PAUL MERCHANTS

Paul Merchants Limited
An ISO 9001 : 2015 Certified Company CIN : L74900DL1984PLC018679
Corp. Office. : PML House, SCO 829-830, Sector 22-A, Chandigarh-160022
Ph. 0172-5041740, 5041757, 5041792 Fax : 0172-5041713
Regd. Office : DSM 335, 336, 337, 3rd Floor, DLF Tower, 15, Shivaji Marg,
Najafgarh Road, New Delhi-110015 Ph. : 011-47529460
www.paulmerchants.net info@paulmerchants.net

Corporate Relations Department,
BSE Limited,
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

PML/BSE/CS/2026/364
Date: August 20, 2026

SUB: - 42nd Annual Report of the Company for Financial Year 2025-26

Ref: Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

SCRIP CODE: - 539113

Dear Sir,

Pursuant to the applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the 42nd Annual General Meeting of the Company is scheduled to be held on Friday, the 18th day of September, 2026 at 12.00 Noon (IST) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) in compliance with the Ministry of Corporate Affairs (MCA) General Circular No. 03/2025 dated September 22, 2025 read over with its earlier Circulars with particular reference to Circular no. 20/2020 dated May 5, 2020, Circular no. 17/2020 dated April 13, 2020 and Circular no. 14/2020 dated April 8, 2020 on the subject.

Further, in terms of the provisions of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,

Hardam Singh
Digitally signed by Hardam Singh
Date: 2026.08.20 16:24:37 +05'30'

please find attached herewith the Annual Report of the Company for the Financial Year 2025-26 including the Notice of the 42nd Annual General Meeting of the Company.

You are requested to kindly take the same on your records.

Thanking You.

Yours faithfully,
For **PAUL MERCHANTS LIMITED,**

Hardam Singh

Digitally signed by Hardam Singh
Date: 2026.08.20 16:25:05 +05'30'

(HARDAM SINGH)
COMPANY SECRETARY & COMPLIANCE OFFICER
FCS 5046

Encl: Annual Report of the Company for the FY 2025-26

CC to:

National Securities Depository Limited, Trade World, A wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai - 400013	Central Depository Services (India) Ltd, Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg Lower Parel, Mumbai 400013	Alankit Assignments Limited (RTA of the Company), ALANKIT HOUSE 4E/2, Jhandewalan Extension, New Delhi - 110055

42nd ANNUAL REPORT FOR THE YEAR ENDED 31st MARCH, 2026

PAUL MERCHANTS LTD.®

(An ISO 9001:2015 Certified Co.) (CIN: L74900DL1984PLC018679)

www.paulmerchants.net

Paul Merchants Ltd. http://www.paulmerchants.net

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Sat Paul Bansal, Non-Executive Director and Chairman
Mr. Rajneesh Bansal, Managing Director
Mrs. Sarita Rani Bansal, Non-Executive Director
Mr. Ritesh Vaid, Designated Whole Time Director
Mr. Inder Sain Negi, Independent Director
Mr. Anoop Kumar Sharma, Independent Director
Mr. Bhupinder Singh, Independent Director
Ms. Tejinder Kaur, Independent Director

REGISTERED OFFICE

DSM 335, 336, 337, 3rd Floor, DLF Tower, 15, Shivaji Marg, Najafgarh Road, New Delhi -110015
TEL: 011-47529460
EMAIL: info@paulmerchants.net

CORPORATE OFFICE

PML House, SCO 829-830, Sector 22-A,
Chandigarh - 160 022
TEL: 0172-5041786, 5025090
EMAIL- info@paulmerchants.net
WEBSITE: www.paulmerchants.net

CIN: L74900DL1984PLC018679

WHOLLY OWNED SUBSIDIARIES

Paul Merchants Realtors (Private) Ltd
Paul Merchants Finance (Private) Ltd
Paul Infotech (Private) Ltd

Stock Exchange - BSE Ltd.

STATUTORY AUDITORS

M/s Rajiv Goel and Associates,
Chartered Accountants,
S.C.O. 823-24, FF, Sector 22-A, Chandigarh (Firm Regn. No. 011106N)

INTERNAL AUDITOR

CA Aarti Markan (FCA 502300)

SECRETARIAL AUDITOR

M/s Anil Negi & Company, Company Secretary (ACS 46547, CP No. 17213)

CHIEF FINANCIAL OFFICER

CA Sakshi (FCA 419986)

COMPANY SECRETARY AND COMPLIANCE OFFICER

CS Hardam Singh (FCS 5046)

PRINCIPAL BANKERS

HDFC Bank
IndusInd Bank
ICICI Bank
IDFC First Bank
State Bank of India
Axis Bank

REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENT

Alankit Assignments Limited,
Corp. Office:- Alankit House, 4E/2, Jhandewalan Extension. New Delhi-110055 (INDIA) Ph No. : 011-42541234 / 23541234

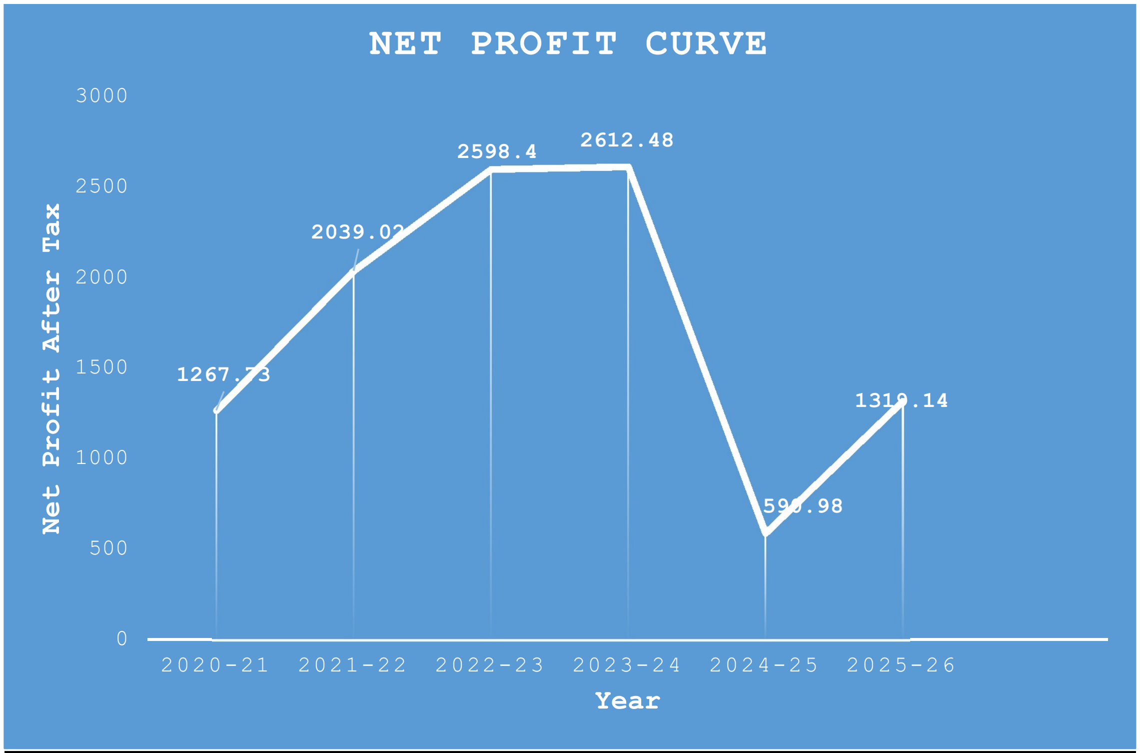
Regd. Office: 205-208 Anarkali Complex Jhandewalan Extension New Delhi- 110055

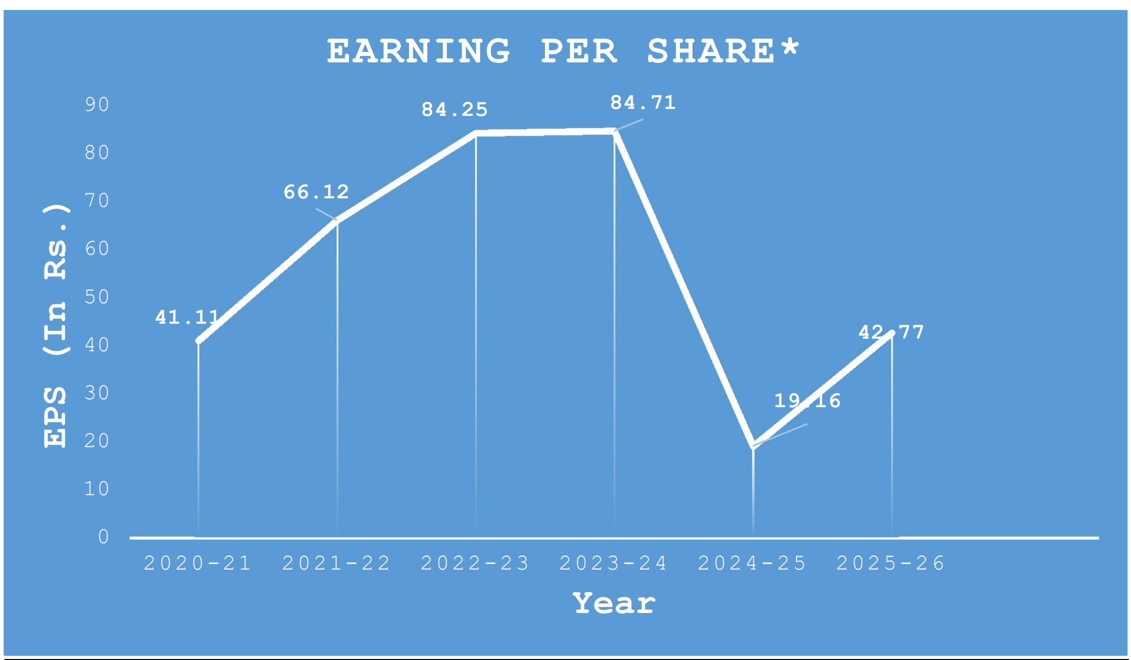
YEAR 2025-26 - AT A GLANCE (ON STAND ALONE BASIS)

Gross Revenues from Operations
Rs. 2055.91 crores

Net Profit Before Tax
Rs. 17.56 crores

Net Profit after Tax
Rs. 13.19 crores


NET PROFIT CURVE
Net Profit After Tax
3000
2500
2000
1500
1000
500
0
1267.73
2039.02
2598.4
2612.48
590.98
1319.14
2020-21
2021-22
2022-23
2023-24
2024-25
2025-26
Year


EARNING PER SHARE*
EPS (In Rs.)
90
80
70
60
50
40
30
20
10
0
41.11
66.12
84.25
84.71
19.16
42.77
2020-21
2021-22
2022-23
2023-24
2024-25
2025-26
Year

LIST OF BRANCH OFFICES OF THE COMPANY

S No	Region	Branch city	State	Address of the branch
1	West	Ahmedabad	Gujarat	GF 1, Mansuri House, Opp Behra- Munga School, Ashram Road, Ahmedabad – 380009
2	West	Ahmedabad	Gujarat	Shop No. 5, Pramukh Palace, Jai Hind Char Rasta, Maninagar, Ahmadabad 380008
3	West	Ahmedabad	Gujarat	7, Krishan Tower, Opposite Sachin Tower, Anand Nagar, 100 Ft. Ring Road, Ahmedabad - 380014
4	North	Ajnala	Punjab	Shop No. 1, Amritsar Road, Opposite ICICI Bank, Ajnala, District Amritsar 143102
5	North	Ambala	Haryana	Building No. 196, Ground Floor, BC Bazar, Near janta Sweets and Indira Gandhi Goal Chakkar, Jagadhari Road, Ambala Cantt., Haryana-133001
6	North	Amritsar	Punjab	Shop No. 5, First Floor, Opposite Doaba Automobiles, Court Road, Deep Complex, Amritsar, Punjab-143001
7	North	Banga	Punjab	Star Complex, Main Road, Banga -144505 (Punjab)
8	North	Barnala	Punjab	#B12/00282 Megh Raj & Sons, Pakka College Road, Opposite Union Bank, Barnala, Punjab-148101
9	North	Batala	Punjab	SCO 30, Fuwara Chowk, Jalandhar Rd, Batala, Punjab 143505
10	North	Bathinda	Punjab	Ground Floor, Shop No 3039-A, Sharma Complex, Power House Road, Opposite Traffic Police, Bathinda (Punjab)
11	North	Bhagsunath	Himachal Pradesh	VPO Bhagsunag, Tehsil Dharamshala Distt. Kangra, HP-176219
12	North	Bathinda	Punjab	The Mall, Hanuman Chowk, Bathinda
13	Central west	Bhopal	Madhya Pradesh	Plot No 6, VNV Plaza, M.P Nagar, Zone-2, Bhopal-462011.
14	North	Bir	Himachal Pradesh	Bir Tibetan Colony, Opposite Surya Classic Hotel, Village Chaugan, Teh Baijnath, Distt. Kangra. Himachal Pradesh 176077
15	North	Chandigarh	Chandigarh UT	SCO No 829-830, Sector 22-A, Chandigarh-160022
16	South	Cochin	Kerala	No.1 & 2, Ground Floor, Corp No. 35/1460 C, Penta Estate, Janatha Junction, Palarivattom, Kochi - 682025
17	North	Delhi	New Delhi	LGF 136 & LGF 125 , World Trade Centre, Babar Road, Connaught Place, New Delhi - 110001
18	North	Dasuya	Punjab	G.T Road, Near Punjab National Bank, Dasuya-144308
19	North	Delhi	New Delhi	DSM 335,336,337, 3rd Floor, DLF Tower, 15 Shivaji Marg, Najafgarh Road, Moti Nagar, New Delhi
20	North	Faridkot	Punjab	Jubilee Cinema Chowk, College Road, Opp. Canara Bank, Faridkot (Punjab)-151203

21	North	Ferozepur	Punjab	The Mall Road, Shaheed Udham Singh Chowk Market, Opp. Axis Bank, Ferozpur City-152001
22	North	Gardhiwala	Punjab	Shop No 08, Near College Canteen, VPO Gardhiwal, Dasuya Road, Distt Hoshiarpur Punjab.
23	North	Garhshankar	Punjab	Ground Floor, Near Punjab National Bank, Railway Road, Garhshankar, District Hoshiarpur
24	North	Gurdaspur	Punjab	Shop No.1, Shivam Market, Opp LIC Office, G T Road, Gurdaspur-143521
25	North	Gurgaon	Haryana	Shop No.117, Ground Floor, AKD Tower, Sector – 14, Gurgaon (Haryana)
26	North	Hoshiarpur	Punjab	Roshan Road, Near Bengali Sweet Shop, Phagwara Chowk, Hoshiarpur-146001
27	North	Hoshiarpur	Punjab	Near Cooperative Bank, Railway Road, Hoshiarpur 146001
28	South	Hyderabad	Telangana	5 & 6 Upper Ground Floor, Liberty Plaza, Himayat Nagar, Hyderabad - 500029
29	Central west	Indore	Madhya Pradesh	Lower Ground Floor, Shop No. LG-2, Royal Rattan Building, 7 M.G Road, Indore-452001
30	North	Jagraon	Punjab	Shop No. 111, K.S. Grewal Down Town Tehsil Road, Opp SSP Office, Jagraon, Distt. Ludhiana-142026
31	North west	Jaipur	Rajasthan	8, Katewa Bhawan, Opp. Ganpati Plaza, M.I. Road, Jaipur 302001
32	North	Jalandhar	Punjab	Lower Ground Floor, Arora Prime Tower, Jalandhar City, Punjab-144001
33	North	Jammu	Jammu and Kashmir	Shop No. 52 (A-1), North Block, Bahu Plaza Complex, Jammu-180012
34	North	Karnal	Haryana	SCO 376, Ground Floor, Mughal Canal, Karnal, Haryana-132001
35	North	Kasol	Himachal Pradesh	VPO Kasol, Tehsil Bhunter, Distt Kullu, Himachal Pradesh-175005
36	North	Khanna	Punjab	Ground Floor, Hardyal Complex, Near Jain Sweet, Opp Bus Stand, Khanna
37	North	Kurukshetra	Haryana	Shiv Shakti Complex, Railway Road, Opp Arya Smaaj, Kurukshetra, Haryana-136118
38	North	Leh	Jammu and Kashmir	Khawaja Complex, Main Bazaar Road, Opposite State Bank of India, Leh-194101
39	North	Phagwara	Punjab	Shop No 309, Shopping Mall, Lovely Professional University Campus, Jalandhar- Delhi G.T Road, NH - 1, Phagwara (Distt, Kapurthala)-144401
40	North central	Lucknow	Uttar Pradesh	Office No. 1, UGF, Inam Complex, Constructed On House No. 34, Nagar Nigam No. 126/6, Opp. Kareems Restaurant, Near Bapu Bhavan, B.N Road, Lalbagh, Lucknow 226001
41	North	Ludhiana	Punjab	Mezannine Floor at SCO No. 34, Feroze Gandhi Market, Bhai Bala Chowk, Pakhowal Road, Ludhiana-141001, Punjab
42	North	Mahilpur	Punjab	Phagwara Road, Mahilpur, Distt Hoshiarpur-146105
43	North	Manali	Himachal Pradesh	Shop No. 5, Ram Bag, The Mall, Manali, (Distt Kullu), Himachal Pradesh-175131
44	North	Mcleodganj	Himachal Pradesh	Shop No. 1 A , Ground Floor, Asian Plaza Complex, Opp Main Bus Stand Chowk, Main Square,

				Mcleodganj, Dharmshala, Himachal Pradesh - 176219
45	North	Moga	Punjab	Ground Floor, Puri Complex, G T Road, Moga-142001
46	North	Mohali	Punjab	Booth No 17, Phase VII, Mohali-160062
47	West	Mumbai	Maharashtra	303 SO, Lucky Corner Society, Andheri Kurla Road, Opposite Holy Family Church, Andheri, East, Mumbai-400099
48	West	Nadiad	Gujarat	Shop No.10, Municipal Shopping Centre, Opp Paras Cinema, Nadiad-387001
49	North	Nakodar	Punjab	Banwari Towers, G.F., Opp Bus Stand, Near Oriental Insurance, Nakodar (Distt Jalandhar)-144040
50	North	Nawanshahr	Punjab	Near Rai Market, Adjoining Pnb Bank, Ambedkar Chowk, Nawanshahr 144514 (Punjab)
51	North	Pathankot	Punjab	Building No. 2, First Floor, Opposite Venice Hotel, Dhangu Road, Pathankot, Punjab-145001
52	North	Patiala	Punjab	Opp. Gurudwara Dukhniwaran Sahib, Passey Road, Patiala 1470001
53	North	Phagwara	Punjab	#37, Lower Ground Floor, Handa City Centre, Opp. Bus Stand, Phagwara (Distt Kapurthala)-144401
54	North	Phillaur	Punjab	Old Nawanshahar Road, Phillaur, Punjab-144410
55	West	Rajkot	Gujarat	Shop No. U 32, Neptune Tower, Opp Jalaram Petrol Pump, Kalavad Road, Rajkot 360001
56	North	Rupnagar	Punjab	Near New Jersi Farm, Ram Nagar Gali No. 1, Opp Bank of India, Bela Road, Rupnagar-140001, Punjab
57	North	Sri Ganganagar	Rajasthan	Shop No 13, L Block, Opp Radhe Shyam Kothi and Thareja Hospital, Radhe Shyam Kothi Road, Sri Ganganagar-335001
58	North	Sudhar	Punjab	Above Jio Store, First Floor, Near Dashmesh Medical Store, Main Bazar Sudhar (Distt Ludhiana) - 141104
59	North	Sunder Nagar	Himachal Pradesh	Shop at Bhojpur, Abutting To NH 21, Mandi Road, Sunder Nagar, Himachal Pradesh - 174401
60	West	Surat	Gujarat	Shop No.318, Upper Ground Floor, Turning Point Complex, Near Majura Fire Station, Ghod Dod Road, Surat - 395007
61	North	Tarn Taran	Punjab	B04-1614 Opposite Sahib Nursing Home, Near Bal Bakery, Jandiala Road, Tarntaran-143401, Punjab
62	North	Una	Himachal Pradesh	Shop No 2, Near Lovely Sweets Shop, Amb Road, Una, Himachal Pradesh -174303
63	West	Vadodara	Gujarat	Shop No 102, First Floor, Dwarkesh Complex, Near Welcome Hotel, R.C. Dutt Road, Alkapuri, Vadodara-390005
64	North	Zirakpur	Punjab	SCO No 3-4, Ground Floor, Shree Balaji, Complex, Patiala Road, Zirakpur-140603

NOTICE

NOTICE is hereby given that 42nd Annual General Meeting of the Members of M/s Paul Merchants Limited ("the Company") will be held on Friday, 18th Day of September, 2026 at 12.00 Noon (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:-

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026 and the Reports of the Board of Directors and Auditors thereon, and in this regard, pass the following resolution as an ORDINARY RESOLUTION:-**

   "RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby received, considered and adopted."

2. **To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026 and the Report of the Auditors thereon, and in this regard, pass the following resolution as an ORDINARY RESOLUTION:-**

   "RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026, and the reports of the Auditors thereon, as circulated to the members, be and are hereby received, considered and adopted."

3. **To re-appoint a Director in place of Mr. Ritesh Vaid (DIN: 09433856), who retires by rotation and being eligible, offers himself for re-appointment, and in this regard, pass the following resolution as an ORDINARY RESOLUTION:-**

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and applicable Rules framed thereunder, applicable SEBI Regulations (including any Statutory modification(s) or re-enactment thereof for the time being in force), the extant Rules / Regulations / Guidelines / Notifications and Circulars prescribed by any relevant authorities including but not limited to Reserve Bank of India / Securities And Exchange Board of India, pursuant to the Nomination and Remuneration Policy of the Company, as per the provisions of Articles of Association of the Company, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Members of the Company, be and is hereby accorded for the re-appointment of **Mr. Ritesh Vaid (DIN 09433856**), who retires by rotation at this Annual General Meeting and who offers himself for re-appointment, as Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

4. **To re-appoint Mr. Ritesh Vaid (DIN: 09433856) as Designated Whole Time Director of the Company and in this regard, pass the following resolution as a SPECIAL RESOLUTION:-**

"**RESOLVED THAT** pursuant to the provisions of Section 152, 196, 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with Schedule V to the said Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable Rules made under the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any Statutory modification(s) or re-enactment thereof for the time being in force), the extant Rules / Regulations / Guidelines / Notifications and Circulars prescribed by any relevant authorities including but not limited to Reserve Bank of India / Securities and Exchange Board of India, and as per the provisions of Articles of Association of the Company, on the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company and subject to such other approvals and compliances as per the applicable provisions of the Act and other applicable Statutes, as may be necessary and subject to the Nomination and Remuneration Policy of the Company, the approval of the Members of the Company be and is hereby accorded to the re-appointment of Sh. Ritesh Vaid (DIN 09433856) as Designated Whole Time Director of the Company, liable to retire by rotation, w.e.f. 01-10-2026, for a term of 5 (Five) years ending on 30-09-2031, on the following additional terms and conditions:-

- **a.** Annual Remuneration within the range of Rs. 30.00 Lakhs to Rs. 50.00 Lakhs
- **b.** Benefits:- Annual Performance Bonus within the above range, as may be decided by Nomination and Remuneration Committee of the Board.
- **c.** Other Benefits:- Leave Encashment within the above range as per the Company's Policy and Gratuity as per Payment of Gratuity Act;
- **d.** Performance Linked Incentive:- Performance Linked Incentive within the above range, as may be decided by the Managing Director;
- **e.** Except for the benefits as provided in this resolution, no other benefits, stock options, pension etc. will be payable to him during his term.
- **f.** Service Contract period:- From 01-10-2026 till 30-09-2031
- **g.** Remuneration period :- From 01-10-2026 till 30-09-2029
- **h.** Notice period for resignation or termination from service:- Three Months' notice or equivalent remuneration for short notice.
- **i.** Severance Fee:- No severance fee is payable to him;
- **j.** Fixed Component: Fixed component is his salary;
- **k.** Increment **:-** An increment in his remuneration may be given by the Managing Director of the Company as per the recommendation of the Nomination and Remuneration Committee, subject however, that the total

annual remuneration shall remain within the range of Rs. 30.00 Lakhs to Rs. 50.00 Lakhs only.

l. The Nomination and Remuneration Committee may allow him an advance against salary up to an amount equal to his six months' net salary, in accordance with the Company's policy, as amended from time to time

m. Expenses incurred by him in the discharge of his official duties shall be reimbursed in accordance with the Company's policy

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, Sh. Ritesh Vaid (DIN: 09433856) will be paid the Remuneration as specified above, subject to compliance with the applicable provisions of the Act and Schedule V to the Act.

RESOLVED FURTHER THAT the above remuneration of Sh. Ritesh Vaid (DIN: 09433856) shall be subject to Section 197 and other relevant Sections and Rules framed under the Companies Act, 2013 and the payment of Remuneration as above to Sh. Ritesh Vaid (DIN: 09433856), Designated Whole Time Director shall be irrespective of amount of profits of the Company computed under section 198 of the Companies Act, 2013.

RESOLVED FURTHER THAT the payment of remuneration to Sh. Ritesh Vaid as approved herein shall not affect the remuneration payable to any other Whole Time Director of the Company, subject to compliance with Section 197, Schedule V and other applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT liberty and authority be and is hereby given to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board including the powers conferred under this resolution), to decide all questions arising out of this matter, to take all requisite steps to give effect to this resolution, to fix the remuneration within the above range and to vary, alter and modify the terms and conditions governing the remuneration of Sh. Ritesh Vaid (DIN: 09433856) including allowing increments in his remuneration within the range defined in this Resolution, as may be agreed to by the Board and Mr. Ritesh Vaid (DIN: 09433856), subject to the provisions of all applicable Laws."

Place: Chandigarh
Date: August 12, 2026

By order of the Board of Directors
for **PAUL MERCHANTS LIMITED**

SD/-
HARDAM SINGH
(COMPANY SECRETARY)
FCS-5046
H. No. 2007, Sector 89-C, Mohali
(Pb)-160055

NOTES:

(1) The Explanatory Statement as required under Section 102 of the Companies Act, 2013 (Act), in respect of item No. 4 of the Notice convening the Annual General Meeting (AGM) is annexed hereto.

(2) Ministry of Corporate Affairs (MCA) vide its General Circular No. 03/2025 dated September 22, 2025 read over with its earlier Circulars with particular reference to Circular no. 20/2020 dated May 5, 2020, Circular no. 17/2020 dated April 13, 2020 and Circular no. 14/2020 dated April 8, 2020 on the subject (hereinafter collectively referred to as "MCA Circulars"), has permitted the Companies to hold their Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of Section 108 of the Companies Act, 2013 ("Act"), read with Rule 20 of the Companies (Management and Administration) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations") and the said MCA Circulars, the 42nd AGM of the Company is being held through VC / OAVM. The special business proposed to be transacted at the ensuing AGM as set out in the Notice, has been considered as unavoidable by the Board of Directors of the Company. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 20 to 25. The deemed venue for the 42nd AGM shall be the Registered Office of the Company at DSM 335, 336, 337, 3rd Floor, DLF Tower, 15, Shivaji Marg, Najafgarh Road, New Delhi -110015.

(3) Pursuant to the Master Circular for Registrars to an Issue and Share Transfer Agents bearing No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026 issued by the Securities and Exchange Board of India, it is mandatory for all holders of physical securities in listed companies to furnish PAN, Contact details (Postal Address with PIN and Mobile Number), Bank Account details and Specimen Signature for their corresponding folio numbers. SEBI has also prescribed standardised forms for registration or updation of KYC details and for processing of various investor service requests. Holders of physical securities are further encouraged, in their own interest, to register their choice of nomination in the prescribed format. The said Forms are available on the website of the Company at www.paulmerchants.net/Investors. The aforesaid Master Circular is available on the website of SEBI at https://www.sebi.gov.in/legal/master-circulars/feb-2026/master-circular-for-registrars-to-an-issue-and-share-transfer-agents_99567.html. Shareholders are requested to refer to the said Master Circular and the prescribed Formats for the relevant matters provided therein. As on the date of this Report, there is no shareholder of the Company who holds shares of the Company in physical form.

(4) Members holding shares in dematerialized form are requested to notify to their Depository Participant:-

   i. their email id.
   ii. all changes with respect to their address, email id, ECS mandate and bank details.

(5) Pursuant to Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, transfer, Transmission or transposition of securities of the Company is not permitted unless the securities are held in dematerialized form. The shares of the Company are under compulsory

Demat trading. As on the date of this Report, there is no shareholder of the Company who holds the shares in physical form.

(6) Members seeking any information with regard to the Financial Statements or any matter to be placed at the ensuing AGM, are requested to write to the Company from September 12, 2026 (9.00 A.M. IST) to September 14, 2026 (5.00 P.M. IST) through email to investor.redressal@paulmerchants.net. The same will be replied by the Company suitably. Members may also seek clarifications on any item of business at the AGM, for which the Chairman shall provide a fair opportunity in terms of the Secretarial Standard on General Meetings.

(7) In accordance with Section 20 of the Companies Act, 2013, service of documents on members by a company is permitted through electronic mode. Further, in terms of Section 101(1) of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the third proviso to Section 136(1) of the Companies Act, 2013 read with Rule 11 of the Companies (Accounts) Rules, 2014, the MCA Circulars referred to in Note no. 2 and Regulation 36(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or with the Depositories. In accordance with Regulation 36(1)(b) of the SEBI Listing Regulations, a letter providing the web-link, including the exact path, of the Company's website from where the Notice of the AGM and the Annual Report 2025-26 can be accessed, together with a QR code for ease of access, is being sent to those Members whose e-mail addresses are not so registered. In terms of Regulation 36(1)(c) of the SEBI Listing Regulations read with the first proviso to Section 136(1) of the Companies Act, 2013, a physical copy of the full Annual Report 2025-26 shall be sent to those Members who request for the same, and such request may be submitted at investor.redressal@paulmerchants.net. Members may note that the Notice of the AGM and the Annual Report 2025-26 are also available on the website of the Company at www.paulmerchants.net, on the website of BSE Limited at www.bseindia.com and on the website of Central Depository Services (India) Limited, the agency engaged for providing the remote e-voting facility and the e-voting system during the AGM, at www.evotingindia.com. The documents referred to in the Notice of the AGM and the Explanatory Statement annexed thereto shall be available for inspection in electronic mode during normal business hours on working days from 11.00 AM to 5.00 PM, up to the date of the AGM, and Members seeking such inspection may send a request at investor.redressal@paulmerchants.net. Members who have not registered their e-mail addresses are requested to register the same, in respect of shares held in electronic form, with their respective Depository Participant, and in respect of shares held in physical form, with the Company or its Registrar and Share Transfer Agent in the prescribed form, so as to enable receipt of all communications from the Company, including the remote e-voting credentials, electronically.

(8) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

(9) Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

(10) Pursuant to provisions of Section 124 of the Companies Act, 2013, the amount of dividends remaining unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Pursuant to the circular issued by the Ministry of Corporate Affairs (MCA) with respect to IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 dated May 10, 2012, the information of unclaimed and unpaid Dividend, up to the date it remained unpaid/unclaimed was duly filed by the Company with the Ministry of Corporate Affairs (MCA). MCA had also uploaded details of the same on its website at www.iepf.gov.in. Further, the information of unclaimed and unpaid Dividend as on 31.03.2026 in respect of Interim Dividend declared and paid by the Board of Directors of the Company for the Financial Year 2019-20 and confirmed as Final Dividend by the Shareholders in their Annual General Meeting held on 29.09.2020, shall be filed by the Company with the Ministry of Corporate Affairs (MCA) in due course. As on 31-03-2026, the Company has following unclaimed or unpaid dividend amount pertaining to dividends declared for the earlier financial years:-

Financial Year	No. of Shareholders	Amount of Unclaimed / Unpaid Dividend
Interim Dividend for the Financial Year 2019-20, confirmed as Final Dividend at the Annual General Meeting held on September 29, 2020	33	Rs. 2218/-

The details of the aforesaid dividend are also uploaded on the website of the Company at https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2026/08/Unpaid-Unclaimed-Dividend-31.03.2026.pdf

Further, in compliance with the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has published a public notice on 08-06-2026 in Financial Express (English) and Jansatta (Hindi), informing the concerned shareholders about the proposed transfer of unclaimed/unpaid dividend to the IEPF. In addition, the Company has also sent individual letters to the concerned shareholders whose dividend remains unclaimed/unpaid, intimating them that the interim dividend pertaining to the Financial Year 2019-20 (declared on August 6, 2019), which remains unpaid or unclaimed, is due to be transferred to the IEPF on September 11, 2026, upon the expiration of the statutory seven-year period. The shareholders have been requested to lodge their claim for the outstanding dividend with the Registrar and Transfer Agent of the Company on or before August 16, 2026, failing which the unclaimed/unpaid dividend along with the underlying equity shares on which the said dividend remains unclaimed shall be transferred to the DEMAT account of the IEPF Authority in accordance with the provisions of the Act and the Rules made thereunder. The shareholders have also been informed that subsequent to such transfer, all future benefits accruing on such shares shall be credited directly to the IEPF and no claim shall lie against the Company in respect of the shares and dividend amounts so transferred. However, the shareholders may reclaim their dividends and shares from the IEPF Authority by submitting an online application in the prescribed e-Form IEPF-5 available on the Ministry of Corporate Affairs portal (www.mca.gov.in or www.iepf.gov.in) in compliance with the procedures set out in Rule 7 of the said Rules.

No dividend is proposed to be declared at the ensuing 42nd Annual General Meeting of the Company for the Financial Year 2025-26.

(11) In terms of Section 152 of the Companies Act, 2013, Sh. Ritesh Vaid (DIN: 09433856), Director, retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment and the Board of Directors of the Company recommends his re-appointment. His brief resume in accordance with Regulation 36 (3) of the Listing Regulations, 2015 and Secretarial Standards - II is annexed with the Notice of the AGM as **Annexure N-1**.

(12) The Directors seeking re-appointment have furnished the declaration in Form DIR-8 under Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Section 164(2) of the Companies Act, 2013 and other requisite declarations for their re-appointment.

(13) All the documents referred to in the accompanying Notice and Explanatory Statement, including the copies of the resolutions passed at the meeting of the Nomination and Remuneration Committee and the Board of Directors, shall be made available for inspection of the Members through electronic mode during normal business hours on working days from 11.00 AM to 5.00 PM, basis the request being sent on investor.redressal@paulmerchants.net, up to the date of AGM. The Register of Directors and Key Managerial Personnel & their Shareholding, the Register of Contracts & Arrangements in which Directors are interested and Register of Members as maintained by RTA shall be open for inspection in electronic mode to any person having right to attend the AGM, basis the request being sent on investor.redressal@paulmerchants.net.

(14) Pursuant to the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of Listing Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from 04-09-2026 to 10-09-2026 (both days inclusive) for the purpose of AGM. Further, the members who hold shares as on the Cut-off date i.e. Friday, September 11, 2026 shall be entitled for voting (including remote e- voting) for the Annual General Meeting.

(15) 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. In order to enable the company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio.

(16) Members are advised to refer to the General Shareholders Information as provided in this Annual Report.

(17) Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of their Board or Governing Body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC / OAVM and vote on their behalf. The said Resolution/Authorization should

be sent to the Scrutinizer by email through their registered email address to kanwalcs@gmail.com.

(18) Since the resolutions as set out in this Notice are being conducted through remote e-voting and by way of e-voting during the AGM, the said resolutions will not be decided on a show of hands at the AGM in terms of the provisions of Section 107 of the Companies Act, 2013.

(19) **E-voting Process and Manner:**

(i) In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company is providing facility for voting by electronic means to its members to enable them to cast their votes electronically through remote e-voting (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting) and for this purpose the Company has engaged the services of Central Depository Services (India) Limited (CDSL) and as such, the business of the AGM shall be transacted through such voting. 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 CDSL. This remote e-voting facility is available on all resolutions set forth in this Notice and as such the business of the AGM shall be transacted through such voting. 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

(ii) The Company shall also provide facility for voting through e-voting system during the AGM and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM through e-voting.

(iii) The members who have already cast their vote by remote e-voting, may also attend and participate in the AGM but shall not be entitled to cast their vote again at the AGM.

(iv) 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.

(v) Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.

(vi) The remote voting period begins on 09:00 a.m. (IST) on Tuesday, September 15, 2026 and ends on 05:00 p.m. (IST) on Thursday, September 17, 2026. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 11-09-2026 may cast their vote electronically. Remote e-voting shall not be allowed beyond the said date and time and the e-voting module shall be disabled by CDSL for voting thereafter. As on the said cut-off date, the right of voting of the Members shall be reckoned and a person who is not a Member of the Company as on the cut off date should treat this Notice for information purposes only.

(vii) The Board of Directors have appointed Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary (F 5901), SCO 64-65, Sector 17 A, Chandigarh as the Scrutinizer, for conducting the remote e-voting process and e-voting at the AGM in a fair and transparent manner.

(viii) The cut-off date for the purpose of e-voting (including remote e-voting) and for attending the AGM is after closing hours of Friday, 11th September, 2026.

(ix) Members are requested to carefully read the instructions for remote e-voting before casting their vote.

(x) The remote e-voting facility will be available during the following period after which the e-voting portal shall forthwith be blocked and shall not be available for remote e-voting:-

Commencement of remote e-voting	Tuesday, September 15, 2026 (9.00 a.m. IST)
End of remote e-voting	Thursday, September 17, 2026 (5.00 p.m. IST)
Cut Off date	Friday, September 11, 2026 (After the closing hours)

(20) **The procedure and instructions for remote e-voting and joining Virtual AGM are as under:**

(i) As per SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated** December 9, 2020, as amended, e-voting has been enabled 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.

(ii) In terms of the said SEBI circular **no. SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by the Company, 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.

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

Type of shareholders	**Login Method**
	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will

Individual Shareholders holding securities in Demat mode with **CDSL**	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/myeasitoken/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 e-voting is in progress as per the information provided by company. On clicking the e-voting 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, 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/myeasitoken/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin 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 e-voting 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 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. 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, 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 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
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	**Helpdesk 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.com or contact at Toll Free no. 1800225533.
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 022 - 4886 7000 and 022 - 2499 7000

(21) **Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form:-**

a. The shareholders should log on to the e-voting website www.evotingindia.com.

b. Click on “Shareholders” module.
c. Now enter your User ID
- For CDSL: 16 digits beneficiary ID
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID
- Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

d. Next enter the Image Verification as displayed and Click on Login.
e. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
f. If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
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.

g. After entering these details appropriately, click on “SUBMIT” tab.
h. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
i. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice
j. Click on the EVSN for Paul Merchants Ltd
k. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution

l. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details
m. 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
n. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote
o. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page
p. If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system
q. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(22) **Instructions for Non - Individual Shareholders and Custodians - For Remote e-voting only**

i. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
iii. 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.
iv. The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
v. 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.
vi. 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 at his email ID kanwalcs@gmail.com and to the Company at the email address viz; investor.redressal@paulmerchants.net, if they have voted from individual tab & not uploaded the same in the CDSL e-voting system for the scrutinizer to verify the same.

(23) **Instructions for Shareholders attending the AGM through VC/OAVM & E-Voting during meeting are as Under:-**

a. Ministry of Corporate Affairs (MCA) vide its General Circular No. 03/2025 dated September 22, 2025 read over with its earlier Circulars with particular reference to Circular no. 20/2020 dated May 5, 2020, Circular no. 17/2020 dated April 13, 2020 and Circular no. 14/2020 dated April 8, 2020 on the subject (hereinafter collectively referred to as "MCA Circulars"), has permitted the Companies to hold their Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue until further orders. In compliance with the provisions of the Companies Act, 2013 ("Act"), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the said MCA Circulars, the 42nd AGM of the Company is being held through VC / OAVM.

b. Since this AGM is being held pursuant to the above said Circulars issued by MCA through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form is not annexed to this Notice. Attendance Slip is also not annexed to this Notice for the same reason. 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.
c. The procedure for e-Voting on the day of the AGM is same as per the instructions mentioned above for e-voting.
d. The link for VC/OAVM to attend AGM will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
e. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
f. Shareholders are encouraged to join the AGM through Laptops / iPads for better experience.
g. Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
h. 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.
i. The Members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the AGM 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 1,000 Members on a first come first served basis as per the MCA Circulars. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee of Directors, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. may be allowed to attend the meeting without any restrictions on first come first served basis.
j. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request from their registered email address in advance from September 12, 2026 (9.00 A.M. IST) to September 14, 2026 (5.00 P.M. IST) mentioning their name, demat account number/folio number, email id, mobile number at investor.redressal@paulmerchants.net. Those Members who have registered themselves as speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The shareholders who do not wish to speak during the AGM but have queries may send their

queries from September 12, 2026 (9.00 A.M. IST) to September 14, 2026 (5.00 P.M. IST) from their registered email addresses mentioning their name, demat account number/folio number, email id, mobile number at investor.redressal@paulmerchants.net. These queries will be replied to by the company suitably.

k. Only those shareholders, who are present in the AGM 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 AGM.

l. If any Votes are cast by the shareholders through the e-voting available during the 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.

(24) **Process for those shareholders whose email/mobile no. are not registered with the company/depositories**

i. 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 investor.redressal@paulmerchants.net or ramap@alankit.com
ii. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
iii. 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
iv. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

(25) **General Instructions**

I. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at Toll Free no. 1800225533. Further details in this regard are given in para VIII below.
II. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on the cut off date i.e. after closing hours of 11-09-2026.
III. The scrutinizer shall, immediately after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than

24 Hours from conclusion of the meeting, a consolidated scrutinizer's report of the total votes casted in favour or against, if any, to the Chairman of the Meeting or a person authorised by him in writing who shall countersign the same and the Chairman or a person authorised by him in writing shall declare the results of the voting forthwith. The result of the e-voting shall be declared by the Chairman of the Meeting or any other person duly authorized by him in writing on Saturday, September 19, 2026 at 2.00 PM at Corporate Office of the Company at SCO 829-830, Sector 22-A, Chandigarh - 160022.

IV. The manner in which members have cast their votes, that is, affirming or negating the resolution, shall remain secret and not available to the Chairman, Scrutinizer or any other person till the votes are cast in the meeting.

V. The Scrutinizer's decision on the validity of the vote shall be final and binding.

VI. The result declared along with the Scrutinizer`s report shall be placed on the website of the Company (www.paulmerchants.net) and on the website of CDSL (www.evotingindia.com) immediately after the result is declared and shall simultaneously be forwarded to the BSE Limited, where the Company's shares are listed. The result of the voting, with details of the number of votes cast for and against the Resolution, invalid votes and whether the Resolution has been carried or not shall also be displayed on the Notice Board of the company at its Registered Office at New Delhi and its Corporate Office at Chandigarh.

VII. The resolutions will be deemed to be passed on the date of AGM subject to receipt of requisite number of votes in favour of the resolutions.

VIII. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on Toll Free no. 1800225533. You may also contact Mr. Hardam Singh, Company Secretary cum Compliance Officer of the Company at investor.redressal@paulmerchants.net or at 0172-5041760 or at PML House, SCO 829-830, Sector 22-A, Chandigarh - 160022.

(26) **Instructions for e-voting for persons becoming member of the company after the dispatch of notice:-**

<u>For individual shareholders holding shares in Demat form:-</u>

Those persons, who have acquired shares and have become members of the Company after the dispatch of Notice of the AGM by the Company and whose names appear in the Register of Members as of the cut-off date i.e. 11-09-2026 are requested to view the Annual Report of the Company on the website of the Company at www.paulmerchants.net or on the website of CDSL (www.evotingindia.com) for instructions relating to e-voting and for attending the AGM. The detailed procedure for obtaining login Id, password, authentication and exercising remote e-voting and e-voting at the AGM is already provided in the instructions given above.

Physical Shareholders:-

Physical shareholders may obtain the login id and sequence number by sending a request to RTA of the Company M/s Alankit Assignments Ltd, Alankit House, 4E/2, Jhandewalan Extn. New Delhi- 110055 (INDIA) Ph No. : 011-42541234 / 23541234, email id ramap@alankit.com or Company at mail id investor.redressal@paulmerchants.net

Other shareholders:-

If the said shareholder is already registered with CDSL for e-voting, then his/her existing user id and password can be used for casting the vote. If he has forgotten the password, he can reset his password by using “Forgot User Details/Password” option available on www.evotingindia.com. For physical shareholders, the same process as outlined above be followed.

(27) **General:-**

In this Annual Report, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been referred to as “Listing Regulations”, Companies Act, 2013 has been referred to as “Act” and Annual General Meeting has been referred to as “AGM”. Further at various places in the Annual Report, the Financial Year 2025-26 has been referred to as “the year under review”.

