of fair value of plan assets.	**2025-26**	**2024-25**		
	Plan assets at the beginning of the year, at fair value	146.20	144.26		
	Expected return on plan assets	715.85	10.39		
	Actuarial gain/(loss)	-705.61	-8.45		
	Contributions	1,501.79	3,144.03		
	Benefits Paid	-1,501.79	-3,144.03		
	Plan assets at the end of the year, at fair value	156.43	146.20		
		Rs. In 000's			
	Reconciliation of the present value of defined benefit obligation & Fair value of Plan assets	**2025-26**	**2024-25**		
	Obligations at the end of the year	49,795.71	43,018.06		
	Plan assets at the end of the year, at fair value	-156.43	-146.20		
	Liability recognized in Balance sheet as on 31st March	49,639.28	42,871.86		
	Less: Amount payable to retired employees	26,475.97	21,399.87		
	Part payment made to retired employees	1,000.38	-		
	Balance provision pertaining to continuing employees	23,163.31	21,471.99		
	Non-Current Provision	15,986.78	16,293.07		
	Current Provision	7,176.53	5,178.92		
		Rs. In 000's			
	Gratuity Cost for the year	**2025-26**	**2024-25**		
	Current Service Cost	1,323.20	2,493.17		
	Past Service Cost	-	-		
	Interest Cost	1,957.27	2,468.53		
	Expected return on plan assets	-	-		
	Net Actuarial (Gain)/loss	-	-		
	Net Gratuity cost as per actuarial valuation	3,280.46	4,961.70		
	The above disclosures are based on the information furnished by the independent Actuary .				
(c)	**Disclosure of transactions with related parties (as identified by Management) as required by Ind as -24 on related party disclosures as prescribed by Companies (Accounting**				
	a. Related Parties				

	(A)Companies and Firms in which Directors/or their relatives exercise control or significant influence:				
	Name of the Related Parties having transactions with us:				
	a) Herbicides (India) Limited.				
	b) R&R Tech Mach Ltd.				
	c) Rikshabchand Sohanlal				
	d) Lookad India Pvt Ltd				
	e) Vivek Fertilisers				
	f) Periyar Plantations Pvt Ltd				
	(B). Key Managerial Personnel				
1	Ashok Kumar Dugar	Managing Director			
2	Yash Dugar	Chief Financial Officer			
3	Karthikeya Mishra	Company Secretary			
4	Sarita Dugar	Women Director			
5	Vinod Kumar Dugar	Chairman			
6	Palathingal Ittyara Chacko	Director			
7	Shankar Menon	Director			
	(C) Relatives of the director/ Key Managerial Personnel				
1	Shreshth Dugar	Chief Marketing Officer	(Relative of Managing Director)		
	b. Transactions carried out with related parties referred to above in the ordinary course of business:				
	a) Transactions with related parties referred to above.				
		Rs. In 000's			
		2025-26	**2024-25**		
(i)	**Herbicides India Limited**				
	Opening balance	1,445.57	2,034.97		
	Purchase of Old Car	94.40	-		
	Loan for the year	1,715.00	400.60		
	Interest charges to Herbicides	350.14	-		
	Supply of Chemicals & Pesticides	582.83	-		
	Payment for the Year	955.01	990.00		
	Balance	3,232.91	1,445.57		
(ii)	**Inter corporate Loan from R & R Tech Mach Ltd**				
	Opening balance	3,139.83	3,139.83		
	Loan for the year	3,800.00	-		
	Interest charges to R &R Tech Mach Ltd	467.43	-		
	Payment for the Year	1,846.74	-		
	Balance	5,560.51	3,139.83		