Place: Chandigarh
Date: August 12, 2026

By order of the Board of Directors
for **PAUL MERCHANTS LIMITED**

SD/-
HARDAM SINGH
(COMPANY SECRETARY)
FCS-5046
H. No. 2007, Sector 89-C, Mohali
(Pb)-160055

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

ITEM NO. 4

The shareholders of the Company, through postal ballot concluded on March 29, 2022 by voting through electronic means, had appointed Sh. Ritesh Vaid (DIN: 09433856) as Designated Whole Time Director of the Company for a period commencing from 10.02.2022 and ending on 30.09.2026 and his remuneration term was approved till 31.01.2025 and further, the shareholders of the Company in their Annual General Meeting held on 26.09.2024 had approved extending his remuneration term till 30.09.2026 and also approved his revised remuneration range as "from Rs. 30 Lakhs to Rs. 50 Lakhs" per annum. The Board of Directors of the Company in their meeting held on August 12, 2026 has re-appointed Mr. Ritesh Vaid as Designated Whole Time Director of the Company for a period commencing from 01.10.2026 till 30.09.2031, on the terms and conditions as specified in the Resolution set out at Item No. 4 of the Notice, subject to the approval of the Shareholders of the Company. Further, in terms of Rule 2(1) (ba) read with Rule 7 of the 'The Prevention of Money-Laundering (Maintenance of Records Rules), 2005', the Managing Director or any Whole Time Director of the Company, which is a Reporting Entity in terms of the said Rules, has to be authorized by the Board of Directors of the Company for ensuring overall compliance with the obligations imposed under chapter IV of the Prevention of Money-Laundering Act, 2002 and the Rules framed thereunder. As such, the Board of Directors of the Company has appointed Mr Ritesh Vaid as Designated Director also in terms of the said Rules.

The terms and conditions of appointment of Mr. Ritesh Vaid have also been approved and recommended by the Nomination and Remuneration Committee and Audit Committee of the Company. Mr. Ritesh Vaid's remuneration is fixed in accordance with provisions of Sections 197 read with Schedule V of the Companies Act, 2013 (Act) for period from 01.10.2026 till 30.09.2029 and is subject to the approval of the shareholders via a Special Resolution.

The Company has received the following documents from Mr. Ritesh Vaid in relation to his re-appointment as Designated Whole Time Director of the Company:-

a. Profile including brief resume as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,
b. Consent letter in prescribed Form DIR-2 to act as Designated Whole Time Director of the Company;
c. Disclosure of interest in prescribed Form MBP-1 and Declaration on Committee Positions held by him;
d. Declaration in Form DIR-8 under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014;
e. Disclosure of his holding of securities of the Company under Regulation 7(1)(b) of the SEBI (Prohibition of Insider Trading) Regulations, 2015;

f. Certificate regarding non-disqualification in terms of SEBI Order as referred to in Circular LIST/COMP/14/2018-19 dated June 20, 2018 issued by BSE Limited or any order passed by MCA / RBI or any other statutory authority;
g. Declaration for fulfilling the conditions specified in Part I of Schedule V to the Companies Act, 2013;
h. Declaration on Fit and Proper Criteria as per applicable RBI Regulations.

Mr. Ritesh Vaid satisfies all the conditions set out under sub-section (3) of Section 196 of the Act and Schedule V to the Act including the conditions for being eligible for this re-appointment. The Nomination and Remuneration Committee of the Board had also undertaken the process of due diligence to determine the suitability of Mr. Ritesh Vaid for re-appointment as a director on the Board based upon the criteria as laid down in the Master Direction on the Money Changing Activities issued by Reserve Bank of India (RBI) and had found that Mr. Ritesh Vaid duly conforms to the Fit and Proper criteria laid down by RBI, based upon various parameters.

As per the requirements of Section 196 and 197 of the Companies Act, 2013 and the provisions of Schedule V thereto, the appointment/ re-appointment of the Managing Director/ Whole Time Directors and their remuneration is to be made with approval of the Shareholders in the General Meeting and it is further provided that except with the approval of the company in general meeting by a special resolution, the remuneration payable to any one managing director; or Whole Time Director or manager shall not exceed five per cent of the net profits of the company and if there is more than one such director, remuneration shall not exceed ten per cent of the net profits to all such directors and manager taken together. As the proposed remuneration of all whole time directors, taken together is likely to exceed 10% of the net profits of the Company, the matter requires approval of the Shareholders of the Company by way of Special Resolution. Further, as per Regulation 17(1C) of the Listing Regulations, approval of shareholders for appointment of a person on the Board of Directors is required to be taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. As such, the approval of shareholders for re-appointment of Mr. Ritesh Vaid is required to be taken before 12.11.2026 and as such, the said approval is being sought in the ensuing Annual General Meeting.

It is further provided in Schedule V to the Act that the Special Resolution passed for payment of remuneration to a managerial person at the general meeting of the Company, should be for a period not exceeding three years. As such, while the appointment of Mr. Ritesh Vaid to the post of Designated Whole Time Director of the Company is proposed to be approved for a period from 01.10.2026 till 30.09.2031, his remuneration shall be valid only for a period of three years from 01.10.2026 till 30.09.2029, as spelt out in the Resolution set out at item no. 4 of the Notice.

Pursuant to the requirements of Section 197 of the Companies Act, 2013 read with Section II of Part II of Schedule V to the said Act, the Board of Directors hereby affirms, and the Members are hereby informed, that the Company has not committed any default in the payment of dues to any bank, public financial institution, non-convertible debenture holder or any other secured creditor and that no such default is subsisting as on the date of this Notice. The Company has not issued any non-convertible debentures or other non-convertible debt securities and there are no non-convertible debenture holders of the Company as on the date of this Notice. In view of the foregoing, the requirement of obtaining the prior approval of any bank, public financial institution, non-convertible debenture holder or other secured creditor, before seeking the approval of the Members at the ensuing Annual General Meeting for the payment of remuneration to Mr. Ritesh Vaid (DIN: 09433856), Designated Whole Time Director of the Company, is not attracted.

Further, as per Section 197 of the Act read over with Rule 6 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, some Parameters have been specified which are to be taken into account by the Shareholders while according their approval for remuneration of any Whole Time Director, as given below:-

1) the Financial and operating performance of the Company during the three preceding financial years.
2) the relationship between remuneration and performance.
3) the principle of proportionality of remuneration within the Company, ideally by a rating methodology which compares the remuneration of directors to that of other directors on the board who receive remuneration and employees or executives of the company.
4) whether remuneration policy for directors differs from remuneration policy for other employees and if so, an explanation for the difference.
5) the securities held by the director, including options and details of the shares pledged as at the end of the preceding financial year.

As such your Directors have considered the above parameters in relation to re-appointment and fixation of remuneration of Mr. Ritesh Vaid as Designated Whole Time Director. The said proposal has also been approved and recommended by the Nomination and Remuneration Committee of the Board and by the Audit Committee of the Board. The required information as per the above said parameters is given below:-

1) the Financial and operating performance of the company during the three preceding financial years.

PARTICULARS	FY 2023-24	FY 2024-25	FY 2025-26
Total Income (Revenue/Sale of Services)	65,30,04,13,372	33,47,25,01,927	20,86,93,83,139
Earnings before Interest, Depreciation and Tax and exceptional items	39,17,81,563	13,64,04,102	21,75,25,307
Profit from Continued Operations before Tax and exceptional items	35,13,77,157	9,49,94,355	17,60,93,553
Total Profit before Tax after exceptional items	35,13,77,157	8,24,04,355	17,55,93,553
Total Profit after Tax	26,12,47,765	5,90,98,015	13,19,14,170

Total Comprehensive Income	25,91,62,029	5,69,02,108	13,27,04,762
On Consolidated basis:-			
PARTICULARS	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**
Total Income (Revenue/Sale of Services)	65,08,56,23,160	33,37,93,16,041	21,14,44,98,729
Earnings before Interest, Depreciation and Tax and exceptional items (from Continued operation)	11,16,18,561	-4,32,83,075	25,09,76,512
Profit from Continued Operations before Tax and exceptional items	6,24,14,420	-9,78,70,910	18,77,28,430
Total Profit from continued Operation before Tax after exceptional items	5,93,64,420	-11,04,60,910	18,72,28,430
Total Profit before Tax(continued operations)	5,93,64,420	-11,04,60,910	18,72,28,430
Total Profit after Tax(continued operations)	-1,75,37,254	-12,28,67,963	9,08,28,645
Profit before Tax(discontinued operations)	66,86,52,644	96,21,27,788	3,03,32,77,143
Total Profit after Tax(discontinued operations)	56,37,93,334	76,12,22,876	2,59,68,69,679
Share in Profit of JV	-	-	-2,79,961
Total Profit after Tax(continued and discontinued operations and adj of JV)	54,62,56,080	63,83,54,913	2,68,74,18,364
Total Comprehensive Income	54,43,56,560	63,67,91,199	2,68,76,62,284

2) The relationship between remuneration and performance

The proposed remuneration as set out in item no. 4 of the Notice is fully justified. Mr. Ritesh Vaid has been associated with the Company since the year 2008 in various capacities in the senior management of the Company and is currently serving as a Designated Whole Time Director since 10.02.2022. He has good leadership skills, tact and has helped in the development of dealer network, branch network, channel management and Compliance Management for promoting the business of the company. Further, the proposed remuneration has been evaluated by the Board, Nomination and Remuneration Committee of the Board and Audit Committee of the Board.

3) **The principle of proportionality of remuneration within the Company, ideally by a rating methodology which compares the remuneration of directors to that of other directors on the board who receive remuneration and employees or executives of the company.**

The Principle of proportionality followed in the Company is that Whole Time Directors of the Company are paid monthly remuneration and in case of Managing Director of the Company, commission based upon the net profits of the company is also paid additionally. The rationale behind paying the commission to Managing Director is that the amount of profit earned by the Company in any financial year is directly linked to his strategy formulation, conduct of business, policy decisions and general management of the affairs of the Company. Independent Directors on the Board are paid Sitting Fee for the Board/ Committee Meetings and reimbursement of travelling expenses, if agreed, is also made to them for attending Board / Committee Meetings. The sitting fee of the Independent Directors is decided by the Board based upon the qualification and experience of the individual directors. Further, the employees of the Company are paid remuneration based upon their qualification, experience and personal traits and their performance in the Company. Some categories of the staff are also paid incentives which are based upon their performance. The remuneration of the directors and senior management people of the company is approved by the Nomination and Remuneration Committee of the Board. As a lot of subjective criteria is involved in fixation of remuneration of the directors and employees of the Company, arithmetic principle of proportionality of remuneration within the Company is difficult to be arrived at and for the same reason, any rating methodology is also difficult to be worked out.

4) **Whether remuneration policy for directors differs from remuneration policy for the employees and if so, an explanation for the difference.**

As per the Nomination and Remuneration Policy of the Company, remuneration payable to the Whole Time Directors is based upon performance and is subject to the provisions of the Companies Act, 2013 and Articles of Association. The sitting fee payable to the independent directors is decided by the Board based upon the qualification and experience of the individual directors within the limits prescribed under the Companies Act, 2013. The remuneration payable to Employees is based upon their knowledge, qualification, experience and performance. The reason for this differentiation is that remuneration to the Directors is governed by the provisions of the Companies Act, 2013, SEBI Listing Regulations and Articles of Association of the Company and remuneration to the employees of the Company is based upon other factors as explained in the foregoing discussion and the same is also influenced by competitive factors.

5) **The securities held by the director, including options and details of the shares pledged as at the end of the preceding financial year.**

Mr. Ritesh Vaid does not hold any Equity Shares in the Company either presently or as at the end of the preceding financial year. Further he does not hold any Stock

Options and accordingly, no shares of the Company have been pledged or otherwise encumbered by him at any point.

The additional information pursuant to para 1.2.5 of the Secretarial Standards on General Meetings (SS- 2) and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is mentioned at **Annexure N-1.** Information pursuant to Section II of Part II of Schedule V of the Companies Act, 2013 is set out at **Annexure- N-2**. The Statutory Auditors of the Company have issued their certificate that the proposed transaction shall be at Arm's Length. The said Certificate has been appended at the end of the Explanatory Statement to this Notice as **Annexure N-3**.

The appointee Director Mr. Ritesh Vaid should be treated as interested in Special Resolution set out at Item No. 4 of the Notice to the extent of benefits accruing to him out of this resolution. No other Director / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board considers it in the interest of the Company to re-appoint Mr. Ritesh Vaid as Designated Whole Time Director of the Company and accordingly, recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

All the documents referred to in the Explanatory Statement, including the copy of the resolutions passed in the meeting of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors, shall be available for inspection of the Members through electronic mode up to the date of AGM during normal business hours on working days from 11.00 AM to 5.00 PM, basis the request being sent on investor.redressal@paulmerchants.net.

Rationale for Re-appointment and Remuneration of Mr. Ritesh Vaid:

- **Long-Standing Institutional Expertise:** Having been associated with the Company since 2008 and serving as a Designated Whole Time Director since February 2022, Mr. Ritesh Vaid possesses deep operational insights and proven leadership. His continuity ensures strategic stability for the Company's next growth phase.
- **Commercial Growth & Network Expansion:** He has successfully spearheaded the development of the Company's branch and dealer networks, optimized channel management, and effectively driven revenue-generating business verticals.
- **Core Statutory Compliance & PMLA Mandate:** He handles the critical portfolio of Compliance Management as a Designated Whole Time Director and discharges his duties under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005. His continuation is vital for ensuring overall compliance with the statutory obligations under Chapter IV of the PMLA, 2002, RBI regulations, KYC norms and the Company's policy on compliance.
- **Unblemished Regulatory Standing:** The Nomination and Remuneration Committee (NRC) has completed a thorough due diligence process, confirming

that he satisfies the "Fit and Proper" criteria laid down in the RBI Master Directions. He is not disqualified or debarred by SEBI, MCA, RBI, or any other authority.

- **Justification of Remuneration:** While his appointment is for five years i.e. from 01-10-2026 till 30.09.2031, the proposed remuneration is restricted to three years i.e. from 01-10-2026 till 30.09.2029 in strict compliance with Schedule V of the Companies Act, 2013. The terms are validated at Arm's Length by a Statutory Auditors' Certificate. Although the aggregate Whole Time Directors' remuneration is projected to exceed 10% of net profits, the Board considers the compensation fully commensurate with his immense responsibilities and corporate contributions.

Board recommendation: The Board considers the re-appointment of Mr. Ritesh Vaid and fixation of his remuneration to be in the best interest of the Company and strongly recommends the passing of the Special Resolution set out at Item No. 4.

Place: Chandigarh
Date: August 12, 2026

By order of the Board of Directors
for **PAUL MERCHANTS LIMITED**

SD/-
HARDAM SINGH
(COMPANY SECRETARY)
FCS-5046
H. No. 2007, Sector 89-C, Mohali
(Pb)-160055

Annexure N-1

INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 (3) OF THE LISTING REGULATIONS, 2015 AND PARA 1.2.5 OF SECRETARIAL STANDARDS-2 INCLUDING THE INFORMATION OF DIRECTORS, WHOSE REMUNERATION IS BEING FIXED/VARIED

Brief Resume Of The Director:-

Name of Director	Sh. Ritesh Vaid (DIN: 09433856)
Date of First (Original) Appointment on the Board:	February 10, 2022
Date of Birth, Age	November 15, 1976 (49 Years)
Designation	Designated Whole Time Director
Sh. Ritesh Vaid, who is liable to retire by rotation in the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment, is proposed to be re-appointed as a Director of the Company, liable to retire by rotation. Further, as his term as Designated Whole Time Director is expiring on 30th September 2026, he is proposed to be reappointed as Designated Whole Time Director for a period of five years commencing from October 1, 2026, till September 30, 2031.	

Nature of Expertise in Specific Functional Area and experience:-

He has specialized functional experience in corporate regulatory compliance, specifically steering anti-money laundering frameworks as the Board-appointed 'Designated Whole Time Director' under the PMLA. Associated with the Company as 'Designated Whole Time Director' since February 2022, Sh. Ritesh Vaid has successfully steered the Company's core operations. He has good leadership skills, tact and has helped in the development of dealer network, branch network, channel management and Compliance Management for promoting the business of the company.

Terms and Conditions of Appointment or Re-appointment and Remuneration, if any:	
Term	Sh. Ritesh Vaid, who is liable to retire by rotation is proposed to be re-appointed as Director. Further as his term as Designated Whole Time Director is expiring on 30th September 2026, he is proposed to be re-appointed as Designated Whole Time Director for a period of five years commencing from October 1, 2026, till September 30, 2031 and his office is liable to retirement by rotation. His remuneration term is from 01-10-2026 till 30.09.2029.
Remuneration last drawn, if applicable	As Designated Whole Time Director in the Company, he has drawn remuneration during the FY 2025-26 as given below:-

	• Annual Remuneration Rs. 28,56,108/- • Annual Bonus paid during the Year Rs. 1,35,000/- • Annual Incentive Rs. 95,004/- • Leave Encashment Rs. 81,000/- Reimbursement of some expenses actually spent by him in the course of his official functions has been made to him as per Company policy during the year under review
Details of Remuneration sought to be paid	Within the range of Rs. 30 Lakhs to Rs. 50 Lakhs per annum. Further, upon approval of his re-appointment and remuneration by the Members of the Company, he shall be paid the remuneration as already recommended and approved by the Nomination and Remuneration Committee in its meeting held on 24.07.2026 and by the Board of Directors in its meeting held on 12.08.2026 as given below, subject to further revisions/increments in his remuneration as per his terms of appointment:- • Annual Salary, Perquisites and Allowances = Rs. 29,55,756/-. The salary however, will be payable on monthly basis. • Annual Performance Bonus = Rs. 1,37,000/- subject to recommendation of the Managing Director • Leave Encashment = Rs. 82,200/- subject to Company's policy • Performance Incentive = Rs. 95,004/- per annum subject to recommendation of the Managing Director
Qualification	MBA- Marketing, Masters in Commerce and Post Graduate Diploma in Business Management
List of Other Directorships	NIL
Names of Listed Entities in which the person also holds the directorship	No Company other than Paul Merchants Limited
Chairmanship/Membership of the Committees of the Board of Directors of Paul Merchants Ltd	Member - Executive Committee Member - Risk Management Committee
Chairmanship/Membership of the Committees of the Board of Directors of other Companies	NIL
Names of listed entities from which the person has resigned in the past three years	Nil

Membership/Chairmanship of the Committees of listed entities from which the person has resigned in the past three years	NIL
Shareholding in the Company (As on 31/03/2026)	NIL
Shareholding in the Company as a Beneficial Owner (As on 31/03/2026)	NIL
Relationship between directors inter-se and relationship with Manager and other Key Managerial Personnel of the Company:- Sh. Ritesh Vaid is not related to any Director, Manager, or other Key Managerial Personnel (KMP) of the Company.	
No. of Meetings of Board attended during the FY 2025-26	3

Place: Chandigarh
Date: August 12, 2026

By order of the Board of Directors
for **PAUL MERCHANTS LIMITED**

SD/-
HARDAM SINGH
(COMPANY SECRETARY)
FCS-5046
H. No. 2007, Sector 89-C, Mohali
(Pb)-160055

Annexure N-2

The following detailed information as per Part - II of Schedule V is as follows:

I. General information:	
(1) Nature of industry	The Company operates principally in three business verticals Foreign Exchange, Tours & Travels and International Money Transfer.
(2) Date or expected date of commencement of commercial production	The Company is already in existence, doing commercial operations since the year 1984. The Company had been granted Certificate of Commencement on 23rd July, 1984
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable as the Company is already in existence and operating since the year 1984.
4) Financial performance based on given indicators	**STANDALONE BASIS:-**

STANDALONE BASIS:-

PARTICULARS	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**
Total Income (Revenue/Sale of Services)	65,30,04,13,372	33,47,25,01,927	20,86,93,83,139
Earnings before Interest, Depreciation and Tax and exceptional items	39,17,81,563	13,64,04,102	21,75,25,307
Profit from Continued Operations before Tax and exceptional items	35,13,77,157	9,49,94,355	17,60,93,553
Total Profit before Tax after exceptional items	35,13,77,157	8,24,04,355	17,55,93,553
Total Profit after Tax	26,12,47,765	5,90,98,015	13,19,14,170
Total Comprehensive Income	25,91,62,029	5,69,02,108	13,27,04,762

CONSOLIDATED BASIS

PARTICULARS	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**
Total Income (Revenue/Sale of Services)	65,08,56,23,160	33,37,93,16,041	21,14,44,98,729
Earnings before Interest, Depreciation and	11,16,18,561	-4,32,83,075	25,09,76,512

	Tax and exceptional items (from Continued operation)			
	Profit from Continued Operations before Tax and exceptional items	6,24,14,420	-9,78,70,910	18,77,28,430
	Total Profit from continued Operation before Tax after exceptional items	5,93,64,420	-11,04,60,910	18,72,28,430
	Total Profit before Tax(continued operations)	5,93,64,420	-11,04,60,910	18,72,28,430
	Total Profit after Tax(continued operations)	-1,75,37,254	-12,28,67,963	9,08,28,645
	Profit before Tax(discontinued operations)	66,86,52,644	96,21,27,788	3,03,32,77,143
	Total Profit after Tax(discontinued operations)	56,37,93,334	76,12,22,876	2,59,68,69,679
	Share in Profit of JV	-	-	-2,79,961
	Total Profit after Tax(continued and discontinued operations and adj of JV)	54,62,56,080	63,83,54,913	2,68,74,18,364
	Total Comprehensive Income	54,43,56,560	63,67,91,199	2,68,76,62,284
(5) Foreign investments or collaborations, if any.	The share capital of the Company has a fractional shareholding (0.18%) by NRI shareholders as on 31.03.2026.			
II. Information about the appointee:				
(1) Background details	Sh. Ritesh Vaid is 49 years of age and possesses advanced functional expertise in operational management and corporate regulatory frameworks. He has extensive executive experience and has demonstrated exceptional leadership skills, administrative tact, and structural initiative in alignment with the Company's strategic goals and compliance objectives. As a Designated Whole Time Director, he actively leads operational execution and steers the overall compliance systems of the Company. As such, the Board is of the opinion that he will continue to provide immense value addition to the decision making process of the Board, and under his operational leadership, direction, and guidance, the Company will achieve higher benchmarks of regulatory excellence and business growth.			
(2) Past remuneration	His remuneration during FY 2025-26 is as follows:			

	a. Rs. 28,56,108/- paid to him as Salary and Perquisites b. Rs. 1,35,000/- paid to him as Performance Bonus c. Rs. 81,000/- paid to him as Leave Encashment d. Rs. 95,004/- paid to him as Performance linked Incentive Total Annual Remuneration paid to him for the FY 2025-26 is Rs. 31,67,112/-
(3) Recognition or awards	Nil
(4) Job profile and his suitability	Mr. Ritesh Vaid is associated with the Company as Designated Whole Time Director since February 2022. He leads operational execution and steers the overall compliance and regulatory systems of the Company as Designated Whole Time Director of the company. He possesses extensive operational management expertise and a proven track record in regulatory frameworks. He has demonstrated exceptional leadership skills, administrative tact, and structural initiative in conjunction with the Company's goals and objectives. Keeping in view his excellent performance, the Board considers him as the most suitable candidate for the position of Designated Whole Time Director. Keeping in view his excellent performance, contribution towards overall operations and compliance, and on the recommendation of the Nomination and Remuneration Committee and Audit Committee, the Board of Directors of the Company in its meeting held on August 12, 2026, has approved his re-appointment as Designated Whole Time Director of the Company w.e.f. October 1, 2026, for a term till September 30, 2031, on the remuneration as specified in the Resolution set out at Item No. 4 of the Notice. The Board of Directors is of the considered view that under his operational leadership, direction, and guidance, the Company will achieve higher benchmarks of regulatory excellence and business growth.
(5) Remuneration proposed	The Remuneration proposed to be paid to Sh. Ritesh Vaid is as per the details set out in the Special Resolution at Item No. 4 of the Notice.
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	There are no set standards for remuneration in the industry. The executive remuneration in the industry has been increasing significantly in last few years. Keeping in view the type /trends in the industry, size of the Company, the profile and responsibilities shouldered by Mr. Ritesh Vaid, the Board believes that the remuneration proposed to be paid to him as Designated Whole Time Director is appropriate and commensurate with his profile and is comparable with the industry standards. Further the remuneration proposed to be paid to him is in accordance with the Nomination and Remuneration Policy of the

	Company and as per the approval and recommendation of Nomination and Remuneration Committee and the Audit Committee of the Board.
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other Director, if any.	Apart from payment of remuneration to him as Designated Whole time Director, a transaction relating to sale of Travel products was entered into him worth Rs. 12500/- during the FY 2025-26, which was not in the nature of any contract or arrangement and the transaction was in the ordinary course of business of the Company on Arm's length basis on market rates. Apart from this, Mr. Ritesh Vaid had no other pecuniary relationship with the Company during the FY 2025-26. He holds Nil Equity shares in his name in the Share Capital of the Company as on 31.03.2026. Sh. Ritesh Vaid is not related to any Director, Manager or Key Managerial Personnel of the Company.
III. Other information:	
(1) Reasons of loss or inadequate profits	The Company has been a consistent performer for the last almost two decades. However, the profit margins may remain inadequate particularly for the purpose of paying Managerial Remuneration due to some global economic factors, which are critical for Forex and Travel Verticals of the Company.
(2) Steps taken or proposed to be taken for improvement	The Company has deployed comprehensive strategic frameworks aimed at maximizing revenue generation and driving structural cost optimization across all operational tiers to enhance net profitability. To mitigate external dependencies, the management is actively focusing on geographic risk diversification and high margin product expansion. In line with this strategy, the Company launched the "Paul Merchants Global Currency Card" on October 7, 2025. This *Prepaid Multi-Currency Forex Card* is specifically engineered for the international market, offering global validity across all major nations (excluding Nepal, Bhutan, and CIS countries). This product launch significantly strengthens the Company's competitive edge in the forex vertical. Furthermore, while social, economic, and political dynamics are expected to stabilize in traditional overseas student remittance corridors, the Company is proactively exploring, onboarding, and capitalizing on these emerging international pathways. The scaling of this new digital prepaid card product, coupled with targeted corridor expansion and robust technology delivery, is strongly positioned to optimize cross border transaction volumes, secure higher operating margins, and substantially boost the Company's revenue earning capabilities.
(3) Expected increase in productivity and profits in measurable terms	The strategic objective and core focus of the Board of Directors is to continuously elevate the operational scale of the Company's Foreign Exchange (AD Cat-II) and Travel Divisions. Towards achieving this milestone, the management has already

	successfully executed a definitive corporate roadmap. Backed by a structurally re-engineered business model, target optimization of human capital, right sizing of the branch networks, and the revenue momentum generated by the newly launched Paul Merchants Global Currency Card, the Company expects to organically expand its productivity benchmarks. Consequently, the Company projects a measurable increase in overall profitability for the Financial Year 2026-27 in the vicinity of 10% to 15%.
IV. Disclosures:	The disclosures required to be made under this head, namely all elements of the remuneration package of all the Directors such as salary, benefits, bonuses, stock options and pension, the details of the fixed component and performance linked incentives along with the performance criteria, the service contracts, notice period and severance fees, and the stock option details, if any, including whether the same have been issued at a discount and the period over which they accrue and over which they are exercisable, are set out under the head "Remuneration of Directors" in the Report on Corporate Governance, annexed as **Annexure D-9** to the Directors' Report and forming part of the Annual Report of the Company for the Financial Year 2025-26.

Place: Chandigarh
Date: August 12, 2026

By order of the Board of Directors
for **PAUL MERCHANTS LIMITED**

SD/-
HARDAM SINGH
(COMPANY SECRETARY)
FCS-5046
H. No. 2007, Sector 89-C, Mohali
(Pb)-160055

Annexure N-3

RAJIV GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS
S.C.O. 823-24, FF, Sector 22A, Chandigarh, Phone: 0172-4644607

Email: rgaca91@gmail.com
Web: www.rgaca.org

CERTIFICATE

We, Rajiv Goel and Associates, Chartered Accountants, Firm Registration No. 011106N, Statutory Auditors of Paul Merchants Limited (PML), have been requested to examine and certify whether Remuneration proposed to be paid to **Mr. Ritesh Vaid (DIN: 09433856)**, as Designated Whole Time Director of the Company, Paul Merchants Limited, w.e.f. 01-10-2026 subject to the approval of Shareholders, as proposed to be placed before the Nomination and Remuneration Committee, Audit Committee and Board of Director of the Company, is on an Arm's Length Basis, in accordance with the provisions of Section 188 read with Section 177 of the Companies Act, 2013 and applicable rules made thereunder, and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the information, explanations, and confirmations provided to us, we are of the opinion that the following Remuneration proposed to be paid to **Mr. Ritesh Vaid (DIN: 09433856)**, as Designated Whole Time Director of the Company, Paul Merchants Limited, w.e.f. 01-10-2026 subject to the approval of Shareholders, on the Terms and Conditions as described below, is fair and at Arm's Length:-

REMUNERATION:

a. Annual Remuneration within the range of Rs. 30.00 Lakhs to Rs. 50.00 Lakhs
b. Benefits:- Annual Performance Bonus within the above range, as decided by Nomination and Remuneration Committee of the Board.
c. Other Benefits:- Leave Encashment within the above range as per the Company's Policy and Gratuity as per Payment of Gratuity Act;
d. Performance Linked Incentive:- Performance Linked Incentive within the above range, as decided by the Managing Director;
e. No other benefits, stock options, pension etc. will be payable to him during his term.
f. Service Contract period:- From 01-10-2026 till 30.09.2031;
g. Remuneration period :- From 01-10-2026 till 30.09.2029
h. Notice period for resignation or termination from service:- Three Months' notice or equivalent remuneration for short notice.
i. Severance Fee:- No severance fee is payable;
j. Fixed Component: Fixed component is his salary;

k. Increment **:-** An increment in remuneration may be given to him by the Managing Director of the Company as per the recommendation of the Nomination and Remuneration Committee, subject however, that the total annual remuneration shall remain within the range of Rs. 30.00 Lakhs to Rs. 50.00 Lakhs only.
l. The Nomination and Remuneration Committee may allow him an advance against salary up to an amount equal to his six months' net salary, in accordance with the Company's policy, as amended from time to time
m. Expenses incurred by him in the discharge of his official duties shall be reimbursed in accordance with the Company's policy

ADDITIONAL TERMS AND CONDITIONS:

a. In the event of absence or inadequacy of profits in any financial year, Sh. Ritesh Vaid (DIN: 09433856) will be paid the Remuneration as specified above, subject to compliance with the applicable provisions of the Act and Schedule V to the Act
b. The above remuneration of Mr. Ritesh Vaid (DIN: 09433856) shall be subject to Section 197 and other relevant Sections and Rules under the Companies Act, 2013 and the payment of Remuneration as above to Mr. Ritesh Vaid (DIN: 09433856), Designated Whole Time Director shall be irrespective of amount of profits of the Company computed under section 198 of the Companies Act, 2013
c. the payment of remuneration to Sh. Ritesh Vaid as approved herein shall not affect the remuneration payable to any other Whole Time Director of the Company, subject to compliance with Section 197, Schedule V and other applicable provisions of the Companies Act, 2013.

For Rajiv Goel And Associates
Chartered Accountants
Firm Reg. No- 011106N

DATE: 17.07.2026
PLACE: Chandigarh

Sd/-
CA HEMANI GARG
(PARTNER)
M.NO.549610
UDIN: 26549610SWPUYF6925

DIRECTORS' REPORT

Your Directors have pleasure in presenting before you their 42nd Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2026.

FINANCIAL SUMMARY/HIGHLIGHTS

The financial summary of the Company for the year under review, based on the standalone financial statements of the company, is given below for your consideration:-

PARTICULARS	FY 2025-26 (Amount in Rs. Lakhs)	FY 2024-25 (Amount in Rs. Lakhs)
Gross Income	2,08,693.83	3,34,725.02
Profit Before Interest and Depreciation	2,175.25	1,364.04
Interest	37.97	93.33
Profit after Interest before Depreciation	2,137.29	1,270.70
Provision for Depreciation	376.35	320.76
Exceptional Items	5.00	125.90
Net Profit Before Tax	1,755.94	824.04
Provision for Tax	420.84	234.50
Deferred Tax	15.96	-1.44
Net Profit After Tax	1,319.14	590.98
Other Comprehensive Income/(Loss) (net of tax)	7.91	-21.96
Total Comprehensive Income (net of tax)	1,327.05	569.02
Transferred to Reserves and Surplus	1,327.05	569.02
Reserves and Surplus	49,214.06	47,887.01
Proposed Dividend on Equity Shares	Nil	Nil

For further details, kindly refer to the Financial Statements and Management Discussion & Analysis Report annexed as **Annexure D-3**, which forms part of this report.

STATE OF COMPANY'S AFFAIRS/ BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/HIGHLIGHTS/OPERATIONS IN TERMS OF SECTION 134 (3)(i) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(5)(I) OF THE COMPANIES (ACCOUNTS) RULES, 2014

The Company operates principally in three business verticals, Foreign Exchange, Tours & Travels and International Money Transfer. During the year under review, Gross revenue from Foreign Exchange Services stood at Rs. 2039.75 Crores, Service Charges on Foreign Exchange Services stood at Rs. 1.71 crores. In Tours & Travel Segment, Turnover from Hotel Bookings & Packages stood at Rs. 3.04 crores and

Revenue from other activities in the said segment stood at Rs. 2.10 crores. Other operating revenues stood at Rs. 9.31 Crores, which includes Gross revenue from International Money Transfer of Rs. 24.58 Lakhs. The Profit before tax stood at Rs. 17.56 Crores and Profit after tax stood at Rs. 13.19 crores after adjusting for deferred Tax. For further details, kindly refer to the Financial Statements, Management Discussion & Analysis Report annexed as **Annexure D-3.**

Launch of the Paul Merchants Global Currency Card:- On October 7, 2025, the Company officially launched its Paul Merchants Global Currency Card, a forex product developed in a strategic partnership with Mastercard and Pine Labs. This product launch serves as a core pillar of the Company's business re-engineering strategy to drive non-cyclical revenue growth and optimize operating margins.

Product Specifications & Market Position:-

- Category: Prepaid Multi-Currency Forex Card.
- Target Segment: International market (overseas students, corporate executives, and leisure travellers).
- Geographic Validity: Globally operational across all major countries, excluding standard currency-restricted zones (Nepal, Bhutan, and CIS countries).
- Core Mechanism: Supports nine major global currencies on a single card, hedging users against spot-rate volatility and reducing reliance on physical currency.

Operational Impact: By utilizing Mastercard's global network and Pine Labs' processing infrastructure, the card ensures robust compliance security for the Company as an Authorized Dealer Category-II entity. This digital asset expands cross-border transaction volumes, secures stable fee-based revenue, and is projected to boost the Forex division's profitability for FY 2026-27.

Withdrawal of Credit Rating:- On February 19, 2026, Infomerics Valuation and Rating Limited downgraded and simultaneously withdrawn the credit ratings assigned to the total bank facilities of Paul Merchants Limited (PML).

Key Rationale & Terms of Withdrawal

- Voluntary Request: The withdrawal was initiated at the formal request of the Company.
- Bank Consent: In line with regulatory compliance, PML successfully secured and submitted the mandatory 'No Objection Certificate' (NOC) and 'No Dues Certificate' from its lending banking institutions for the sanctioned, outstanding bank facilities.
- Proposed Facilities: The rating assigned to the proposed long-term/short-term facilities was also withdrawn based on formal confirmation by PML that the Company is not going ahead with raising these loans as originally envisaged

Slump Sale of Gold Loan Business Undertaking of the wholly owned subsidiary, Paul Merchants Finance Private Limited (PMFPL):-

The Board of Directors of Paul Merchants Limited and its material wholly owned subsidiary, Paul Merchants Finance Private Limited (PMFPL), approved the transfer of PMFPL's Gold Loan Business to L&T Finance Limited (Acquirer) via a slump sale on a going concern basis through a Business Transfer Agreement (BTA) dated February 7, 2025. The transfer of the undertaking was successfully executed on June 9, 2025, triggering a first tranche lump sum purchase consideration of Rs. 660.64 Crores. Out of this initial amount, the Acquirer retained Rs. 25 Crores to be released under agreed timelines, and PMFPL received the remaining balance. Subsequently, the second-tranche consideration was determined to be Rs. 77,49,26,164/-, of which Rs. 15 Crore was designated as a retained amount under the BTA. An additional sum of Rs. 1,21,22,776/- was temporarily kept in abeyance by the Acquirer pending a legal and tax opinion regarding depreciation treatment, allowing PMFPL to receive a balance of Rs. 61,28,03,388/- during that review quarter. The transaction reached its absolute structural conclusion during the last quarter of FY 2025-26 when all outstanding consideration components receivable under the BTA were completely settled. The final adjustments against the retained funds were crystallized, accounting for a Rs. 2,90,217/- deduction due to a gold audit and the resolution of the Rs. 1,21,22,776/- depreciation adjustment previously held in abeyance. Accordingly, PMFPL successfully received a net sum of Rs. 13,61,33,435/- during the last quarter of the FY 2025-26, with the final remaining balance of Rs. 14,53,572/- being paid shortly thereafter on April 7, 2026.

Re-grouping of Share Premium:-

During the year, the Management reviewed the historical presentation in the consolidated financial statements relating to its wholly owned subsidiary, Paul Merchants Finance Private Limited. Upon review & in accordance with the principles of applicable Ind AS, certain regrouping and streamlining in classification of Securities Premium account have been made. Consequently, an amount of Rs. 75,44,67,882/- pertaining to shares of the said subsidiary that were ultimately acquired by the Holding Company and had been retained in the consolidated financial statements in the previous years specifically financial years 2017-18 and 2018-19 in the Securities Premium account in the consolidated financials, has been retrospectively reclassified from the Securities Premium account to the General Reserve account within Other Equity. This adjustment ensures an appropriate presentation of the reserves & securities premium at the consolidated group level. As both components i.e. Securities premium & General reserves form part of the Group's 'Other Equity', this retrospective reclassification is entirely neutral and carries no impact on total equity, net assets, net worth, operational profitability, other comprehensive income, or basic and diluted earnings per share for the current or any of the preceding financial years presented in these consolidated financial statements. Further, this has no impact on the standalone financial statements of the parent or the subsidiary company. To maintain comparability as per applicable IND AS, the opening balances as at April 1, 2024, and the comparative figures for the year ended March 31, 2025, have also been retrospectively restated to reflect this change as detailed below:-

Particulars	As at 31st March 2026	As at 31st March 2025	As at 1st April 2024
A. Securities Premium Account *			
Opening Balance	-	-	-
Add : Securities premium credited on Share issue	-	-	-
Less : Premium Utilized for Bonus issue	-	-	-
Less : Premium transferred to Reserve	-	-	-
Total	-	-	-
Less : Non-Controlling Interest	-	-	-
Closing Balance	-	-	-
B. Statutory Reserve			
Opening Balance	2,262.74	2,262.74	2,262.74
(+) Current Year Transfer	6,596.65	-	-
Total	8,859.39	2,262.74	2,262.74
Less : Non Controlling Interest	-	-	-
	8,859.39	2,262.74	2,262.74
C. Impairment Reserve			
Opening Balance	573.48	121.48	121.48
(+) Current Year Transfer	45.21	452.00	-
(-) Amount withdrawn during the year pursuant to approval from RBI	(547.12)		
Total	71.57	573.48	121.48
Less : Non Controlling Interest	-	-	-
	71.57	573.48	121.48
D. Reserve and Surplus *			
Opening Balance	59,743.45	53,827.53	53,827.53
(+) Profit for Current Year	26,874.18	6,383.55	-
(-) Utilized for Right Issue Expense	(37.50)	-	
(-) Utilized for Bonus Issue			-
Other Comprehensive Income (net of tax)	2.44	(15.64)	-
Less: Transferred to Statutory Reserves	(6,596.65)	-	-
Less: Transferred to Impairment Reserves	(45.21)	(452.00)	-
Add: Transfer from Impairment Reserve pursuant to approval of RBI	547.12		
Add: Security Premium transferred to Reserve	-		
Add/(Less) : Non Controlling Interest	0.03	-	
Closing Balance	80,487.86	59,743.45	53,827.53

Other Equity Attributable to Owners	89,418.81	62,579.66	56,211.75
NON CONTROLLING INTEREST			
Opening balance of Non Controlling Interest	-	-	
Add: Investment during the period	80.00	-	
Add: Interest on Capital	1.71		
Add/(Less): Profit/(Loss) for the period	(0.03)	-	
Closing Balance	81.68	-	
Total Other Equity	89,500.49	62,579.66	56,211.75

ANNUAL RETURN

In terms of Section 134 (3)(a) of the Companies Act, 2013 (hereinafter to be referred to as Act) the Annual Return as referred to in sub section (3) of Section 92 is available on the weblink https://www.paulmerchants.net/annual-return-2025-26/

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

The information in terms of Section 134(3)(b) of the Act is given below:-

During the Financial year 2025-26, 4 (Four) Board Meetings were held. The dates on which the Board Meetings were held are 26/05/2025, 13/08/2025, 12/11/2025 and 12/02/2026. Further details as required under Part C of Schedule V to the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the Corporate Governance Report, which is annexed as **Annexure D-9**, forming part of this Report.

Further, in terms Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 1 (One) meeting of the Independent Directors was held on 12.02.2026.

DIRECTORS' RESPONSIBILITY STATEMENT:-

Pursuant to Section 134 (3) (c) read over with Section 134 (5) of the Companies Act, 2013, your Directors confirm that:-

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding

the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(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.

FRAUDS REPORTED BY AUDITORS

In terms of Section 134 (3)(ca) of the Act, there are no frauds reported by auditors under sub-section (12) of Section 143. Further, there are no frauds reported by auditors to the Central Government.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB SECTION 6 OF SECTION 149 OF THE COMPANIES ACT, 2013

It is hereby stated in terms of Section 134 (3)(d) of the Act, that all Independent Directors of the Company have given declarations that they meet the criteria of Independence as laid down under Section 149 (6) of the Companies Act, 2013 read over with Regulation 16(1)(b) and 25(8) of Listing Regulations. They have also given a declaration that their respective names have already been included in the data bank maintained by the Indian Institute of Corporate Affairs, Manesar and as such they are in compliance of sub-rule (1) and sub-rule (2) of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

POLICY ON DIRECTORS' APPOINTMENT AND POLICY ON REMUNERATION

Pursuant to the requirement under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board Members including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, KMPs and other employees is attached as **Annexure D-1** as Nomination and Remuneration Policy, which forms part of this report.

EXPLANATIONS OR COMMENTS BY THE BOARD IN TERMS OF SECTION 134(3)(f) ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE:-

(i) by the Auditor in his report:-

M/s RAJIV GOEL & ASSOCIATES (Firm Regn. No. 011106N), Chartered Accountants, Chandigarh, were appointed as Statutory Auditors of the Company at the 41st Annual General Meeting held on 19th September, 2025 for a term of five consecutive years. The Auditors' Report being self-explanatory, requires no comments from the Directors. Further, there are no reservations, qualifications, disclaimers, adverse remarks or Modified opinion in the Audit Reports issued by them in respect of

Standalone as well as Consolidated Financial Statements of the Company for the Financial Year 2025-26.

(ii) <u>by the Company Secretary in practice in his Secretarial Audit Report:-</u>

M/s Anil Negi & Company, Company Secretary in practice having CP no. 17213 and Membership no. 46547 was appointed by the Board of Directors as Secretarial Auditor of the Company for a term of Five (5) consecutive years, commencing from the Financial Year 2025-26 till Financial Year 2029-30 pursuant to Section 204 of the Companies Act, 2013 and Regulation 24A other applicable Regulations, if any, of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the 41st Annual General Meeting of the Company, he was appointed for a term of five consecutive years. The Secretarial Audit Report submitted by them in the prescribed form MR-3 is annexed as **<u>Annexure D-2</u>** and forms part of this report. There are no qualifications, reservations, adverse remarks or disclaimer by the Secretarial Auditor in the Report issued by them for the financial year 2025-26 which call for any explanation from the Board of Directors.

Further, there is one material unlisted subsidiary of the Company M/s Paul Merchants Finance (Pvt) Limited during the Financial Year under review. As such, Secretarial Audit Report of the said material unlisted subsidiary has also been annexed to this Report as **<u>Annexure D-2A</u>** in compliance with Regulation 24A of Listing Regulations. There are no qualifications, reservations, adverse remarks or disclaimer by the Secretarial Auditor in the Report issued by him for the financial year 2025-26 which call for any explanation from the Board of Directors.

<u>PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013</u>

Pursuant to Section 134(3)(g) of the Act, particulars of Loans, Guarantees, Securities and Investments under Section 186 of the Act made during the Financial Year 2025-26 are attached as **<u>Annexure D-4</u>** which forms part of this report. Further reference in this regard can be made to Note 2, 3, 7, 10, 11 and 39 to the Standalone Financial Statements for further details.