(iii)	**Inter corporate Loan from Rishabchand Sohanlal**				
	Opening balance	1,758.70	1,758.70		
	Repaid During the Year	21.98	219.75		
	Interest charges to Rikshabchand Sohanlal	219.75	219.75		
	Closing Balance	1,956.47	1,758.70		
(iv)	**Advertisement Charges to Lookad (India) Pvt Ltd**				
	Opening balance	-	264.34		
	Transaction for the Year	-	25.79		
	Payment For the year	-	290.12		
	Closing Balance	-	-0.00		
(v)	**Inter corporate Loan from Vivek Fertilisers**				
	Opening balance	-	-		
	Loan for the year	6,500.00	-		
	Repaid During the Year	21.90	-		
	Interest charges	218.96	-		
	Closing Balance	6,697.06	-		
(vi)	**Loan From Sarita Dugar**				
	Opening balance	21,638.89	19,933.44		
	Sitting Fee	16.00	16.00		
	Repaid During the Year	813.31	872.83		
	Interest charges to Sarita Dugar	2,792.60	2,562.27		
	Closing Balance	23,634.18	21,638.89		
(vii)	**Ashok Kumar Dugar**				
	Opening balance	5,543.87	4,196.57		
	Expenses to Reimbursed During the year	404.85	355.08		
	Remuneration for the year	1,440.00	1,440.00		
	Rent of Ev Car	554.14	686.09		
	Payment during the year	717.96	1,133.86		
	Remuneration payable	7,224.90	5,543.87		
(vii)	**Periyar Plantations Pvt Ltd Loan**				
	Opening balance	41,146.09	23,724.29		
	Loan Received During the year	73,594.63	46,479.32		
	Interest charges to Periyar Plantations	4,819.99	3,976.20		
	Repaid During the Year	79,655.30	33,033.72		
	Balance	39,905.42	41,146.09		
(viii)	**Periyar Plantations Pvt Ltd- Trading**				
	Opening balance	9,267.98	945.28		
	Trading -Sold	61,951.85	98,622.02		
	Trading -Purchased	16,220.94	13,883.99		
	Fund Received	54,982.68	76,415.32		
	Balance	16.22	9,267.98		
(viii)	**Yash Dugar (Chief Financial Officer)**				
	Opening balance	1,486.79	1,674.11		
	Remuneration for the year	1,603.81	979.60		
	Payment during the year	730.03	1,166.92		
	Remuneration payable	2,360.56	1,486.79		
(ix)	**Karthikeya Mishara (Company Secretary)**				
	Opening balance	40.00	-		
	Remuneration for the year	480.00	182.67		
	Payment during the year	480.00	142.67		
	Remuneration payable	40.00	40.00		
(x)	**Shreshth Dugar (Chief Marketing Officer)**				
	Opening balance	447.22	381.75		
	Remuneration for the year	1,800.00	1,271.96		
	Payment during the year	1,153.81	1,206.49		
	Remuneration payable	1,093.41	447.22		
	b) Transaction with related parties referred to in (B) & (C) above.	Rs. In 000's			
		2025-26	**2024-25**		
	Directors Sitting Fees	44.00	48.00		

(d) Lease Hold Land-Ind AS 116 Lease - (1) The Company was allotted 35.66 cents of leasehold land by Cochin Port Authority for a period of 30 years, which was subject to execution and registration of the lease deed within six months from the date of handing over the possession of the land. As per the terms of allotment in the communication made by the port on 26.05.2024, the lessor is entitled to cancel or terminate the lease in case of failure to execute/ register the lease deed within the stipulated period.Since the lease deed has not been registered by the Company till the date of approval of these financial statements, uncertainty exists regarding the enforceability and continuation of the lease arrangement. Accordingly, pending resolution of the matter, the Company has not determined or recognised the accounting impact, if any, under Indian Accounting Standard (Ind AS) 116 – Leases in respect of the said land. The consequential effect on the financial statements, if any, is presently not ascertainable.(2) The Company has taken on lease a residential building as guest house and executed a lease agreement for a period of 11 months . The monthly rent is Rs.120 thousands and paid a security deposit of Rs.368 thousands.

(e) No provision for Taxation, including MAT for the year is considered necessary in view of carried forward losses/depreciation. The computation of Deferred Tax in accordance with Ind AS -12 results in deferred tax asset . Since there is no virtual certainty that there will be sufficient future profits to absorb carried forward loss/depreciation based on the future projections, Deferred Tax asset has not been taken in to the books of accounts.

(f) The details of Contingent liabilities are as under. Disclosed in terms of IndAS 37 on Provisions, Contingent Liabilities & Contingent Assets notified by Companies (Accounting Standard) Rules, 2006

	Particulars	**As at 31.03.2025**	**As at 31.03.2024** Rs. In 000's
A	**Claims against the company not acknowledge as debt**		
	1. Case Pending before Hon'ble Munsiffs court, Peerumedu for payment of value of improvements on the land of the company by a third party.	411.86	411.86
	2. TDS default on short deduction and short payments	511.97	395.10
	3. Sales Tax AY 2015-16 Appeal before Dy Commissioner Appeals, Kottayam	520.11	520.11
B	**Bank Guarantee**		
	1.The Bankers have Issued a Guarantee to Kerala State Electricity Board Ltd for Security Deposit	178.84	178.84
C	**Contingent Assets**	NIL	NIL

52 Other Current Liabilities

This includes the following major over due liabilities

a	Plantations Tax	Rs.13,79,515
b	GST	Rs. 1,46,000
c	Provident Fund Contributions	Rs. 5,89,14,224
d	Disputed Provident fund	Rs. 29,41,577

e	Super Annuation contribution trust Fund	Rs. 43,62,250
F	Gratuity to Retired Employees	Rs. 2,64,75,973
g	Gratuity Liability (Except Retired Amount)	Rs. 2,31,63,310
h	Kerala State Electricity Board	Rs. 4,17,398
i	Kerala Water Authority	Rs. 19,51,641
j	TDS payable	Rs. 12,49,977
k	K.L.W. FUND Payable	Rs. 2,78,460

The Company has filed petition for wavier of interest/penalty in respect of Employee provident fund contribution, disputed employee provident fund and is pending for disposal. Therefore no provision for the same has been made. The aforesaid liabilities are pending for payments due to fund shortage and company has taken all efforts to clear the liabilities at the earliest.

During the year, vide order dated 19.02.2026, the Employees' Provident Fund Organisation (EPFO) has restrained the company from making payments out of the operational bank account of the company due to the accumulated PF dues. The company has challenged the order by way of a Writ Petition before the Kerala High Court. The matter is currently posted before the Court.

53 Financial Risk Management

The company's operations expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, it has risk management policies detailed below:

Agricultural Risk

Cultivation of tea being an agricultural activity, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, logistic problems, and fluctuation of selling price of finished goods (tea) due to increase in supply/availability.

The Company manages the above financial risks in the following manner :

- Sufficient inventory levels of ago chemicals, fertilisers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.
- Slightly higher level of consumable stores viz. packing materials, coal and HSD are maintained in order to mitigate financial risk arising from logistic problems.
- Sufficient working-capital-facility is obtained from banks in such a way that cultivation, manufacture and sale of tea is not adversely affected even in times of adverse conditions.

Liquidity risk

Liquidity risk refers to the risk that the Company fails to honour its financial obligations in accordance with terms of contract. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the company's liquidity position (including the undrawn credit facilities extended by banks and financial institutions) and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Credit risk

Credit risk refers to the risk of financial loss arising from default / failure by the counterparty to meet financial obligations as per the terms of contract. The Company is exposed to credit risk for receivables, cash and cash equivalents, financial guarantees and derivative financial instruments. None of the financial instruments of the Company result in material concentration of credit risks.

Credit risk on receivables is minimum since sales through different mode (e.g. auction, consignment, private - both domestic and export) are made after judging credit worthiness of the customers, advance payment or against letter of credit by banks. The history of defaults has been minimal and outstanding receivables are regularly monitored. For credit risk on the advances to parties , the Company is not expecting any material risk on account of non-performance by any of the parties.