<u>PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013</u>

With reference to Section 134(3)(h) of the Act read over with Rule 8(2) of the Companies (Accounts) Rules, 2014, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year were on an arm's length basis and in the ordinary course of business. In the opinion of the Board, these transactions were justified to be executed because all the transactions had been entered into in the ordinary course of business of the Company in the furtherance of the business objectives. All the said transactions were done with prior approval of the Audit Committee and the Board as required under the relevant Statutes. The transactions entered into pursuant to the omnibus approval of the Audit Committee were also placed every quarter before the Audit Committee for its review.

All the said transactions do not attract the provisions of Section 188 of the Companies Act, 2013 and as such, though not required under the said Section, the details of these transactions have been given in Form AOC-2 on voluntary basis as a matter of good corporate governance, annexed as **Annexure D-5**, which forms part of this report. Pursuant to Regulation 23(9) of the Listing Regulations, your Company has also duly filed the reports on related party transactions with the Stock Exchange BSE Ltd., duly within the dates prescribed under the said Regulation.

During the year under review, the Company has not entered into any contract or arrangement with related parties which could be considered 'material' within the meaning of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and according to the policy of the Company on Materiality of Related Party Transactions. Your attention is also drawn to the Related Party disclosures set out in Note no. 42 of the standalone Financial Statements for further details, forming part of this Annual Report.

During the year under review, the details of transaction(s) of your Company with entity(ies) belonging to the promoter/promoter group which hold(s) more than 10% shareholding in the Company as required under para A of Schedule V of the Listing Regulations are NIL, as there is no such entity. Further, the details of transactions with persons belonging to the promoter/promoter group who hold(s) more than 10% shareholding in the Company, have been included in form AOC-2, annexed as **Annexure D-5** to this Report.

During the year under review, the Board of Directors approved an increase in the remuneration payable to Mr. Hardik Bansal who is son of Mr. Rajneesh Bansal, Managing Director of the Company, and who was holding the position of Law Officer of the Company (a related party holding an office or place of profit in the Company), with effect from July 1, 2025, pursuant to Section 188(1)(f) of the Companies Act, 2013 read with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This approval was based on the recommendation of the Nomination and Remuneration Committee and Audit Committee and was in accordance with the Company's remuneration policy, considering his performance, experience, and contributions to the Company's legal and compliance functions. The increase primarily involved the introduction of the National Pension Scheme (NPS) component, resulting in a slight overall enhancement in the total annual remuneration by Rs. 30,518/-. His services since have been transferred to the Wholly Owned subsidiary company Paul Merchants Finance (P) Ltd w.e.f. 01.08.2025, where he resigned w.e.f. 30.06.2026.

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2025/08/POLICY-ON-RELATED-PARTY-TRANSACTIONS-01.09.2025.pdf

TRANSFER TO RESERVES:-

Entire amount of Net Profit of Rs. 13.19 Crores and Other Comprehensive Income of Rs. 7.91 Lakhs for the year has been transferred to the Reserves under the head "Other Equity" in the Balance Sheet. No amount has been transferred or proposed to be transferred to any other reserves.

DIVIDEND:-

Your Directors have decided to reinvest the earnings in the growth of business and for this reason, have decided to not to recommend any amount for declaration of Dividend for the year under review. Hence, information required in terms of Section 134(3)(k) of the Act is Nil. The provisions regarding formulation of Dividend Distribution Policy were not applicable to the company during the FY 2025-26 in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which require the top 1000 listed entities based on market capitalisation to formulate a Dividend Distribution Policy, as the Company did not fall within the top 1000 listed entities in terms of the list prepared by the BSE Limited under Regulation 3(2) of the said Regulations.

MATERIAL CHANGES AND COMMITMENTS

The Reserve Bank of India approved Company's application dated July 22, 2026 for renewal-cum-amendment of its Authorised Dealer Category-II (AD Category-II) Licence on 31.07.2026 and on 03.08.2026, the RBI granted a perpetual Authorised Dealer Category-II License to the Company under the Foreign Exchange Management (Authorised Persons) Regulations, 2026. Further details in this regard have been given under the Management Discussion and Analysis Report, which is annexed as **Annexure D-3** to the Directors' Report.

There are no other material changes or commitments, affecting the financial position of the Company happening between the end of the Financial Year 2025-26, to which the Financial Statements relate and date of this Report. Hence, information as required in terms of Section 134(3)(l) of the Act is Nil.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The requisite information in terms of Section 134(3)(m) of the Act read over with Rule 8(3) of Companies (Accounts) Rules, 2014 has been given as per **Annexure D-6**, annexed to this Report.

STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY IN TERMS OF SECTION 134(3)(n) OF THE ACT

The Company has established a comprehensive Risk Management Policy in accordance with the Companies Act, 2013 and Regulation 17(9)(b) of the Listing Regulations. The Policy outlines a structured approach to identifying, assessing, and mitigating risks that may impact the Company's operations or threaten its existence. It promotes a proactive risk-aware culture across all levels of the organization. The Board of Directors periodically reviews the Risk Management Policy, monitors critical risks, and issues necessary directives to the Management and the Risk Management Committee. Though not covered under Regulation 21(5), the Company has voluntarily constituted a Risk Management Committee comprising Board members and senior management, which oversees the risk management framework and its implementation. Risks are categorized as High, Medium or Low, and appropriate control systems are in place for their mitigation. The Policy also emphasizes safeguarding the Company's human, financial, and physical assets with minimal disruption and cost. Regular updates and reviews ensure continued relevance and effectiveness of the risk mitigation strategies.

THE DETAILS ABOUT THE POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR IN TERMS OF SECTION 134(3)(o) OF THE ACT:-

The details about the policy developed and implemented by the Company on Corporate Social Responsibility initiatives taken during the year under review in the form of CSR Policy is available on the website of the Company at https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2022/07/CSR-Policy.pdf. During the financial year 2025-26, the Company has undertaken various Corporate Social Responsibility initiatives in accordance with the CSR Policy of the Company and Schedule VII to the Companies Act, 2013. The Annual Report on CSR activities undertaken by the Company during the year under review is furnished in **Annexure D-7**, which forms part of this report. Further, in terms of Section 135 of the Companies Act, 2013, the Company has a duly constituted CSR Committee of the Board and the said Committee had following composition as on March 31, 2026**:-**

1	Sh. Sat Paul Bansal	Non-Executive Non Independent Director, Chairman
2	Sh. Rajneesh Bansal	Managing Director, Member
3	Sh. Bhupinder Singh	Non-Executive Independent Director, Member
4	Sh. Hardam Singh	Company Secretary, Secretary to the Committee

Other details of the CSR Committee and CSR Policy is furnished in the Report on Corporate Governance, which is annexed as **Annexure D-9** to this report.

A STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS HAS BEEN MADE IN TERMS OF SECTION 134(3)(p) OF THE ACT READ OVER WITH RULE 8(4) OF THE COMPANIES (ACCOUNTS) RULES, 2014:-

Pursuant to the applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has put in place a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of Directors of the Company, its Committees and Individual Directors, including Independent Directors. Accordingly, following is the criteria for evaluation:-

a. **Criteria for evaluation of the Board of Directors as a whole:**
   (i) The Frequency of Meetings
   (ii) Quantum of Agenda
   (iii) Administration of Meetings
   (iv) Flow and quantity of Information from the Management to the Board
   (v) Number of Committees and their role.
   (vi) Overall performance of the Company

b. **Criteria for evaluation of the Board Committees:**
   (i) The Frequency of Meetings
   (ii) Quantum of Agenda
   (iii) Administration of Meetings
   (iv) Flow and quantity of Information from the Management to the Committee
   (v) Role of Committees.
   (vi) Contribution to the decision making process of the Board.

c. **Criteria for evaluation of the Individual Directors including Independent Directors;**
   (i) Experience and ability to contribute to the decision making process
   (ii) Problem solving approach and guidance to the Management
   (iii) Attendance and Participation in the Meetings
   (iv) Personal competencies as per Chart given in the Nomination and Remuneration Policy and contribution to strategy formulation
   (v) Contribution towards statutory compliances, monitoring of controls and Corporate Governance
   (vi) The evaluation of independent directors shall be done by the entire board of directors which shall include:-
      (a) Performance of the directors; and
      (b) fulfillment of the independence criteria as specified in the Companies Act, 2013 and Listing Regulations and their independence from the management:

      Provided that in the above evaluation, the directors who are subject to evaluation shall not participate

   The performance evaluation of all the Independent Directors shall be done by the entire Board and while doing so, the Director subject to evaluation shall not participate. On the basis of performance evaluation done by the Board, it will be determined whether to extend or continue their term of appointment, whenever their respective term expires.

Accordingly, for the FY 2025-26, the annual performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors has been carried by the Board in its Meeting held on 27-05-2026 in terms of the provisions of Section 134 (3) (p) of the Companies Act, 2013 read over with Rule

8(4) of Companies (Accounts) Rules, 2014 and also in terms of Regulation 17(10) of the Listing Regulations as per above criteria and the Board expresses its satisfaction over the performance of the Board of Directors of the Company, its Committees and Individual Directors, including Independent Directors. The performance evaluation of all the Independent Directors have been done by the entire Board and while doing so, the Director subject to evaluation had not participated. On the basis of performance evaluation done by the Board, it has been determined whether to extend or continue the term of appointment of concerned directors, whose term was due to expire during the year under review.

The Independent Directors had met separately on 12-02-2026 without the presence of Non-Independent Directors and the members of management, except the Company Secretary of the Company who was present in the meeting for the purpose of coordination. In the said Meeting, the Independent Directors discussed, inter-alia, the performance of non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors.

The Nomination and Remuneration Committee has also carried out evaluation of performance of every Director, performance of the entire Board of the Company as a whole and all its Committees in its meeting held on 08-05-2026 as per above mentioned criteria.

The Board of Directors express their satisfaction over the evaluation process.

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES/ASSOCIATES/JOINT VENTURES AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY DURING THE FINANCIAL YEAR UNDER REVIEW

The information in terms of Rule 8 (1) of Companies (Accounts) Rules is given below:-

The Company has three Wholly Owned Subsidiaries namely:-

a. Paul Merchants Finance Private Ltd., which was engaged in the business of Gold Loans, Business/personal loans, distribution of Insurance products and PPI Instruments, sold its Gold Loans vertical w.e.f. 09/06/2025 and now is in the business of Loan Against Property (LAP), Large Corporate Lending, Vehicle Loans, Direct Assignment (DA) of Loans, Co-lending Partnerships, Loan Against Securities (LAS), Loan Against Silver, and other financial products as permitted in terms of applicable RBI Regulations.

b. Paul Merchants Realtors Private Ltd., is engaged in buying and selling of Real Estate Properties.

c. Paul Infotech Private Limited, which was incorporated for undertaking the activities of information technology services and solutions, has not undertaken any commercial operations in the FY 2025-26.

During the FY 2025-26, the Wholly Owned Subsidiary Company Paul Merchants Finance (Private) Ltd. achieved gross revenue (including discontinued operations) of Rs. 381.56 crores as against previous year figures of Rs. 220.66 crores registering a growth of 72.92% over previous year. Further, the said Subsidiary Company achieved a Net profit after Tax of Rs. 269.24 crores as against the previous year figures of Rs. 57.06 crores. It is important to note here that the gross revenue includes revenue from gold loan division, which has been sold by the said WOS to L&T Finance Limited on 09/06/2025 and Net profit after Tax also includes Long term capital gain on transfer of gold loan business undertaking by way of slump sale during the year under review.

On 30.06.2026, Paul Merchants Finance (Private) Ltd was reclassified by the Reserve Bank of India from a Middle Layer Non Banking Financial Company (NBFC-ML) to a Base Layer Non Banking Financial Company (NBFC-BL), as the asset size of the said Company, as per its latest audited balance sheet as at 31 March 2026, stood below Rs.1,000 crore.

The name of the Wholly Owned Subsidiary Company PML Realtors Private Limited was changed to Paul Merchants Realtors Private Ltd. on 18.11.2025. The said WOS, during the FY 2025-26, on consolidated basis, achieved total income of Rs 10.39 crores as against previous year figure of Rs. 6.27 crores. Further, the said Subsidiary Company achieved Net Profit after Tax of Rs. 2.03 crores as against previous year figures of Rs. 0.87 crores registering an increase in profit of 133.33 % over previous year.

During the FY 2025-26, on standalone basis, The Company Paul Merchants Realtors (Private) Ltd (Earlier Known as PML Realtors Private Limited) achieved total income of Rs. 10.75 Crores as against previous year figure of Rs. 6.27 crores. Further, the company achieved Net Profit after Tax of Rs. 2.00 Crores as against previous year figures of Rs. 0.87 Crores registering an increase in Profit of 129.44 % over a previous year.

Paul Landscape Realtors LLP, in which 95% investment is held by Paul Merchants Realtors (Private) Ltd

During the FY 2025-26, Paul Landscape Realtors LLP achieved gross revenue of Rs. 0.15 Lakhs. Further, the said LLP has incurred Net loss of Rs. 0.56 Lakhs. The share of loss of Paul Landscape Realtors LLP amounting of Rs. 0.53 Lakhs has been accounted for in the Standalone Financial Statements of Paul Merchants Realtors (Private) Ltd.

SSBRO Infra Surge in which 33.33% investment is held by Paul Merchants Realtors (Private) Ltd

During the FY 2025-26, M/s SSBRO Infra Surge LLP achieved gross revenue of Rs. 20.86 Lakhs. Further, the said LLP has incurred Net loss of Rs. 8.40 Lakhs. The share of loss of M/s SSBRO Infra Surge LLP amounting of Rs. 2.80 Lakhs has been accounted for in the Consolidated Financial Statements of Paul Merchants Realtors (Private) Ltd.

The Wholly Owned Subsidiary Company Paul Infotech Private Limited has not undertaken any commercial operations in the FY 2025-26. Gross revenue pertaining to accrued Interest on Fixed Deposits, Unrealized gain on Mutual fund and Income Tax refund was Rs.0.15 Lakhs. The expenses incurred during the year was Rs. 2.53 Lakhs.

On a consolidated basis, the revenue from continued operations for FY 2025-26 was Rs. 2073.63 crore registering decline of 37.82 % over the previous year's revenue of Rs. 3334.68 crore. The consolidated profit after tax (PAT-including profit after tax from discontinued operations and share of profit (loss) of associates) attributable to shareholders and non-controlling interests for FY 2025-26 was Rs.268.74 Crore as against the previous year figures of Rs. 63.84 Crore, registering a growth of 320.96 %. The contribution by each Subsidiary to the overall performance of the company during the period under report is detailed below:-

Name of the Company	**Share in profit or loss for the year ending 31st March 2026**		**Share in profit or loss for the year ending 31st March 2025**	
	As %age of consolidated profit or loss	**Amount (Rs in lakhs)**	**As %age of consolidated profit or loss**	**Amount (Rs in lakhs)**
Paul Merchants Limited	4.63%	1,319.14	9.26%	590.98
Subsidiary Companies:-				
Paul Merchants Finance Private Limited	94.67%	26,923.85	89.39%	5706.26
Paul Merchants Realtors Private Limited	0.71%	202.99	1.37%	87.17
Paul Infotech Private Limited	-0.01%	(2.38)	-0.02%	-0.86
SSBRO INFRASURGE LLP - Joint Venture of the WOS Paul Merchants Realtors Private Limited (Investment as per Equity Method):-				
SSBRO INFRASURGE LLP (in which 33.33% profit sharing interest is held by wholly owned subsidiary Paul Merchants Realtors Private Limited	0%	(2.80)	Nil	Nil
TOTAL	**100%**	**28,440.80**		6383.55
Adjustments arising out of consolidation	Nil	(1,566.62)	Nil	Nil
TOTAL		**26,874.18**		**6383.55**

Paul Landscape Realtors LLP - Joint Venture of the WOS Paul Merchants Realtors Private Limited (Investment as per Equity Method):-				
Paul Landscape Realtors LLP (in which 95% profit sharing interest is held by wholly owned subsidiary Paul Merchants Realtors Private Limited	0%	(0.53)	NA	NA

Report on the performance and financial position of the Subsidiary Companies and Joint Venture Company in the specified format AOC-1 is annexed to the Directors' Report as **Annexure D-12.**

CHANGE IN THE NATURE OF COMPANY'S BUSINESS, IF ANY

There is no change in the nature of Company's business, during the year under review. Hence, information required in terms of Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is nil.

FAILURE TO IMPLEMENT ANY CORPORATE ACTION

There were no instances during the year under review, or thereafter up to the date of this Report, where the Company failed to implement any corporate action within the time limit specified in that behalf.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR UNDER REVIEW, IN TERMS OF RULE 8(5)(iii) OF THE COMPANIES (ACCOUNTS) RULES, 2014

DIRECTORS

Sh. Sat Paul Bansal (DIN 00077499), who was liable to retire by rotation, was re-appointed as Non-Executive Non-Independent Director and Chairman of the Company by the Shareholders in their Annual General Meeting (AGM) held on 19.09.2025. He was also reappointed as Director by the shareholders in the same AGM by way of special resolution in compliance with the provisions of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on account of his age exceeding 75 years.

Sh. Rajneesh Bansal (DIN 00077230) was reappointed by the shareholders as Managing Director in their Annual General Meeting (AGM) held on 26.09.2024 for a period of Five years, and the said reappointment came into effect w.e.f. 01.04.2025.

Sh. Inder Sain Negi (DIN 08947230) was reappointed by the shareholders in their Annual General Meeting (AGM) held on 19.09.2025 by way of Special Resolution, as

Independent Director for a second successive term commencing from November 01, 2025 and ending on October 31, 2030 for a period of Five years.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Sh. Ritesh Vaid (DIN 09433856), Director of the Company is liable to retire by rotation in the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Further, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee and Audit Committee, proposes the re-appointment of Sh. Ritesh Vaid (DIN: 09433856) as Designated Whole Time Director of the Company for a term of five (5) years with effect from October 1, 2026, ending on September 30, 2031, liable to retire by rotation, subject to the approval of the members by way of a Special Resolution at the ensuing Annual General Meeting as set out in Item No. 4 of the Notice. His annual remuneration range is proposed to be approved from Rs. 30.00 Lakhs to Rs. 50.00 Lakhs, with his remuneration period proposed to be approved for a period of three years running from October 1, 2026 till September 30, 2029.

The Brief profile and other details relating to the Directors who are proposed to be appointed/re-appointed in the ensuing Annual General Meeting of the Company, as required to be disclosed under Regulation 36 of the Listing Regulations and as per Secretarial Standards-2, forms part of the Notice of Annual General Meeting.

KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 as on 31/03/2026 are as follows:-

Sh. Rajneesh Bansal	Managing Director
Ms. Sakshi	Chief Financial Officer
Sh. Hardam Singh	Company Secretary

There was no change (appointment or cessation) in the office of KMPs during the year under review. Thereafter, Ms. Sakshi, the Chief Financial Officer and Key Managerial Personnel of the Company resigned with effect from the close of business hours on 12.08.2026 and the Board of Directors, in their meeting held on 12.08.2026, appointed Mr. Sushil Jindal as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from 13.08.2026.

The Board of Directors of the Company, in the same meeting, has approved, pursuant to Section 188(1)(f) of the Companies Act, 2013, the appointment of Mr. Sushil Jindal (Membership No. 505994) as Advisor, Corporate Finance and Strategy in Paul Merchants Finance Private Limited ("**PMFPL**"), a wholly owned subsidiary of the Company, at an annual remuneration (CTC) of Rs. 16,20,000/- (Rupees Sixteen Lakhs Twenty Thousand only).

A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR UNDER REVIEW, IN TERMS OF RULE 8(5)(iiia) OF THE COMPANIES (ACCOUNTS) RULES, 2014

Sh. Inder Sain Negi (DIN 08947230) was reappointed by the shareholders in their Annual General Meeting (AGM) held on 19.09.2025 as Independent Director for a second successive term commencing from November 01, 2025 and ending on October 31, 2030 for a period of Five years. There was no other appointment of any Independent Director during the year under review.

In the opinion of the Board, the independent director appointed during the year possesses requisite integrity, expertise, experience and proficiency.

NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR UNDER REVIEW:-

No Subsidiary, Joint Venture or Associate has been acquired/sold/liquidated/ceased during the Financial Year 2025-26.

However, it is submitted for the information of the members of the company that during the Financial year 2025-26, Paul Merchants Realtors Private Limited ("PMRPL"), the Wholly Owned Subsidiary has become 50% Partner in M/s Paal Infratech LLP, 33.33% partner in M/s SSBRO Infra Surge LLP, and 95% Partner in M/s Paul Landscape Realtors LLP for undertaking real estate development and allied activities. The Financial results of M/s SSBRO Infra Surge LLP and M/s Paul Landscape Realtors LLP have been consolidated with the financial results of PMRPL for the FY 2025-26.

DETAILS RELATING TO DEPOSITS, COVERED UNDER CHAPTER V OF THE ACT

The Company has neither accepted nor renewed any deposits during the Financial Year under review in terms of Chapter V of the Companies Act, 2013. Accordingly, the information required to be furnished in terms of Rule 8(5)(v) of the Companies (Accounts) Rules, 2014 is as under:

i. Deposits accepted during the year - NIL.
ii. Deposits which remained unpaid or unclaimed as at the end of the year - NIL.
iii. As no deposits were accepted during the year, there has been no case of default in repayment of any deposits or payment of interest thereon during the year, and accordingly, the number of such cases and the total amount involved at the beginning of the year, the maximum during the year and at the end of the year, is NIL.

Further, there are no deposits accepted by the Company which are not in compliance with the requirements of Chapter V of the Companies Act, 2013 and accordingly, the information required in terms of Rule 8(5)(vi) of the Companies (Accounts) Rules, 2014 is also NIL.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY`S OPERATIONS IN FUTURE

The Company has not received any significant or material orders passed by any Regulatory Authority, Court or Tribunal which shall impact the going concern status and Company`s operations in future. As such, the information in terms of Rule 8 (5) (vii) of the Companies (Accounts) Rules, 2014 is nil.

DETAILS IN RESPECT OF INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY WITH REFERENCE TO THE FINANCIAL STATEMENTS, IN TERMS OF RULE 8 (5) (viii) OF THE COMPANIES (ACCOUNTS) RULES, 2014

Your Company has in place sound internal financial control systems to ensure that all assets are protected against loss from any unauthorised use and all transactions are recorded and reported correctly. According to Section 134(5) (e) of the Companies Act, 2013, the term Internal Financial Control (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. For more details, refer to the ‘Internal Control Systems and their adequacy and Risk Management’ section in the Management’s discussion and analysis annexed as **Annexure D-3**, which forms part of this report.

The Internal Financial Control systems in place in the Company have been reviewed by the Audit Committee in its meeting held on 26-05-2026 and by the Board of Directors of the Company in their meeting held on 27-05-2026 with reference to the FY 2025-26 and have satisfied themselves that the Internal Financial Control systems in place in the Company are adequate.

DISCLOSURE AS TO COST AUDIT AND COST RECORDS

Maintenance of cost records as specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 is not required by the Company and as such the Cost Audit is also not applicable to the Company. This disclosure is pursuant to Rule 8(5)(ix) of the Companies (Accounts) Rules, 2014.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Directors do hereby state in terms of Rule 8(5)(x) of the Companies (Accounts) Rules, 2014 that the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013 (14 of 2013) and has adopted a policy for prevention of Sexual Harassment of Women at workplace. During the year under review, the Company has not received any complaint of harassment.

As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company follows calendar year for annual filing with statutory authority and as per the said return filed by the Company on 19.01.2026 with the prescribed Authority, no complaints related to sexual harassment were raised in the calendar year 2025. The details required as per Rule 8(5)(x) are given below:-

a. Number of sexual-harassment complaints received during the FY 2025-26 **- NIL**
b. Number of complaints disposed of during the FY 2025-26 **- NIL**
c. Number of complaints pending as on end of the FY 2025-26 **- NIL**
d. Pending complaints exceeding 90 days during the FY 2025-26 - **NIL**

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR UNDER REVIEW ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

There are no applications or proceedings under Insolvency and Bankruptcy Code, 2016 in relation to the Company and therefore, information as required under Rule 8(5)(xi) of the Companies (Accounts) Rules, 2014 for the year under review is Nil.

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

There was no one time settlement with any Bank or Financial Institution by the Company during the year under review and as such, information required under Rule 8(5)(xii) of the Companies (Accounts) Rules, 2014 is Nil.

STATEMENT ON COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

Pursuant to Clause (xiii) of sub-rule (5) of Rule 8 of the Companies (Accounts) Rules, 2014, the Board of Directors hereby confirms that the Company has complied with the provisions of the Maternity Benefit Act, 1961 during the year under review, including the provision of crèche facility at the prescribed locations, where applicable. The Company has taken adequate measures to ensure a safe and supportive working environment for women employees in accordance with the aforesaid Act.

DECLARATIONS ON COMPLIANCE WITH CODE OF CONDUCT BY DIRECTORS AND THE SENIOR MANAGEMENT PERSONNEL

The Annual Report of the Company contains a Declaration by the Managing Director in terms of Para D of Schedule V to the Listing Regulations on the declarations received from the Directors and the Senior Management personnel affirming compliance with the Code applicable to them during the year ended March 31, 2026.

This Declaration has been given as **Annexure D-8** to this Report.

REVIEW OF LEGAL COMPLIANCE REPORTS

During the year under review, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

MAXIMUM TENURE OF INDEPENDENT DIRECTORS

The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and Regulation 25(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The maximum tenure in one term of appointment of an Independent Director does not exceed 5 years and for two terms put together does not exceed 10 years in the Company.

SHARE CAPITAL

a. **ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS**

The Company has not issued any shares with Differential Rights during the year under review.

b. **ISSUE OF SWEAT EQUITY SHARE**

The Company has not issued any Sweat Equity shares or Employee Stock Options during the year under review.

The Authorized Equity Share Capital of the Company as on 31st March, 2026 was Rs. 10,50,00,000 /- (Rupees Ten Crore Fifty Lakhs only) and paid up Equity share capital was Rs. 3,08,40,000/- (Rupees Three Crores Eight Lakhs Forty Thousand Only).

Further there was no buy back of its own shares by the Company.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

Subsequent to the close of the financial year, the Company received approval from the Reserve Bank of India for a perpetual Authorised Dealer Category-II Licence under the Foreign Exchange Management (Authorised Persons) Regulations, 2026. During the same period, Ms. Sakshi resigned from the position of Chief Financial Officer and Key Managerial Personnel of the Company and a new Chief Financial Officer Mr Sushil Jindal was appointed in her place. The details of the aforesaid developments have been disclosed at the relevant places in this Annual Report. Except as stated above, there are no other material events requiring disclosure under this head.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and is in compliance with the Corporate Governance Regulations as laid out in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As required under Regulation 34 (3) read with Part C of Schedule V to the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance is annexed herewith as **Annexure D-9** and forms a part of this Report.

A Compliance Certificate from Mr. Kanwaljit Singh Thanewal, a Company Secretary in practice having CP no. 5870, confirming compliance with the conditions of Corporate Governance by the Company is also annexed to this Report as **Annexure D-10** as required under Part E of Schedule V to the Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT ON THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE DISCLOSURES

Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company for the Financial Year 2025-26, inasmuch as the Company does not figure among the top 1000 listed entities in the list prepared by the recognized stock exchange, BSE Limited, as at December 31, 2024, ranking listed entities on the basis of their average market capitalization for the period from July 1, 2024 to December 31, 2024, in terms of sub-regulation (2) of Regulation 3 of the said Regulations. Accordingly, the Company is not required to furnish a Business Responsibility and Sustainability Report for the Financial Year under review.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

Management Discussion & Analysis Report for the year under review, as stipulated under Part B of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section as **Annexure D-3**, forming part of this Report.

PARTICULARS OF REMUNERATION OF DIRECTORS/ KMPs/EMPLOYEES:-

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1), 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure D-11** which forms part of this report.

The Board of Directors of the Company accorded its approval for payment of one-time special incentive of Rs. 15 Crores (exclusive of applicable taxes) by Wholly Owned Subsidiary Paul Merchants Finance Private Limited (PMFPL) to Sh. Sat Paul Bansal Chairman & Managing Director of PMFPL to recognize his pivotal role in both the original structuring and daily operations of PMFPL's gold loan division, as well as its successful monetization. The payout was made by PMFPL during the FY 2025-26 after the same was finally approved by its shareholders.

Further, the Board of Directors of the Company accorded its approval for payment of one-time special incentive of Rs. 5 Crores (exclusive of applicable taxes) by PMFPL to Mrs. Sarita Rani Bansal, Director of PMFPL to recognize her critical role in decision making process of the board, running PMFPL's gold loan business and supporting the strategic execution of the successful slump sale of the same to L&T Finance Limited. The payout was made by PMFPL during the FY 2025-26 after the same was finally approved by its shareholders.

Further, the Board of Directors of the Company accorded its approval for payment of one-time special incentive of Rs. 5 Crores (exclusive of applicable taxes) by PMFPL to Mr. Rajneesh Bansal, Director of PMFPL to recognize his critical role in strategizing, negotiating, executing, and securing favorable terms for the complex slump sale transaction of gold loan business of PMFPL. The payout was made by PMFPL during the FY 2025-26 after the same was finally approved by its shareholders.

Further, the Board of Directors of the Company accorded its approval for payment of one-time special incentive of Rs. 5 Lakhs (exclusive of applicable taxes) by PMFPL to Mrs. Aastha Bansal, Marketing Manager of PMFPL to recognize her supportive role in the marketing and communication aspects of PMFPL's gold loan business and her role in successful slump sale of the same to L&T Finance Limited. The payout was made by PMFPL during the FY 2025-26 after the same was finally approved by its shareholders.

All the aforesaid payments, being transactions between a subsidiary of the Company and related parties of the Company, were made with the prior approval of the Audit Committee of the Company accorded at its meeting held on August 12, 2025, all the Members of the Audit Committee being Independent Directors of the Company.

DETAILS OF COMMISSION RECEIVED BY MANAGING DIRECTOR OR WHOLE TIME DIRECTOR

No amount has been paid by the Company to Mr. Rajneesh Bansal, Managing Director of the Company, as commission for the Financial Year 2025-26.

Further, no managing or whole-time director of the company, who is in receipt of Commission from the Company Paul Merchants Limited is receiving any remuneration or commission from any subsidiary company of Paul Merchants Limited and the Company has no holding company. As such, information required in terms of Section as 197(14) of the Companies Act, 2013 is NIL. The information of a one-time special incentive having been paid by the Wholy Owned subsidiary, Paul Merchants Finance Private Limited, to Mr. Rajneesh Bansal, Managing Director of the Company, has been given elsewhere in this report.

CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in enclosing the Consolidated Financial Statements of Paul Merchants Limited consolidating the financials of its Wholly Owned Subsidiary Companies Paul Merchants Finance Private Limited, Paul Merchants Realtors Private Limited and Paul Infotech Private Limited, as required by Section 129(3) of the Companies Act, 2013 (Act) and Listing Regulations. The said Consolidated Financial Statements are prepared in accordance with the applicable Indian Accounting Standards.

INDIAN ACCOUNTING STANDARDS, 2015

The annexed financial statements for the Financial Year under review and corresponding figures for the previous Financial Year comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

AUDIT COMMITTEE

Your Directors wish to inform that in Compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, an Audit Committee of the Board is duly constituted. The Audit Committee as on March 31, 2026 comprises of the following Independent Directors:-

Shri. Anoop Kumar Sharma	Non-Executive Independent Director, Chairman
Shri Inder Sain Negi	Non-Executive Independent Director, Member
Shri Bhupinder Singh	Non-Executive Independent Director, Member
Sh. Hardam Singh	Company Secretary, Secretary to the Committee

Details of the Audit Committee have been given separately in the Corporate Governance report, which is annexed herewith as **Annexure D-9**. Further, all recommendations of Audit Committee were accepted by the Board of Directors.

NOMINATION & REMUNERATION COMMITTEE

In terms of Regulation 19 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the provisions of Section 178 (1) of the Companies Act, 2013, Nomination & Remuneration Committee of the Board is duly constituted. As on March 31, 2026 the Committee comprised of the following Directors:-

Sh. Anoop Kumar Sharma	Non Executive Independent Director, Chairman
Sh. Inder Sain Negi	Non Executive Independent Director, Member
Shri. Bhupinder Singh	Non Executive Independent Director, Member
Sh. Hardam Singh	Company Secretary, Secretary to the Committee

The details of Remuneration Policy and further details of this Committee are furnished in the Report on Corporate Governance, which is annexed as **Annexure D-9** to this report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of Regulation 20 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the provisions of Section 178 (5) of the Companies Act, 2013, the Stakeholders Relationship Committee of the Board is duly constituted. As on March 31, 2026 the Committee comprised of the following Directors:-

Sh. Anoop Kumar Sharma	Non- Executive Independent Director, Chairman
Sh. Rajneesh Bansal	Managing Director, Member
Sh. Sat Paul Bansal	Non- Executive Non Independent Director, Member
Sh. Hardam Singh	Company Secretary, Secretary to the Committee

Other details of the Committee have been given separately in the Corporate Governance report, which is annexed herewith as **Annexure D-9**.

CHANGE IN CAPITAL STRUCTURE AND LISTING OF SHARES

There is no change in the Capital Structure of the Company during the year under review. The Shares of the Company are listed and traded at BSE Ltd under scrip code 539113.

VIGIL MECHANISM

The Company has established a Vigil Mechanism cum Whistle Blower Policy in terms of Section 177 (10) of the Companies Act, 2013 and also in terms of Regulation 4 (2) (d) and Regulation 22 of Listing Regulations. The details of the said Vigil Mechanism cum Whistle Blower Policy is given in the Corporate Governance Section, which is appended to this Report as **Annexure D-9**. The Vigil Mechanism cum Whistle Blower Policy is also available on the Company's website under weblink https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2024/08/Vigil-Mechanism-Policy-13.08.2024.pdf

COMMITTEES OF BOARD

Pursuant to requirement under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted various Committees of Board such as Executive Committee, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. Further, though not covered under Regulation 21(5) of Listing Regulations, the Company has voluntarily constituted a Risk Management Committee, comprising Members of the Board and Senior Management Team of the Company as its members. The details of composition and terms of reference of these Committees are mentioned in the Corporate Governance Report.

INDUSTRIAL RELATIONSHIPS:-

Relations between the Management and the employees at all levels have been cordial and the Directors wish to express their appreciation for the cooperation and dedication of the employees of the Company.

HUMAN RESOURCES DEVELOPMENT

Innovation in people management keeps the Company at the forefront of talent development. By adopting advanced systems and digital workflows, the organization ensures its team thrives in a tech driven marketplace. A deep focus on cultivating leadership at every tier transforms employees into capable managers, setting them up to fuel long-term corporate growth. Because the Company views its workforce as its ultimate asset, human resources sits at the core of all operational decisions. Rather than treating personnel as a support function, the Company engages its staff as strategic business partners who are deeply connected to the organization's evolving mission. To meet mounting consumer expectations and scale successfully, fostering an agile, driven, and forward-thinking team remains essential to executing the company's vision.

The Government of India has notified four Labour Codes, namely the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, which consolidate 29 existing labour laws. Subsequently, the Central Rules under the aforesaid Codes have been notified on 08.05.2026. Based on a preliminary assessment, the Company does not envisage any material financial impact or liability arising from the implementation of these Codes.

As of 31/03/2026, the Company has a dedicated team of 318 individuals on its rolls.

COMPLIANCE

The company has devised proper systems to ensure compliance of all laws applicable to the company and the compliance reports issued by the Departmental Heads along with the report of the Company Secretary under Section 205 of the Companies Act, 2013 are placed before the Board every Quarter confirming compliance by the Company with all applicable Laws. In addition, the Internal Audit and Concurrent Audit helps the Company gauge its levels of Compliance on ongoing basis and to take corrective steps, wherever needed.

COMPLIANCE WITH LISTING REGULATIONS:-

The equity shares of the company are listed on BSE Ltd (BSE). The Company has in place the following Policies as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

1. 'Policy for Preservation of Documents' under Regulation 9 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. 'Archival Policy' under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The web link of 'Archival Policy' is https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2022/08/POLICY-ON-ARCHIVAL-OF-RECORDS.pdf

3. 'Policy on Criteria for determining Materiality of events/information' under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The web link of the 'Policy on determining of Materiality' is https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2025/04/Materiality-Policy.pdf

The Company has already paid listing fees for the Financial Year 2026-27 to BSE Ltd. on 18.04.2026 and has also paid the Annual Custodial fee for the Financial Year 2026-27 to the Depositories. The said Fees for the Financial Year 2025-26 were also paid duly within time.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

INSIDER TRADING:

The Board of Directors of the Company have adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The said Code has been posted on the Website of the Company www.paulmerchants.net. Further, the Board has also adopted the Code of Conduct to Regulate, Monitor and Report of Trading by Designated Persons and Their Immediate Relatives in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider trading Code of the Company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The said codes were duly adhered to during the year under review.

CEO/CFO CERTIFICATION

In accordance with the Regulation 17 (8) read with Part B of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to corporate governance norms, Mr. Rajneesh Bansal, Managing Director and Ms. Sakshi, Chief Financial Officer (CFO), have issued a certificate as per the said Regulation for the year ended March 31, 2026. As the Company has no post of Chief Executive Officer (CEO), the said Certificate has been issued and signed by the Managing Director along with CFO of the Company. The said certificate forms an integral part of this Report, annexed as **Annexure D-13**. The certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company.

DEMATERIALIZATION OF SHARES

The Company's equity shares are in compulsory Demat mode in terms of SEBI Guidelines. This has been facilitated through arrangement with NSDL and CDSL. 100% shares issued by the Company are in dematerialized form as on 31/03/2026. M/s Alankit Assignments Limited, New Delhi is acting as the Registrar to an issue and Share Transfer Agents for this purpose and acts as common agency and all activities in relation to share transfer facility are maintained by them in terms of Regulation 7 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. Your Company did not have any funds lying unpaid or unclaimed for a period of seven years as on 31/03/2026. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

However, the Company had declared dividend for the FY 2019-20 and there is some amount of dividend lying unpaid as on 31/03/2026, information of which has been posted on the website of the Company www.paulmerchants.net. In compliance with the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has published a public notice on 08-06-2026 in Financial Express (English) and Jansatta (Hindi), informing the concerned shareholders about the proposed transfer of unclaimed/unpaid dividend to the IEPF. In addition, the Company has also sent individual letters to the concerned shareholders whose dividend remains unclaimed/unpaid, intimating them that the interim dividend pertaining to the Financial Year 2019-20 (declared on August 6, 2019), which remains unpaid or unclaimed, is due to be transferred to the IEPF on September 11, 2026, upon the expiration of the statutory seven-year period. The shareholders have been requested to lodge their claim for the outstanding dividend with the Registrar and Transfer Agent of the Company on or before August 16, 2026, failing which the unclaimed/unpaid dividend along with the underlying equity shares on which the said dividend remains unclaimed shall be transferred to the DEMAT account of the IEPF Authority in accordance with the provisions of the Act and the Rules made thereunder. The shareholders have also been informed that subsequent to such transfer, all future benefits accruing on such shares shall be credited directly to the IEPF and no claim shall lie against the Company in respect of the shares and dividend amounts so transferred. However, the shareholders may reclaim their dividends and shares from the IEPF Authority by submitting an online application in the prescribed e-Form IEPF-5 available on the Ministry of Corporate Affairs portal (www.mca.gov.in or www.iepf.gov.in) in compliance with the procedures set out in Rule 7 of the said Rules.

FINANCIAL STATEMENTS

Annual Report 2025-26 of the Company containing Standalone as well as Consolidated Balance Sheet, Statement of Profit & Loss, Cash Flow Statement, other statements and notes thereto, prepared as per the requirements of Schedule III to the Companies Act, 2013, Directors' Report (including Management Discussion and Analysis Report and Corporate Governance Report) is being sent via email to all shareholders who have registered their email address(es) with the Depositories/Company. Full version of Annual Report 2025-26 is also available for inspection at the Registered office of the Company during working hours up to the date of ensuing Annual General Meeting (AGM). It shall also be available at the Company`s website www.paulmerchants.net, on the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) www.evotingindia.com. The Notice of the AGM shall also be available at the website of CDSL www.evotingindia.com.

ACKNOWLEDGEMENT

Your Directors wish to express their sincere appreciation to the shareholders, valued Clients, Reserve Bank of India, BSE Ltd., Bankers, Government Agencies and Employees of the company for their continued support & co-operation.

For & On Behalf of the Board

Sd/-
(RAJNEESH BANSAL)
MANAGING DIRECTOR
(DIN 00077230)

For & On Behalf of the Board

Sd/-
(RITESH VAID)
WHOLE TIME DIRECTOR
(DIN 09433856)

PLACE: CHANDIGARH
Date: August 12, 2026

ANNEXURE D-1 TO THE DIRECTORS' REPORT

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy has been formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable Rules thereto and Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time. Any amendment in the said Act/Regulations at any point of time in future shall be deemed to be incorporated herein automatically. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and approved by the Board of Directors.

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and the Listing Regulations, as amended from time to time. The Key Objectives of the Committee would be:

1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
1.2. To evaluate the performance of the members of the Board, Board as a whole and Board Committees and provide necessary report to the Board for further evaluation thereof by the Board.
1.3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
1.4. To recommend for Key Managerial Personnel and Senior Management, reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
1.6. To devise a policy on Board diversity
1.7. To develop a succession plan for the Board and to regularly review the plan;

2. DEFINITIONS

2.1. **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

2.2. **Board** means Board of Directors of the Company.

2.3. **Directors** mean Directors of the Company.

2.4. Key Managerial Personnel means **:-**

2.4.1. Chief Executive Officer or the Managing Director or the Manager;
2.4.2. Whole-time director;
2.4.3. Chief Financial Officer;
2.4.4. Company Secretary; and
2.4.5. Such other officer as may be prescribed.

2.5. Senior Management means the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity

2.6. "**Remuneration**" means money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

3. ROLE OF COMMITTEE

3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee's Role shall be:-

a. To formulate and recommend to the Board, a Nomination and Remuneration Policy of the Company as per the Companies Act, 2013, applicable RBI Guidelines and Regulation 19(4) of Listing Regulations, as amended from time to time.
b. To recommend addition/modification to the Nomination & Remuneration Policy to the Board from time to time.
c. To formulate 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 for the directors, Key Managerial Personnel and other employees as per the Companies Act, 2013, applicable RBI Guidelines and Regulation 19(4) of Listing Regulations, 2015, as amended from time to time
d. To formulate criteria for evaluation of performance of Directors including independent directors, board of directors and Board Committees
e. To devise a policy on diversity of board of directors
f. To identify 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, continuation and removal and to specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board or by Nomination and

Remuneration Committee or by an independent external agency and to review its implementation and compliance

g. To recommend whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors

h. To recommend to the Board, appointment and removal of Directors, KMPs and Senior Management Personnel.

i. To recommend to the board, all remuneration, in whatever form, payable to KMPS and senior management

j. To oversee familiarisation programmes for directors.

k. To perform such other duties and responsibilities as may be consistent with the provisions of the Companies Act, Listing Regulations or any applicable Statute as the Committee may deem appropriate after the approval of the Board or as may be directed by the Board from time to time.

3.2. Policy for appointment and removal of Directors, KMPs and Senior Management Personnel

3.2.1. Appointment criteria and qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the persons for appointment as Director, KMP or at Senior Management level in line with the Business of the Company, the Industry Structure which the Company operates in and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment to ensure that he/she is able to discharge his duties in a diligent manner. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director, who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years. Further, the Company shall not appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.

Provided that the listed entity shall ensure compliance with this sub-regulation at the time of appointment or re-appointment or any time prior to the non-executive director attaining the age of seventy- five years

d) A person shall be eligible for appointment as Managing Director of the company if he has worked as whole time director or manager for at least 3 years in a public limited company.

e) The Chief Financial Officer of the Company shall necessarily be a member of Institute of Chartered Accountants of India. The Company Secretary of the Company shall necessarily be a member of Institute of Company Secretaries of India. For any other position in the Senior Management, where a specific educational qualification is desirable to discharge the functions and duties attached to that particular position, the person shall necessarily be holding that qualification. The Committee will be authorized to define the criteria and remuneration range for KMPs and Senior Management persons and to authorize the Managing Director of the Company to make appoints as per the said criteria. Such appointments made by the Managing Director of the Company will be reviewed by the Nomination and Remuneration Committee in its next meeting.

f) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. Such Skills/expertise/competence for all members of the Board including independent directors are given in para 3.2.3 of this policy. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   i. use the services of an external agencies, if required;
   ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
   iii. consider the time commitments of the candidates.

3.2.2. Term / Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Directors:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly..

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act and Listing Regulations.

3.2.3. CHART SETTING OUT THE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS:-

Core skills/expertise/ competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively	1. Ability to understand Financial Markets especially Forex Markets 2. Ability to understand Regulatory/Statutory framework applicable to the Company 3. Quick decision making 4. Understanding of Company's business verticals 5. Experience in developing policies and processes relating to corporate governance 6. Leaderships skills for guiding the management team 7. Ability to formulate long term and short term business strategies 8. Ability to understand Financial Statements

3.2.4. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel on annual basis on the following criteria:-

a. Criteria for evaluation of the Board of Directors as a whole:

- **i.** The Frequency of Meetings
- **ii.** Quantum of Agenda
- **iii.** Administration of Meetings
- **iv.** Flow and quantity of Information from the Management to the Board
- **v.** Number of Committees and their role.
- **vi.** Overall performance of the Company

b. Criteria for evaluation of the Board Committees

- **i.** The Frequency of Meetings
- **ii.** Quantum of Agenda

iii. Administration of Meetings
iv. Flow and quantity of Information from the Management to the Committee
v. Role of Committees.
vi. Contribution to the decision making process of the Board.

c. **Criteria for evaluation of the Individual Directors including Independent Directors;**
   i. Experience and ability to contribute to the decision making process
   ii. Problem solving approach and guidance to the Management
   iii. Attendance and Participation in the Meetings
   iv. Personal competencies as per Chart given under para 3.2.3 above and contribution to strategy formulation
   v. Contribution towards statutory compliances, monitoring of controls and Corporate Governance
   vi. The evaluation of independent directors shall be done by the entire board of directors which shall include -
      (a) Performance of the directors; and
      (b) fulfillment of the independence criteria as specified in the Companies Act, 2013 and Listing Regulations and their independence from the management:

   Provided that in the above evaluation, the directors who are subject to evaluation shall not participate

The performance evaluation of all the Independent Directors shall be done by the entire Board and while doing so, the Director subject to evaluation shall not participate. On the basis of performance evaluation done by the Board, it will be determined whether to extend or continue their term of appointment, whenever their respective term expires.

d. **Criteria for evaluation of the KMPs and Senior Management Personnel**
   i. Problem solving approach
   ii. Suitability to the post on the basis of qualification, experience and expertise
   iii. General conduct and discipline
   iv. Team work
   v. Compliance with Regulatory Matrix
   vi. Contribution to the formulation of the strategies

3.2.5. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder or due to other valid reasons as recorded in writing by the Committee, the Committee may recommend to the Board, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.2.6. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.3. Policy relating to the Remuneration for the Whole-time Directors, KMPs and Senior Management Personnel

3.3.1. <u>General:</u>

(a) The remuneration / compensation / commission etc. to the Whole-time Directors, KMPs and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required under the applicable law.

(b) The remuneration to be paid to the Whole-time Directors shall be in accordance with the percentage / slabs / conditions laid down in the Resolution appointing them or in the Articles of Association of the Company and as per the provisions of the Act.

(c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Directors. Further, the increments shall be allowed not only on the basis of performance of the Company but shall also include various factors like individual performance vis a vis individual responsibilities, diligence in achievement of Key Responsibility Areas (KRAs), Industry trends, economic situation, future growth prospects of the Company etc.

(d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

3.3.2. Remuneration to Whole-time Directors/ Executive / Managing Director, KMP and Senior Management Personnel:-

a. **Remuneration to Managing Director / Whole-time Directors: -**

i. The Remuneration/ Commission etc. to be paid to Executive/ Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013, Rules made thereunder, provisions of Listing Regulations, as amended from time to time or any other enactment for the time being in force and as per the approvals obtained from the Members of the Company.

ii. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Executive/Managing Director / Whole-time Directors.

iii. The Committee may also recommend/approve a range of remuneration within which the remuneration may be paid to the Executive/ Managing Director / Whole-time Directors.

iv. **Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors in accordance with the provisions of Schedule V of the Act.

v. **Provisions for excess remuneration:** If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act, he / she shall refund such sums to the Company within two years or such lesser period as may be allowed by the company and until such sum is refunded, shall hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless approved by the company by special resolution within two years from the date the sum becomes refundable.

b. **Remuneration to Non- Executive / Independent Directors: -**

a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or in any other manner as decided by the Board of Directors.

b. All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

d. In case the Company decides to offer any Employee Stock Option/ Purchase Schemes in future, the Committee shall determine the stock options and other share based payments to be made to the eligible Directors (other than Independent Directors).

e. The approval of shareholders by special resolution shall be obtained every financial year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.

c. Any remuneration paid to Directors of the Company for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (a) and (b) above if the following conditions are satisfied:-

i. The Services are rendered by such Director in his capacity as professional; and

ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

d. Remuneration to key managerial personnel and senior management:-

i. The remuneration to Key Managerial Personnel and Senior Management Personnel shall be in compliance with the applicable provisions of the Companies Act, 2013 and in accordance with the Company's Policy and shall be reviewed by the Committee from time to time.

ii. The Committee may also recommend a range of remuneration within which the remuneration may be paid to the Key Managerial Personnel and Senior Management Personnel.

iii. In case the Company decides to offer any Employee Stock Option/ Purchase Schemes in future, the Nomination and Remuneration Committee of the Company, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.

iv. The Fixed pay shall include monthly remuneration, monthly allowances, employer's contribution to Provident Fund, ESI, contribution to pension fund, pension schemes, etc. as decided by the Company from to time.

v. The Incentive pay shall be in the form of Performance Bonus and Monthly/Yearly Incentive and shall be decided based upon the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

4. **POLICY ON BOARD DIVERSITY**: The Board shall comprise of Directors having expertise in different areas / fields like Finance, Accounts, Business Development, Sales and Marketing, Banking, Regulatory Framework, Human Resource management, etc. or other areas as may be considered appropriate. In designing the Board's composition, Board diversity has been considered from a number of aspects,

including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge. The Board shall have at least one Board member who has accounting or related financial management expertise and at least one women director.

5. MEMBERSHIP OF COMMITTEE

5.1 The Committee shall consist of minimum 3 non-executive directors, 2/3rd of them being independent.
5.2 The Chairperson of the nomination and remuneration committee shall be an independent director
5.3 The quorum for a meeting of the Nomination and Remuneration Committee shall be either 2 members or 1/3rd of the members of the committee, whichever is greater, including at least one independent director in attendance.
5.4 Composition of the Committee shall be disclosed in the Annual Report.
5.5 Term of the Committee shall be continued unless terminated by the Board of Directors.

6. CHAIRPERSON

6.1 Chairperson of the Committee shall be an Independent Director.
6.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
6.3 In the absence of the Chairperson of the Committee, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
6.4 Chairman of the Nomination and Remuneration Committee meeting would be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

7. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required, however, the Committee shall meet at least once in a financial year. Further, it shall be ensured that such minimum number of meetings of the committee are held as required under the Companies Act, 2013, Rules framed thereunder and under Listing Regulations.

8. COMMITTEE MEMBERS' INTERESTS

8.1 The disclosure of Interest and participation in the meetings by a member of the Committee shall be as per the provisions of the Act and Rules made thereunder from time to time.
8.2 The Committee may invite such executives, professionals, consultants or experts as it considers appropriate, to be present at the meetings of the Committee.

9. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

10. VOTING

10.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed to be decision of the Committee.

10.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

11. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be recorded as per the Provisions of the Companies Act, 2013 and Secretarial Standards and signed by the Chairman of the Committee or the chairman of the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

(Sd/-)
Chairman
20.01.2025

For & On Behalf of the Board	**For & On Behalf of the Board**
Sd/-	**Sd/-**
(RAJNEESH BANSAL)	**(RITESH VAID)**
MANAGING DIRECTOR	**WHOLE TIME DIRECTOR**
(DIN 00077230)	(DIN 09433856)

PLACE: CHANDIGARH
Date: August 12, 2026

ANNEXURE D-2 TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 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]

To,

The Members,
Paul Merchants Limited,
DSM 335, 336, 337, 3rd Floor,
DLF Tower, 15,
Shivaji Marg, Najafgarh Road,
New Delhi – 110015.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PAUL MERCHANTS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the **PAUL MERCHANTS LIMITED**'s books, papers, minute 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, I hereby report that in my 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 proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **PAUL MERCHANTS LIMITED** ("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 thereunder;
(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 thereunder;
(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 and amendments thereof;
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; Not applicable to the company during the financial year under review.
d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not applicable to the company during the financial year under review.
e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not Applicable as there was no instance of Buy-Back during the financial year.
f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021: Not applicable during the financial year under review.
g) 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- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not applicable as the company has not delisted any securities from any stock exchange during the financial year under review.

(vi) The major provisions and requirements have also been complied with as prescribed under all applicable Labour laws viz. The Factories Act, 1948, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, The Payment of Bonus Act, 1965, The Employees Compensation Act, 1923, Payment of Gratuity Act, 1972, etc.

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India.

b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 being listed on the BSE Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year, were carried out in compliance with the applicable Act and Regulations.

2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, 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.

3. All decisions are carried through majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

4. The company has proper board processes.

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers, I am of an opinion that:

a) 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.
b) Based on the examination of the relevant documents and records on test check basis the company has Complied with the following laws specifically applicable to the company:

    a) The Reserve Bank of India Act, 1934
    b) The Finance Act, 2016
    c) Prevention of Money Laundering Act, 2002 and the Prevention of Money Laundering (Amendment) Act, 2012.
    d) Foreign Exchange Management Act, 1999

I further report that, there were no instances of

(i) Public / Rights/ Preferential issue of shares / debentures / sweat equity
(ii) Merger / amalgamation / reconstruction etc.
(iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013
(iv) Redemption/ Buy-back of Securities.
(v) Foreign technical collaborations.

Place: Shimla
Date: 08.08.2026

UDIN: A046547H001052915

Sd/-
ANIL SINGH NEGI
ACS No. 46547
C P No.: 17213
Peer Review Cert No. 2383/2022

ANNEXURE D-2A

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 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]

To,

The Members,
Paul Merchants Finance Private Limited,
First Floor, SCO 827-828,
Sector 22-A, Chandigarh – 160022.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PAUL MERCHANTS FINANCE PRIVATE LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute 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, I hereby report that in my 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 proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by PAUL MERCHANTS FINANCE PRIVATE LIMITED ("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 thereunder;
(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 thereunder, to the extent applicable;
(v) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, to the extent applicable to the company, being a material subsidiary of a listed company.

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): are not applicable to the Company being an unlisted company:

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereof,
b) The Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021.
c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
e) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021.
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.
g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

(vii) The major provisions and requirements have also been complied with as prescribed under all applicable Labour laws viz. The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, The Payment of Bonus Act, 1965, The Employees Compensation Act, 1923, Payment of Gratuity Act, 1972, etc.

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India.

b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, to the extent applicable, being a material subsidiary of a listed company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable to the company.

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year, were carried out in compliance with the applicable Act and Regulations.

2. Adequate notice is given to all directors for the Board Meetings and agenda along with detailed notes on agenda were sent well in advance, 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.

3. All decisions are carried through majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

4. The company has proper board processes.

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers, I am of an opinion that:

1. 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.

2. Based on the examination of the relevant documents and records on test check basis the company has Complied with the following laws specifically applicable to the company:

   a) The Reserve Bank of India Act, 1934
   b) The Finance Act, 2016
   c) Prevention of Money Laundering Act, 2002 and the Prevention of Money Laundering (Amendment) Act, 2012.
   d) Master Directions issued by the Reserve Bank of India as applicable to the Company.

I further report that, there were no instances of

(vi) Public / Preferential issue of shares / sweat equity
(vii) Redemption / buy-back of securities.
(viii) Merger / amalgamation / reconstruction etc.
(ix) Foreign technical collaborations.

Place: Shimla
Date: 11.08.2026

UDIN: A046547H001071483

Anil Negi & Company
Company Secretaries

Sd/-
ANIL SINGH NEGI
ACS No. 46547
C P No.: 17213
Peer Review Cert No. 2383/2022

ANNEXURE D-3 TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION & ANALYSIS REPORT

PART (1)

(a) INDUSTRY STRUCTURE AND DEVELOPMENTS

A. GLOBAL MARKET LANDSCAPE

The global economy grew by 3.4 per cent in 2025 and is projected by the International Monetary Fund to grow by 3.1 per cent in 2026 and 3.2 per cent in 2027 (Source: www.imf.org, World Economic Outlook, April 2026). World trade volume grew by 5.1 per cent in 2025 and is projected at 2.8 per cent for 2026 (Source: www.imf.org). A military conflict in the Middle East, which began at the end of February 2026, caused disruptions to maritime and air traffic, particularly in relation to the Strait of Hormuz and energy production, and is the principal shock discussed in the said Outlook (Source: www.imf.org). The World Trade Organization, in its trade statistics release dated March 19, 2026, has likewise recorded that the Middle East conflict weighs further on a slowing trade outlook (Source: www.wto.org). Petroleum prices are projected to increase by 21.4 per cent in 2026, with the average petroleum price assumed at US$ 82 per barrel for 2026, and energy commodities are expected to rise by 19 per cent in 2026 (Source: www.imf.org).

1. Foreign Exchange

The Bank for International Settlements Triennial Central Bank Survey recorded global foreign exchange trading at US$ 9.6 trillion per day in April 2025, up 28 per cent from April 2022 (Source: www.bis.org). By instrument, foreign exchange swaps accounted for US$ 4 trillion per day, up 5 per cent from April 2022, spot turnover accounted for US$ 3 trillion per day and increased by 42 per cent, outright forwards accounted for US$ 1.8 trillion per day and rose by 60 per cent, and foreign exchange options accounted for 7 per cent of global turnover (Source: www.bis.org).

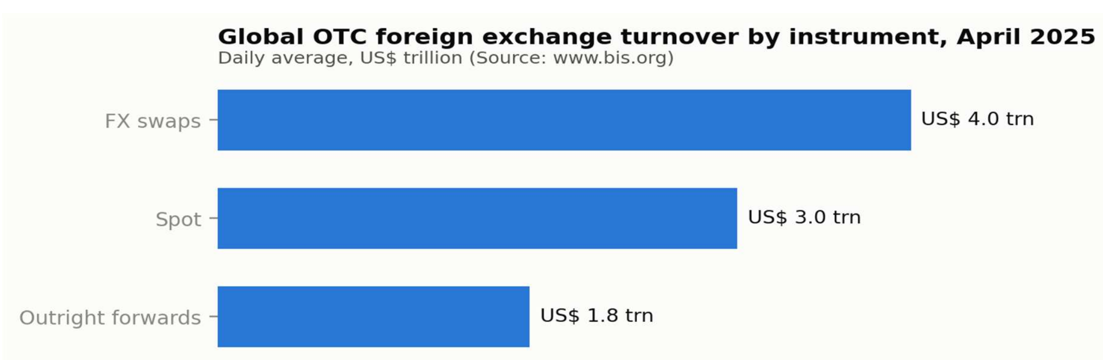


Figure 1: Global OTC foreign exchange turnover by instrument, April 2025 (Source: www.bis.org)

Currency composition of official foreign exchange reserves, as on December 2025

Currency	2025Q4 (per cent)	2025Q3 (per cent)
US dollar	56.77	56.93
Euro	20.25	20.36
Other identified currencies	14.90	15.18
Other currencies, unidentified	6.13	5.61
Chinese renminbi	1.95	1.92
Total foreign exchange reserves	US$ 13.14 trillion	US$ 13.03 trillion

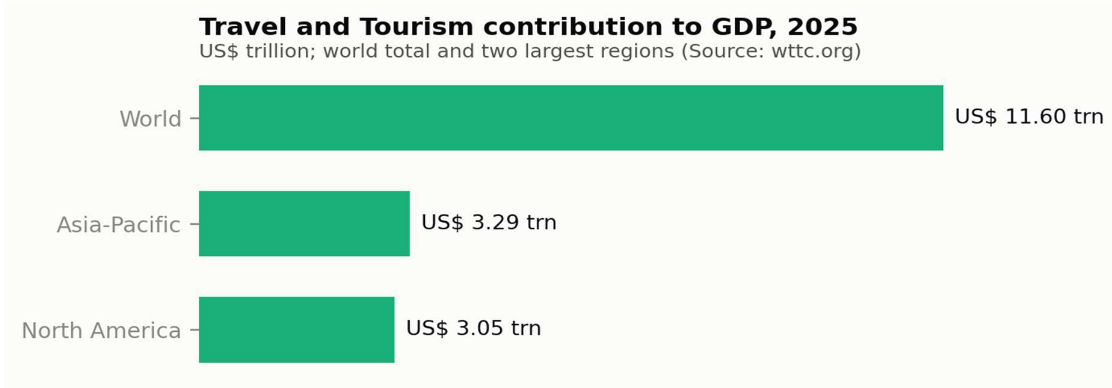
Source: data.imf.org, IMF Data Brief on Currency Composition of Official Foreign Exchange Reserves dated March 27, 2026. Other identified currencies comprise the Japanese yen, pound sterling, Australian dollar, Canadian dollar and Swiss franc.

US dollar depreciated by 6 per cent between April and December 2025 and thereafter strengthened somewhat following the outbreak of the Middle East conflict, reaffirming its safe haven status (Source: www.imf.org). The Bank for International Settlements has recorded that approximately US$ 1.5 trillion of the surge in April 2025 turnover resulted from trading activity following the United States tariff announcements, that options turnover rose by 108 per cent, and that spot turnover with institutional investors has nearly doubled since 2022, exceeding US$ 440 billion in 2025, as investors moved to hedge existing positions against US dollar depreciation (Source: www.bis.org).

Looking ahead, the principal drivers for the global foreign exchange market are hedging demand arising from currency volatility and trade policy uncertainty, the continued growth of non-bank and institutional participation, and the increasing ability of dealers to internalise client trades through intragroup trading, which has increased significantly across all instruments and reduces market impact (Source: www.bis.org).

2. Tours and Travels

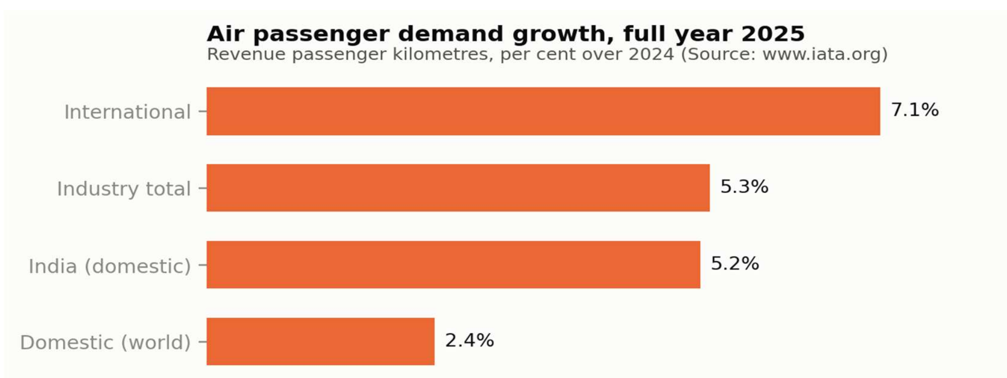
International tourist arrivals rose by 4 per cent in 2025, reflecting strong travel demand around the world (Source: www.untourism.int). Travel and Tourism contributed a record US$ 11.6 trillion to global gross domestic product in 2025, being 9.8 per cent of the global economy, and the sector grew by 4.1 per cent as against global economic growth of 2.8 per cent, thereby emerging as the world's fastest growing sector (Source: wttc.org). The sector supported 366 million jobs, being 10.9 per cent of global employment, and accounted for one in three new jobs created globally (Source: wttc.org). International overnight arrivals stood at 1.54 billion, equivalent to 4.2 million travellers daily (Source: wttc.org). Regionally, Asia-Pacific grew by 8.1 per cent to US$ 3.29 trillion and North America grew by 1.0 per cent to US$ 3.05 trillion (Source: wttc.org).



Travel and Tourism contribution to gross domestic product, 2025 (Source: wttc.org)

Capital investment in Travel and Tourism exceeded US$ 1 trillion in 2025, growing by 8.5 per cent year on year, with the United States, China, India and Saudi Arabia together accounting for nearly US$ 500 billion, being almost half of global investment (Source: wttc.org). France and Spain remained the world's top two destinations in terms of visitor numbers, and Spain recorded international visitor spending of US$ 130 billion (Source: wttc.org).

Air transport, which is the principal enabler of outbound travel, recorded total revenue passenger kilometres growth of 5.3 per cent in 2025 with capacity growth of 5.2 per cent and a record full year passenger load factor of 83.6 per cent (Source: www.iata.org). International demand increased by 7.1 per cent with a record load factor of 83.5 per cent, while domestic demand rose by 2.4 per cent (Source: www.iata.org). Asia-Pacific international traffic rose by 10.9 per cent with a load factor of 84.4 per cent, the region finishing 2025 with the fastest growth rate and the highest load factor of any region, followed by the Middle East at 6.7 per cent, Europe at 6.0 per cent and North America at 2.1 per cent (Source: www.iata.org).



Air passenger demand growth, full year 2025 (Source: www.iata.org)

Airline industry revenues are expected at US$ 1.008 trillion in 2025 with a net profit of US$ 39.5 billion and a net margin of 3.9 per cent, and are forecast at US$ 1.053 trillion in 2026, up 4.5 per cent, with a net profit of US$ 41 billion, 5.2 billion passengers, up 4.4 per cent on 2025, and cargo of 71.6 million tonnes (Source: www.iata.org). The jet fuel price assumption for 2026 is US$ 88 per barrel as against US$ 90 per barrel in 2025 (Source: www.iata.org).

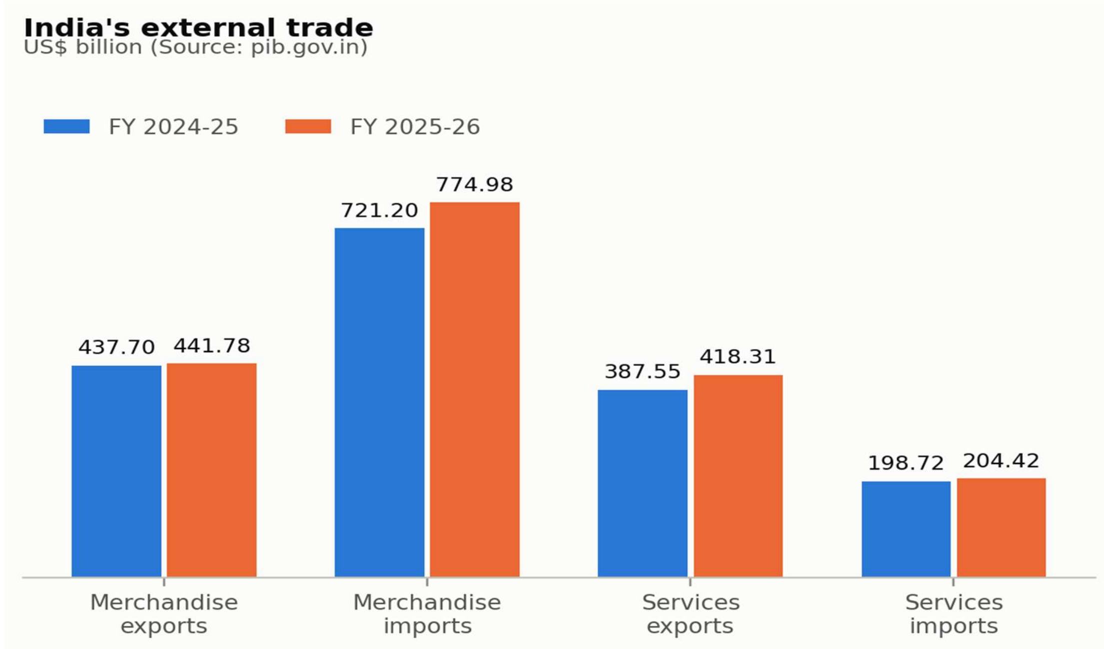
On growth trends and technological innovation, Travel and Tourism is forecast to contribute US$ 17.1 trillion to world gross domestic product by 2036 and to create almost 89 million additional jobs (Source: wttc.org). Artificial intelligence has become the dominant technology theme in the sector, with 94 per cent of surveyed leaders experimenting with or piloting artificial intelligence solutions, 91 per cent reporting measurable gains in cost savings and efficiency, 97 per cent citing enhancement of customer experience as the main motivation, and 89 per cent stating that they will prioritise generative artificial intelligence over the next twelve to twenty four months (Source: www.pwc.com).

3. International Personal Remittances
Cross-border personal remittances continued to be a stabilising flow for recipient economies during this period. India remained the world’s largest recipient of remittances, with inflows estimated at US$ 150.7 billion in 2025. The growth was supported by an increasing share of inflows originating from advanced economies, reflecting the contribution of skilled and professional workers abroad (Source: Union Government’s statement based on RBI data)

B. INDIAN MARKET LANDSCAPE

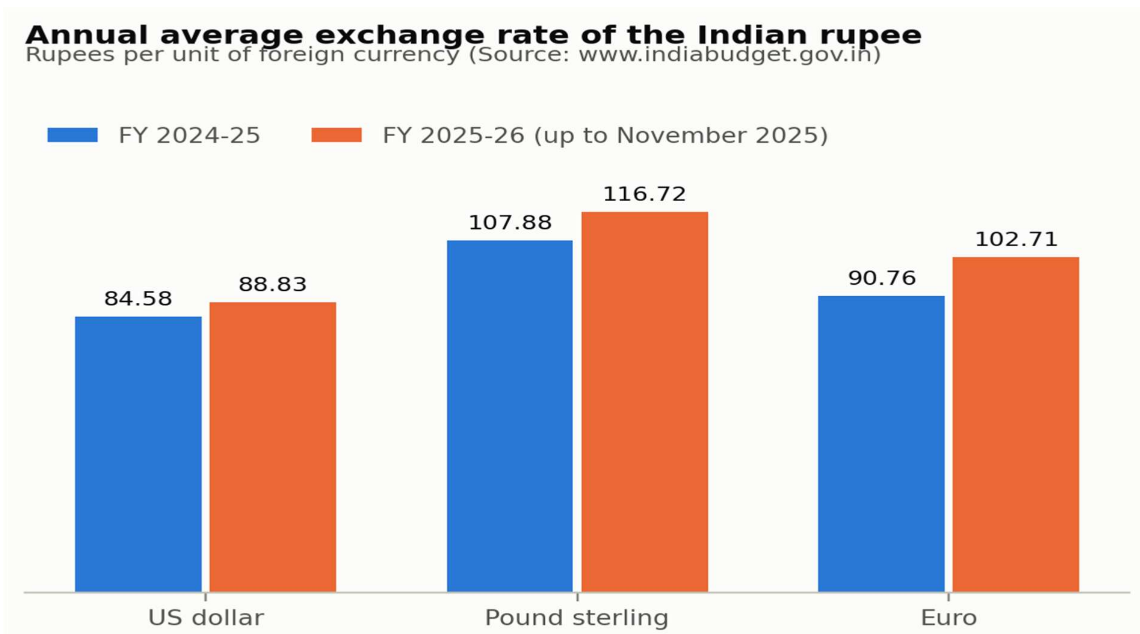
India remained the fastest growing major economy for the fourth consecutive year. Real gross domestic product and gross value added are projected to grow by 7.4 per cent and 7.3 per cent respectively in FY 2025-26, with growth of 6.8 per cent to 7.2 per cent projected for FY 2026-27, and the share of services in gross value added reaching a historic high of 56.4 per cent (Source: www.indiabudget.gov.in and pib.gov.in). The International Monetary Fund has placed India's growth at 7.6 per cent for 2025 and has projected 6.5 per cent for each of 2026 and 2027 (Source: www.imf.org).

1. Foreign Exchange
India's merchandise exports during FY 2025-26 were US$ 441.78 billion as against US$ 437.70 billion in FY 2024-25, a growth of 0.93 per cent, and merchandise imports were US$ 774.98 billion as against US$ 721.20 billion, a growth of 7.47 per cent, resulting in a merchandise trade deficit of US$ 333.19 billion as against US$ 283.50 billion (Source: pib.gov.in). Services exports were US$ 418.31 billion as against US$ 387.55 billion, a growth of 7.94 per cent, and services imports were US$ 204.42 billion as against US$ 198.72 billion, giving a services trade surplus of US$ 213.89 billion as against US$ 188.84 billion (Source: pib.gov.in). Cumulative exports of merchandise and services were US$ 860.09 billion as against US$ 825.26 billion, a growth of 4.22 per cent, and cumulative imports were US$ 979.40 billion as against US$ 919.92 billion, a growth of 6.47 per cent (Source: pib.gov.in). On subsequent revision, India's exports for FY 2025-26 have been placed at a record US$ 863.1 billion, comprising merchandise exports of US$ 441.8 billion and services exports of US$ 421.3 billion (Source: pib.gov.in).



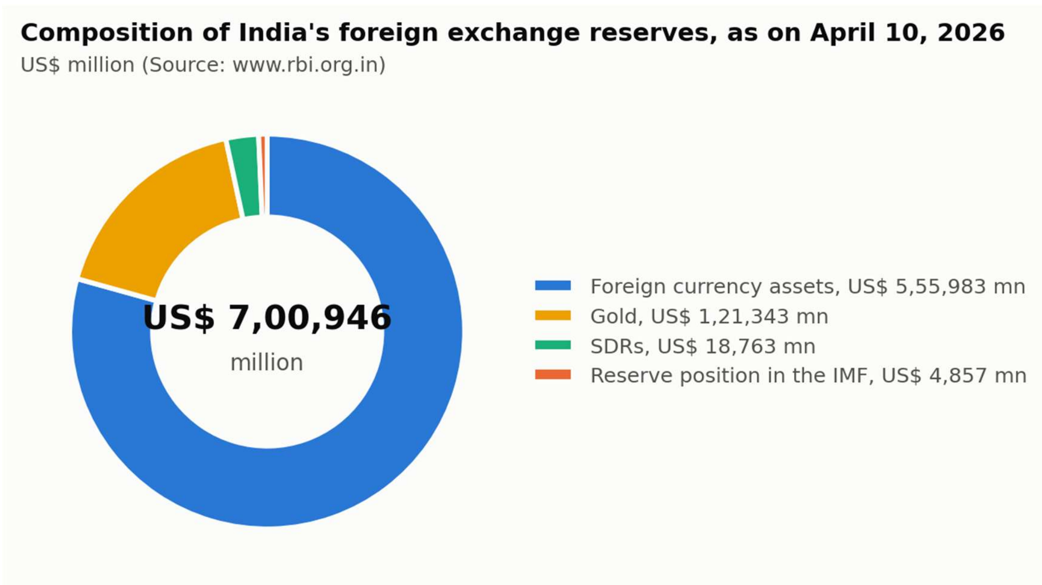
India's external trade, FY 2024-25 and FY 2025-26 (Source: pib.gov.in)

The Indian rupee depreciated against the major currencies during this period. The annual average exchange rate moved from Rs. 84.58 per US dollar in FY 2024-25 to Rs. 88.83 per US dollar in FY 2025-26 up to November 2025, from Rs. 107.88 to Rs. 116.72 per pound sterling, from Rs. 90.76 to Rs. 102.71 per euro, and from Rs. 0.56 to Rs. 0.57 per Japanese yen (Source: www.indiabudget.gov.in).



Annual average exchange rate of the Indian rupee (Source: www.indiabudget.gov.in)

India's foreign exchange reserves stood at US$ 701.4 billion as on January 16, 2026, providing an import cover of around 11 months, having more than doubled over the decade from US$ 341.6 billion in FY 2014-15, with import cover of 11.1 months as on January 9, 2026 (Source: www.indiabudget.gov.in). As on April 10, 2026, total reserves were Rs. 64,99,445 crore, being US$ 7,00,946 million, comprising foreign currency assets of US$ 5,55,983 million, gold of US$ 1,21,343 million, special drawing rights of US$ 18,763 million and reserve position in the International Monetary Fund of US$ 4,857 million (Source: www.rbi.org.in). The current account deficit moderated to 0.8 per cent of gross domestic product in the first half of FY 2025-26 from 1.3 per cent in the first half of FY 2024-25, and external debt to gross domestic product stood at 19.2 per cent in the first half of FY 2025-26 (Source: www.indiabudget.gov.in).



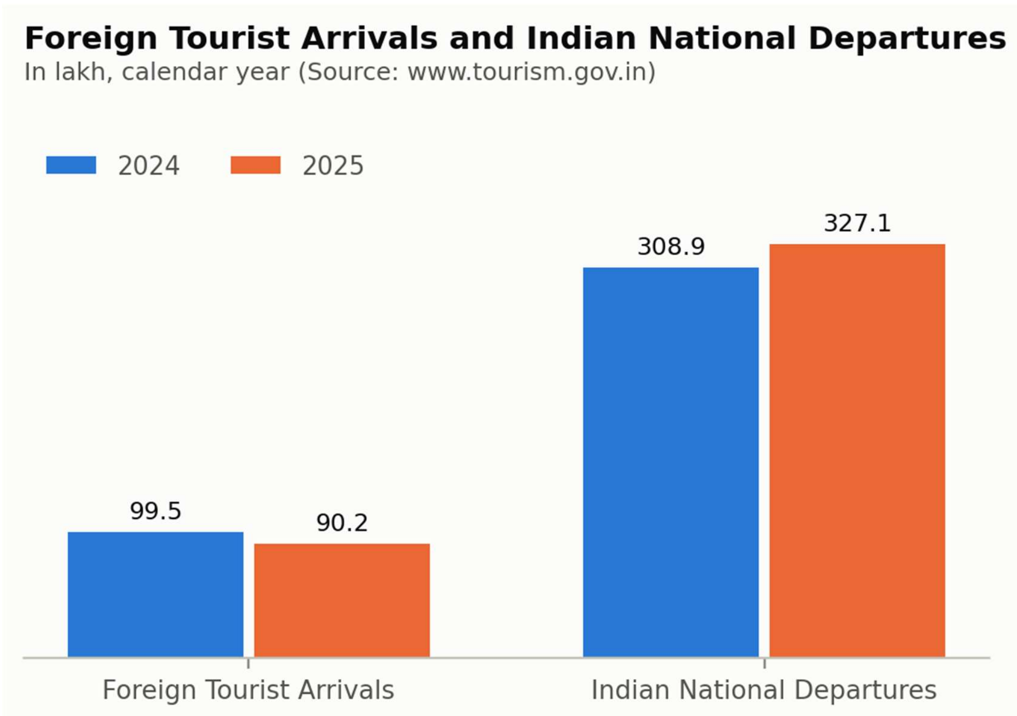
Composition of India's foreign exchange reserves as on April 10, 2026 (Source: www.rbi.org.in)

During the year, the Reserve Bank of India introduced several measures to facilitate cross-border transactions and deepen the onshore foreign exchange market, including extension of export proceeds repatriation timelines, easing of merchanting trade norms, simplified reconciliation requirements for low-value trade transactions, expansion of investment avenues for Special Rupee Vostro Account holders, permission for Indian rupee lending to residents of Bhutan, Nepal and Sri Lanka, and publication of additional reference rates for select foreign currencies by Financial Benchmarks India Limited (Source: RBI).

On the fiscal front, the Government enhanced the threshold for collection of tax at source on remittances under the Liberalised Remittance Scheme from Rs. 7 lakh to Rs. 10 lakh and rationalised TCS rates on overseas tour packages and specified LRS remittances. The Income Tax Act, 2025 came into force with effect from April 1, 2026 (Source: PIB).

2. Tours and Travels

Foreign Tourist Arrivals in India were 90,16,594 in 2025 as against 99,51,722 in 2024, a decline of 9.4 per cent, while Indian National Departures were 3,27,05,326 in 2025 as against 3,08,85,048 in 2024, a growth of 5.9 per cent, being 21.5 per cent above the 2019 level (Source: www.tourism.gov.in, provisional data for January to December 2025). Foreign Exchange Earnings from tourism were US$ 31.33 billion in 2025 as against US$ 35.02 billion in 2024, a decline of 10.53 per cent, and in rupee terms were Rs. 2,73,638 crore as against Rs. 2,93,033 crore, a decline of 6.62 per cent (Source: www.tourism.gov.in).



Foreign Tourist Arrivals and Indian National Departures (Source: www.tourism.gov.in)

Foreign Exchange Earnings from tourism in India (Source: www.tourism.gov.in)

The leading source markets for inbound arrivals in 2025 were the United States of America with a share of 20.1 per cent, the United Kingdom with 11.8 per cent, Australia with 6.0 per cent, Canada with 5.9 per cent and Bangladesh with 5.2 per cent, and the leading ports of entry were Delhi with 35.0 per cent, Mumbai with 18.0 per cent, Bengaluru with 9.1 per cent, Chennai with 8.9 per cent and Hyderabad with 4.8 per cent (Source: www.tourism.gov.in). By purpose of visit, leisure accounted for 39 per cent, the Indian diaspora for 33 per cent and business for 12 per cent (Source: www.tourism.gov.in). On the outbound side, which is the more relevant segment for the Company's foreign exchange and travel businesses, the leading destinations of Indian nationals in 2025 were the United Arab Emirates with a share of 26.3 per cent, Saudi Arabia with 10.3 per cent, Thailand with 6.8 per cent, the United States of America with 6.1 per cent and Singapore with 4.7 per cent (Source: www.tourism.gov.in).

India's aviation and tourism sectors continued to witness strong growth during the year. The number of operational airports increased from 74 in 2014 to 164 in 2025, while air passenger traffic rose to 275.5 million and air cargo traffic to 2.6 million tonnes. Under the Regional Connectivity Scheme (UDAN), 649 routes and 93 aerodromes have been operationalised, benefiting over 1.56 crore passengers. The hotel industry also maintained healthy performance, with average occupancy levels remaining above 60 per cent during FY 2023-24 to FY 2025-26 (Source: India Budget, PIB).

The Government continued to strengthen tourism infrastructure through initiatives such as Swadesh Darshan, Swadesh Darshan 2.0, PRASHAD, Special Assistance to States for Capital Investment, and Vibrant Villages Programme-II. Further, the Union Budget 2026-27 announced measures including upgradation of the National Council for Hotel Management and Catering Technology into a National Institute of Hospitality, development of key cultural destinations, promotion of Buddhist tourism circuits, establishment of Regional Medical Hubs, and enhancement of duty-free allowances for international travellers (Source: PIB).

India is expected to emerge as the world's fifth-largest outbound travel market by 2027, supported by rising disposable incomes, growing preference for international travel, increasing digital adoption in travel bookings, and sustained government focus on tourism infrastructure. The travel and tourism sector is projected to contribute over Rs. 22 trillion to the economy and support more than 48 million jobs, underscoring its significance as a key driver of economic growth (Source: EY, WTTC).

3. International Personal Remittances

India retained its position as the world's largest recipient of personal remittances with an estimated inflow of US$ 150.7 billion in 2025, and South Asia continued to record strong regional growth, driven mainly by continued strong flows to India, Pakistan and Bangladesh. The inward flow is reflected in net services receipts of US$ 60.4 billion in the fourth quarter of 2025-26 against US$ 53.3 billion a year earlier. (Sources: https://www.theglobaleconomy.com, www.rbi.org.in and www.tourism.gov.in)

(b) OPPORTUNITIES & THREATS

Opportunities:-

Growing Outbound Travel Market

India continues to be one of the fastest-growing outbound travel markets globally. With rising disposable incomes, increasing aspirations for international education, growing corporate travel and expanding middle-class consumer base, the demand for foreign exchange, travel products and cross-border payment solutions is expected to witness sustained long-term growth. The Company, with its pan-India established brand presence, is well-positioned to capture this growing demand.

Digital Transformation and Product Innovation

The rapid adoption of digital payment solutions and fintech-driven platforms presents a significant opportunity for the Company. The successful launch of the Paul Merchants Global Currency Card in partnership with Mastercard and Pine Labs has positioned the Company at the forefront of digital forex innovation. The Company intends to further strengthen its digital product suite and leverage technology to enhance customer experience, improve operational efficiency and generate stable fee-based revenue streams.

Favourable Regulatory Developments

The Reserve Bank of India vide its Notification No. FEMA 401/2026-RB dated 30 April 2026 titled as “Foreign Exchange Management (Authorised Persons) Regulations, 2026”, has significantly expanded the scope of permissible activities for AD Category-II entities, including non-trade current account transactions and foreign trade transactions up to Rs. 25 lakh per transaction. The discontinuation of fresh FFMC licences and the transition from the franchisee model to a formalised Forex Correspondent Scheme are expected to consolidate the forex ecosystem and strengthen the competitive position of established players like the Company. These regulatory reforms present a meaningful opportunity for the Company to diversify its revenue streams, deepen market penetration and enhance its role in the foreign exchange value chain.

Strategic Partnerships and Alliances

The Company continues to explore and strengthen strategic partnerships with global payment networks, banks and technology providers. Such alliances enable the Company to expand its product offerings, enhance service delivery and access new customer segments, thereby driving long-term business growth.

Threats:-

Intensifying Competition

The foreign exchange and travel industry is witnessing increasing competition from banks, fintech platforms, digital wallets and other authorised dealers offering seamless and low-cost forex and travel solutions. The emergence of technology-driven competitors may exert pressure on margins and market share. The Company is addressing this through continuous product innovation, digital transformation and strengthening of its distribution network.

Immigration and Visa Policy Uncertainty

A significant portion of the Company's retail forex demand is driven by outbound student traffic. Continued tightening of visa regulations and reduced intake of overseas students by key destination countries such as Canada and the United States poses a threat to forex volumes. The Company is actively diversifying its customer base across corporate, leisure and digital segments to mitigate this risk.

Currency Volatility and Geopolitical Risks

Sharp and unpredictable movements in exchange rates arising from the macro themes discussed under Industry Structure and Developments above may impact transaction margins and profitability. The Company mitigates this risk through prudent treasury management and real-time exchange rate monitoring.

Regulatory Transition Risks

While the new FEMA (Authorised Persons) Regulations, 2026 present significant opportunities, the mandatory transition from the existing franchisee model to the Forex Correspondent Scheme within a two-year window may entail short-term operational adjustments, restructuring costs and changes in distribution arrangements. The Company is proactively planning for a smooth and timely transition to minimise any disruption to business operations.

(c) **SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

Forex Vertical:-

During the financial year 2025-26, the Company’s Total Forex Turnover stood at Rs. 2,039.75 Crores as against Rs. 3,303.46 Crores in the previous financial year. The decline in turnover is primarily attributable to a dip in the intake of overseas students by key destination countries such as Canada and the United States, which traditionally constitute a significant portion of the Company’s retail foreign exchange demand.

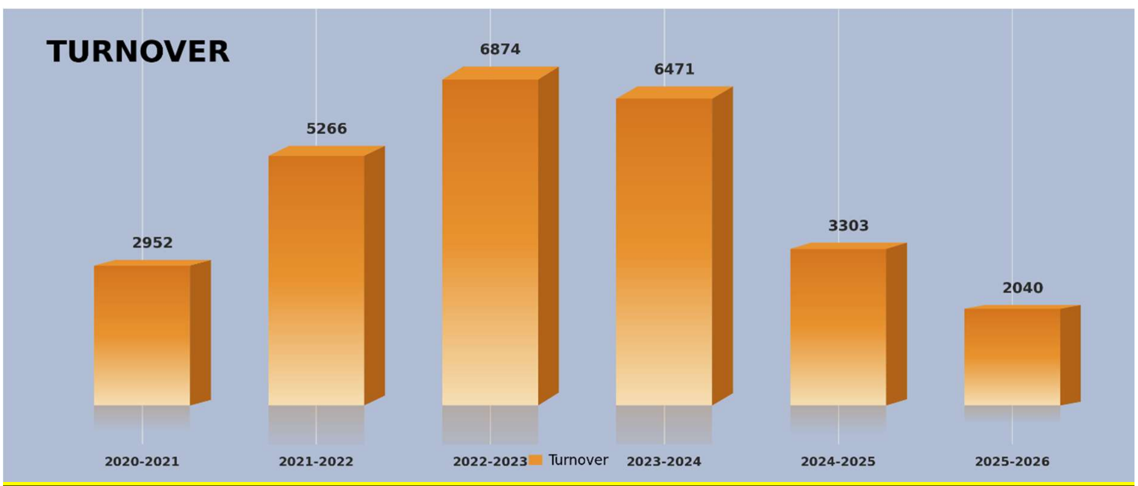
The reduction in student outflows was influenced by multiple external factors, including tightened visa regulations, increased scrutiny and processing timelines, higher financial eligibility requirements, and evolving immigration policies in major destination countries.

Additionally, global economic uncertainties, geo political conflicts, rising cost of education abroad, and foreign exchange volatility also impacted demand from student and travel segments during the year under review.

Despite these headwinds, the Company remained focused on strengthening its forex business through operational efficiencies and strategic product diversification. A key development during the year was the launch of the Paul Merchants Global Currency Card on October 7, 2025, in partnership with Mastercard and Pine Labs. This initiative marks a transition towards a digital, fee-based and scalable forex model, which is expected to stabilize revenues and improve margins in the medium term.