54 Previous year figures have been re-grouped and recast wherever necessary to be in conformity with the current year's classification and rounded off to the nearest rupee. Figures shown in brackets represent previous year's figures.

Notes 1 to 54 which form integral part of accounts.

As per our report of even date annexed
For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN No. 0014888)

(Sd/-)
Devaprabha R. Shenoy
Partner
Membership No. 233091

Place: Cochin
Date: 29/05/2026

For and on behalf of Board

(Sd/-)
Ashok Kumar Dugar
Managing Director
DIN (00559035)

(Sd/-)
Sarita Dugar
Director
DIN (00141933)

(Sd/-)
Yash Dugar
Chief Financial Officer

(Sd/-)
Kartikeya Mishra
Company Secretary

Place: Cochin
Date: 29/05/2026

HAILEYBURIA TEA ESTATE LIMITED
CASH FLOW STATEMENT

		For the year ended 31/03/2026	For the year ended 31/03/2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES**	Rs.In 000's	Rs.In 000's
	Net Profit Before Taxation and Extraordinary items	-44,918.11	-32,497.19
	Adjustments for		
	Depreciation	1,613.46	1,634.30
	Interest paid	22,111.54	18,554.63
	Miscellaneous income	-219.86	-141.09
	Dividend & Other Income	-168.31	-408.14
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	-21,581.27	-12,857.50
	Adjustments for		
	Decrease in Trade Receivables	17,044.68	-8,772.03
	Increase/ Decrease in Other receivables	2.61	-378.37
	Increase /Decrease in Inventories	-7,186.97	22,839.96
	Increase / Decrease in Trade Payable	644.19	-5,245.76
	Increase/Decrease in other Payable	19,388.30	8,167.57
	CASH GENERATED FROM OPERATIONS	8,311.53	3,753.86
	LESS INCOME TAX PAID	118.47	276.46
	CASH FLOW BEFORE EXCEPTIONAL ITEMS	8,193.06	3,477.41
	NET CASH FROM OPERATING ACTIVITIES	8,193.06	3,477.41
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	-2,017.76	-386.61
	Sale of Fixed Assets / Adjustment	109.66	1,963.94
	Miscellaneous income	219.86	141.09
	Rental Income	168.31	408.14
	NET CASH USED IN INVESTING ACTIVITIES	-1,519.93	2,126.56
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from borrowings	16,445.93	13,051.37
	Interest paid	-22,111.54	-18,554.63
	NET CASH USED/GENERATED FROM FINANCING ACTIVITIES.	-5,665.62	-5,503.26
	NET (DECREASE) /INCREASE IN CASH & CASH EQUIVALENTS	1,007.51	100.71
	Cash & Cash equivalents at beginning of year.	256.97	156.27
	Cash & Cash equivalents at close of year.	1,264.49	256.97

NOTES:

1. *The cash flow statement has been prepared following the indirect method except in case of interest received/paid, Dividend paid/received, purchase and sale of investments and taxes paid which have been considered on the basis of actual movements of cash, with necessary adjustments in Receivable and Payables.*
2. *Previous year's figures have been regrouped/reclassified whereever deemed necessary.*

As per our report of even date annexed
For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN No. 0014888)

(Sd/-)
Devaprabha R. Shenoy
Partner
Membership No. 233091

For and on behalf of Board

(Sd/-)
Ashok Kumar Dugar
Managing Director
DIN (00559035)

(Sd/-)
Sarita Dugar
Director
DIN (00141933)

(Sd/-)
Yash Dugar
Chief Financial Officer

(Sd/-)
Kartikeya Mishra
Company Secretary

Place: Cochin
Date: 29/05/2026

Place: Cochin
Date: 29/05/2026


HAILEYBURIA TEA ESTATES LTD
CHINNAR
103
Since 1923