Total Forex Turnover Trends (excluding Non-AD-II turnover)

Figures in INR Crores

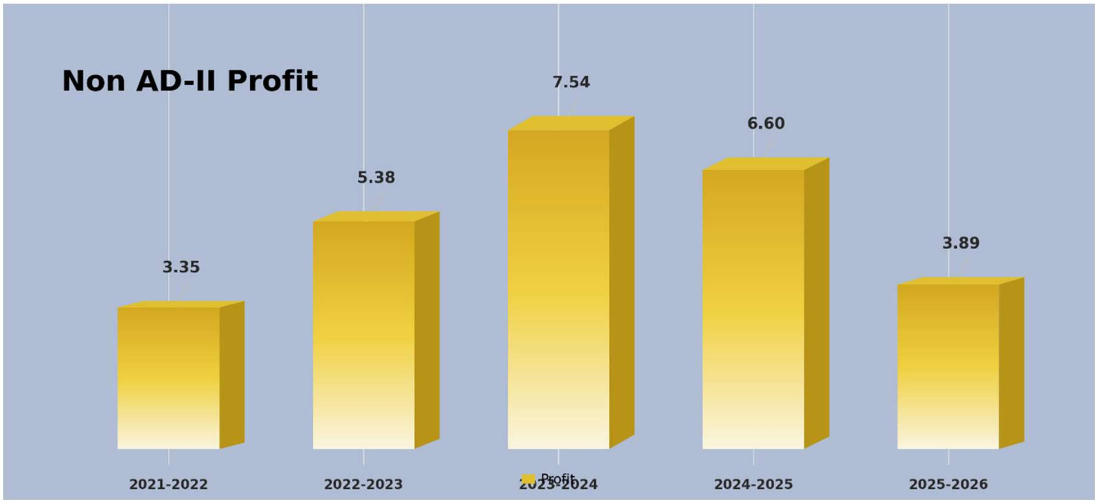


Non AD II Business

During the financial year 2025-26, the Company's Income from Non AD-II Business stood at Rs. 3.89 Crores as against Rs. 6.60 Crores in the previous financial year. The decline in Non AD-II Business income reflects the overall moderation in auxiliary business activities during the year under review.

The Company continues to view Non AD-II businesses as an important diversification strategy to complement its core foreign exchange operations. Going forward, the Company intends to strengthen these revenue streams through improved product offerings, enhanced customer outreach and operational efficiencies.

Non ADII Profit (Figures in INR Crores)



RBI Approval for Perpetual AD Category-II License

The Reserve Bank of India approved Company's application dated July 22, 2026 for renewal-cum-amendment of its Authorised Dealer Category-II (AD Category-II) Licence on 31.07.2026 and on 03.08.2026, the Company achieved the significant regulatory milestone with the RBI granting the perpetual Authorised Dealer Category-II (AD Category-II) License under the Foreign Exchange Management (Authorised Persons) Regulations, 2026. The approval expands the scope of the Company's foreign exchange and cross-border financial services business by enabling it to undertake additional permissible non-trade current account transactions under FEMA, excluding gifts and donations, and foreign trade transactions up to Rs. 25 lakh per transaction. Building upon its extensive nationwide network of 64 offices and over three decades of experience in foreign exchange and international remittance services, the Company is well positioned to broaden its service offerings and cater to the evolving requirements of individuals, students, travellers, professionals and businesses engaged in cross-border transactions. This development reinforces the Company's commitment to regulatory compliance, customer trust and operational excellence, while creating a strong foundation for future growth in India's expanding foreign exchange and international payments ecosystem.

Travel Division

In this segment, Gross Turnover from Hotel Bookings and Packages stood at Rs. 304.46 Lakhs for the year under review as against the previous year figure of Rs. 490.13 lakhs, registering a decline of 37.88%. The revenue from hotel bookings stood at Rs. 38.64 Lakhs for the year under review as against the previous year figure of Rs. 31.11 Lakhs. Revenue from Air Ticketing stood at Rs. 158.10 Lakhs for the year under review as against the previous year figure of Rs. 161.31 lakhs, registering a decline of 1.99%.

The Company also offers other services which are allied to the Tours and Travel activities like Visa and other products. These are the services, which are invariably required by the customer who comes to the Company Outlets for his Travel Needs. Revenue from Visa, Bus Bookings and Railway Booking services stood at Rs. 13.11 Lakh for the year under review as against the previous year figure of Rs. 17.40 Lakhs, registering a decline of 24.66%.

International Inward Money Transfer

The Company has been offering International Inward Money Transfer services as a Sub Agent of Ebix Money Express Services (Private) Ltd., as per the regulations issued by Reserve Bank of India and is offering the services of Western Union, RIA Money Transfer & Transfast and also working as sub agent of Delphi World Money Ltd. for offering services of Money gram. During the year under review, the Company achieved Revenue from this segment at Rs 24.58 Lakhs as against the previous year figure of Rs. 26.62 Lakhs, registering a decline of 7.66%.

Further, the Company achieved Revenue from Domestic Money Transfer at Rs. 7.66 Lakhs as against the previous year figure of Rs. 9.79 Lakhs, registering a decline of 21.76%. For offering these services, the Company acts as a Distributor of its Wholly Owned Subsidiary Paul Merchants Finance (Private) Ltd.

During the year under review, the Company had submitted an application dated November 06, 2025 to the Reserve Bank of India (Foreign Exchange Department) for grant of a Money Transfer Service Scheme License ("MTSS License") for operating MTSS business as a new line of business. However, the said application had been rejected by the RBI without citing any specific reason for not acceding to the request made by the Company. The Company has again submitted its revised application to the Reserve Bank of India in this regard on 14.07.2026, and the outcome of the same shall be intimated to all the stakeholders of the Company through BSE Ltd at the appropriate time in compliance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(d) OUTLOOK

Foreign Exchange Segment

Looking ahead, the Company remains cautiously optimistic about the growth prospects of its Foreign Exchange business. The Company expects a gradual recovery in forex volumes driven by an anticipated easing of visa restrictions in key destination countries, resumption of growth in outbound student traffic, and improving global travel sentiment. The successful launch of the Paul Merchants Global Currency Card in partnership with Mastercard and Pine Labs is expected to serve as a key growth driver, enabling the Company to tap into the digital payments ecosystem and generate stable, fee-based revenue streams. The Company remains committed to expanding its forex product suite and leveraging digital platforms to enhance customer acquisition, retention and overall service delivery.

Tours and Travel Segment

In the Tours and Travel segment, the Company intends to strengthen its product offerings by expanding its hotel and package portfolio, enhancing digital booking capabilities, and focusing on emerging travel corridors to capture the growing demand for both leisure and business travel. With global travel sentiment gradually recovering and increasing preference for digitally-enabled travel solutions, the Company is well-positioned to rebuild momentum in this segment and improve its contribution to overall revenues.

International and Domestic Money Transfer Segment

In the International and Domestic Money Transfer segment, the Company plans to deepen its distribution network and leverage its strategic tie-ups to improve market penetration and service delivery. The Company continues to explore new partnerships and technology-driven solutions to enhance operational efficiency and customer reach in this segment.

Overall Strategic Direction

The Company continues to invest in technology, compliance infrastructure and human capital to build a leaner, more efficient and scalable business model. While near-term challenges including global economic uncertainties, currency volatility and evolving regulatory frameworks may impact business performance, the Company is well-positioned to capitalize on medium to long-term growth opportunities through its diversified business model, strong brand presence and commitment to operational excellence.

(e) RISKS AND CONCERNS

Regulatory and Compliance Risk:-

The Company operates in a highly regulated environment governed by the Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), and other statutory authorities. As an Authorized Dealer Category-II entity, the Company is subject to evolving regulations pertaining to foreign exchange transactions, anti-money laundering (AML) norms, Know Your Customer (KYC) requirements and cross-border remittance guidelines. Any significant changes in the regulatory framework, tightening of compliance requirements or introduction of new licensing conditions may impact the Company's operations, cost structure and business model. The Company continues to invest in its compliance infrastructure and regularly upgrades its internal processes to ensure adherence to all applicable regulatory requirements.

Foreign Exchange and Currency Volatility Risk

The Company's core business is intrinsically linked to foreign exchange markets and is therefore exposed to currency fluctuation risks. Sharp and unpredictable movements in exchange rates, particularly in major currencies such as USD, GBP, EUR and CAD, can impact transaction margins and profitability. Additionally, geopolitical tensions, trade disruptions and monetary policy shifts by global central banks may further amplify currency volatility. The Company mitigates this risk through prudent treasury management, real-time exchange rate monitoring and disciplined hedging practices.

Macroeconomic and Geopolitical Risk

Global economic uncertainties, including recessionary trends in major economies, inflationary pressures, rising interest rates and geopolitical conflicts, may adversely impact cross-border travel, student outflows and international trade, all of which are key demand drivers for the Company's services. Domestically, any slowdown in economic activity or contraction in consumer spending may affect demand for travel and forex services. The Company continues to monitor macroeconomic developments closely and maintains a diversified business model to mitigate concentration risk.

Immigration and Visa Policy Risk

A significant portion of the Company's retail foreign exchange demand is driven by outbound student traffic and international travel. During the year under review, tightened visa regulations and reduced intake of overseas students by key destination countries such as Canada and the United States adversely impacted forex volumes. Any further tightening of immigration policies, increase in visa rejection rates or imposition of caps on student visas by major destination countries may continue to affect this demand segment. The Company is actively diversifying its customer base and expanding into corporate forex and digital product offerings to reduce dependence on the student segment.

Technology and Cybersecurity Risk

With the increasing adoption of digital platforms, including the recently launched Paul Merchants Global Currency Card, the Company faces risks associated with technology disruptions, data breaches, cyber-attacks and system failures. Any compromise in the security of customer data or transactional systems could result in financial losses, regulatory penalties and reputational damage. The Company continues to strengthen its IT infrastructure, invest in cybersecurity measures and ensure compliance with data protection norms to safeguard its digital ecosystem.

Competition Risk

The foreign exchange and travel industry in India is witnessing increasing competition from banks, fintech players, digital wallets and other Authorized Dealers. The emergence of technology-driven platforms offering seamless and low-cost forex and travel services poses a competitive challenge to traditional business models. The Company is addressing this risk through continuous product innovation, strategic partnerships, enhanced digital capabilities and a strong pan-India distribution network to maintain its competitive position.

Operational and Human Resource Risk

The Company's business operations are dependent on a network of branches, franchisees and personnel spread across the country. Any disruption in operations due to natural calamities, pandemics, labour issues or attrition of key personnel may impact business continuity and service delivery. The Company maintains robust business continuity plans, invests in employee engagement and development programmes, and continues to build operational resilience across all levels.

(f) <u>INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY AND RISK MANAGEMENT</u>

The company has a robust internal control and risk management framework commensurate with its size, complexity, and nature of operations. The system is aligned with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A comprehensive risk management policy and internal control structure is in place to identify, assess, and mitigate key risks, including strategic, operational, financial, compliance, and reputational risks. While risks cannot be eliminated entirely, the company's framework is designed to minimize exposures and ensure operational resilience.

The internal control system ensures proper safeguarding of assets, accuracy of financial records, and reliability of financial and operational reporting. The framework is supported by:-

- periodic internal and concurrent audits conducted by independent chartered accountants,
- oversight by the Audit Committee through review of audit findings, corrective actions, and any internal investigations as required.

The company also maintains a structured compliance mechanism for anti-money laundering (AML) and know your customer (KYC) norms, including the appointment of a Designated Director and a qualified Principal Officer, in line with RBI and FATF guidelines. Internal controls extend to ensuring compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 and are subject to regular review for adequacy and effectiveness.

Based on evaluation by the Audit Committee under section 177 of the Companies Act, 2013 and regulation 18 of the SEBI Listing Regulations, the Board of Directors has confirmed that the company's internal financial controls over financial reporting were adequate and operating effectively as on March 31, 2026. The statutory auditors have also issued their report on the internal controls over financial reporting under section 143 of the Companies Act, 2013.

(g) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.

Sr. No	Particulars	Year Ended		Year Ended	
		31-03-2026	31-03-2025	31-03-2026	31-03-2025
		Standalone (Rs. In lakhs)		Consolidated (Rs. In lakhs)	
1	**Revenue from operations**				
	Sales	2,04,660.08	3,31,362.72	2,06,257.35	3,31,921.79
	Other operating income	930.91	1,495.12	1,105.44	1,545.85
	Total (1)	**2,05,590.99**	**3,32,857.84**	**2,07,362.79**	**3,33,467.64**
2	Expenses				
	a. Cost of materials consumed	-	-	-	-
	b. Purchase of stock in trade	2,00,644.90	3,24,955.07	2,00,639.63	3,24,952.98
	c. Changes in inventories of finished goods, stock-in-trade and work-in progress	162.15	(38.46)	124.23	445.24
	d. Employee benefits expense	2,274.62	2,433.88	3,734.15	2,689.35
	e. Other expenses	3,420.44	5,980.84	4,414.00	6,108.22
	Total (2)	**2,06,502.10**	**3,33,331.33**	**2,08,912.01**	**3,34,195.79**
3	**Operating profit (EBITDA excluding other income (1-2)**	(911.11)	(473.49)	(1,549.22)	(728.16)
4	Other Income	3,102.84	1,867.18	4082.19913	325.5222418
5	Less: Finance costs	54.45	122.98	107.79	195.58
6	Less: Depreciation & amortization expenses	376.35	320.76	547.90	380.49
7	**Profit before share of profit/ (loss) in Subsidiaries/associates / joint venture, exceptional items & tax**	**1,760.94**	**949.94**	**1,877.28**	**(978.71)**

8	Share of profit/ (loss) in Subsidiaries/associates / joint venture, exceptional items & tax	Nil	Nil	-2.80	Nil
9	Exceptional items	5.00	125.90	5.00	125.90
10	**Profit before tax (from Continuing Operations)**	**1,755.94**	**824.04**	**1,869.48**	**- 1,104.61**
11	Less: Provision for tax				
	Current tax	422.76	255.22	996.27	161.74
	Prior Period Tax	(1.92)	(20.72)	30.73	(20.72)
	Deferred tax	15.96	(1.44)	(63.01)	(16.95)
	Total	**436.79**	**233.06**	**964.00**	**124.07**
12	**Profit after tax (from Continuing operations)**	**1,319.14**	**590.98**	**905.49**	**- 1,228.68**
13	Profit/Loss from Discontinued Operations			**30,332.77**	**9,621.28**
14	Tax Expense of Discontinued Operations			**4,364.07**	**2,009.05**
15	PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS AFTER TAX (13-14)			**25,968.70**	**7,612.23**
16	PROFIT/(LOSS) FOR THE PERIOD (12+15)	**1,319.14**	**590.98**	**26,874.18**	**6,383.55**
17	Total Comprehensive Income	1,327.05	569.02	26,876.62	6,367.91
18	Balance of Reserves & Surplus brought forward	47,887.01	47,317.99	62,579.66	56,211.75
19	Reserves and Surplus at the end of the year	49,214.06	47,887.01	89,418.81	62,579.66

(h) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company integrates its core principles into everyday work life, cultivating an agile environment focused on inclusivity and shared success. Employee milestones are synchronized with company objectives, allowing professional growth to directly translate into tangible business success. Team insights act as a primary catalyst for long-term growth, positioning staff as vital architects of corporate progress. To support organizational scaling, talent architecture is treated as an ongoing journey through structured training programs that deliver continuous upskilling across every business unit.

During the FY 2025-26 cycle focused on systemic enhancement. Key deliverables included a redesigned employee induction architecture, institutionalized health and wellness protocols, cross-functional synergy workshops, and the deployment of structured feedback analytics to systematically identify operational gaps.

As on 31st March, 2026, 318 number of people are employed in the Company.

(i) DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR, INCLUDING:-

Sr. No.	Ratio	Numerator/ Denominator	2024-25	2025-26	Change	EXPLANATION FOR CHANGE
A	Debtors Turnover	Credit Sale/Average Trade receivable	4.82	4.03	-16.41%	Credit sale decreased as compared to previous year
B	Inventory Turnover	Cost of goods sold/average inventory	50.2	43.8	-12.75%	This is mainly because Purchases reduced as compared to previous year.
C	Interest Coverage Ratio	PBT/Interest	8.83	46.24	423.67%	PBT increased as compared to last year
D	Current Ratio	Current Assets/ Current Liability	5.08	4.43	-12.73%	Current assets decreased compared to last year mainly cash & bank balances and loans

E	Debt Equity Ratio	Debt/Total Equity	0.0338	0.0136	-59.63%	The ratio has improved as compared to last year mainly due to decrease in borrowings and increase in Net Worth
F	Operating Profit Margin (%)	Operating Profit/Total Operating Revenue	-0.28%	-0.65%	-136.86%	The decrease is due to decrease in revenue from operations as compared to previous year
G	Net Profit Margin (%)	PAT/ Total Income	0.18%	0.63%	258.01%	Profit Increased as compared to last year
	Any sector-specific equivalent ratios, as applicable	Nil	-		-	There is no such sector-specific equivalent ratio

Note: for the purpose of calculating the %age change, actual figures up to 2 decimal figures have been taken into account.

(j) DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF

Ratio	**2024-25**	**2025-26**	**Change**	**EXPLANATION FOR CHANGE**
Return On Net Worth	1.23%	2.66%	117.23%	Profit Increased as compared to previous year leading to increase in return on net worth

PART 2

DISCLOSURE OF ACCOUNTING TREATMENT –

The accompanying Financial Statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values and defined contribution plans which have been measured at actuarial valuation as required by relevant Ind AS, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report describing Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include change in Statutory Regulations, overall Forex Markets, downward trend in migration, rise in operational costs, exchange rate fluctuations and significant changes in political, social and economic environment, tax laws, litigation and labour relations.

For & On Behalf of the Board	**For & On Behalf of the Board**
Sd/-	**Sd/-**
(RAJNEESH BANSAL)	**(RITESH VAID)**
MANAGING DIRECTOR	**WHOLE TIME DIRECTOR**
(DIN 00077230)	(DIN 09433856)

PLACE: CHANDIGARH
Date: August 12, 2026

ANNEXURE D-4 TO THE DIRECTORS' REPORT

Details of Loans			
Sr. No.	**Name of Entity/Person**	**Amount (in Rs.)**	**Purpose**
1	Paul Merchants Finance (P) Ltd. (PMFPL), Wholly Owned Subsidiary	A sum of Rs. 61.75 crores had been advanced as loans in several tranches during the year under review.	For use as a Working Capital. PMFPL repaid the entire Loan during the year under review.
	* Total Balance outstanding as on 31/03/2026 is NIL as against the previous year's outstanding balance of Rs 1,66,85,00,000/-		
2	Paul Merchants Realtors (P) Ltd., Wholly Owned Subsidiary	Rs. 56,22,00,000	A sum of Rs. 24,71,00,000/- was given as a working capital loan and Rs. 31,51,00,000/-was given as term Loan by the Company to PMRPL during the year under review.

Details of Guarantees and Securities issued during the year			
Sr. No.	**Name of Entity/Person**	**Amount**	**Purpose**
1	HDFC Bank Limited	Rs. 50 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited and closed within the same Financial Year.

Details of Investments made during the FY 2025-26.

Sr. No.	Name of Entity/Person	Amount (Rs.)	Purpose
1	Paul Merchants Realtors Private Limited (PMRPL). The Company subscribed to 5,10,00,000 Equity Shares of PMRPL, of the Face Value of Rs 10/- each subscribed @ Rs. 11/- each on Right basis, during the FY 2025-26.	56,10,00,000	Subscription to the right issue of Equity share capital. The said amount will be utilized by the Company in its principal business activities.
	GRAND TOTAL OF INVESTMENTS	**56,10,00,000**	

Note 1: Investments have been measured at Fair Value through Profit & Loss
Note 2: Further reference can be made in this regard to Note no. 2,3, 7, 10, 11, 39 to the accompanying Financial Statements

For & On Behalf of the Board

Sd/-
(RAJNEESH BANSAL)
MANAGING DIRECTOR
(DIN 00077230)

For & On Behalf of the Board

Sd/-
(RITESH VAID)
WHOLE TIME DIRECTOR
(DIN 09433856)

PLACE: CHANDIGARH
Date: August 12, 2026

ANNEXURE D-5 TO THE DIRECTORS' REPORT

FORM NO. 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 arm's length transaction under third proviso thereto.

1. Date: Details of contracts or arrangements or transactions not at arm's length basis - NIL

2. Details of material contracts or arrangements or transactions at Arm's length basis - NIL.

Details of contracts or arrangements or transactions at Arm's length basis has voluntarily been given as a matter of good corporate governance as follows:-

RENT PAID TO DIRECTORS

Name(s) of the related party and nature of relationship	**Rajneesh Bansal - Managing Director (DIN 00077230)**	**Amount for the FY 25-26 (Rs.)**
Nature of contracts/arrangements/transactions	Rent Agreement in respect of Shop No. 3, 4A, 4B & 4C, Lower Ground Floor, Alfa Estate Building, G.T. Road, Jalandhar owned by him.	7,55,460 /-
Duration of the contracts/arrangements/transactions	The arrangement is running since 01-04-2008 and the Current term is from 01/04/2025 to 31/03/2028	
Salient terms of the contracts or arrangements or transactions including the value, if any:		
Rate of Rent	Rs. 62,955/- per month from 01.04.2025 till 31.03.2026	
Annual Increase	8%	
Local Levies	Payable by the Company	
Justification for entering into such contracts or arrangements or transactions	The Company is using the Shops for its office purpose and paying the rent as per market rate. As such, this Transaction is justified and is in the interests of the Company.	
Date(s) of approval by the Board, if any	11.12.2007 & 12.02.2013	
Amount paid as advances, if any:	Rent is paid in advance on monthly basis	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Required	

Name(s) of the related party and nature of relationship	**Rajneesh Bansal - Managing Director (DIN 00077230)**	**Amount for the FY 25-26 (Rs.)**
Nature of contracts/arrangements/transactions	Rent Agreement in respect of Shop No 1A, Ground Floor, Asian Plaza Complex Main Chowk, Mcleodganj, Dharamsala, Distt. Kangra (HP), owned by him.	13,99,000/-
Duration of the contracts/arrangements/transactions	The arrangement is running since 01-04-2008 and the Current term is from 01/04/2023 to 31/03/2026	
Salient terms of the contracts or arrangements or transactions including the value, if any:		

Rate of Rent	Rs. 1,16,583/- per month from 01.04.2025 till 31.03.2026	
Annual Increase	8%	
Local Levies	Payable by the Company.	
Justification for entering into such contracts or arrangements or transactions	The Company is using the Shop for its office purpose and paying the rent as per market rate. As such, this Transaction is justified and is in the interests of the Company.	
Date(s) of approval by the Board, if any	11.12.2007 & 07.02.2014	
Amount paid as advances, if any:	Rent is paid in advance on monthly basis.	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not required.	

RENT RECEIVED FROM WHOLLY OWNED SUBSIDIARY COMPANY

Name(s) of the related party and nature of relationship	**Paul Merchants Finance Private Limited (PMFPL) (CIN U65921CH2010PTC032462) - Wholly Owned Subsidiary Company**	**Amount for the FY 25-26 (Rs.)**
Nature of contracts/arrangements/ transactions	Rent Agreement for giving a portion measuring 1200 Sq.ft. approx. at Ground Floor of Company owned showroom SCO 829-830, Sector 22-A, Chandigarh, on rent to PMFPL.	18,99,997
Duration of the contracts/ arrangements/transactions	Current agreement is effective from 14.05.2024 till 13.05.2027	
Salient terms of the contracts or arrangements or transactions including the value, if any:		
Rate of Rent	Rs. 1,83,756/- per month w.e.f. 01.04.2025, however, during the year under review, the area of the floor was reduced to 500 Sq Ft and accordingly, the rate of rent was also reduced to Rs. 1,07,191/- per month w.e.f. 09/06//2025. For three months, the floor remained vacant and then w.e.f. 13/11/2025, the rent was revised to Rs. 196,619/- per month.	
Annual Increase	7%	
Local Levies	Local levies, Server expenses and utility bills included in rent. (GST payable by the Lessee)	
Justification for entering into such contracts or arrangements or transactions	The Company has let out this portion for use of the same by its Wholly Owned Subsidiary Company for its office purpose and is receiving the rent as per market rate. As such, this Transaction is justified and is in the interests of the Company.	
Date(s) of approval by the Board, if any	17.08.2012 & 14.05.2019, 23.05.2023, 09.11.2023,12.11.2025	
Amount paid as advances, if any:	Rent is received in advance on monthly basis.	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not required.	
Name(s) of the related party and nature of relationship	**Paul Merchants Finance Private Limited (PMFPL) (CIN U65921CH2010PTC032462) - Wholly Owned Subsidiary Company**	**Amount for the FY 25-26 (Rs.)**
Nature of contracts/arrangements/ transactions	Rent Agreement dated 14.11.2025 for giving a portion measuring 2587 Sq.ft. approx. at First Floor of Company owned showroom SCO 827-828, Sector 22-A, Chandigarh, on rent to PMFPL	22,25,105

Duration of the contracts/ arrangements/transactions	Rent agreement w,e,f. 01.10.2025 with monthly rate of rent @ Rs. 1,96,619/- and then w.e.f. 13.11.2025 with monthly rate of rent @ Rs. 423878/-. The Agreement is valid up to 12/10/2026	
Salient terms of the contracts or arrangements or transactions including the value, if any:		
Rate of Rent	Monthly rate of rent @ Rs. 1,96,619/- w.e.f. 01.10.2025 and then Rs. 423878/- w.e.f. 13.11.2025	
Annual Increase	7%	
Local Levies	Local levies, Server expenses and utility bills included in rent. (GST payable by the Lessee)	
Justification for entering into such contracts or arrangements or transactions	The Company has let out this portion for use of the same by its Wholly Owned Subsidiary Company for its office purpose and is receiving the rent as per market rate. As such, this Transaction is justified and is in the interests of the Company.	
Date(s) of approval by the Board, if any	13.08.2025 & 12.11.2025	
Amount paid as advances, if any:	Rent is received in advance on monthly basis.	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not required.	

Name(s) of the related party and nature of relationship	**Paul Merchants Finance (Pvt.) Ltd. (CIN U65921CH2010PTC032462) - Wholly Owned Subsidiary Company**	**Amount for the FY 25-26 (Rs.)**
Nature of contracts/arrangements/ transactions	Rent Agreement for giving a portion measuring approx 2500 Sq. Ft. at Ground Floor of Company owned Godown, Hadbast No. 234, At Vakia mauja Pabhat,Tehsil Derabassi, S.A.S. Nagar, Mohali on rent	7,07,670/-
Duration of the contracts/ arrangements/transactions	The arrangement had come into effect w.e.f. 10-02-2023 and the Current term was valid from 10/02/2023 to 09/02/2026, when the agreement was further renewed and extended till 09/02/2029.	
Salient terms of the contracts or arrangements or transactions including the value, if any:		
Rate of Rent	Rs. 58,320/- (exclusive of GST) per month from 10.02.2025 to 09.02.2026 and 62,985/- (exclusive of GST) per month from 10.02.2026 to 31.03.2026.	
Annual Increase	8%	
Local Levies	Local levies and utility bills payable by the Lessor. GST payable by the Lessee.	
Justification for entering into such contracts or arrangements or transactions	Paul Merchants Finance Private Limited is a Wholly Owned Subsidiary of the Company and is using this space for its godown purpose and is paying rent as per market rates. As such, this Transaction is justified and is in the interests of the Company	
Date(s) of approval by the Board, if any	09.02.2023	
Amount paid as advances, if any:	Rent is received in advance on monthly basis.	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not required.	

Name(s) of the related party and nature of relationship	Paul Merchants Finance Private Limited (PMFPL) (CIN U65921CH2010PTC032462) - Wholly Owned Subsidiary Company	Amount for the FY 25-26 (Rs.)
Nature of contracts/arrangements/ transactions	Rent Agreement dated 04.11.2025 for giving a portion measuring 100 Sq.ft. approx. at DSM 335, 336, 337, 3rd Floor, DLF Tower, 15, Shivaji Marg, Najafgarh Road, New Delhi, on rent to PMFPL w.e.f. 01.11.2025	45,000/-
Duration of the contracts/ arrangements/transactions	Agreement is effective from 01.11.2025 for a period of 11 months, extendable thereafter by mutual consent of both parties	
Salient terms of the contracts or arrangements or transactions including the value, if any:		
Rate of Rent	Rs. 9,000/- per month (all-inclusive) w.e.f. 01.11.2025	
Annual Increase	5%	
Local Levies	Local levies and utility bills payable by the Lessor. GST payable by the Lessee.	
Justification for entering into such contracts or arrangements or transactions	Paul Merchants Finance Private Limited is a Wholly Owned Subsidiary of the Company and is using this space for its office purpose and is paying rent as per market rates. As such, this Transaction is justified and is in the interests of the Company	
Date(s) of approval by the Board, if any	13.08.2025	
Amount paid as advances, if any:	Rent is received in advance on monthly basis.	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not required.	

Name(s) of the related party and nature of relationship	Paul Merchants Finance Private Limited (PMFPL) (CIN U65921CH2010PTC032462) - Wholly Owned Subsidiary Company	Amount for the FY 25-26 (Rs.)
Nature of contracts/arrangements/ transactions	Rent Agreement dated 14.11.2025 for giving entire Ground Floor of Company owned House No. C-21, Pamposh Enclave, New Delhi, admeasuring 253.12 Sq. Yds., on rent to PMFPL for use as its Guest House.	6,90,000
Duration of the contracts/ arrangements/transactions	The Agreement effective from 13.11.2025 for a period of 11 months, extendable thereafter by mutual consent of both parties	
Salient terms of the contracts or arrangements or transactions including the value, if any:		
Rate of Rent	Rs. 1,50,000/- per month (including all taxes) w.e.f. 13.11.2025	
Annual Increase	7%	
Local Levies	Payable by the Lessor.	
Justification for entering into such contracts or arrangements or transactions	The Company has let out this portion for use of the same by its Wholly Owned Subsidiary Company for using it as its Guest house and is receiving the rent as per market rate. As such, this Transaction is justified and is in the interests of the Company.	
Date(s) of approval by the Board, if any	12.11.2025	
Amount paid as advances, if any:	Rent is received in advance on monthly basis.	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not required.	

Name(s) of the related party and nature of relationship	**Paul Merchants Realtors Private Limited (Formerly Known as PML Realtors Private Limited) (CIN:U70109CH2017PTC041807) - A Wholly Owned Subsidiary Company**	**Amount for the FY 25-26 (Rs.)**
Nature of contracts/arrangements/ transactions	Rent Agreement for giving a portion measuring 110 Sq. Ft. at 2nd Floor of Company owned showroom SCO 827-828, Sector 22-A, Chandigarh on rent.	2,11,612
Duration of the contracts/ arrangements/transactions	From 18/12/2017 onwards until terminated by either party	
Salient terms of the contracts or arrangements or transactions including the value, if any:		
Rate of Rent	Rs. 17,432/- per month from 01.04.2025 to 07.02.2026 and Rs. 18,825/- per month w.e.f. 08.02.2026 till 31.03.2026 (inclusive of GST).	
Annual Increase	8%	
Local Levies	Payable by the Lessor.	
Justification for entering into such contracts or arrangements or transactions	The Company has let out this portion for use of the same by its Wholly Owned Subsidiary Company for its office purpose and is receiving the rent as per market rate. As such, this Transaction is justified and is in the interests of the Company.	
Date(s) of approval by the Board, if any	14.11.2017 & 07.02.2019	
Amount paid as advances, if any:	Rent is received in advance on monthly basis.	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not required.	

RENT RECEIVED FROM A COMPANY IN WHICH RELATIVES OF DIRECTORS ARE HOLDING DIRECTORSHIP AND SHAREHOLDING

Name(s) of the related party and nature of relationship	**Pitaara Entertainment Private Limited (Formerly known as Paul E-Commerce (P) Ltd.,) (CIN: U93090CH2006PTC029897)- a Company in which relatives of Directors are holding Directorship and Shareholding**	**Amount for the FY 25-26 (Rs.)**
Nature of contracts/arrangements/ transactions	Rent Agreement for giving Half portion of Basement of Company owned building C-21, Pamposh Enclave, New Delhi on rent	4,54,021/-
Duration of the contracts/ arrangements/transactions	The arrangement is running since 01-10-2017 and the current term is from 01-10-2024 to 30-09-2027	
Salient terms of the contracts or arrangements or transactions including the value, if any:		
Rate of Rent	Rs. 36,310/- per month from 01.04.2025 to 30.09.2025 and Rs. 39,215/- per month w.e.f. 01.10.2025 till 31.03.2026. GST is in addition to this rate of rent is payable by the Lessee.	
Annual Increase	8%	
Local Levies	All local levies & Taxes are payable by the Lessor.	
Justification for entering into such contracts or arrangements or transactions	The Company has let out this portion for use of the same by the Lessee Company for its using the same as its Guest House and is receiving the rent as per market rate. As such, this Transaction is justified and is in the interests of the Company.	
Date(s) of approval by the Board, if any	21.09.2017	
Amount paid as advances, if any:	Rent is received in advance on monthly basis.	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not required.	

COMMISSION PAID TO WHOLLY OWNED SUBSIDIARY COMPANY		
Name(s) of the related party and nature of relationship	**Paul Merchants Finance Private Limited (PMFPL) (CIN U65921CH2010PTC032462) - Wholly Owned Subsidiary Company**	**Amount for the FY 25-26 (Rs.)**
Nature of contracts/arrangements/transactions	Commission paid in respect of travel related services offered by PMFPL as per the Customer Referral Arrangement dated 21.05.2024	13,646/-
Duration of the contracts/arrangements/ transactions	Customer Referral Arrangement dated 21.05.2024 is valid for an initial term of 3 (Three) years w.e.f. 17.05.2024 and shall thereafter be renewed mutually between the parties	
Salient terms of the contracts or arrangements or transactions including the value, if any:		
Rate	In respect of every transaction referred by PMFPL, the Company pays Commission @70% of the Net Revenue earned on that transaction, to PMFPL.	
Annual Increase	NA	
Taxes	Applicable GST on the income received by the respective parties is borne by themselves.	
Justification for entering into such contracts or arrangements or transactions	Under this arrangement, PMFPL is acting as a Referral Agent of the Company for referring customers for Travel Products to the Company and will receive commission from the Company towards the services rendered as per the terms and conditions of the Customer Referral Agreement, which is adding up to the revenues of the Company. As such, this Transaction is justified and is in the interests of the Company.	
Date(s) of approval by the Board, if any	14.05.2019, 14.11.2022, 16.05.2024	
Amount paid as advances, if any:	NA	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not required.	

REMUNERATION PAID TO MR. HARDIK BANSAL		
Name(s) of the related party and nature of relationship	Mr. Hardik Bansal- Son of Mr. Rajneesh Bansal, Managing Director of the Company	**Amount for the FY 25-26 (Rs.)**
Nature of contracts/arrangements/transactions	Payment of Remuneration	2,85,695/-
Duration of the contracts/arrangements/ transactions	The employment was valid until terminated by any party by giving prior notice of one month to the other. He remained on rolls of the Company till 31.07.2025 and from August 1, 2025 onwards, he was transferred to Paul Merchants Finance Private Limited, a wholly owned subsidiary of the Company. As such, the amount of remuneration paid to him till 31st July 2025 has been taken here.	
Salient terms of the contracts or arrangements or transactions including the value, if any	During the year, Mr. Hardik Bansal was working as an employee of the Company and handled the legal matters filed by and/or against the Company and during the FY 2025-26, a sum of Rs. 2,85,695/- has been paid to him as remuneration for the services rendered by him.	
Justification for entering into such contracts or arrangements or transactions	Mr. Hardik Bansal was working as an employee of the Company and handled the legal matters filed by and/or against the Company on day to day basis. As such, this Transaction is justified and is in the interests of the Company.	
Date(s) of approval by the Board, if any	16/05/2024	
Amount paid as advances, if any:	NA	

Further reference in this regard can be made to Note no. 42 of the Balance sheet, which is a part of this Annual Report.

For & On Behalf of the Board	**For & On Behalf of the Board**
Sd/-	**Sd/-**
(RAJNEESH BANSAL)	**(RITESH VAID)**
MANAGING DIRECTOR	**WHOLE TIME DIRECTOR**
(DIN 00077230)	(DIN 09433856)

PLACE: CHANDIGARH
Date: August 12, 2026

ANNEXURE D-6 TO THE DIRECTORS' REPORT:-

A. **Conservation of Energy** :

(i) Steps taken or impact on conservation of energy:- The Company is engaged in service sector activities and its operations are not energy intensive. Accordingly, energy cost does not constitute a significant portion of the total cost of operations of the Company. However, the Company continues to make efforts, wherever possible and feasible, to conserve energy and optimise power consumption at its offices and branches. The energy conservation measures include encouraging the use of energy-efficient lighting and electrical equipment, replacement of old electrical units with energy-efficient units wherever required, promoting responsible use of electricity by employees and adopting operational practices aimed at reducing avoidable power consumption

(ii) Steps taken by the company for utilising alternate sources of energy:- The Company has adopted solar energy systems at such locations where installation and usage thereof is feasible and commercially viable. Further, in line with its green initiatives, the Company continues to promote paperless processes, digital communication, electronic records and other technology-enabled workflows, wherever possible, which indirectly contribute to conservation of natural resources. The staff of the Company is also regularly sensitized about conservation of power and paper.

(iii) Capital investment on energy conservation equipments:- Since the Company is engaged in the service sector and its operations are not energy intensive, no significant capital investment was made during the year on energy conservation equipments, except for routine replacement, upgradation and maintenance of electrical and energy-efficient equipment, wherever considered necessary. Any investment in solar systems or other energy saving infrastructure is undertaken only at such locations where it is feasible and beneficial for the Company

B. **Technology Absorption:-**

(i) Efforts made towards technology absorption:- The Company continues to absorb and upgrade modern technologies in its business operations and back-end support functions like Accounts, Human Resource Management, Marketing, Operations, Secretarial and Compliance functions, wherever required and feasible

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:- The benefits derived from the above efforts enable the Company to carry on its operations in a more efficient, systematic and cost-effective manner, which in turn helps the Company to offer its services and products in a more competitive and customer-friendly manner

(iii) There is no imported technology in the Company.

(iv) No specific or separate expenditure incurred on Research and Development because of the nature of operations of the Company.

C. **Foreign Exchange Earnings in terms of actual inflows and Foreign Exchange Outgo during the year in terms of actual outflows:-**

	2025-26	2024-25
PARTICULARS	**Amount (Rs. In Lakhs)**	**Amount (Rs. In Lakhs)**
Foreign Exchange Outgo		
Towards Travelling Overseas	13.91	25.52
Towards Overseas Tour Packages Business and Other Travel Services	179.05	221.28
Towards Membership & Subscription Fee (IATA & ASTA)	1.47	1.18
Towards Advertisement & Telecom Expenses	0.14	6.49
Towards Revenue Share for outward Remittances	577.64	-
Towards Expenses and Settlement of Forex Card	101.79	
Total	**874.00**	**254.47**
Foreign Exchange Receipts		
Tour Packages Business	9.49	18.35
Revenue share from Forex Business	53.21	117.82
Total	**62.70**	**136.17**

For & On Behalf of the Board

Sd/-
(RAJNEESH BANSAL)
MANAGING DIRECTOR
(DIN 00077230)

For & On Behalf of the Board

Sd/-
(RITESH VAID)
WHOLE TIME DIRECTOR
(DIN 09433856)

PLACE: CHANDIGARH
Date: August 12, 2026

ANNEXURE D-7 TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2025-26

1. **A brief outline on CSR policy of the Company**

Our CSR Vision

"To actively contribute to the social and economic development of the communities in which we operate. In so doing, to build a better, sustainable way of life for the weaker sections of society and to raise the country's human development index".

The Company is vigilant in its enforcement towards corporate principles and is committed towards sustainable development and inclusive growth. The company constantly strives to ensure strong corporate culture which emphasizes on integrating CSR values with business objective. It also pursues initiatives related to quality management, environment preservation and social awareness.

OUR CSR MISSION

The mission of our CSR projects are to -

- Demonstrate commitment to the common good through responsible business practices and good governance
- Actively support the state's development agenda to ensure sustainable change
- Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models
- Engender a sense of empathy and equity among employees of PML to motivate them to give back to the society

PROJECTS OR PROGRAMMES PROPOSED TO BE UNDERTAKEN

Any activity as provided in the Schedule VII of the Companies Act, 2013 as decided by the CSR Committee and the Board of Directors as per the CSR Policy of the Company. During the year under review, the Company has undertaken CSR activities as per details given under point no. 6.

The CSR Policy of the Company is available on the website of the Company under the following weblink:-

https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2022/07/CSR-Policy.pdf

2. Composition of CSR Committee:-

Sr. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sh. Sat Paul Bansal	Non-Executive Non-Independent Director, Chairman	4	4
2.	Sh. Rajneesh Bansal	Managing Director, Member	4	4
3.	Sh. Bhupinder Singh	Non-Executive Independent Director, Member	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

Composition of the CSR Committee	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2024/04/CSR-Committee-2.pdf
CSR Policy	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2022/07/CSR-Policy.pdf
Projects approved by the Board for FY 2025-26	https://www.paulmerchants.net/paulmerchants/csr/#1786690418267-fa1d60f7-12e4

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable: -

Not Applicable as the company is not having average CSR obligation of Rs. 10 crores or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years.

5. (a) Average net profit of the Company as per sub-section (5) of Section 135:

Rs. 25,49,03,918/- (Rupees Twenty Five Crores Forty Nine Lakhs and Three Thousand Nine Hundred Eighteen Only)

(b) **Two percent of average net profit of the company as per sub-section (5) of section 135:-** Rs. 50,98,078/- (Rupees Fifty Lakhs Ninety Eight Thousand and Seventy Eight Only)

(c) **Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: -** NIL

(d) **Amount required to be set-off for the financial year, if any:-** Rs.1,96,975/- (One Lakh Ninety Six Thousand Nine Hundred Seventy Five)

(e) **Total CSR obligation for the financial year [(b)+(c)-(d)] :** Rs. 49,01,103 /-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

Amount spent on ongoing projects: - During the year there was no Ongoing Project undertaken.

Details of CSR amount spent against other than ongoing projects for the financial year:-

1	2	3	4	5		6	7	8	
Sr. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project**		**Amount spent for the project (in Rs.)**	**Mode of implementation - Direct (Yes/No)**	**Mode of implementation - Through implementing agency.**	
				State	**District**			**Name**	**CSR registration number**
1.	"Annapurna- Community Meals Initiative", Chandigarh	Eradication of Hunger	Yes	Chandigarh	Chandigarh	2,34,282	Yes	N/a	N/a
2.	"Women Skill Development Centre- (Stitching & Tailoring), Tapa Mandi, Distt Barnala, (Pb)"	Promoting Employment Enhancing Vocational skills	Yes	Punjab	Barnala	82,600	Yes	N/a	N/a
3.	"Panaah- Shelter & Care Initiative", GMCH, Sector 32, Chandigarh	Promoting Healthcare including Preventive Healthcare	Yes	Chandigarh	Chandigarh	2,91,000	Yes	N/a	N/a
4.	"Shiksha Jyoti - School Infrastructure Development Initiative", Mandi Dabwali Distt Sirsa (Haryana)	Promoting Education	Yes	Haryana	Sirsa	15,00,000	No	Sh. Bhagwan Shri Krishan College of Education, Mandi Dabwali	CSR00084938
5.	Shiksha Jyoti - Girl Child Education Initiative, C.L. Aggarwal DAV Model School, Chandigarh	Promoting Education	Yes	Chandigarh	Chandigarh	14,58,980	Yes	N/a	N/a

6.	"Swasthya Sahayog - Hospital Support Programme", GMCH, Sector 32, Chandigarh	Promoting Healthcare including Preventive Healthcare	Yes	Chandigarh	Chandigarh	17,20,000	Yes	N/a	N/a
	TOTAL					**52,86,862**			

b. Amount spent in Administrative Overheads: Rs. 9,857/-

c. Amount spent on Impact Assessment, if applicable: Not Applicable

d. Total amount spent for the Financial Year (a+b+c) : Rs. 52,96,719/-

e. CSR amount spent or unspent for the Financial Year:

<table>
<tr><td rowspan="3">Total Amount Spent for the Financial Year. (in Rs.)</td><td colspan="5">Amount Unspent (in Rs.) = Nil</td></tr>
<tr><td colspan="2">Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.</td><td colspan="2">Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135</td><td></td></tr>
<tr><td>Amount</td><td>Date of Transfer</td><td>Name of the Fund</td><td>Amount</td><td>Date of Transfer</td></tr>
<tr><td>Rs. 52,96,719/-</td><td colspan="5">N.A.</td></tr>
</table>

f. Excess amount for set-off, if any**:**

Sl. No.	**Particular**	**Amount (in Rs.)**
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 50,98,078/- and after adjusting Rs. 1,96,975/- being the excess CSR expenditure incurred in the FY 2024-25, the Net CSR Obligation comes to Rs. 49,01,103/-
(ii)	Total amount spent for the Financial Year	52,96,719
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	3,95,616

(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	3,95,616

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: Nil

1	2	3	4	5	6		7	8
Sl. No.	**Preceding Financial Year (s)**	**Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)**	**Balance Amount in unspent CSR Account under sub-section (6) of section 135 (in Rs.)**	**Amount Spent in the Financial Year (in Rs)**	**Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any**		**Amount remaining to be spent in succeeding financial years. (in Rs.)**	**Deficiency, if any**
					Amount (in Rs).	**Date of transfer**		
1	FY-1							
2	FY-2							
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

◯ Yes (√) No

If yes, enter the number of Capital assets created/acquired

Furnish the details relating to such asset (s) so created or acquired through Corporate Social Responsibility amount spend in the financial year:

Sl. No.	Short Particulars of the Property or assets (s) [including complete address and location of the property]	Pin code of the property or assets(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no. house no, Municipal Corporation/Gram panchayat are to be specified and also the area of the immoveable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per subsection (5) of section 135. - N/A

Sd/- (~~Chief Executive Officer or~~ Managing Director ~~or Director~~)	Sd/- (Chairman CSR Committee).	N/a [Person specified under clause (d) of sub- section (1) of section 380] (Wherever applicable).”
Rajneesh Bansal	Sat Paul Bansal	N/A

Place: CHANDIGARH
Date: 12-08-2026

Annexure D-8

DECLARATION OF THE MANAGING DIRECTOR

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and the copy of the same is uploaded on the website of the Company https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2025/02/PML-Code-of-Conduct.pdf. Further certified that the Members of the Board of Directors and Senior Management Personnel have affirmed having complied with the code applicable to them during the year ended March 31, 2026.

SD/-
RAJNEESH BANSAL
Managing Director
DIN- 00077230

Place: CHANDIGARH
Date: 12-08-2026

ANNEXURE D-9

REPORT ON CORPORATE GOVERNANCE

1. **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company's Corporate Governance model is built on the pillars of ethical conduct, transparency, trusteeship, and accountability, forming the foundation of its business operations. It upholds high standards of exemplary governance, emphasizing compliance, integrity, and responsible management.

The Company is committed to practicing sound corporate governance that not only aligns with its strategic objectives but also ensures ethical, efficient, and transparent operations. This approach aims to enhance customer satisfaction and create value for all stakeholders, including shareholders, employees, customers, vendors, society, and the government.

The Company believes that ethics and business are inseparable. Its Code of Conduct places strong emphasis on ethical behavior. The Board of Directors is optimally composed of members with diverse expertise, supported by timely access to relevant information for informed decision-making. Senior management regularly discloses their shareholdings and any material financial or commercial interests that may pose a conflict with the Company's interests. All significant information is shared with stock exchanges and stakeholders promptly to prevent the creation of a false market. Robust internal controls are in place to ensure operational efficiency and compliance.

2. **BOARD OF DIRECTORS**

a) **Composition and category of Directors as on 31/03/2026:-**

Promoter Directors	3
Non-Promoter Directors	5
Executive Directors	2 (One Managing Director, One Executive Director)
Non- Executive Non Independent Directors	2
Non-Executive Independent Directors	4
Nominee Directors	0
Institution Represented (whether as lender or as equity investor)	Not Applicable

The strength of Board was 8 Directors as on 31st March 2026. The Board consisted of 3 Promoter Directors and 5 non-Promoter Directors. Further, the Board consisted of One Managing Director, One Executive Director, Two non-Executive non-independent Directors and Four Non-Executive Independent Directors as on 31st March 2026.

The Non-Executive Independent Directors with their diverse knowledge, vast experience and relevant expertise bring in their independent judgment, knowledgeable and professional view to the deliberations and decision making process of the Board.

Apart from the sitting fees and reimbursement of traveling expenses being paid for attending Board / Committee Meetings, wherever applicable, the non-executive independent Directors did not have any pecuniary relationship or transactions with the Company during the Financial year 2025-26 or even after the close of Financial year up to the date of this report.

The Company has a Non-Executive Chairman, appointed by the Board of Directors and the Shareholders of the Company. The Company duly meets the requirements relating to the composition of Independent and non-Independent Directors and Executive and Non -Executive Directors on the Board of Directors. The Composition of the Board as on 31/03/2026 is given below:-

1	Mr. Rajneesh Bansal	Promoter, Managing Director
2	Mr. Sat Paul Bansal	Promoter, Non- Executive Non Independent Director, Chairman
3	Mrs. Sarita Rani Bansal	Promoter, Non- Executive Non Independent Director
4	Mr. Ritesh Vaid	Designated Whole Time Director
5	Mr. Inder Sain Negi	Non-Executive Independent Director
6	Mr. Bhupinder Singh	Non-Executive Independent Director
7	Mrs. Tejinder Kaur	Non-Executive Independent Director
8	Mr. Anoop Kumar Sharma	Non-Executive Independent Director

There is no nominee director representing any Institution.

b) <u>The attendance of each Director at Board Meetings during FY 2025-26 and at the Last Annual General Meeting:-</u>

NAME	**CATEGORY**	**Board Meetings attended during the year**	**Attendance at the AGM held on 19.09.2025**
Mr. Sat Paul Bansal	Chairman and Non-Executive Director	4	Yes
Mr. Rajneesh Bansal	Executive (Managing Director)	4	Yes
Mrs. Sarita Rani Bansal	Non-Executive Non Independent Director	4	Yes
Mr. Inder Sain Negi	Non-Executive Independent Director	4	Yes
Mr. Ritesh Vaid	Designated Whole Time Director	3	Yes
Mr. Bhupinder Singh	Non-Executive Independent Director	4	Yes

Mr. Anoop Kumar Sharma	Non-Executive Independent Director	4	Yes
Mrs Tejinder Kaur	Non-Executive Independent Director	3	No

c) Number of Other Board of Directors or Committees in which a Director is a Member or Chairperson as on 31/03/2026

	Directorships			Committee positions in listed and unlisted public limited Companies, including deemed public co. (In accordance with Regulation 26(1) of Listing Regulations)	
Name of Director	**In listed Companies**	**In unlisted public limited Companies (Including deemed public companies)**	**In private limited Companies (Including Section 8 Companies)**	**As Chairperson**	**As Member**
Mr. Rajneesh Bansal	1	4	3	0	2
Mr. Sat Paul Bansal	1	3	2	0	1
Mrs. Sarita Rani Bansal	1	1	3	0	0
Mr. Inder Sain Negi	1	0	0	0	1
Mr. Ritesh Vaid	1	0	0	0	0
Mr. Bhupinder Singh	1	1	0	0	2
Mr. Anoop Kumar Sharma	1	0	0	2	2
Mrs Tejinder Kaur	4	0	0	3	3

Note:

1. The Directorships held by Directors as mentioned above, include Directorships in the Private Limited Companies and Companies registered under Section 8 of the Companies Act, 2013, but do not include Directorships in Foreign Companies.
2. Directorships and Committee positions in listed companies include directorship and Committee positions in this Entity i.e. Paul Merchants Limited also.
3. The above information is as at 31/03/2026.
4. None of the directors holds office as a director, including as alternate director, in more than twenty Companies at the same time. None of them has directorships in more than ten public companies or Seven Listed Companies. For reckoning the limit of public companies, directorships of private companies that are either holding or subsidiary company of a public company are also included.
5. As per declarations received from them, none of the directors serves as an Independent director in more than seven listed companies. Further, the whole-time directors in the Company do not serve as an independent director in more than three listed companies. No independent director of the Company holds the position of Whole Time Director in any Company.
6. None of the directors was a member in more than ten committees, nor a Chairman in more than five committees across all listed companies in which he was a director. For the purpose of considering the limit of the committees on which a director can serve as a member, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies, high value debt listed entities and companies under Section 8 of the Companies Act, 2013 have been excluded. For the purpose of determination of limit, chairpersonship and membership of the Audit committee and the Stakeholders' Relationship Committee alone have been considered in accordance with Regulation 26(1) of the Listing Regulations. A Director holding the position of Chairman in a Committee has been counted as a member of the said committee also.

<u>Names of the Listed Entities where the person is a director and the category of directorship as on 31/03/2026:-</u>

Name of Director	Name of the Listed Company	Category of directorship
Sh. Rajneesh Bansal	Paul Merchants Limited	Managing Director (Promoter)
Sh. Sat Paul Bansal	Paul Merchants Limited	Chairman and Non-Executive Non Independent Director (Promoter)
Smt. Sarita Rani Bansal	Paul Merchants Limited	Non-executive Non Independent Director (Promoter)
Sh. Inder Sain Negi	Paul Merchants Limited	Non-executive Independent Director
Sh. Ritesh Vaid	Paul Merchants Limited	Designated Whole Time Director
Sh. Bhupinder Singh	Paul Merchants Limited	Non-Executive Independent Director

Sh. Anoop Kumar Sharma	Paul Merchants Limited	Non-Executive Independent Director
Smt. Tejinder Kaur	Paul Merchants Limited Steel Strips Infrastructures Ltd SAB Industries Ltd Indian Acrylics Limited	Non-Executive Independent Director

(d) NUMBER OF BOARD MEETINGS HELD AND DATES ON WHICH HELD:

During the Financial year 2025-26, 4 Board Meeting have been held on the following dates:

26/05/2025, 13/08/2025, 12/11/2025, 12/02/2026

Independent Directors meeting was held on 12-02-2026.

During the year under review, the gap between two Board meetings did not exceed 120 days as per Regulation 17 (2) of the SEBI (LODR) Regulations, 2015 and Section 173 of the Companies Act, 2013.

The attendance at the Board Meetings during the Financial Year 2025-26 is given below:-

Name of Director	Title	No. of Meetings held	No. of Meetings attended
Mr. Sat Paul Bansal	Chairman, Non-Executive Director	4	4
Mr. Anoop Kumar Sharma	Non-Executive Independent Director	4	4
Mr. Bhupinder Singh	Non-Executive Independent Director	4	4
Mr. Inder Sain Negi	Non-Executive Independent Director	4	4
Mr. Rajneesh Bansal	Managing Director	4	4
Mr. Ritesh Vaid	Designated Whole Time Director	4	3
Mrs. Sarita Rani Bansal	Non-Executive Director	4	4
Mrs. Tejinder Kaur	Non-Executive Independent Director	4	3

(e) RELATIONSHIP BETWEEN DIRECTORS INTER SE

(i) Mr. Rajneesh Bansal, Managing Director of the Company is son of Sh. Sat Paul Bansal and Mrs. Sarita Rani Bansal, Directors of the Company.

(ii) Mrs. Sarita Rani Bansal, Non-Executive Non Independent Director is the wife of Sh. Sat Paul Bansal and mother of Mr. Rajneesh Bansal, Directors of the Company.
(iii) Mr. Sat Paul Bansal, Non- Executive Non Independent Director is the Husband of Mrs. Sarita Rani Bansal and Father of Mr. Rajneesh Bansal, Director of the Company.
(iv) No other directors are related to each other in any manner.

The above information is as on 31/03/2026.

(f) NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS

(i) Shares held by non-executive non-independent directors of the Company:-

- Mrs. Sarita Rani Bansal:- She holds 556260 (18.04%) in the paid up Equity Share Capital of the Company. Further, she is a Significant Beneficial Owner in relation to the Company within the meaning of Section 90 of the Companies Act, 2013 read with the Companies (Significant Beneficial Owners) Rules, 2018, by virtue of her holding 25.58% partnership interest in Paul Excursions LLP, which in turn holds 307065 Equity Shares constituting 9.96% of the paid up Equity Share Capital of the Company. Thus, her indirect holding in this manner works out to 2.55% of the paid-up Equity Share Capital of the Company.
- Mr. Sat Paul Bansal:- He holds 556260 (18.04%) in the paid up Equity Share Capital of the Company. Further, he is a Significant Beneficial Owner in relation to the Company within the meaning of Section 90 of the Companies Act, 2013 read with the Companies (Significant Beneficial Owners) Rules, 2018, by virtue of his holding 25.58% partnership interest in Paul Excursions LLP, which in turn holds 307065 Equity Shares constituting 9.96% of the paid up Equity Share Capital of the Company. Thus, his indirect holding in this manner works out to 2.55% of the paid-up Equity Share Capital of the Company.

There is no other non-executive non-independent director of the Company.

(ii) Shares held by non-executive independent directors of the Company:-

No non-executive independent director of the Company holds any shares in the Company either by himself or on beneficial basis.

(iii) The Company has not issued any convertible instruments till date. Hence information in this regard is NIL

(g) WEBLINK WHERE DETAILS OF FAMILIARIZATION PROGRAMS IMPARTED TO INDEPENDENT DIRECTORS IS DISCLOSED

Your Company follows a structured orientation and familiarization program through various programs / presentations for Independent Directors with a view to update them on all the matters concerning the Company. Periodic presentations are made at the

Board Meetings on nature of the industry in which the Company operates, business model, roles, rights, responsibilities of independent directors, Company's strategy, operations, product offerings and such other areas as may arise from time to time. The details of familiarization program policy has been posted on the website of the Company under the web link https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2022/08/Familiarisation-Programme-Policy.pdf and details of familiarization program imparted during the Financial Year 2025-26 have been posted under the web link: https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2026/05/Familiarisation-Programme.pdf

(h) CHART SETTING OUT THE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS:

Core skills/expertise/ competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively	**Those actually available with the board**
1. Ability to understand Financial Markets especially Forex Markets 2. Ability to understand Regulatory/Statutory framework applicable to the Company 3. Quick decision making 4. Understanding of Company's business verticals 5. Experience in developing policies and processes relating to corporate governance 6. Leaderships skills for guiding the management team 7. Ability to formulate long term and short term business strategies 8. Ability to understand Financial Statements	As per the Board, all these skills/expertise/ competencies are available with the Board as per chart given below

Names of directors as on 31/03/2026, who have such skills / expertise / competence:-

1. Ability to understand Financial Markets especially Forex Markets	Mr. Rajneesh Bansal, Mr. Sat Paul Bansal, Mr. Ritesh Vaid, Mr. Inder Sain Negi, Mr. Anoop Kumar Sharma, Mr. Bhupinder Singh
2. Ability to understand Regulatory/Statutory framework applicable to the Company	Mr. Rajneesh Bansal, Mr. Sat Paul Bansal, Mr. Ritesh Vaid, Mr. Inder Sain Negi, Mr. Anoop Kumar Sharma, Mr. Bhupinder Singh and Mrs. Tejinder Kaur
3. Quick decision making	All the 8 directors of the Company

4. Understanding of Company's business verticals	All the 8 directors of the Company
5. Experience in developing policies and processes relating to corporate governance	Mr. Sat Paul Bansal, Mr. Rajneesh Bansal, Mr. Inder Sain Negi, Mr. Anoop Kumar Sharma, Mr. Bhupinder Singh and Mr. Ritesh Vaid
6. Leaderships skills for guiding the management team	All the 8 directors of the Company
7. Ability to formulate long term and short term business strategies	Mr. Sat Paul Bansal, Mr. Rajneesh Bansal, Mr Bhupinder Singh, Mr. Ritesh Vaid, Mr Anoop Kumar Sharma
8. Ability to understand Financial Statements	Mr. Rajneesh Bansal, Mr. Sat Paul Bansal, Mr. Ritesh Vaid, Mr. Anoop Kumar Sharma, Mr. Bhupinder Singh, Mrs Tejinder Kaur and Mr. Inder Sain Negi

In the opinion of the Board, all the directors possess the required Skills/Expertise/Competence to discharge their duties as Independent Directors.

(i) <u>CONFIRMATION BY THE BOARD REGARDING INDEPENDENT DIRECTORS</u>

The Board of Directors do hereby confirm that in the opinion of the board, the independent directors fulfill the conditions specified vide SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and as per Companies Act, 2013 and are independent of the management.

(j) <u>DETAILED REASONS FOR THE RESIGNATION OF ANY INDEPENDENT DIRECTOR, WHO RESIGNS BEFORE THE EXPIRY OF HIS/HER TENURE ALONG WITH A CONFIRMATION BY SUCH DIRECTOR THAT THERE ARE NO OTHER MATERIAL REASONS OTHER THAN THOSE PROVIDED</u>

There was no Independent director of the Company who resigned during the year under review before the expiry of his/her term.

3. <u>AUDIT COMMITTEE</u>

a. <u>Brief description of Terms of Reference of Audit Committee</u>:

This Committee has been constituted in compliance with Section 177 of the Companies Act, 2013 read along with the applicable Rules thereto and Regulation 18 of the Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time. Any amendment in the said Acts/Regulations at any point of time in future shall be automatically deemed to be incorporated herein.

Powers of the Audit Committee

The powers of the Audit Committee shall include the following:-

1. To investigate any activity within the terms of reference
2. To seek information from any employee
3. To obtain outside legal or other professional advice
4. To secure attendance of outsiders with relevant expertise, if it considers necessary
5. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
6. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) of Section 177 of the Act or referred to it by the Board or mandated under the Act or the Listing Regulations, from time to time and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company
7. The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote

Role of Audit Committee

The role of the audit committee shall include the following:-

A. The role of the audit committee shall include the following:

(1) Overseeing the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
(2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
(4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   b. changes, if any, in accounting policies and practices and reasons for the same;
   c. major accounting entries involving estimates based on the exercise of judgment by management;

d. significant adjustments made in the financial statements arising out of audit findings;
e. compliance with listing and other legal requirements relating to financial statements;
f. disclosure of any related party transactions;
g. modified opinion(s) in the draft audit report;

(5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
(6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
(7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
(8) approval or any subsequent modification of transactions of the listed entity with related parties; provided that only those members of the audit committee, who are independent directors, shall approve related party transactions;
(9) scrutiny of inter-corporate loans and investments;
(10) valuation of undertakings or assets of the Company, wherever it is necessary;
(11) evaluation of internal financial controls and risk management systems;
(12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
(13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
(14) discussion with internal auditors of any significant findings and follow up there on;
(15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
(16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
(17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
(18) to review the functioning of the Vigil Mechanism/Whistle Blower Mechanism;
(19) to approve appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
(20) To grant omnibus approval for related party transactions proposed to be entered into by the listed entity subject to the conditions as laid down in Listing Regulations and the Act, if any
(21) To review the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset

size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

(22) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders

(23) In case of transaction, other than transactions referred to in section 188, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board

(24) In case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee

(25) To carry out any other function as is entrusted to it by the Board of Directors of which has been mandated under the Law.

B. The audit committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. management letters / letters of internal control weaknesses issued by the statutory auditors;
3. internal audit reports relating to internal control weaknesses; and
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
5. statement of deviations:
   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
   b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

<u>Composition of Audit Committee</u>

a. The audit committee shall have minimum three directors as members.
b. At least Two-thirds of the members of audit committee shall be independent directors.
c. All members of audit committee shall be financially literate and at least one member shall have accounting or related financial management expertise in the light of explanation given in the SEBI Regulations. Majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement
d. The chairperson of the audit committee shall be an independent director and he/she shall be present at Annual general meeting to answer shareholder queries
e. The Company Secretary shall act as the secretary to the audit committee
f. The audit committee at its discretion shall invite the finance director or head of the finance function, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the

committee. Provided that occasionally the audit committee may meet without the presence of any executives of the listed entity.

Meetings of the audit committee

Meetings of the Audit Committee shall be conducted in the following manner:

a. The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings.
b. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.
c. The audit committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

b. Composition of Audit Committee, Name Of Members And Chairperson:-

As on 31/03/2026, the Audit Committee of the Company comprises of 3 non-executive Independent Directors, who are well qualified and financially literate. Following is the composition of the Audit Committee as on 31/03/2026:-

Shri Anoop Kumar Sharma	Non- Executive Independent Director, Chairman
Shri Inder Sain Negi	Non- Executive Independent Director, Member
Shri Bhupinder Singh	Non- Executive Independent Director, Member
Sh. Hardam Singh	Company Secretary, Secretary to the Committee

Mr. Anoop Kumar Sharma is the Chairman of the Committee, who has relevant Accounts and related financial management expertise as well as qualification. Mr. Inder Sain Negi and Mr. Bhupinder Singh are other two members. All members of audit committee are financially literate.

The Company Secretary acts as a Secretary of the Committee.

c. Meetings of Audit Committee and attendance during the year 2025-26

4 meetings of the Audit Committee have been held during the year 2025-26 on the following dates:-

26/05/2025, 12/08/2025, 11/11/2025, 11/02/2026,

The attendance at the Audit Committee Meetings during the Financial Year 2025-26 is given below:

Name	Title	No. of Meetings held	No. of Meetings attended
Mr. Anoop Kumar Sharma	Non-Executive Independent Director, Chairman	4	4
Mr. Bhupinder Singh	Non-Executive Independent Director, Member	4	4
Mr. Inder Sain Negi	Non-Executive Independent Director, Member	4	4
Mr. Hardam Singh	Company Secretary, Secretary to the Committee	4	4

4. NOMINATION AND REMUNERATION COMMITTEE

(a) Brief description of Terms of Reference:-

a. To formulate and recommend to the Board, a Nomination and Remuneration Policy of the Company as per the Companies Act, 2013, applicable RBI Guidelines and Regulation 19(4) of Listing Regulations, as amended from time to time.
b. To recommend addition/modification to the Nomination & Remuneration Policy to the Board from time to time.
c. To formulate 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 for the directors, Key Managerial Personnel and other employees as per the Companies Act, 2013, applicable RBI Guidelines and Regulation 19(4) of Listing Regulations, 2015, as amended from time to time
d. To formulate criteria for evaluation of performance of independent directors and the board of directors
e. To devise a policy on diversity of board of directors
f. To identify 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 and to specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board or by Nomination and Remuneration Committee or by an independent external agency and to review its implementation and compliance
g. To recommend whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors
h. To recommend to the Board, appointment and removal of Directors, KMPs and Senior Management Personnel.
i. To recommend to the board, all remuneration, in whatever form, payable to senior management
j. To oversee familiarisation programmes for directors.
k. To perform such other duties and responsibilities as may be consistent with the provisions of the Companies Act, Listing Regulations or any applicable Statute as the Committee may deem appropriate after the approval of the Board or as may be directed by the Board from time to time.

(b) Composition, Names Of Members And Chairperson:-

Following was the composition of the Nomination and Remuneration Committee as on 31/03/2026:

Sh. Anoop Kumar Sharma	Non- Executive Independent Director, Chairman
Sh. Inder Sain Negi	Non- Executive Independent Director, Member
Shri. Bhupinder Singh	Non- Executive Independent Director, Member
Sh. Hardam Singh	Company Secretary, Secretary to the Committee

(c) Meetings And Attendance During The Year:-

Four meetings of the Nomination and Remuneration Committee have been held during the year 2025-26 on the following dates:

25/04/2025, 25/07/2025, 22/10/2025, 19/01/2026

The attendance at the Nomination and Remuneration Committee Meetings during the Financial year 2025-26 is given below:

Name	Title	No. of Meetings held	No. of Meetings attended
Mr. Anoop Kumar Sharma	Non-Executive Independent Director, Chairman	4	4
Mr. Bhupinder Singh	Non-Executive Independent Director, Member	4	4
Mr. Inder Sain Negi	Non-executive Independent Director, Member	4	3
Mr. Hardam Singh	Company Secretary, Secretary to the Committee	4	4

(d) <u>Performance Evaluation Criteria For Independent Directors:-</u>

i. Experience and ability to contribute to the decision making process
ii. Problem solving approach and guidance to the Management
iii. Attendance and Participation in the Meetings
iv. Personal competencies as per Chart given in the Nomination and Remuneration Policy and contribution to strategy formulation
v. Contribution towards statutory compliances, monitoring of controls and Corporate Governance
vi. The evaluation of independent directors shall be done by the entire board of directors which shall include -
   (a) Performance of the directors; and
   (b) fulfillment of the independence criteria as specified in the Companies Act and Listing Regulations and their independence from the management:

Provided that in the above evaluation, the directors who are subject to evaluation shall not participate.

(e) NOMINATION AND REMUNERATION POLICY:

The Nomination and Remuneration Policy of the Company is already attached as **Annexure D-1** to the Directors' Report.

(f) COMPLIANCE WITH FIT & PROPER CRITERIA FOR DIRECTORS

The Nomination and Remuneration Committee, in accordance with the Policy on 'Fit and Proper' Criteria for Directors, ensures the 'Fit and Proper' status of Directors at the time of appointment and on a continuing basis, as prescribed by the RBI.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of the Board has been constituted to look into various aspects of interest of shareholders, debenture holders and other security holders and complaints like transfer of shares, non-receipt of Share Certificates, non-receipt of Balance Sheet, non-receipt of Annual Report etc.

(a) Name of the non-executive director heading the Committee:-

The committee is headed by Sh. Anoop Kumar Sharma, Non Executive Independent Director of the Company.

(b) Name And Designation Of Compliance Officer

The Company Secretary Mr. Hardam Singh, is the Compliance Officer of the Company. The Compliance Officer can be contacted at:

Office Address: PML House, SCO 829-830, Sector 22-A, Chandigarh - 160022.

Email: investor.redressal@paulmerchants.net and cs@paulmerchants.net

Phone No.:- 0172-5041760

(c) Number of shareholders complaints received during the financial year:-

1 (One)

(d) Number of complaints not solved to the satisfaction of shareholders - NIL

(e) Number of shareholders' complaints pending - Nil

(f) Composition:

Following is the composition of the Stakeholders' Relationship Committee as on 31/03/2026:-

Sh. Anoop Kumar Sharma	Non- Executive Independent Director, Chairman
Sh. Rajneesh Bansal	Managing Director, Member
Sh. Sat Paul Bansal	Non- Executive Non Independent Director, Member
Sh. Hardam Singh	Company Secretary, Secretary to the Committee

During the Financial year 2025-26, 4 meetings of the Stakeholders Relationship Committee have been held on the following dates: -

25/04/2025, 25/07/2025, 22/10/2025, 19/01/2026

The attendance at the Stakeholders' Relationship Committee Meetings during the Financial year 2025-26 is given below:-

Name	Title	No. of Meetings held	No. of Meetings attended
Mr. Anoop Kumar Sharma	Non- Executive Independent Director, Chairman	4	4
Mr. Sat Paul Bansal	Non-Executive Director, Member	4	4
Mr. Rajneesh Bansal	Managing Director, Member	4	4
Mr. Hardam Singh	Company Secretary, Secretary to the Committee	4	4

5A **Risk Management Committee**:-

The Company was not required to constitute a Risk Management Committee in terms of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year under review, inasmuch as the Company does not figure among the top 1000 listed entities in the list prepared by the recognized stock exchange, BSE Limited, as at December 31, 2024, ranking listed entities on the basis of their average market capitalization for the period from July 1, 2024 to December 31, 2024, in terms of sub-regulation (2) of Regulation 3 of the said Regulations. However, the Company has voluntarily constituted a Risk Management Committee, comprising Members of the Board and Senior Management Team of the Company as its members.

(a) Brief description of Terms Of Reference:-

a. To ensure a sound and robust risk management system;
b. To frame and recommend to the Board a risk management framework including Risk Management plan in accordance with the applicable Regulations/ guidelines and to review the same from time to time;
c. To assess, review and monitor from time to time the risk associated with Company's business and suggest measures for mitigation of the same;

Quorum and other terms:

a. The quorum of the meeting shall be either two members or one third of the total strength of the members of the Committee, whichever is higher;
b. In the absence of the Committee chairman, the remaining members present shall elect one of themselves to chair the meeting.
c. The Committee may invite any other members of the management from time to time;
d. The Committee may hire any independent expert and seek their advice on the subject matters within its responsibilities;
e. All the decisions of the Committee shall be made by majority of votes. In the event of equal votes the Chairman of the Committee shall have a casting vote;

Frequency of Meetings:

The Committee may meet from time to time as per the requirements but it shall meet at least two times in a year.

(b) Composition, Names Of Members And Chairperson:-

Following is the composition of the Risk Management Committee as on 31/03/2026:-

Sr. No.	Name of the Member	Designation
1	Sh. Rajneesh Bansal, Managing Director	Chairman
2	Sh. Anoop Kumar Sharma, Non-Executive Independent Director	Member
3	Sh. Ritesh Vaid, Designated Whole Time Director	Member
4	Ms Sakshi -Chief Financial Officer	Member
5	Sh. Isaac Gill -Assistant Vice President (IT)	Member
6	Sh. Hardam Singh, Company Secretary	Secretary to the Committee

(c) Meetings And Attendance During The Year:-

During the Financial year 2025-26, four meetings of the Risk Management Committee have been held on the following dates: -

25/04/2025, 26/07/2025, 23/10/2025, 20/01/2026

Name	Title	No. of Meetings held	No. of Meetings attended
Mr. Rajneesh Bansal	Managing Director, Chairman	4	4
Mr. Anoop Kumar Sharma	Non-Executive Independent Director, Member	4	4
Mr. Ritesh Vaid	Whole Time Director, Member	4	4
Ms. Sakshi	Chief Financial Officer	4	4
Mr. Gaurav Joshi (resigned from the committee w.e.f 23/05/2025)	Assistant Vice President (IT), Member	4	1
Mr. Hardam Singh	Company Secretary, Secretary to the Committee	4	4
Mr. Rohit Tripathi (Member from 01/05/2025 till 03/10/2025)	Vice President - IT, Member	4	0
Mr. Isaac Gill (inducted as member w.e.f. 12/11/2025)	Assistant Vice President - IT, Member	4	1

Pursuant to the resignation of Mr. Gaurav Joshi, Assistant Vice President (IT), from the Company with effect from 23.05.2025, the Board of Directors, at its meeting held on 26.05.2025, reconstituted the Committee by inducting Mr. Rohit Tripathi, Vice President - IT, as a Member of the Committee.

Subsequently, upon the resignation of Mr. Rohit Tripathi from the Company with effect from 03.10.2025, the Board of Directors, at its meeting held on 12.11.2025, further reconstituted the Committee by inducting Mr. Isaac Gill, Assistant Vice President - IT, as a Member of the Committee.

5B **<u>Senior Management</u>**:-

The details of the Senior Management of the Company as on 31/03/2026 are as under:-

Sr. No.	Name	Designation
1	Mr. Ritesh Vaid	Business Head and Designated Whole Time Director

2	Mr. Hardam Singh	Company Secretary cum Legal Head
3	Ms. Sakshi	Chief Financial Officer
4	Mr. Isaac Gill (designated as SMP on 12-11-2025)	Assistant Vice President -IT
5	Mr. Dharam Pal Sharma	Chief Compliance Officer
6	Mr. Nitin Sharma	Deputy General Manager -HR
7	Mr. Vikas Sharma	Vice President - Administration & Risk Management
8	Mrs. Aarti Markan	Chief Internal Auditor

Changes in the Senior Management since the close of the FY 2024-25 i.e. since 31/03/2025:-

Sh. Gaurav Joshi, Assistant Vice President (IT) resigned w.e.f. 23/05/2025 and in his place, Mr Rohit Tripathi, Vice President - IT was designated as Senior Management Personnel w.e.f. 24/05/2025.

Sh. Rohit Tripathi, Vice President (IT) resigned w.e.f. 03/10/2025 and in his place, Mr. Isaac Gill was appointed in the Company w.e.f. 22-10-2025 as Assistant Vice President - IT and was designated as Senior Management Personnel on 12-11-2025).

There is no other change in the Senior Management since the close of the FY 2024-25 i.e. since 31/03/2025 till the end of the year under review.

Further, after the close of the FY 2025-26, Ms. Sakshi (PAN: EQFPS7178A), Chief Financial Officer and Key Managerial Personnel of the Company, tendered her resignation from the position of Chief Financial Officer due to her personal priorities and was relieved from her duties with effect from the close of business hours on 12.08.2026.

Consequent upon her resignation, the Board of Directors, in their meeting held on 12.08.2026, appointed Mr. Sushil Jindal as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from 13.08.2026.

6. REMUNERATION OF DIRECTORS

(a) All Pecuniary Relationship Or Transactions Of The Non-Executive Directors vis a vis the Company

Non-Executive Non Independent Directors:-

Mrs. Sarita Rani Bansal:- No Sitting fee was paid to her during the year under review. Further, transactions relating to Forex products were entered into with her worth Rs. 5,49,010/- during the year under review, which were not in the nature of any contract or arrangement and the transactions were in the ordinary course of business of the Company on Arm's length basis on market rates. There is no other pecuniary relationship or transactions of Mrs. Sarita Rani Bansal with the Company during the year under review.

Mr. Sat Paul Bansal:- No Sitting fee was paid to him during the year under review. There is no other pecuniary relationship or transactions of Mr. Sat Paul Bansal with the Company during the year under review.

It is, however, clarified that Mr. Sat Paul Bansal and Mrs. Sarita Rani Bansal have, during the year under review, received one time special incentives from the Wholly Owned Subsidiary Company Paul Merchants Finance Private Limited, the details whereof have been disclosed in the Directors' Report under the head “Particulars of Remuneration of Directors, KMPs and Employees”, and the said payments have been made by the said Wholly Owned Subsidiary Company.

Non-Executive Independent Directors:-

A sum of Rs. 4,25,000/- has been paid to Non- Executive Independent Directors as their sitting fee during the Financial year 2025-26 (before TDS) as per details given below:

NAME	**SITTING FEE (In Rs.)**
Mr. Inder Sain Negi	75000
Mr. Anoop Kumar Sharma	125000
Mrs. Tejinder Kaur	100000
Mr. Bhupinder Singh	125000
Total	**4,25,000/-**

The Company has not entered into any pecuniary relationship or transactions with non-executive Independent directors of the Company during the year under review.

No other benefits, bonuses, stock options, pension, emoluments, commission, allowances etc. were paid to the Non- Executive Independent Directors of the Company during the year under review. However, actual expenses incurred by them for attending the Board Meetings and Committee meetings, wherever applicable, are re-imbursed to them.

Shares held by non-executive directors as on 31/03/2026 are given below:-

NAME	**No. of Shares**
Sh. Sat Paul Bansal	556260
Smt. Sarita Rani Bansal	556260
Sh. Inder Sain Negi	Nil
Sh. Anoop Kumar Sharma	Nil
Sh. Bhupinder Singh	Nil
Smt. Tejinder Kaur	Nil
Total	**11,12,520**

(b) Criteria for making payments to Non-Executive Directors

The non-executive non independent Directors do not draw any remuneration from the Company and non-executive independent Directors are paid sitting fee as permitted under Companies Act, 2013 for attending meetings of the Board/Committees thereof. Their Travel Arrangements for attending the Board/Committee Meetings are made by the Company and actual travelling expenses incurred by the outstation Independent Directors for attending the Board/Committee Meetings, if agreed, are reimbursed to them. The sitting fee is fixed as per the experience, qualifications of the respective Independent Directors, as reviewed by the Nomination and Remuneration Committee.

(c) Disclosures with respect to remuneration

The remuneration of the executive directors is recommended/approved by the Nomination and Remuneration Committee, Audit Committee and the Board of Directors subject to final approval by the Shareholders in their General Meeting on the basis of qualification, experience, industry benchmarks, the Company's performance vis-à-vis the industry, performance track record of the executive director/ appointee(s), as per Nomination and Remuneration Policy of the Company. The Company pays remuneration to the executive directors by way of salary or as a %age of Net Profits or by way of both.

Remuneration paid to the Executive Directors of the Company during the Financial year 2025-26 is as under:-

Mr. Rajneesh Bansal, Managing Director

Salary:- Remuneration of Rs. 3,60,00,000/- has been paid to him @ Rs. 30.00 Lakhs per month during the Financial Year under review in the form of salary.

Commission:- No amount of commission been paid to him for the Financial Year under review.

Benefits:- No other benefits, bonuses, stock options, pension, emoluments, allowances etc. were paid to him for the year under review. Reimbursement of some expenses actually spent by him in the course of his official functions has been made to him as per Company policy during the year under review.

Service Contract period:- His Service Contract period is 5 years i.e. 01-04-2025 till 31-03-2030

Remuneration period :- 3 years i.e. from 01-04-2025 till 31-03-2028

Notice Period:- His Contract Notice Period is three months.

Severance Fees:- No severance fees is payable to him.

Fixed Component: Fix component of his remuneration is his salary.

Performance Linked Incentive:-

Commission payable to the Managing Director is performance linked as the same is based upon the profits of the Company and is paid to him as decided by the Nomination and Remuneration Committee. For the financial year 2025-26, no amount of commission has been paid by the company to him.

Performance Criteria:-

The performance of Mr. Rajneesh Bansal for the year under review, was evaluated by the Nomination and Remuneration Committee in its meeting held on 08.05.2026, the Board of Directors in its meeting held on 27-05-2026 and also by the Independent Directors in their separate Meeting held on 12.02.2026. The criteria for evaluation has been disclosed separately in the Directors' Report as well as in the Nomination and Remuneration Policy annexed to this Report as **Annexure D-1**.

Stock Option Details:-

The Company has never issued any Stock Options, as such holding of Mr. Rajneesh Bansal in this regard is nil.

He holds 882759 (28.62%) in the paid up Equity Share Capital of the Company. Further, he is a Significant Beneficial Owner in relation to the Company within the meaning of Section 90 of the Companies Act, 2013 read with the Companies (Significant Beneficial Owners) Rules, 2018, by virtue of his holding 48.84% partnership interest in Paul Excursions LLP, which in turn holds 307065 Equity Shares constituting 9.96% of the paid up Equity Share Capital of the Company. Thus, his indirect holding in this manner works out to 4.86% of the paid-up Equity Share Capital of the Company.

There are no convertible instruments issued by the Company, as such holding of Mr. Rajneesh Bansal in this regard is NIL.

Apart from Salary, rent was paid to Mr. Rajneesh Bansal during the year under review in respect of some properties, which are owned by him and which are used by the Company as its branch offices in its ordinary course of business. Details of the same have been given in **Annexure D-5** to the Directors Report. Further, transactions relating to Travel and Forex products were entered into with him worth Rs. 30,14,615/- during the year under review, which were not in the nature of any contract or arrangement and the transactions were in the ordinary course of business of the Company on Arm's length basis on market rates.

There is no other pecuniary relationship or transactions of Mr. Rajneesh Bansal with the Company during the year under review.

Sh. Ritesh Vaid, Designated Whole Time Director

Salary:- Salary amounting to Rs. 28,56,108/-, which includes Employer Contribution to Provident Fund and National Penson Scheme, has been paid to him during the Financial Year under review.

Commission:- No commission has been paid to Sh. Ritesh Vaid, Designated Whole Time Director for the year under review.

Benefits:- In addition to the above mentioned salary, Performance Bonus of Rs. 1,35,000/- pertaining to the FY 2024-25 has been paid to him during the FY 2025-26. Further, the Performance Bonus of Rs. 1,35,000/- for the FY 2025-26 shall be paid to him at the time of Diwali, 2026. Leave Encashment of Rs. 81,000/- has been paid to him for the financial year under review. No other benefits, bonuses, stock options, pension, emoluments, allowances etc. were paid to him for the year under review. Reimbursement of some expenses actually spent by him in the course of his official functions was made to him as per Company policy during the year under review.

Service Contract period:- From 10.02.2022 till 30.09.2026

Remuneration period :- From 01.10.2024 till 30.09.2026

Notice Period:- His Contract Notice Period is two months.

Severance Fees:- No severance fees is payable to him.

Fixed Component: Fix component of his remuneration is his salary.

Performance Linked Incentive:-

In addition to the above mentioned salary and other benefits, a performance linked Incentive of Rs. 95,004/- has been paid to him for the year under review.

Performance Criteria:-

The performance of Mr. Ritesh Vaid was evaluated by the Nomination and Remuneration Committee, Board of Directors and also by the Independent Directors in their separate Meeting during the year under review. The criteria for evaluation has been disclosed separately in the Directors' Report as well as in the Nomination and Remuneration Policy annexed to this Report as **Annexure D-1**.

Stock Option Details:-

The Company has never issued any Stock Options, as such holding of Mr. Ritesh Vaid in this regard is nil. He does not hold any Equity shares in the Company either in his own name or on beneficial basis.

There are no convertible instruments issued by the Company, as such holding of Mr. Ritesh Vaid in this regard is NIL.

Apart from Salary, transactions relating to sale of Travel products were entered into with him worth Rs. 12,500/- during the year under review, which was not in the nature of any contract or arrangement and the transaction was in the ordinary course of business of the Company on Arm's length basis on market rates.

There is no other pecuniary relationship or transactions of Mr. Ritesh Vaid with the Company during the year under review.

6-A. EXECUTIVE COMMITTEE

COMPOSITION:

An Executive Committee of the Board of Directors of the Company has been formed to look after day to day affairs of the Company as per Terms of Reference defined by the Board.

Following is the composition of the Executive Committee as on 31/03/2026:-

Sh. Sat Paul Bansal	Non Executive Director, Chairman
Sh. Rajneesh Bansal	Managing Director, Member
Sh. Ritesh Vaid	Designated Whole Time Director, Member
Sh. Hardam Singh	Company Secretary, Secretary to the Committee

During the year under review, 12 meetings of the Executive Committee have been held on the following dates:

17/05/2025, 03/06/2025, 13/06/2025, 21/06/2025, 18/07/2025, 12/08/2025, 03/09/2025, 22/10/2025, 14/11/2025, 24/11/2025, 09/01/2026, 17/02/2026

The attendance at the Executive Committee Meetings during the year under review is given below:-

Name	Title	No. of Meetings held	No. of Meetings attended
Mr. Sat Paul Bansal	Non-Executive Director, Chairman of the Committee	12	12
Mr. Rajneesh Bansal	Managing Director, Member	12	12
Mr. Ritesh Vaid	Designated Whole Time Director, Member	12	12
Mr. Hardam Singh	Company Secretary, Secretary to the Committee	12	12

6-B. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014**,** the Company has constituted a Committee of the Board to be known as Corporate Social Responsibility Committee (CSR Committee):-

COMPOSITION:

Following is the composition of the CSR Committee as on 31/03/2026:-

1	Sh. Sat Paul Bansal	Non- Executive Non Independent Director, Chairman
2	Sh. Rajneesh Bansal	Managing Director, Member
3	Sh. Bhupinder Singh	Non Executive Independent Director, Member
4	Sh. Hardam Singh	Company Secretary, Secretary to the Committee

During the year 2025-26, 4 meetings of the CSR Committee were held on:-

25/04/2025, 25/07/2025, 22/10/2025, 19/01/2026

The attendance at the CSR Committee Meetings during the Financial Year 2025-26 is given below:

Name	Title	No. of Meetings held	No. of Meetings attended
Mr. Sat Paul Bansal	Non-Executive Non Independent Director, Chairman of the Committee	4	4
Mr. Rajneesh Bansal	Managing Director, Member	4	4
Mr. Bhupinder Singh	Non-Executive Independent Director, Member	4	4
Mr. Hardam Singh	Company Secretary, Secretary to the Committee	4	4

The following is the Board approved CSR Policy for the Company:-

CORPORATE SOCIAL RESPONSIBILITY POLICY

INTRODUCTION

For us at Paul Merchants Ltd ("**PML**"), reaching out to underserved communities is part of our rich culture. We believe in the trusteeship concept. We believe, we will be a more satisfied corporate when we operate according to the highest ethical standards, address unmet social needs, function with compassion and promote the wellbeing of citizens of this country, their communities and the entire environment. We strongly believe that a responsible corporate should go beyond the Statutory compliances and put something back into the society, which has given so much to the corporate. This entails transcending business interests and doing something for the people who are grappling with the "quality of life" challenges and working towards making a meaningful difference to them.

OUR VISION

"To actively contribute to the social and economic development of the communities in which we operate. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country's human development index".

PML is vigilant in its enforcement towards corporate principles and is committed towards sustainable development and inclusive growth. The company constantly strives to ensure strong corporate culture which emphasizes on integrating CSR values with business objective. It also pursues initiatives related to quality management, environment preservation and social awareness.

OBJECTIVES

The objectives of this policy are to -

- Demonstrate commitment to the common good through responsible business practices and good governance
- Actively support the state's development agenda to ensure sustainable change
- Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models
- Engender a sense of empathy and equity among employees of PML to motivate them to give back to the society

APPLICABILITY

1. CSR policy of PML has been developed in line with corporate philosophy of PML, in consonance with Section 135 of the Companies Act, 2013 and in accordance with the Companies (Corporate Social Responsibility Policy) Rules as amended from time to time.
2. The Policy shall apply to all CSR projects/programmes undertaken by the Company in India as per Schedule VII of the said Act.

DEFINITIONS

a. 'Act' means the Companies Act, 2013.

b. 'Board' means the Board of Directors of the company;

c. 'Corporate Social Responsibility (CSR)' means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in these rules, but shall not include the following, namely: -

i. activities undertaken in pursuance of normal course of business of the company:
ii. any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
iii. contribution of any amount directly or indirectly to any political party under section 182 of the Act;
iv. activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
v. activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services; and
vi. activities carried out for fulfilment of any other statutory obligations under any law in force in India.

d. 'CSR Committee' means the committee constituted under the provisions of Section 135 of the Act;

e. "CSR Rules" means the Companies (Corporate Social Responsibility Policy) Rules 2014, as amended from time to time.

Terms not defined hereinabove shall have similar meaning as defined under the Act read with CSR Rules.

Please note that meaning/definition of the words/ abbreviations used in this policy shall have the same meaning as defined under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

CSR BUDGET

In Compliance with the provisions of Section 135 of the Act read with the rules made thereunder, the CSR Committee will recommend the annual budgeted expenditure to the Board as a part of the Annual Action Plan, for its consideration and approval for any Financial Year.

BOARD

The Board of PML will be responsible for:

a. approving the CSR policy as formulated by the CSR Committee
b. ensuring that in each Financial Year the Company spends at least 2% of the average net profit, computed as per Section 198 of the Act read over with Section 2(h) of the Rules, during the three immediate preceding financial years.
c. approving the Annual Action Plan for any financial year
d. ensuring that every financial year funds committed by the Company for CSR activities are utilized effectively
e. regularly monitoring the implementation of CSR policy.

f. Such other things/matters as may be required under the Act read with the rules made thereunder.

CSR COMMITTEE

I. **Composition**: The committee will consist of three or more directors out of which, at least one will be an independent director.

   The Board can reconstitute the committee in case of any resignation or appointment of any new member in accordance with the provisions of the Act read with CSR Rules.

II. The CSR committee will be responsible for:-

   a. Formulating the CSR policy in compliance to Section 135 of the Act
   b. Identifying activities to be undertaken as per Schedule VII of the Act
   c. Formulating and Recommending to the Board an Annual Action Plan on CSR including CSR Budget
   d. Monitoring the CSR Policy and recommending to Board, modifications to the CSR policy as and when required.
   e. Regularly monitoring the implementation of the CSR policy
   f. Supervising the implementation of the CSR activities carried out by the Company
   g. Such other things/matters as may be required under the Act read with the rules made thereunder or delegated by the Board from time to time.

MONITORING AND REPORTING FRAMEWORK

The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the activities undertaken by the Company under this policy. The more details are listed under guiding principles for monitoring of CSR activities.

SURPLUS

Surplus arising out of CSR activities carried out by the company shall not be part of business profit of the company and it shall be treated in the following manner:

a. ploughed back into the same project; or

b. shall be transferred to the Unspent CSR Account opened by the Company, from which the said amount shall be spent in pursuance of CSR policy and annual action plan of the Company; or

c. such surplus will be transferred to a Fund specified in Schedule VII to the Act, within a period of six months of the expiry of the financial year.

CFO CERTIFICATE

An Annual Certificate from Chief Financial Officer of the Company shall be placed before the CSR Committee as well as the Board of Directors of the Company in the first meeting held after close of Financial Year in terms of Rule 4(5) of the Rules.

GUIDING PRINCIPLES FOR SELECTION, IMPLEMENTATION AND MONITORING OF ACTIVITIES

The Company shall follow the following guiding principles for selection, implementation and monitoring of CSR Activities as well as formulation of the Annual Action Plan:

a. **Guiding principles for selection of CSR initiatives:-**

(i) CSR Committee shall recommend to the Board, the activities to be undertaken by the Company.
(ii) The power to approve CSR activities shall vest with the Board of Directors of Paul Merchants Ltd
(iii) All activities will be identified in an objective manner keeping in mind the ultimate beneficiaries and gauging their basic needs.
(iv) CSR initiatives may also be taken to supplement the Central/ State Govt. Schemes
(v) Preference shall be given to local area where the Company has its operations or has its offices or branches;
(vi) The Company shall undertake CSR Activities only in pursuance of its CSR policy and in areas or subjects which are listed in Schedule VII of the Act as may be amended from time to time. The CSR Committee, from time to time shall choose activities out of the list to be undertaken under this policy, while recommending the Annual Action Plan and annual CSR Budget
(vii) CSR Projects or programs or activities undertaken in India only shall be accounted as CSR Expenditure
(viii) The Company shall not discriminate on any grounds whatsoever, including race, gender, age, ethnicity, caste, religion, domicile in implementation of its CSR activities but it may focus its CSR Activities to benefit the economically or socially weaker, or marginalised sections, of the society.
(ix) The Company shall endeavour to maintain transparency in selection, implementation, monitoring and reporting of CSR Activities.

b. **Guiding principles for implementation of CSR initiatives:-**

(i) The Company shall ensure that all CSR Activities undertaken directly or indirectly, meet applicable standards of quality followed by Company and/or are the market standard for such activities.
(ii) The activities which can be implemented by PML either directly or by engaging Contractors for infrastructural development shall be taken up by PML

(iii) The activities which cannot be taken up directly by PML because of its nature, size and other limitations, shall be considered for implementation through implementing agencies, provided that the implementing agency conforms to the eligibility criteria as specified in the CSR Rules and have relevant experience and good credentials. PML may also collaborate with internationally/nationally reputed Foundations / Organizations.
(iv) The Company shall ensure that all the CSR Activities are implemented as per the Annual Action Plan approved by the Board.
(v) Where ongoing projects are implemented, the Board while approving the project shall lay down the total budget including year wise allocations, timelines, and manner of execution etc.
(vi) The Board may approve CSR expenditure beyond the statutory limits as voluntary budget during any financial year.

c. <u>Guiding principles for monitoring of CSR initiatives:-</u>

(i) Monitoring of CSR projects may go concurrently with implementation, to assess if the progress is on expected lines and as per budgeted.
(ii) Like implementation, monitoring too shall be done in project mode with continuous feedback mechanism, for mid-course correction in implementation, whenever required.
(iii) Monitoring shall be performed by CSR Committee, which can designate a team of PML officials for this task to help mid-course correction, if required. CSR Committee can also engage the service of external agencies to monitor the implementation of CSR projects
(iv) In compliance with the Act and to ensure that funds spent on CSR projects are creating the desired impact on the ground, the CSR Committee may implement a comprehensive Monitoring and Reporting framework, wherein the expenditure heads, geography covered, periodicity and distribution of expenditure over various heads may be monitored on regular basis.
(v) the Board of the Company shall mandatorily disclose the composition of the CSR Committee, CSR Policy and Projects approved by the Board on the website of the Company, for public access.
(vi) Any surplus arising out of the CSR activities shall not form part of the business profit of a company.

d. <u>Guiding principles for formulation of Annual Action Plan</u>

Every year, the CSR Committee of the Company shall formulate and recommend to the Board an Annual Action Plan in pursuance of its CSR policy, which shall include the following, namely: -

(i) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
(ii) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
(iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;

(iv) monitoring and reporting mechanism for the projects or programmes; and
(v) details of need and impact assessment, if any, for the projects undertaken by the company:

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

PUBLICATION OF CSR POLICY

As per the CSR Rules, the contents of the CSR Policy shall be included in the Director's Report as per the prescribed format under the Rules and same shall be displayed on the Company's website. Further details of CSR projects will be displayed on the website of the Company.

REVIEW

The CSR Committee or the Board may from time to time review the CSR Policy and suggest suitable modifications, as may be required.

Sd/-
(RAJNEESH BANSAL)
MANAGING DIRECTOR
12-05-2022

A Report on the CSR is already attached as **Annexure D-7** to the Directors Report.

7. GENERAL BODY MEETINGS

(a) **Location and time, where last three Annual General Meetings held**:

YEAR	2023	2024	2025
Type of Meeting	AGM	AGM	AGM
Date	29.09.2023	26.09.2024	19.09.2025
Venue	Meeting held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Meeting held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Meeting held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
Time	12.00 Noon	12.00 Noon	12.00 Noon

(b) **<u>Whether any Special Resolutions passed in the last three Annual General Meetings</u>** :- **YES**

Details of the Special Resolutions passed in the last three Annual General Meetings:-

<u>Year 2023</u>

To adopt the new Memorandum of Association of the Company

<u>Year 2024</u>

1. To appoint a Director in place of Smt. Sarita Rani Bansal (DIN 00094504), who retires by rotation

2. To re-appoint Mr. Rajneesh Bansal as Managing Director of the Company

3. To approve revised remuneration term and revised remuneration of Mr. Ritesh Vaid, whole time designated director

<u>Year 2025</u>

1. To appoint a Director in place of Sh. Sat Paul Bansal (DIN 00077499), who retires by rotation

2. To re-appoint Mr. Inder Sain Negi (DIN 08947230) as Independent Director of the company for the Second Term

(c) **<u>Whether any Special Resolution passed last year through Postal Ballot - details of voting pattern</u>**

No special resolutions were passed last year through postal ballot

(d) **<u>Person who conducted the postal ballot exercise</u>** -

Not Applicable

(e) **<u>Whether any Special Resolution is proposed to be conducted through Postal Ballot Process:-</u>**

No Special Resolution is proposed to be conducted through Postal Ballot Process at the ensuing Annual General Meeting. However, remote e-voting facility and e-voting facility during the AGM shall be provided to the members of the company in respect of all the resolutions to be passed at the ensuing AGM.

(f) **Procedure for Postal Ballot**: - Not applicable. However, process for remote e-voting and e-voting during the AGM has been explained in the notes to the notice of the ensuing AGM.

8. MEANS OF COMMUNICATIONS

(a) Quarterly Results :

The Quarterly, Half yearly and Annual Results of the Company are sent to BSE Ltd in accordance with the SEBI (LODR) Regulations, 2015.

(b) Newspapers wherein the results normally published : -

The said Results are normally published in The Financial Express (English, all India edition) and Jansatta (Hindi, Delhi edition).

(c) Any website, where displayed:-

The Quarterly, Half yearly and Annual Results are displayed on Company's website www.paulmerchants.net. The Company's website contains a dedicated section "Investors" under which the details/information of interest to various stakeholders is displayed. The Results are also sent to BSE Ltd, which is displayed by BSE on its website https://www.bseindia.com.

(d) Whether it also displays official news releases:

All financial and other vital official news releases and documents under the SEBI Listing Regulations are also communicated to the BSE Ltd, besides being placed on the Company's website www.paulmerchants.net.

(e) Presentations made to the Institutional Investors or to the Analysts:

No presentations have been made to institutional investors or to the analysts during the year under review.

(f) BSE Corporate Compliance and Listing Centre:-

All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Quarterly Results etc. are filed electronically with the Listing Centre of BSE and wherever prescribed, in XBRL format.

9. GENERAL SHAREHOLDER INFORMATION

a.	Annual General Meeting: Date, time and Venue	Date:- Friday, the 18th day of September, 2026 Time:- At 12.00 Noon **Venue:-** The Company is conducting the meeting through VC / OAVM pursuant to the MCA Circular no. 03/2025 dated 22nd September 2025 read over with its earlier Circulars on the subject, as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM. The deemed venue for the 42nd AGM shall be the Registered Office of the Company at DSM 335, 336, 337, 3rd Floor, DLF Tower, 15, Shivaji Marg, Najafgarh Road, New Delhi -110015.
b.	Financial year	1st April, 2025 to 31st March, 2026
c.	Dividend Payment Date	N/A
d.	Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);	BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street Mumbai- 400001. Listing Fee for the Financial year 2025-26 had been paid on 17.04.2025 and for the Financial year 2026-27 has been paid on 18.04.2026
e.	In case the securities are suspended from trading, the directors report shall explain the reasons thereof	N/A. The securities of the Company have never been suspended from trading.
f.	Registrar to an Issue and Share Transfer Agents	Alankit Assignments Limited, 205-208 Anarkali Complex Jhandewalan Extension New Delhi- 110055 (INDIA) Ph. No.: 011-42541234 / 23541234 (RTA of the Company)
g.	Share Transfer System	In terms of provisions of Regulation 7 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to ensure that all activities in relation to share transfer facility are maintained either in-house or by Registrar to Issue and Share Transfer Agent registered with the

		SEBI. In the Company, the said activities are maintained by the Registrar and Share Transfer Agent of the Company (RTA) M/s Alankit Assignments Limited, having registered Office at 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi, SEBI Regn. No. INR000002532. Share transfers processed by the RTA M/s Alankit Assignments Limited, New Delhi are taken note of by Share Transfer Committee, i.e. Stakeholders' Relationship Committee. The Registrar ensures to attend to the formalities pertaining to transfer of securities at least once in a fortnight along with transmission and issue of duplicate share certificates etc. Post 01-04-2019, SEBI has prohibited Transfer of shares in physical mode. As such, the shares of the Company are traded in dematerialized form only. Transfer of shares in dematerialized form is done through the depositories without any involvement of the Company. Till 01-04-2019 the share transfers, which were received in physical form, were processed and the share certificates returned within a period of 15 days from the date of receipt by the RTA, subject to documents being valid and complete in all respects. The SEBI Circular dated 08-06-2018, amending thereby the SEBI LODR Regulations to provide for prohibition of Transfer of Shares in Physical form after 01-04-2019 has already been brought to the notice of the Shareholders. All requests for dematerialization of shares are processed and the confirmation is given to the Depositories within 21 days by RTA subject to documents being valid and complete in all respects. Grievances received from Members are immediately attended to and other miscellaneous correspondence on change of address, mandates etc. are processed by the Registrar within 15 days. Stakeholders' Relationship Committee also looks into the Investors Grievances, if there is any. IT is important to note here that as on date, entire share capital of the Company is in dematerialized form. SCORES (SEBI complaints redressal system) and ODR (Online Dispute Resolution) Portal: SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a Company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI. During the year under review, the Company did not receive any complaint on SCORES platform or ODR Portal.

		In the event of any dispute of a shareholder with the Company or with its Registrar and Share Transfer Agent in relation to the processing of any such request, including any delay or default in the processing thereof, the shareholder may, after exhausting the option of resolving the matter directly with the Company or its Registrar and Share Transfer Agent and thereafter through the SCORES Portal of the Securities and Exchange Board of India, initiate dispute resolution through the Online Dispute Resolution Portal at https://smartodr.in, in terms of Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 28, 2023. Further particulars in this regard are set out under the head Online Dispute Resolution Mechanism in the Miscellaneous Disclosures forming part of this Report.
h.	Distribution of Shareholding	As per **Annexure- G-1**
i.	Dematerialization of shares and liquidity	Entire 30,84,000 Equity Shares of the Company constituting 100% of the issued, subscribed and paid-up share capital is held in dematerialized form as on March 31, 2026 and as such, there is sufficient liquidity in the stock. All shareholders are requested to update their bank account and other relevant details with their respective depositories urgently. This would facilitate transfer of dividend directly to the bank account of the shareholders, whenever applicable.
j.	Outstanding Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Warrants or any Convertible instruments, conversion date and likely impact on equity	The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments till date.
k	Commodity price risk or foreign exchange risk and hedging activities	The Company is not a sizeable user of commodities, hence exposes itself moderately to the price risk on account of procurement of commodities. The Company has adequate risk assessment and minimization system in place including for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to be made in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/ 0000000141 dated November 15, 2018.

<table>
<tr><td></td><td></td><td colspan="3">The exposure to foreign exchange risk is limited to stock of Foreign Exchange held in the branch offices of the Company and unsettled transactions at the Central treasury which are adequately covered in advance with Banks or other FFMCs. All the Forex Transactions are being covered under the CASH / TOM / SPOT covering.</td></tr>
<tr><td>l.</td><td>Plant Locations</td><td colspan="3">The Company is in service Industry and had 64 own offices as on 31/03/2026. The list of the said offices is appended to this Annual Report in the beginning.</td></tr>
<tr><td>m.</td><td>Address for correspondence</td><td colspan="3">The Company Secretary, PML House, SCO 829-830, Sector 22-A, Chandigarh - 160022
Ph. 0172-5041792, 5041760,
email: cs@paulmerchants.net</td></tr>
<tr><td rowspan="5">n</td><td rowspan="5">List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.</td><td>Instrument/Facility</td><td>Amount (INR Crore)</td><td>Rating Assigned by Infomerics Valuation and Rating Ltd., a SEBI registered Credit Rating Agency) ON 04.06.2025</td></tr>
<tr><td>Long Term Bank Facility - Working capital facility</td><td>18.00</td><td>IVR BBB+/ Negative
(IVR Triple B Plus with Negative outlook)
Rating Downgraded</td></tr>
<tr><td>Short Term Bank Facility-Bank Guarantee</td><td>2.00</td><td>IVR A3+ (IVR A three plus)
Rating Downgraded</td></tr>
<tr><td>Proposed Long Term/Short Term Loans</td><td>11.75</td><td>IVR BBB+/ Negative
(IVR Triple B Plus with Negative outlook) / IVR A3+ (IVR A three plus)
Rating Downgraded</td></tr>
<tr><td>Total</td><td>31.75</td><td></td></tr>
</table>

n.	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.	**Instrument/Facility**	**Amount (INR Crore)**	**Rating Assigned by Infomerics Valuation and Rating Ltd., a SEBI registered Credit Rating Agency) on 21.08.2025**
		Long Term Bank Facility - Working capital facility	18.00	IVR BBB/ Negative (IVR Triple B with Negative outlook) Rating Downgraded
		Short Term Bank Facility- Bank Guarantee	2.00	IVR A3+ (IVR A three plus) Rating Reaffirmed
		Proposed Long Term/Short Term loans	11.75	IVR BBB/ Negative (IVR Triple B with Negative outlook) / IVR A3+ (IVR A three plus) Long Term Rating Downgraded and Short Term Rating Reaffirmed
		Total	**31.75**	
n	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of	**Instrument/Facility**	**Amount (INR Crore)**	**Rating Assigned by Infomerics Valuation and Rating Ltd., a SEBI registered Credit Rating Agency) on 19.02.2026**
		Long Term Bank Facility - Working capital facility	8.00 (Reduced from Rs. 18 crore)	IVR BBB-/ IVR Triple B Minus with Stable Outlook and Withdrawn Rating downgraded; outlook revised and withdrawn

	funds, whether in India or abroad.	Short Term Bank Facility- Bank Guarantee	2.00	IVR A3 and Withdrawn Rating downgraded and withdrawn
		Proposed Long Term/Short Term Loans	0.00 (Reduced from Rs. 11.75 crore)	Rating Withdrawn
		Total	**10.00**	
o.	Date of Book closure	04/09/2026 to 10/09/2026 (both days inclusive)		
p.	ISIN	INE 291 E 01019		

ANNEXURE - G-1

(a) **Distribution of Shareholding (No. of Shares) as on March 31, 2026 is as under** :-

No. of Shares	No. of Shareholders	% of Shareholders	Total No. of Shares	% of Holding
1-500	4065	95.53	216951	7.03
501-1000	99	2.33	69554	2.26
1001-2000	48	1.13	68158	2.21
2001-3000	11	0.26	27058	0.88
3001-4000	7	0.16	24688	0.80
4001-5000	5	0.12	22706	0.74
5001-10000	5	0.12	36890	1.20
10001 and above	15	0.35	2617995	84.89
Total	**4255**	**100**	**3084000**	**100**

(b) **Shareholding Pattern as on 31st March, 2026**:-

Category	No. of Shares held
Promoters	23,02,344
Institutional Investors	0

Mutual Funds & UTI	0
Banks, Financial Institutions and Insurance Companies	0
FII's	0
Others (Foreign Portfolio Investor (Corporate) Category I)	0
Private Corporate Bodies (Including clearing member)	17,868
Indian Public (including HUF)	7,58,086
NRIs/~~OCBs~~	5702
Trust	0
Total	**30,84,000**

10. **OTHER DISCLOSURES**

(a) Disclosures On Materially Significant Related Party Transactions That May Have Potential Conflict With The Interests Of Listed Entity At Large;

No materially significant related party transactions have taken place during the financial year under review that may have potential conflict with the interests of the Company at large.

All the transactions with the related parties undertaken by the Company during the year under review are in compliance with Section 177 and 188 of Companies Act, 2013 and Regulation 23 of Listing Regulations, wherever applicable, and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards. Further reference in this regard can be made to Note no. 42 of the standalone Balance sheet and **Annexure D-5** to the Directors Report, which is a part of this Annual Report.

For disclosure of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity i.e. Paul Merchants Limited as required in terms of Clause 2A of Part A of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, in the format prescribed in the relevant accounting standards for annual results, please refer Note no. 42 of the standalone Balance sheet and **Annexure D-5** to the Directors Report, which is a part of this Annual Report.

Further details of related party transactions form part of Notes to the Accounts under Note no. 42 of the standalone Financial Statements attached to this Annual Report. While entering into the above transactions, the Company had made full disclosures in the Board Meetings as well as Audit Committee Meetings, prior approval of Audit Committee as well as Board of Directors was obtained and interested directors duly disclosed their interest in the said Board Meetings and Audit Committee Meetings and did not participate in the discussions on such resolutions. The details of the Related Party Transactions, entered into by the Company in the ordinary course of business at Arm's length basis are given as **Annexure D-5** to the Directors Report. The company has framed its Policy on dealing with Related Party Transactions and the same is available on its website under the weblink https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2025/08/POLICY-ON-RELATED-PARTY-TRANSACTIONS-01.09.2025.pdf

(b) Details Of Non-Compliance By The Listed Entity, Penalties, Strictures Imposed On The Listed Entity By Stock Exchange(S) Or The Board Or Any Statutory Authority, On Any Matter Related To Capital Markets, During The Last Three Years

(i) During the year 2022-23, BSE Ltd had imposed a penalty of Rs. 17,700/- for alleged delay of one day in the filing of Statement of Related Party Transactions for the half year ended 31.03.2022 under Regulation 23(9) of the Listing Regulations. The company duly paid the fine imposed by BSE and also filed an application for waiver of fine with the Fine Waiver Committee of BSE Limited. The matter since then, is pending with BSE.

(ii) During the year 2024-25, BSE Ltd had imposed a penalty of Rs. 2,000/- alleging that the company has violated the provisions of Regulations 17(1A) of the SEBI(LODR) Regulation with respect to the requirements pertaining to appointment or continuation of Non-executive director who has attained the age of seventy-five years. The Company represented to the BSE Ltd that since the Director in question i.e. Mrs Tejinder Kaur had ceased to be the Director of the Company on the same day she turned 75, there was no violation of Regulation 17(1A) on the part of the Company. This fact was brought to the notice of BSE Ltd, appreciating which they shared their email of 05.12.2024 conveying the information on withdrawal of penalty to the Company.

There is no non-compliance by the Company and there are no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any other matter related to capital markets, during the last three years.

(c) Details of establishment of a Vigil Mechanism/ Whistle Blower Policy and affirmation that no personnel has been denied access to the audit committee

The Vigil Mechanism cum Whistle Blower Policy is in place which is reviewed by the Audit Committee on regular basis and the text of the same is given at the end of this Corporate Governance Report as **Annexure-9A**.

The Company do hereby affirm that no personnel has been denied access to the Audit Committee. No complaint has been received by the Committee during the year under review under the Vigil Mechanism cum Whistle Blower Policy. The Vigil Mechanism cum Whistle Blower Policy is also available on the Website of the Company https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2025-09/Vigil-Mechanism-Policy-13.08.2024.pdf

(d) Details of Compliance With Mandatory Requirements Of SEBI (LODR) Regulations, 2015

The Company has complied with all the mandatory requirements of the Listing Regulations.

(e) Cyber Security & Data Privacy

The Company conducts regular reviews of the most significant risks affecting the business or processes of the Company. During the year under review, there are no incidents of cyber security breaches or loss of data or documents and this fact has been duly disclosed along with the Corporate Governance Reports submitted with the BSE Ltd every Quarter in accordance with Regulation 27(2) of the Listing Regulations.

(f) Adoption of Non-Mandatory Requirements as per part E of Schedule II Of SEBI (LODR) Regulations, 2015

1. The Board

(i) As on 31/03/2026, Mr. Sat Paul Bansal, a non- executive Director is the Chairman of the Board. His office is maintained at the company's expense and is allowed reimbursement of expenses incurred by him in performance of his official duties.
(ii) As on 31/03/2026, the Company is duly having Mrs. Tejinder Kaur as woman independent director on its board of directors.

2. Shareholder Rights

Since the Company publishes its Quarterly, Half yearly and Annual Results in Newspapers (English and Hindi) having wide circulation, the results are also displayed on the website of the Company and the BSE Ltd., and the Annual Report of the Company is sent to each shareholder through permitted mode, the Company does not send any declaration of half yearly performance to each household of shareholders.

3. Modified Opinion(s) in the Audit Report

The Statutory Auditors have issued their reports on the Standalone Financial Statements and on the Consolidated Financial Statements of the Company for the Financial Year 2025-26 with an unmodified opinion, and there are no qualifications, reservations, adverse remarks or disclaimers therein. The audit reports for the preceding financial years were likewise unmodified, and it is the endeavour of the Board to continue to maintain a regime of financial statements carrying an unmodified audit opinion. Accordingly, the Statement on Impact of Audit Qualifications contemplated by Regulation 33(3)(d) of the Listing Regulations was not required to be furnished, and the Company has, in terms of the said Regulation, furnished to BSE Limited along with the annual audited financial results for the Financial Year 2025-26 a declaration to the effect that the audit reports on the Standalone and the Consolidated Financial Statements carry an unmodified opinion.

4. **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer**

The Company has appointed separate persons to the post of the Chairperson and the Managing Director and the Chairman is a non-executive director. However, the Chairman is related to the Managing Director as per the definition of the term “relative” defined under the Companies Act, 2013.

5. **Reporting of Internal Auditor**

At the moment, the reporting of the Internal Auditor is not directly to the Audit Committee however, the Company has complied with all the mandatory requirements relating to internal audit. The internal audit function is discharged in terms of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, and the scope, functioning, periodicity and methodology for conducting the internal audit have been formulated by the Board in consultation with the Internal Auditor. In terms of Part C of Schedule II to the Listing Regulations, the Audit Committee reviews the adequacy of the internal audit function, including the structure of the internal audit department, the staffing and seniority of the official heading the department, the reporting structure, and the coverage and frequency of internal audit, discusses with the Internal Auditor any significant findings and the follow up thereon, and reviews the performance of the Internal Auditor periodically. The significant findings of internal audit are placed before the Audit Committee on a regular basis and the Internal Auditor attends the meetings of the Audit Committee by invitation. No personnel of the Company has been denied access to the Audit Committee.

6. **Independent Directors**

The Company does not figure among the top 2000 listed entities in the list prepared by the recognized stock exchange, BSE Limited, as at December 31, 2024, ranking listed entities on the basis of their average market capitalization for the period from July 1, 2024 to December 31, 2024, in terms of sub-regulation (2) of Regulation 3 of the Listing Regulations, and accordingly the requirement relating to holding at least two meetings in a financial year, without the presence of non-independent directors and members of the management, was not applicable to the Company during the year under review. During the financial year under review i.e. FY 2025-26, one meeting of independent directors of the company was duly held on 12.02.2026.

7. **Risk Management**

Though not under mandatory requirement in terms of Regulation 21(5), the Company has voluntarily constituted a Risk Management Committee comprising Board members and senior management, which oversees the risk management framework and its implementation

(g) Web Link Where Policy For Determining 'Material' Subsidiaries Is Disclosed.

https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2026-03/Policy-on-determination-of-Materiality-20.01.2025.pdf

(h) Web link where policy on dealing with related party transactions is disclosed:-

https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2026-09/POLICY-ON-RELATED-PARTY-TRANSACTIONS-01.09.2025.pdf

(i) Disclosure of commodity price risks and commodity hedging activities

The Company is not a sizeable user of commodities, hence exposes itself moderately to the price risk on account of procurement of commodities. As such, no commodity hedging activities are undertaken by the Company. The Company has adequate risk assessment and minimization systems in place including for commodities. For the reason that the Company does not have material exposure to any price risk in relation to the commodities and accordingly, no hedging activities for the same are carried out, therefore there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/ 0000000141 dated November 15, 2018.

Further, the exposure to foreign exchange risk is limited to stock of Foreign Exchange held in the branch offices of the Company and unsettled transactions at the Central treasury which are adequately covered in advance with Banks or other FFMCs. All the Forex Transactions are being covered under the CASH / TOM / SPOT covering.

(j) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

Information in this regard is nil as no funds were raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) during the year under review**.**

(k) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority

The said Certificate is enclosed herewith as **Annexure D-14**.

(l) **Disclosure of cases where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the Financial year 2025-26, along with reasons thereof -**

Information in this regard is nil as there was no instance when board had not accepted any recommendation of any committee of the board which is mandatorily required, during the financial year under review.

(m) **Total Fees For All Services Paid By The Listed Entity And Its Subsidiaries, On A Consolidated Basis, To The Statutory Auditor And All Entities In The Network Firm/Network Entity Of Which The Statutory Auditor Is A Part -**

The required information for the Financial Year 2025-26 is given as under:-

Fees paid to the Auditors:-

Name of the Company	**Fees paid for Audit (Including Tax Audit) (Rs.)**	**Fees paid for other services (Rs.)**
Paul Merchants Limited	3,00,000 plus GST	1,50,000 plus GST
Paul Merchants Finance (Private) Limited	1,50,000 plus GST	1,00,000 plus GST
Paul Merchants Realtors (Private) Limited	25,000 plus GST	NIL
Paul Infotech (Private) Limited	5000 plus GST	NIL

Fees paid to the all entities in the network firm/network entity of which the statutory auditor is a part:-

Name of the Company	**Fees paid for Audit (Including Tax Audit)**	**Fees paid for other services**
Paul Merchants Limited	NIL	NIL
Paul Merchants Finance (Private) Limited	NIL	NIL
Paul Merchants Realtors (Private) Limited	NIL	NIL
Paul Infotech (Private) Limited	NIL	NIL

(n) **Disclosures In Relation To The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013:-**

a. Number of sexual-harassment complaints received during the FY 2025-26 **- NIL**
b. Number of complaints disposed of during the FY 2025-26 **- NIL**
c. Number of complaints pending as on end of the FY 2025-26 **- NIL**
d. Pending complaints exceeding 90 days during the FY 2025-26 – NIL

(o) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:-

Sr. No.	Loans made by	Loans given to	Amount outstanding as on 31/03/2026
1	Paul Merchants Limited (Holding Company)	Paul Merchants Finance Private Limited (PMFPL), a Wholly Owned Subsidiary. In addition to the opening balance of Rs. 1,66,85,00,000/-, a further sum of Rs. 61,75,00,000/- was given as a loan by the Company to PMFPL during the year under review, and the entire outstanding was repaid by PMFPL by the end of the year.	Nil
2	Paul Merchants Limited (Holding Company)	Paul Merchants Realtors Private Limited (PMRPL), a Wholly Owned Subsidiary. A sum of Rs. 24,71,00,000/- was given as a working capital loan and Rs. 31,51,00,000/-was given as term Loan by the Company to PMRPL during the year under review,	Rs.56,22,00,000
3	Paul Merchants Limited (Holding Company)	Paul Infotech Private Limited , a Wholly Owned Subsidiary. Nil amount was given as a loan by the Company to Paul Infotech Pvt Limited during the year under review	NIL
4	Paul Merchants Realtors Private Limited (Wholly Owned Subsidiary Company)	Paul Merchants Finance Private Limited (PMFPL), In addition to the opening balance of Rs. 9,65,00,000/-, a further sum of Rs. 1,75,00,000/- was given as a loan by the Company to PMFPL during the year under review, and the entire outstanding was repaid by PMFPL by the end of the year.	NIL
5	Paul Merchants Finance Private Limited (Wholly Owned Subsidiary Company)	Paul Merchants Realtors Private Limited, A sum of Rs 13,52,00,000/- was given as a working capital loan and Rs.	Rs.50,00,000/-

		50,00,000/-was given as term Loan by the Company to PMRPL during the year under review, Working capital outstanding was repaid by PMRPL by the end of the year.	
6	Paul Merchants Finance Private Limited (Wholly Owned Subsidiary Company)	Bosna Digital Entertainment Pvt Ltd. (Bosna). An amount of Rs. Rs 40,00,000 has been repaid by Bosna on net basis.	Nil
7	Paul Merchants Finance Private Limited (Wholly Owned Subsidiary Company)	Paul Merchants Limited (PML). An amount of Rs. 1,20,00,000 was given as a working capital loan to PML during the year under review, Working capital outstanding was repaid by PML by the end of the year.	NIL

Further reference in this regard can be made to Note no. 42 of the Balance sheet, disclosure made in para (a) above and **Annexure D-5** to the Directors Report, which is a part of this Annual Report.

(p) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

Name of the Material Subsidiary	**Paul Merchants Finance Private Limited**
Address of its Regd. Office	1st Floor, SCO 827-828, Sector 22-A, Chandigarh – 160022
Principal Business Activities	Loan Against Property (LAP), Large Corporate Lending, Vehicle Loans, Direct Assignment (DA) of Loans, Co-lending Partnerships, Loan Against Securities (LAS), Loan Against Silver, distribution of Insurance products and PPI Instruments
Date of incorporation	15-09-2010
Place of incorporation	Chandigarh
Name of the Statutory Auditors	M/s Rajan Modi & Associates, Chartered Accountants, 6352/8, Nichalson Road, Ambala 133001 (Firm Regn. No. 020081N)
Date of appointment of the statutory auditors	04/09/2025

11. Non-compliance of any requirement of Corporate Governance report of sub paras (2) to (10) of Part C of Schedule V, with reasons thereof

There is no non-compliance of any of the said requirements.

12. Adoption of Discretionary requirements as specified in Part E of Schedule II.

As given above under para (d) of 'Other Disclosures"

13. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations

The Board do hereby confirm that the Company has complied with the requirements prescribed under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (LODR) Regulations and all these details have been given in the section on Corporate Governance as above. The Company has made all the disclosures on its website www.paulmerchants.net as required under regulation 46 (2) of SEBI (LODR) Regulations. The attention of the Members is also invited to the Certificate obtained from Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary (F 5901), SCO 64-65, Sector 17 A, Chandigarh regarding compliance of conditions of Corporate Governance by the Company and the same is annexed to this Annual Report as **Annexure D-10**.

D. CEO DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

The Managing Director of the Company has issued a Declaration that the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management. As there is no Chief Executive Officer in the Company, this Declaration has been issued by the Managing Director of the Company. The Declaration is appended to this Report at the end of this Report. This Declaration has been given as **Annexure D-8** to this Report.

Further, in terms of the requirements of Regulation 17 (8) read with Part B of Schedule II to the SEBI (LODR) Regulations, 2015, the Managing Director and the Chief Financial Officer have submitted necessary certificate to the Board of Directors stating & certifying the particulars specified under the said Regulation. As there is no Chief Executive Officer in the Company, this Certificate has been issued by the Managing Director of the Company along with Chief Financial Officer of the Company. The certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors. This Certificate has been given as **Annexure D-13** to this Report.

E. COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

A Certificate obtained from Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary (F 5901), SCO 64-65, Sector 17 A, Chandigarh has been obtained and the same has been annexed to this Annual Report as **Annexure D-10**.

Further, a Certificate issued by the Statutory Auditors of the Company certifying compliance by the Company with Guidelines issued by Reserve Bank of India from time to time on KYC/AML/CFT during the Financial Year under review, has been annexed to this Annual Report as **Annexure D-15.**

F. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

During the FY 2023-24, the Company had opened a Suspense Escrow Demat Account with Alankit Assignments Ltd in relation to its bonus issue of 2056000 equity shares. No shares were required to be transferred to the said Suspense Escrow Demat Account. As on the date of this report, there are no shares in the said Suspense Escrow Demat Account and there is no other demand suspense account opened by the company.

G. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

Information as required under clause 5A of paragraph A of Part A of Schedule III to the Listing Regulations in Nil for the Financial Year under review.

Miscellaneous Disclosures

(i) Reconciliation Of Share Capital Audit

A Reconciliation of Share Capital Audit was carried out on a quarterly basis during the Financial Year 2025-26 by Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary (F 5901), in terms of sub-regulations (1) and (2) of Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, for the purpose of reconciling the total issued capital, the listed capital and the capital held by the depositories in dematerialised form, and for recording the details of changes in the share capital during the quarter. The Audit Reports for all the four quarters of the Financial Year 2025-26 confirm that the total issued, subscribed and paid-up capital of the Company, being 30,84,000 Equity Shares of Rs. 10 each, is in agreement with the aggregate number of Equity Shares held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited, there being no Equity Share of the Company held in physical form. The said Reports were duly submitted to BSE Limited within the timelines prescribed in that behalf during the Financial Year 2025-26.

(ii) Code For Prevention Of Insider Trading

The Company has instituted a comprehensive Code of Conduct for Prevention of Insider Trading, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. Further a Code of Fair Disclosure and Prevention of Insider Trading Code under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 have been adopted and displayed on the website of the Company at https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2026-04/PML-Code-of-Fair-Disclosure.pdf. These Codes lay down guidelines vide which it advises the designated Persons and connected persons on procedures to be followed and disclosures to be made, while dealing with the shares of the Company and caution them of the consequences of violations.

(iii) Material Subsidiaries

The Company has one material subsidiary within the meaning of Regulation 16(1)(c) of the Listing Regulations, namely Paul Merchants Finance Private Limited, which is an unlisted company. The requirements of Regulation 24 of the Listing Regulations in respect of the said unlisted material subsidiary have been complied with during the year under review, as under:

a) Mr. Bhupinder Singh, Non-Executive Independent Director of the Company, is a Director on the Board of Directors of Paul Merchants Finance Private Limited, in compliance with sub-regulation (1) of Regulation 24.
b) During the year under review, the Audit Committee of the Company reviewed the financial statements of the said unlisted material subsidiary, and in particular the investments made by it, in compliance with sub-regulation (2) of Regulation 24.
c) The minutes of the meetings of the Board of Directors of the said unlisted material subsidiary were placed before the Board of Directors of the Company during the year under review, in compliance with sub-regulation (3) of Regulation 24.
d) A statement of all significant transactions and arrangements entered into by the said unlisted material subsidiary was periodically brought to the notice of the Board of Directors of the Company by the management of that subsidiary during the year under review, in compliance with sub-regulation (4) of Regulation 24.
e) The Company has not disposed of any shares in the said material subsidiary during the year under review and there has been no reduction in its shareholding therein, the said subsidiary continuing to be a wholly owned subsidiary of the Company as on March 31, 2026. Accordingly, sub-regulation (5) of Regulation 24 was not attracted.
f) The transfer of the Gold Loan Business Undertaking of the said material subsidiary to L&T Finance Limited by way of a slump sale on a going concern basis was carried out with the prior approval of the Members of the Company accorded by a Special Resolution passed through postal ballot concluded on March 13, 2025, in compliance with sub-regulation (6) of Regulation 24, and the transfer was consummated on June 9, 2025.
g) The said unlisted material subsidiary is further subject to statutory audit and to secretarial audit, and the Secretarial Audit Report in Form MR-3 in respect thereof for the Financial Year 2025-26 is annexed to the Directors' Report as Annexure **D-2A**.

(iv) Disclosure Regarding Appointment Or Re-appointment Of Directors:

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Sh. Ritesh Vaid (DIN 09433856), Director of the Company is liable to retire by rotation in the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Further, it is proposed to re-appoint Sh. Ritesh Vaid (DIN 09433856) as designated Whole Time Director w.e.f. 01-10-2026 in the ensuing Annual General Meeting.

The brief Resume and other details of the said directors are already given as part of the Notice of Annual General Meeting.

(v) Code of Conduct

(i) The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The copy of Code of Conduct as applicable to the Directors (including Senior Management of the Company) is uploaded on the website of the Company at https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2025/02/PML-Code-of-Conduct.pdf

(ii) The Members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code applicable to them during the financial year ended 31/03/2026. The Annual Report of the Company contains a Certificate duly signed by the Managing Director in this regard and the same is annexed to this Annual Report as **Annexure D-8**.

(vi) Board Disclosures - Risk Management

The Company manages risks as an integral part of its decision making process. The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee, Risk Management Committee and the Board of Directors review these procedures periodically.

(vii) Information placed before the Board

The Agenda is circulated well in advance to the Board Members along with Agenda Notes. The items in the Agenda are backed by comprehensive background information to facilitate meaningful discussions and to enable the Board to take efficient decisions. The Board of Paul Merchants Limited is presented with all relevant information on various vital matters affecting the working of the company in addition to the matters set out in Companies Act, 2013, SEBI (LODR) Regulations, 2015 and Secretarial Standards. Also, extensive information is provided on various critical matters such as Risk Assessment, Growth, Expansion, Related party transactions, sales, financial performance, foreign exchange exposure, Appointment of Key Management Personnel (KMP) and employees one level below KMPs, material legal proceedings, share transfer compliance, quarterly financial results, significant labour and human relation matters.

(viii) Proceeds from public issues, rights issues, preferential issues, etc.

During the year under review, no money has been raised by the Company by way of Public Issues, Rights Issues, Preferential Issues Etc.

(ix) Management Discussion & Analysis Report:

Management Discussion & Analysis Report forms part of the Annual Report and include discussions on various matters specified under Part B of Schedule V to the SEBI (LODR) Regulations, 2015. The report has already been annexed as **Annexure D-3** to the Directors' Report.

(x) Annual Secretarial Compliance Report

As per Regulation 24A read over with SEBI circular dated 8th February, 2019, all listed entities are mandated to obtain Annual Secretarial Compliance Report from the Company Secretary in practice on compliance with all applicable SEBI Regulations and circulars / guidelines issued thereunder. The said Secretarial Compliance Report is in addition to the Secretarial Audit Report (Form MR - 3). The Company has received the aforesaid Secretarial Compliance Report from Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary (F 5901), SCO 64-65, Sector 17 A, Chandigarh for the Financial Year 2025-26. A copy of the said Annual Secretarial Compliance Report is enclosed in this Annual Report as **Annexure-D16**. The report contains one matter relating to non-compliance by the Company, of Regulation 17(1A) of Listing Regulations with respect to the Financial Year 2024-25, and the Management response from the Company on the said non-compliance is included in the report itself. As such, the observations in the aforesaid report are self-explanatory and therefore, the Board of Directors do not have any further comments to offer on the same.

(xi) Arbitration Mechanism (ODR Mechanism)

The Securities and Exchange Board of India has established a common Online Dispute Resolution Portal ("ODR Portal") for the resolution of disputes arising in the Indian securities market, in terms of its Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 updated as on December 28, 2023, which consolidates Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 and the Corrigendum cum Amendment thereto bearing No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023. In terms of the said framework, an investor is required first to take up the grievance directly with the Company or with its Registrar and Share Transfer Agent, and thereafter, if the grievance is not redressed to the satisfaction of the investor, to escalate the same through the SCORES Portal of SEBI. After exhausting the options so available for resolution of the grievance, the investor may initiate dispute resolution through the ODR Portal at https://smartodr.in, under which the dispute is first taken up for conciliation and, if conciliation is unsuccessful, for arbitration. The Company has registered itself on the ODR Portal in compliance with the said Master Circular and the link to the ODR Portal has been made available on the website of the Company at https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2024/08/ODR.pdf.

(xii) Web link of the Corporate Policies of the Company

Your Company is inclined towards following highest levels of ethical standards in all its business transactions. To ensure the same, the Company has adopted various policies, codes and practices. The Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, also mandates the formulation of certain policies for all listed companies. These policies are reviewed periodically by the Board and are updated in line with amended laws and requirements. The web link of the key policies adopted are detailed below:-

Name of the Policy	Web link
Code of Conduct for Directors and Senior Management	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2026-03/PML-Code-of-Conduct.pdf
Familiarization Programme Policy for Independent Directors	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2023-09/Familiarisation-Programme-Policy.pdf
Paul Merchants Ltd Code of Practices & Procedures For Fair Disclosure Of Unpublished Price Sensitive Information	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2026-04/PML-Code-of-Fair-Disclosure.pdf
Code of Conduct to Regulate, Monitor and Report of trading by Designated Persons and their Immediate Relatives	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2025-11/PIT-Code-of-Conduct-Reg-9.pdf
Archival Policy	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2023-09/POLICY-ON-ARCHIVAL-OF-RECORDS.pdf
Policy on Related Party Transactions	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2026-09/POLICY-ON-RELATED-PARTY-TRANSACTIONS-01.09.2025.pdf
Policy for Determining Material Subsidiaries	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2025/02/Policy-on-determination-of-Materiality-20.01.2025.pdf
Nomination and Remuneration Policy	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2026-03/NRC-Policy-1.pdf
Policy for Determining Materiality	https://www.paulmerchants.net/paulmerchants/policy-for-determination-of-materiality-of-events-or-information/

Corporate Social Responsibility Policy	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2023-08/CSR-Policy.pdf
Vigil Mechanism Cum Whistle Blower Policy	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2025-09/Vigil-Mechanism-Policy-13.08.2024.pdf
Terms and Conditions of Appointment of Independent Directors	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2024/09/Letter-of-Appointment_.pdf

In addition to the policies set out above, the terms and conditions of appointment of the Independent Directors of the Company has also been disseminated on the website of the Company, in compliance with clauses (b) of sub-regulation (2) of Regulation 46 of the Listing Regulations, and, in so far as the terms and conditions of appointment of Independent Directors are concerned, also in compliance with paragraph IV(4) of Schedule IV to the Companies Act, 2013 read with sub-section (8) of Section 149 of the said Act.

For & On Behalf of the Board

Sd/-
(RAJNEESH BANSAL)
MANAGING DIRECTOR
(DIN 00077230)

For & On Behalf of the Board

Sd/-
(RITESH VAID)
WHOLE TIME DIRECTOR
(DIN 09433856)

PLACE: CHANDIGARH
Date: August 12, 2026

ANNEXURE-9A

VIGIL MECHANISM CUM WHISTLE BLOWER POLICY

PREAMBLE

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, legality, integrity and ethical behavior. Any actual or potential violation of the same, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations cannot be undermined. Accordingly, this Vigil Mechanism cum Whistle Blower Policy has been formulated with a view to provide a mechanism for employees of the Company and others concerned to raise concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

Regulation 4 (2)(d)(iv) read with Regulation 22 (1) of the Securities & Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, inter alia, provides for requirement to establish a mechanism called 'Whistle Blower Policy' for stakeholders, employees and their representative bodies to report to the management, instances of unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

Section 177 of the Companies Act, 2013 also provides that the Company shall establish a Vigil Mechanism for Directors and Employees to report genuine concerns. This Vigil Mechanism is meant to serve the purpose of Section 177 of the Companies Act, 2013 as well as 'Whistle Blower Policy' under the SEBI (LODR) Regulations. The Company had adopted the Vigil Mechanism cum Whistle Blower Policy on 27-05-2014 as approved by the Audit Committee. Further the Board of Directors amended this Vigil Mechanism cum Whistle Blower Policy from time to time.

1. OBJECTIVE

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. This policy aims to provide an avenue for Stakeholders, Directors, employees and their representative bodies, to raise concerns of any violations of legal or regulatory requirements, unethical behavior, fraud, violation of Company's code of conduct, incorrect or misrepresentation of any financial statements and reports, etc.

2. POLICY

The Vigil Mechanism intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company. The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

No adverse action shall be taken or recommended against any Stakeholder, Director, employee or their representative body in retaliation to his disclosure in good faith of any unethical and improper practices or alleged wrongful conduct. This protects such employees or Director from unfair termination and unfair prejudicial employment practices.

However, this policy does not protect an employee or Director from an adverse action which occurs independent of his disclosure of unethical and improper practice or alleged wrongful conduct, poor job performance, any other disciplinary action, etc. unrelated to a disclosure made pursuant to this policy.

3. DEFINITIONS

a. "**Disciplinary Action**" means any action that can be taken on the completion of /during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties, termination, legal action or any such action as is deemed to be fit considering the gravity of the matter.

b. "**Employee**" means every employee of the Company (whether working in India or abroad)

c. "**Directors**" include independent, Nominee & Alternate directors

d. "**Protected Disclosure**" means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity. Protected Disclosures should be factual and not speculative in nature.

e. "**Subject**" means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation under this Policy.

f. "**Whistleblower**" is someone who makes a Protected Disclosure under this Policy.

g. "**Whistle Committee**" means a Committee of persons who is/are nominated/ appointed to conduct detailed investigation of the disclosures received from the whistleblower and recommends disciplinary action.

h. **"Audit Committee"** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 177 of Companies Act, 2013 read with Regulation 18 of SEBI (LODR) Regulations.

i. **"Company"** means Paul Merchants Ltd.

j. "**Ombudsman**" means, the Officer or Officers designated as such by the Audit Committee for the purpose of this Policy.

k. **"GOOD FAITH"** An employee or a Director or a Stakeholder shall be deemed to be communicating in 'good faith' if there is a reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct. Good Faith shall be deemed lacking when the employee does not have personal knowledge of a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.

l. **Policy or This Policy means**, "Vigil Mechanism cum Whistle Blower Policy"

m. "**Improper Activity**: means to include:

   i. Abuse of authority
   ii. Breach of contract
   iii. Negligence causing substantial and specific danger to the Organization or public health and safety
   iv. Manipulation of company data/records
   v. Financial irregularities, including fraud or suspected fraud or deficiency in Internal Control and internal checks or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports
   vi. Any unlawful act whether Criminal/ Civil
   vii. Pilferation of confidential/proprietry information
   viii. Deliberate violation of law/regulation
   ix. Wastage/misappropriation of company funds/assets
   x. Breach of Company Policy or failure to implement or comply with any approved Company Policy, code of conduct
   xi. Unethical behavior
   xii. Leak of any Unpublished Price Sensitive Information ("UPSI"). "UPSI" for this purpose is as defined under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations

4. SCOPE

Various Stakeholders of the Company are eligible to make Protected Disclosures under the Policy. These stakeholders may fall into any of the following broad categories:

a. Employees of the Company and their representative bodies
b. Directors of the Company

c. Employees of other agencies deployed for the Company's activities, whether working from any of the Company's offices or any other location
d. Contractors, vendors, suppliers or agencies (or any of their employees) providing any material or service to the Company
e. Customers of the Company
f. Any other person having an association with the Company

A person belonging to any of the above mentioned categories can avail of the channel provided by this Policy for raising an issue covered under this Policy. NOTE: Policy should not be used to be a route for raising malicious or unfounded allegations against colleagues.

5. GUIDING PRINCIPLES

To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:

i. Ensure that the Whistleblower and/or the person processing the Protected Disclosure is not victimized for doing so
ii. Treat victimization as a serious matter, including initiating disciplinary action on such person/(s)
iii. Ensure complete confidentiality
iv. Not attempt to conceal evidence of the Protected Disclosure
v. Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made
vi. Provide an opportunity of being heard to the persons involved especially to the Subject

6. ANONYMOUS ALLEGATION

Whistleblowers must put their names to the allegations made by them because follow-up action & investigation may not be possible unless the source of the information is identified. Disclosures expressed anonymously will ordinarily NOT be investigated.

7. PROTECTION TO WHISTLEBLOWER

A. If any stakeholder raises a concern under this Policy, he/she will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner. Company's employee will not be at the risk of losing her/ his job or suffer loss in any other manner like transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure, as a result of reporting under this Policy. The protection is available, provided that: -

i. The communication/ disclosure is made in good faith

ii. He/she reasonably believes that information and any allegations contained in it, are substantially true; and

iii. He/she is not acting for personal gain

iv. Anyone who abuses the procedure (for example by maliciously raising a concern knowing it to be untrue) will be subjected to disciplinary action, as will anyone who victimizes a colleague by raising a concern through this procedure. If considered appropriate or necessary, suitable legal actions may also be taken against such individuals.

However, no action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation.

B. The Company will not tolerate the harassment or victimization of anyone raising a genuine concern. As a matter of general deterrence, the Company shall publicly inform employees of the penalty imposed on any person for misconduct arising from retaliation. Any investigation into allegations of potential misconduct will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning an employee reporting a matter under this policy.

Any other Employee/business associate assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

8. ACCOUNTABILITIES - WHISTLEBLOWERS

I. Bring to early attention of the Company any improper practice they become aware of. Although they are not required to provide proof, they must have sufficient cause for concern. Delay in reporting may lead to loss of evidence and also financial loss for the Company.
II. Avoid anonymity when raising a concern.
III. Follow the procedures prescribed in this policy for making a Disclosure
IV. Co-operate with investigating authorities, maintaining full confidentiality
V. The intent of the policy is to bring genuine and serious issues to the fore and it is not intended for petty Disclosures. Malicious allegations by employees may attract disciplinary action
VI. A whistleblower has the right to protection from retaliation. But this does not extend to immunity for involvement in the matters that are the subject of the allegations and investigation

VII. Maintain confidentiality of the subject matter of the Disclosure and the identity of the persons involved in the alleged Malpractice. It may forewarn the Subject and important evidence is likely to be destroyed
VIII. In exceptional cases, where the whistleblower is not satisfied with the outcome of the investigation carried out by the Whistle Committee, he/she can make a direct appeal to the MD of the Company or the Audit Committee

9. ACCOUNTABILITIES - OMBUDSMAN AND WHISTLE COMMITTEE

i. Conduct the enquiry in a fair, unbiased manner
ii. Ensure complete fact-finding
iii. Maintain strict confidentiality
iv. Decide on the outcome of the investigation, whether an improper practice has been committed and if so by whom
v. Recommend an appropriate course of action - suggested disciplinary action, including dismissal, and preventive measures
vi. Minute Committee deliberations and document the final report

10. RIGHTS OF A SUBJECT

i. Subjects have right to be heard and the Ombudsman or the Committee must give adequate time and opportunity for the subject to communicate his/her stand on the matter
ii. Subjects have the right to be informed of the outcome of the investigation and shall be so informed in writing by the Company after the completion of the inquiry/investigation process

11. MANAGEMENT ACTION ON FALSE DISCLOSURES

An employee/person who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Further this policy may not be used as a defense by an employee against whom an adverse personnel action has been taken independent of any disclosure or intimation by him and for legitimate reasons or cause under Company rules and policies.

12. PROCEDURE FOR REPORTING & DEALING WITH DISCLOSURES

The procedure as per Annexure will be followed.

13. ACCESS TO REPORTS AND DOCUMENTS

All reports and records associated with 'Disclosures' are considered confidential information and access will be restricted to the Whistleblower, the Whistle Committee and Ombudsman. 'Disclosures' and any resulting investigations, reports or resulting actions will generally not be disclosed to the public except as required by any legal requirements or regulations or by any corporate policy in place at that time.

14. RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of 03 years from the date of conclusion of the investigation.

15. REPORTS

A periodical status report on the total number of complaints received during the period, with summary of the findings of the Whistle Committee and the corrective actions taken will be sent to the Audit Committee as well as Board of Directors of the Company. The contents of this Policy will be displayed by the Company on its Website and will also be included in the Directors Report.

16. COMPANY'S POWERS

The Company is entitled to amend, suspend or rescind this policy at any time. Whilst, the Company has made best efforts to define detailed procedures for implementation of this policy, there may be occasions when certain matters are not addressed to or there may be ambiguity in the procedures. Such difficulties or ambiguities will be resolved in line with the broad intent of the policy and the applicable Law. The Company may also establish further rules and procedures, from time to time, to give effect to the intent of this policy and further the objective of good corporate governance. The Audit Committee shall review the policy and its implementation on regular basis.

ANNEXURE

PROCEDURE FOR REPORTING & DEALING WITH DISCLOSURES

1. How should a Disclosure be made and to whom?

A disclosure should be made in writing. Letters can be submitted by hand delivery, courier or by post addressed to the Ombudsman appointed by the Company. Emails can be sent to the email id: ombudsman@paulmerchants.net.
However, Disclosures against any employee of HOD cadre or the Business Heads or the Executive Directors should be sent directly to the Chairman of Audit Committee of the Company on his email id: anoopca50@rediffmail.com.

2. Is there any specific format for submitting the Disclosure?

While there is no specific format for submitting a Disclosure, the following details MUST be mentioned:

a) Name, address and contact details of the Whistleblower (add Employee ID if the Whistleblower is an employee).

b) Brief description of the Malpractice, giving the names of those alleged to have committed or about to commit a Malpractice. Specific details such as time and place of occurrence are also important. Documentary evidence, wherever possible, should be appended.

In case of letters, the disclosure should be sealed in an envelope marked “Whistle Blower” and addressed to the Ombudsman or the Chairman, Audit Committee, depending on position of the person against whom disclosure is made.

3. What will happen after the Disclosure is submitted?

a. The Ombudsman shall acknowledge receipt of the Disclosure as soon as practical (preferably within 04 days of receipt of a Disclosure), to the address provided by the Whistleblower.
b. The Ombudsman will proceed to determine whether the allegations (assuming them to be true only for the purpose of this determination) made in the Disclosure constitute a Malpractice by discussing with the Executive Directors and MD of the Company (if required). If the Ombudsman unanimously determines that the allegations do not constitute a Malpractice, he/she will record this finding with reasons and communicate the same to the Whistleblower
c. If the Ombudsman determines or any one member is of the opinion that the allegations constitute a Malpractice, he/she will proceed to investigate the Disclosure with the assistance of the Whistle Committee comprising of Senior Level Officers of HR, Internal Audit, Finance and Legal. The Whistle Committee, if it deems fit can also take assistance of Head of the Department

where the breach has occurred. If the alleged Malpractice is required by law to be dealt with under any other mechanism, the Ombudsman shall refer the Disclosure to the appropriate authority under such mandated mechanism and seek a report on the findings from such authority.

d. If the Protected Disclosure has been made to the Chairman of the Audit Committee, he will proceed to investigate the matter with the help of MD, Ombudsman or Whistle Committee or any other officer as he deems fit.
e. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
f. The investigation may involve study of documents and interviews with various individuals. Any person required to provide documents, access to systems and other information by the Ombudsman or Whistle Committee for the purpose of such investigation shall do so. Individuals with whom the Ombudsman or Whistle Committee requests an interview for the purposes of such investigation shall make themselves available for such interview at reasonable times and shall provide the necessary cooperation for such purpose.
g. If the Malpractice constitutes a criminal offence, the Ombudsman will bring it to the notice of the Executive Directors & MD and take appropriate action including reporting the matter to the police. In other cases, the Ombudsman will take appropriate action against the culprit in consultation with the Whistle Committee.
h. The MD of the Company may, at his/her discretion, participate in the investigations of any Disclosure.
i. The Whistle Committee shall conduct such investigations in a timely manner and shall submit a written report containing the findings and recommendations to the Ombudsman as soon as practically possible and in any case, not later than 90 days from the date of receipt of the Disclosure. The Ombudsman may allow additional time for submission of the report based on the circumstances of the case. Whilst it may be difficult for the Ombudsman to keep the Whistleblower regularly updated on the progress of the investigations, he/she will keep the Whistleblower informed of the result of the investigations and its recommendations subject to any obligations of confidentiality.
j. The Ombudsman will ensure action on the recommendations of the Whistle Committee and keep the Whistleblower informed of the same. Though no timeframe is being specified for such action, the Company will endeavor to act as quickly as possible in cases of proved Malpractice.
k. In case, the Whistle Blower is not satisfied with the investigation carried by the Whistle Committee, he can appeal to the Chairman of Audit Committee with all relevant details.

4. <u>What should a Whistleblower do if he/she faces any retaliatory action or threats of retaliatory action as a result of making a Disclosure?</u>

If anyone faces any retaliatory action or threats of retaliatory action as a result of making a Disclosure, he/she should inform the Ombudsman in writing immediately. Ombudsman will treat reports of such actions or threats as a separate Disclosure and investigate the same accordingly and may also recommend appropriate steps to protect the Whistle Blower from exposure to such retaliatory action and ensure implementation of such steps for your protection.

In case, the Whistle Blower is not satisfied with the resolution given by Ombudsman, he can appeal to the Chairman of Audit Committee with all relevant details.

Sd/-
Chairman
Paul Merchants Limited
13-08-2024

For & On Behalf of the Board	For & On Behalf of the Board
Sd/-	**Sd/-**
(RAJNEESH BANSAL)	**(RITESH VAID)**
MANAGING DIRECTOR	**WHOLE TIME DIRECTOR**
(DIN 00077230)	(DIN 09433856)

PLACE: CHANDIGARH
Date: August 12, 2026

Annexure D-10

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Paul Merchants Limited
Regd. Office: DSM 335, 336, 337, 3rd Floor,
DLF Tower, 15, Shivaji Marg,
Najafgarh Road,
New Delhi-110015

Corp. Office: PML House, SCO 829-830,
Sector 22-A, Chandigarh – 160022.

We have examined the compliance of the conditions of Corporate Governance by Paul Merchants Limited ("the Company") for the Financial Year ended 31st March, 2026, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as referred to in Regulation 15 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as mentioned in the above mentioned Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

We further state that such compliance 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.

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.

3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Date: 03.08.2026
Place: Chandigarh
UDIN: F005901H001002864

Sd/-
Kanwaljit Singh Thanewal
Company Secretary
M. No. 5901
C.P.No. 5870
Peer Review Cert No. 2319/2022

ANNEXURE D-11 TO THE DIRECTORS' REPORT

DETAILS UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Rule	PARTICULARS		
(i)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26	**NAME OF DIRECTOR**	**RATIO**
		Mr. Rajneesh Bansal	82:01
		Mr. Ritesh Vaid	07:01
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2025-26	**NAME OF DIRECTOR/KMP**	**PERCENTAGE INCREASE**
		Mr. Rajneesh Bansal, Managing Director	7.11%
		Mr. Ritesh Vaid ,Designated Director	5.15%
		Mr. Hardam Singh, Company Secretary	-10.10%
		Ms. Sakshi, Chief Financial Officer	13%
(iii)	The percentage increase in the median remuneration of employees in the financial year.	6.28%	
(iv)	The number of permanent employees on the rolls of the company.	318	
(v)	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	Average increase made in salaries of employees other than the managerial personnel is 7.55 % as compared to increase of 6.95 % in salary of managerial personnel in the financial year under review. Remuneration of Mr. Rajneesh Bansal, Managing Director increased by 7.11% , which is commensurate with the duties and responsibilities shouldered by him in the capacity of Managing Director. Remuneration of Mr. Ritesh Vaid, Whole Time Director increased by 5.15 %. The remuneration of both the Whole Time Directors was duly approved by the Shareholders of the Company and also by the Board of Directors, Audit Committee and Nomination and Remuneration Committee.. The increase in Managerial remuneration is in line with the market trends in	

		the industry and as per performance of the Company. The increase in salaries of employees other than the managerial personnel in the financial year under review is also as per their own individual performance and the performance of the Company
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company	It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company
(vii)	The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.	The information showing names and other particulars of employees as per Rule 5(2) and 5(3) of the aforesaid Rules read with Section 197 (12) of the Act is given in **Annexure D-11A**, which forms part of this report.

Note:-

(a) Median Remuneration has been calculated based on remuneration for full Financial Year.

(b) For the purpose of arriving at %age increase in remuneration of Directors and KMPs, the remuneration actually paid to them for Financial Year under review has been taken.

For & On Behalf of the Board

Sd/-
(RAJNEESH BANSAL)
MANAGING DIRECTOR
(DIN 00077230)

For & On Behalf of the Board

Sd/-
(RITESH VAID)
WHOLE TIME DIRECTOR
(DIN 09433856)

PLACE: CHANDIGARH
Date: August 12, 2026

Annexure D-11A

Information	Details	Details	Details	Details	Details
	1	2	3	4	5
Name of Employee	Mr. Rajneesh Bansal	Mr. Hardam Singh	Mr. Ritesh Vaid	Mr. Pankaj Sharma	Mr. Ravi Barua
Designation of the Employee	Managing Director	Company Secretary cum Head (Legal)	Designated Whole Time Director	Vice President-Travel	Senior Vice President-Travel
Remuneration Received (Rs)	3,60,00,000	34,78,732	31,67,112	7,37,876	27,69,269
Nature of employment, whether contractual or otherwise	Contractual	Permanent	Permanent	Permanent	Permanent
Qualifications and experience of the employee	MBA & 27 Years	FCS, MBA & 27 Years	MBA & 24 years	PG & 25 Years	B.A & 32 Years
Date of commencement of employment	27-Feb-99	02-Jun-03	01-Oct-08	22-Jan-24	09-Feb-21
The age of such employee	52 Years	52 Years	49 Years	50 Years	54 Years
The last employment held by such employee before joining the company	Nil	Eider Infotech Ltd.	Wall Street Finance (P) Ltd	Inter Globe Aviation Limited (IndiGo)	Book My Vacationz(PSA Rail Europe)
The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of rule 5(2)	28.62%	Nil	Nil	Nil	Nil
Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	Mr. Rajneesh Bansal is son of Mr. Sat Paul Bansal, who is Non Executive Non independent Director and Chairman of the Company & Mrs. Sarita Rani Bansal, Non-Executive Non independent Director of the Company.	No	No	No	No
DOB	22-Jul-74	21-Jun-74	15-Nov-76	18-Sep-76	03-Sep-72

Information	Details	Details	Details	Details	Details
	6	7	8	9	10
Name of Employee	Ms Sakshi	Ms. Ritu Sharma	Mr. Ravi Kumar Rohilla	Mr. Sandeep Kumar Poonia	Mr. Pankaj Money Grover
Designation of the Employee	Chief Financial Officer	General Manager	General Manager	General Manager	Senior Zonal Manager
Remuneration Received (Rs)	27,04,433	18,28,104	15,88,153	7,69,676	16,48,026
Nature of employment, whether contractual or otherwise	Permanent	Permanent	Permanent	Permanent	Permanent
Qualifications and experience of the employee	CA & 14 Years	CA & 18 Years	BA & 28 Years	BBA & 20 Years	MSC & 23 Years
Date of commencement of employment	01-May-24	22-Oct-07	07-Jun-19	01-May-19	01-Apr-04
The age of such employee	37 Years	44 Years	50 Years	40 Years	46 Years
The last employment held by such employee before joining the company	Kare Partners Group	Nil	Ebixcash World Money Limited	Matrix Forex Services Pvt. Ltd.	Danik Jagran
The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of rule 5(2)	Nil	Nil	Nil	Nil	Nil
Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	No	No	No	No	No
DOB	13-May-89	21-Sep-82	01-Jan-76	01-Jan-86	28-Aug-80

	Details	Details	Details	Details	Details
	11	12	13	14	15
Name of Employee	Mr. Abhishek Singh	Ms Rajni	Mr. B Narasimha Raju	Deeksha Bhasin	Mr. Ajay Kumar
Designation of the Employee	Assistant Vice President	Senior Zonal Manager	Regional Manager	Assistant Vice President-Corporate Sales Marketing	Zonal Manager
Remuneration Received (Rs)	16,45,690	14,99,588	15,06,010	10,18,020	14,29,080
Nature of employment, whether contractual or otherwise	Permanent	Permanent	Permanent	Permanent	Permanent
Qualifications and experience of the employee	BA & 13 Years	MBA & 9 Years	BSC & 16 Years	PGDM & 15 Years	BA & 25 Years
Date of commencement of employment	01-Mar-24	30-Nov-15	16-Nov-20	15-Jul-25	15-May-04
The age of such employee	37 Years	42 Years	53 Years	37 Years	48 Years
The last employment held by such employee before joining the company	Dish Tv	Essel Finance Vkc Forex Ltd	Weizmann Forex Ltd.	Little Millennium Education Pvt Ltd	UAE Exchange
The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of rule 5(2)	Nil	Nil	Nil	Nil	Nil
Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	No	No	No	No	No
DOB	28-Jun-88	15-Apr-83	05-Apr-73	16-Dec-88	18-Aug-77

NOTE:

1. The above information is as on 31/03/2026
2. Remuneration shown above is on gross basis and is subject to tax and includes arrears, allowances, Perquisites, Commission, Incentives, Leave Encashment and Provident Fund. The Performance Bonus paid during the year under review, which actually pertains to the FY 2024-25 has been included in the figures of remuneration. Performance Bonus for the FY 2025-26 will be paid at the time of Diwali, 2026.
3. Mr. Pankaj Sharma has resigned and left in FY 2025-26. His remuneration taken till his last working day i.e. 02.07.2025.

4. Mr. Sandeep Kumar Poonia has resigned and left in FY 2025-26. His remuneration including applicable gratuity (As per Gratuity Act 1972) taken till his last working day i.e. 11.08.2025.
5. In addition to the remuneration shown above, reimbursement of some expenses actually spent by the employees in their official course of duties has been made to them as per Company policy.
6. During the Financial Year under review, there was no employee who, if employed throughout the financial year, was in receipt of remuneration in the aggregate, not less than one crore and two lakh rupees, except the Managing Director whose details have been furnished in the above table.
7. During the Financial Year under review, there was no employee who, if employed for a part of the financial year, was in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was not less than Eight Lakhs and Fifty Thousand Rupees per month
8. During the Financial Year under review, there was no employee who, if employed throughout the financial year or part thereof, was in receipt of remuneration in the year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, was in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

For & On Behalf of the Board	For & On Behalf of the Board
Sd/-	**Sd/-**
(RAJNEESH BANSAL)	**(RITESH VAID)**
MANAGING DIRECTOR	**WHOLE TIME DIRECTOR**
(DIN 00077230)	(DIN 09433856)

PLACE: CHANDIGARH
Date: August 12, 2026

ANNEXURE D-12 TO THE DIRECTORS' REPORT

FORM NO. AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

1	Sl. No.	1	2	3
2	Name of the subsidiary	Paul Merchants Finance Private Limited	Paul Merchants Realtors Private Limited	Paul Infotech Private Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Different	Not Different	Not Different
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not applicable	Not applicable	Not applicable
5	Share capital	42,64,86,160	76,00,00,000	25,00,000
6	Reserves & surplus	5,70,69,80,746	9,69,50,702	(3,64,466)
7	Non-Controlling Interest		81,67,856	
8	Total assets	6,22,53,94,173	1,44,83,29,132	21,40,534
9	Total Liabilities	9,19,27,267	58,32,10,574	5,000
10	Investments	230,09,99,161	112,47,56,233	20,13,765
11	Turnover	66,47,20,064	-	-
12	Profit before taxation	3,17,99,29,215	2,18,82,641	(2,37,961)
13	Provision for taxation	48,75,44,308	16,24,008	0
14	Profit after taxation	2,69,23,84,907	2,02,99,083	(2,37,961)
15	Proposed Dividend	Nil	Nil	-
16	% Shareholding	100%	100%	100%

Notes :

1. Names of Subsidiaries which are yet to commence operations - Paul Infotech Private Limited
2. Names of Subsidiaries which have been liquidated or sold during the year – NIL

Part "B" : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

During the Financial year 2025-26, Paul Merchants Realtors Private Limited (“PMRPL”), the wholly owned subsidiary has become partner in Paal Infratech LLP, SSBRO Infra Surge LLP, and Paul Landscape Realtors LLP for undertaking real estate development and allied activities. The financial statements of SSBRO Infra Surge LLP and Paul Landscape Realtors LLP have been consolidated with the financial statements of PMRPL and, accordingly, form part of the consolidated financial statements of the Holding Company, in accordance with the applicable provisions of law and accounting standards. Paal Infratech LLP was incorporated on 22.12.2025 and since then no capital has been contributed by the PMRPL in the said LLP and further no business transaction has been undertaken by the said LLP during the Financial year 2025-26 and accordingly, its financial statements have not been consolidated with the financial statements of PMRPL.

There are no associates or Joint ventures of the Company during the financial year 2025-26

1. Names of associates or joint ventures which are yet to commence operations - NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year:- Nil

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified

For & On Behalf of the Board

Sd/-	**Sd/-**
(RAJNEESH BANSAL)	**(RITESH VAID)**
MANAGING DIRECTOR	**WHOLE TIME DIRECTOR**
(DIN 00077230)	(DIN 09433856)
Sd/-	**Sd/-**
(HARDAM SINGH)	**(SAKSHI)**
COMPANY SECRETARY	**CHIEF FINANCIAL OFFICER**
FCS-5046	**FCA- 419986**

PLACE: CHANDIGARH
Date: August 12, 2026

Annexure D-13

CEO AND CFO CERTIFICATE

Date: 27.05.2026

To

The Board of Directors,
Paul Merchants Limited,
SCO 829-830, Sector 22-A,
Chandigarh.

Sub: Compliance Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby certify in terms of Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

A. We have reviewed Standalone as well Consolidated Financial Statements and the Cash Flow Statement for the Year ended 31.03.2026 and that to the best of our knowledge and belief:-

   (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (2) These statements together present a true and fair view of Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:-

   (1) Significant changes in internal control, if any, over financial reporting during the year;

(2) Significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and

(3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-	Sd/-
Sakshi	**Rajneesh Bansal**
(Chief Financial officer)	(Managing Director)
FCA 419986	DIN-00077230

Annexure D-14

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of Paul Merchants Limited
Regd. Office: DSM 335, 336, 337, 3rd Floor,
DLF Tower, 15, Shivaji Marg,
Najafgarh Road,
New Delhi-110015

Corp. Office: PML House, SCO 829-830,
Sector 22-A, Chandigarh – 160022.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Paul Merchants Limited** having CIN:L74900DL1984PLC018679 and having registered office at DSM 335, 336, 337, 3rd Floor, DLF Tower, 15, Shivaji Marg, Najafgarh Road, New Delhi-110015 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with 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 my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 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 such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment In Company
1.	Shri. Sat Paul Bansal	00077499	08-06-2021
2.	Shri. Rajneesh Bansal	00077230	27-02-1999
3.	Smt. Sarita Rani Bansal	00094504	31-01-2012
4.	Shri Inder Sain Negi	08947230	12-11-2020
5.	Shri Ritesh Vaid	09433856	10-02-2022
6.	Shri Bhupinder Singh	02152722	13-02-2024
7.	Shri Anoop Kumar Sharma	02296633	13-02-2024
8.	Smt. Tejinder Kaur	00512377	17-12-2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express my opinion on these matters based on my 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.

Date: 03.08.2026
Place: Chandigarh
UDIN: F005901H001002921

Sd/-
Kanwaljit Singh Thanewal
Company Secretary
FCS No.: 5901
C P No.: 5870
Peer Review Cert No. 2319/2022

Annexure D-15

RAJIV GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS

S.C.O. 823-24, FF, Sector 22A,
Chandigarh, Phone: 0172-4644607
Email: rgaca91@gmail.com
Web: www.rgaca.org

M/s Paul Merchants Limited
SCO 829-830,
Sector 22-A,
Chandigarh

FOR SUBMISSION TO RESERVE BANK OF INDIA

It is certified that on the basis of examination of the records of M/s Paul Merchants Limited, having its Corporate Office at SCO 829-830, Sector 22-A, Chandigarh and Concurrent Audit Reports and according to information and explanation given to us for the period from 1st April 2025 to 31st March, 2026, the Company has complied with Guidelines issued by Reserve Bank of India from time to time on KYC/AML/CFT.

It is also certified that the Internal Control of the company is satisfactory as per opinion in our report on Internal Control over Financial Reporting enclosed with the audited financial statements. Further we have also obtained copies of Concurrent Audit and Internal Audit of branches of the Company on test check basis and found the same to be satisfactory.

The above certificate is issued at the request of Company and we reiterate that our responsibility is restricted to performing test check procedure so as to obtain reasonable assurance regarding compliance with RBI Guidelines on KYC/AML/CFT and our opinion shall not be considered to be absolute assurance in this regard.

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 011106N

Sd/-

CA HEMANI GARG
M. No. 549610
UDIN:26549610FFBZWE8126

Date: 11-06-2026
Place: Chandigarh

Annexure-D-16

KANWALJIT SINGH THANEWAL
B.Com, F.C.S. I.P.

GST: 04ADNPT2219E1ZO
COMPANY SECRETARY &
INSOLVENCY PROFESSIONAL
S.C.O. 64-65, IST FLOOR,
SECTOR-17A, MADHAY MARG,
CHANDIGARH- 160017
PH: (O) 0172-2701906,
Mobile : +91- 9915343212
E-MAIL: kanwalcs@gmail.com

Secretarial compliance report of Paul Merchants Limited for the year ended 31st March, 2026

I, Kanwaljit Singh Thanewal, Company Secretary, have examined:

(a) all the documents and records made available to me and explanation provided by **Paul Merchants Limited** ("the listed entity" or "the Company"),
(b) the filings/ submissions made by the listed entity to the stock exchanges,
(c) website of the listed entity,
(d) any other document/ filing, as may be relevant, which has been relied upon to make this Certification,

For the year ended March 31, 2026 ("Review Period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not Applicable to the company during the review period.
c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not Applicable as there was no instance of Buy-Back during the review period.
e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: Not Applicable to the company during the review period.
f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021: Not applicable during the review period.
g) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
h) Other regulations as applicable

and circulars/ guidelines issued thereunder.

and based on the above examination, I hereby report that, during the review period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
NIL										

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observation/ remarks of the Practicing Company Secretary (PCS) in the previous reports	Observations made in the Secretarial Compliance Report for the year ended	Compliance requirements (Regulations/ circulars/ guidelines inclusion specific clause)	Details of violation/ Deviations and Actions taken/ penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
1.	The BSE Limited, on the receipt of the representation of the Company against the penalty so levied, had vide their email dated 05.12.2024, conveyed the information on withdrawal of penalty to the Company.	31.03.2025	Regulation 17(1A)	The BSE Limited, alleged that the company has violated the provisions of Regulations 17(1A) of the SEBI (LODR) Regulation with respect to the requirements pertaining to appointment or continuation of Non-executive director who has attained the age of seventy-five years. A fine of Rs. 2,000/- excluding taxes was	Since the Director in question i.e. Mrs. Tejinder Kaur had ceased to be the Director of the Company on the same day she turned 75, there was no violation of Regulation 17(1A) on the part of the Company. This fact was brought to the notice of BSE Ltd, appreciating which they shared their email of 05.12.2024 conveying the information on withdrawal of penalty to the Company.	No further action required in these circumstances.

				imposed on the Company.		

I. I hereby report that, during the Review Period the compliance Status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/ No/ N.A)	Observations / Remarks by PCS
1.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	Nil
2.	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/ circulars/ guidelines issued by SEBI.	Yes	Nil
3.	**Maintenance and disclosures on Website:** • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website.	Yes	Nil
4.	**Disqualification of Director**: None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	Nil
5.	**Details related to Subsidiaries of listed entities have been examined w.r.t.:** a. Identification of material subsidiary companies; b. Disclosure requirement of material as well as other subsidiaries	Yes	Nil
6.	**Preservation of Documents**: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of	Yes	Nil

	Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.		
7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	Nil
8.	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit Committee.	Yes N.A.	Nil All related party transactions executed with prior approval of the Audit Committee.
9.	**Disclosure of events or information**: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Nil
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	Nil
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder (or) The actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges are specified in the last column.	Yes	Nil
12.	**Resignation of Statutory Auditors from the listed entity or its material subsidiaries:** In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and/ or its material subsidiaries has complied with paragraph 6.1 and	N.A	N.A

	6.2 of section-D of Chapter V of the master Circular in compliance with the provisions of the LODR regulations by the listed entities.		
13.	**Additional Non-compliances, if any:** No additional non-compliance observed for any SEBI regulation/ circular/ guidance note etc except as reported above.	Yes	Nil

I further report that the provisions of SEBI Circular No. SEBI/ HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated 31st December, 2024 with respect to disclosure requirements of Employee Benefit Scheme Documents in terms of Regulation 46 (2) (za) of the LODR Regulations, were not applicable to the company during the review period.

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. My responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. I have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Place: Chandigarh
Date: 26.05.2026
UDIN: F005901H000492948

Sd/-
Kanwaljit Singh Thanewal
M No. 5901
C P No. 5870
Peer Review Cert No. 2319/2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PAUL MERCHANTS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **PAUL MERCHANTS LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 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 ended on that date, and notes to standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2026 (current period). These matters were addressed in the context of our audit of the standalone 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 the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**<u>Revenue Recognition</u>** The company holds licenses issued by Reserve Bank of India to act as Authorized Dealer Category II for providing foreign exchange services. The company derives its major revenue from sale and purchase of foreign exchange. The company has various branches spread throughout the country which deal in sale and purchase of foreign exchange. A customer can walk into the branch and the currency is sold or purchased at the agreed upon rate after taking into consideration average buying rate of currency in hand and IBR (Inter-banking rate). The company collects the KYC documents, copy of visa documents etc along with Form A2 as prescribed by RBI while making sale of currency. The invoice is raised only after completion of all the norms prescribed by RBI. The company charges service charges as well as GST separately while raising invoice and service charges are being shown separately in the balance sheet. Therefore, revenue is recognized when the invoice is raised upon sale of foreign exchange as well as service charges received on the same. The company maintains its currency stock by purchasing the same either from Retail customers or other AD dealers or licensed Full Fledged Money Changers.	**<u>Principal Audit Procedures Performed</u>** Our key audit procedures around revenue recognition included, but were not limited to, the following: • Obtained an understanding of and assessed the design, implementation and operating effectiveness of management's key internal financial controls in relation to revenue recognition; • Assessed the appropriateness of the revenue recognition accounting policies of the Company including those relating to variable consideration, by evaluating compliance with the applicable accounting standards. • Selected samples of revenue transactions during the year and assessed the Company's timing of revenue recognition; • Performed analytical review procedures on revenue recognized during the year to identify any unusual and/or material variances. • Tested selected samples of revenue transactions recorded before and after the financial year end date to determine whether the revenue has been recognized in the appropriate financial period. Evaluated the appropriateness and adequacy of disclosures in the financial statements in respect of revenue recognition with the applicable standards.

	Recognition of revenue has been identified as a key audit matter due to the complexity and large volume of transactions generating revenue for the company, which results in an increase in the risk of error in timing of revenue recognition. Since the company and its external stakeholders focus on revenue as a key performance indicator and therefore, there could be a risk of material misstatement in so far as revenue recognition is concerned.	

Information Other than the Standalone Financials Statements and Auditor's Report thereon (Other Information)

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report and other connected reports forming part of the Annual Report of the Company but does not include the standalone financial statements and our auditor's report thereon. The reports containing the other information as above are expected to be made available to us after the date of this auditor's report.

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 standalone financial statements our responsibility is to read the other information identified above when it becomes available and in doing so consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the reports containing the other information, if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's Responsibilities Relating to Other Information'. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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.
- 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 operate as a going concern.

- Evaluate the overall presentation, structure and content of the standalone 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 the standalone financial statements that individually or in the aggregate make it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”), as amended, 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”** a statement on the matters specified in paragraphs 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 purpose 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 and proper returns adequate for the purpose of our audit have been received from the branches not visited by us.

c. The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.

e. On the basis of written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 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 **"Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.

g. With respect to the other matters to be included in the Auditors' report in accordance with section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act; and

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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. 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 test checks, we did not come across any instance of audit trail feature being tampered with.

v. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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(s) or entity(ies), including foreign entities ("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;

vi. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("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;

vii. Based on such audit procedures that we have 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 (v) and (vi) above contain any material mis-statement.

viii. Based on the representations received by us and audit procedures conducted by us, the company has not declared any dividend during the year and the same is as per provisions of Section 123 of Companies Act, 2013.

For RAJIV GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg. No. - 011106N

Sd/-
CA ROHIT GOEL
(PARTNER)
M. No. 091756
UDIN: 26091756YUUQAK1118

Date: 27.05.2026
Place: CHANDIGARH

Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date on the financial statements of the Company for the year ended March 31, 2026:

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

(B) The Company has maintained proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipments have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) According to information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds, comprising all the immovable properties of the land and buildings which are freehold, are held in the name of company as at balance sheet date. The same includes the property at Mumbai whose carrying value as at 31st March 2026 amounted to Rs. 59.44 lakhs (Rs. 62.49 lakhs as on 31.3.2025) and in which case company has title to property in terms of agreement entered into with the developer however conveyance deed could not be executed till date due to board of the developer company being superseded as per procedure under IBC 2016. However, the company has represented that the agreement in question constitutes valid title deed and therefore our opinion in this regard is not qualified.

(d) According to information and explanations given to us, the company has not revalued its Property, Plant and Equipments or Intangible Assets or both during the year.

(e) According to information and explanations given to us, no proceedings have been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The management has conducted the physical verification of inventory at reasonable intervals and in our opinion the coverage of such physical verification was appropriate. Based on representations received by us, no material discrepancies were noticed on physical verification of the inventory as compared to books of account.

(b) That during the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on basis of security of current assets of the company. Based on our test check procedures and our understanding of materiality levels associated with relevant financial statement line items, no material disagreements between such quarterly statements and the books of account were observed by us.

(iii) (a) According to information and explanations given to us, the company has granted an unsecured loan to its wholly owned subsidiary Paul Merchants Finance Private Limited, covered in the register maintained under section 189 of the Companies Act, 2013. The said loan has been repaid in full during FY 2025-26 and accordingly there is no outstanding balance as on 31.03.2026 (Rs. 16,685 Lakhs as on 31.03.2025).

A working capital loan and a term loan have also been granted to Paul Merchants Realtors Private Limited, which is also a wholly owned subsidiary. The outstanding amount of working capital loan as on 31st March 2026 is Rs. 2,471 Lakhs. Further, the term loan outstanding as on 31st March 2026 is Rs. 3,151 Lakhs and interest accrued and due thereon amounted to Rs. 65.34 Lakhs as at 31st March 2026.

Additionally, as of 31st March 2026, no amounts stands outstanding by any subsidiary in respect of loans against which company had extended corporate guarantee. In comparison, corporate guarantees of Rs. 118,730 Lakhs were outstanding as on 31.03.2025 in respect of credit facilities availed by Paul Merchants Finance Private Limited from banks and other financial institutions as of such date.

Further the aggregate amount of assets of the company (as recognized in balance sheet as of 31.03.2026) mortgaged with respect to credit facilities availed by the subsidiaries amounted to Nil. The comparative figure of assets pledged for credit facilities availed by subsidiaries stood at Rs. 6,041.08 Lakhs as on 31.03.2025.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, the aforesaid loans granted by the Company to the wholly owned subsidiaries were for principal business activity of the subsidiary and thus the terms and conditions of the same are not prejudicial to the interest of the Company.

(iii) (c) With reference to stipulation of schedule of repayment of the principal and interest, interest on the term loan is stipulated to be paid/accrued at monthly intervals. The working capital loan has been granted for a period of 12 months and is subject to renewal upon expiry.

(d) According to the information and explanations given to us and based on the audit procedures conducted by us, the aforesaid loans and interest thereon granted by the company to its wholly owned subsidiary were not overdue as on 31.03.2026

(e) According to the information and explanations given to us and based on the audit procedures conducted by us, no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended and neither any fresh loans granted to settle the overdues of existing loans given to the same parties during the year.

(f) According to the information explanation provided to us, the Company has not granted any loans and / or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and securities as applicable.

(v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules,2015 with regard to the deposits accepted from the public are not applicable.

(vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

(vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2026 for a period of more than six months from the date on which they become payable.

(b) According to the information and explanations given to us, following dues of income tax, GST, service tax, duty of customs, duty of excise, value added tax and other statutory dues remain outstanding as on 31.3.2026 on account of disputes:

Name of statute	**Nature of dues**	**Amount (In Rs. Lakhs)**	**Period to which the amount relates/Order date**	**Remarks**
Income Tax Act 1961	Demand arising on account of assessment order u/s 143(3) dt 30.5.2023	97.50 lakhs	FY 2014-15	This demand has arisen on account of assessment order passed by NFAC of the Income Tax department. The company has preferred an appeal against such demand before the CIT(A) which is pending as of date. The demand raised has however been adjusted in full against refunds due to company for other years.
FEMA 1999	Demand raised vide adjudication order dated 29.10.2020	396 lakhs	Adjudication order dated 29.10.2020	This demand pertains to penalty imposed by the Directorate of Enforcement in relation to alleged non-compliance with FEMA provisions relating to sale of foreign currency travel cards. The matter is pending before the Hon'ble Appellate Tribunal. Pursuant to order dated 19.06.2025, the Company deposited Rs. 1.44 Crores during FY

				2025-26, which has been disclosed as advance recoverable pending final disposal of the matter.
FEMA 1999	Demand raised against adjudication orders dated 30.03.2022	1.2 lakhs	3 adjudication orders dated 30.03.2022	This demand pertains to 3 separate orders passed by Directorate of Enforcement, Chennai whereby penalty of Rs 1.2 lakhs has been imposed on the company. The company has preferred appeal against such orders before SD (Appeals) which remains pending as of date.

The above is on the basis of information and relevant documents produced before us by the company.

(viii) According to information and explanations provided to us, there is no transaction that is not recorded in the books of account which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to any lender.

(b) In our opinion and according to the information and explanations given to us, the company has not been declared willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the term loan of the company is being applied for the purpose it was taken for.

(d) In our opinion, funds raised for short term purposes are not being utilized for long term purposes.

(e) According to information shared with us, 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.

f) According to information shared and explanations given to us, company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate company.

(x) (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

(b) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xi) (a) Based upon the enquiries conducted by us and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

(b) No report u/s 143(12) of Companies Act 2013 has been filed by the auditors.

(c) Based upon the enquiries conducted by us and the information and explanations given by the management, the company has not received any whistle blower complaints during the year.

(xii) The company is not a Nidhi Company and therefore provisions of clause 3(xii) of the order are not applicable to the company.

(xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) (a) In our opinion and according to explanations and information received by us, the company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports were taken in consideration by us while finalizing our audit.

(xv) In our Opinion and according to information and explanations provided to us, the company has not entered into any non-cash transactions with directors or persons connected with them during the year. Hence, reporting requirement under Clause 3 (xv) of the Order is not applicable to the Company.

(xvi) (a) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act,1934 and accordingly, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company and hence not commented upon.

(b) In our opinion and explanations provided to us, the company has not conducted 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. The same is based upon our understanding that lending of money is not the principal business of the company and that the funds advanced during the year were only to wholly owned subsidiary for its business use.

(c) In our opinion and explanations provided to us, the company is not a Core Investment Company (CIC)as defined in the regulations made by the Reserve Bank of India and hence the reporting requirements under clause 3 (xvi)(c) of the Order are not applicable.

(d) As per the information and explanations given to us, there are no core investment companies as defined in the regulations made by the Reserve Bank of India as part of its group and hence the reporting requirements under clause 3 (xvi)(d) of the Order are not applicable.

(xvii) Upon examination of the cash flow statement of the company, we have concluded that the company had not incurred any cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has not been any resignation by statutory auditor during the year.

(xix) 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, our knowledge of the Board of Directors and management plans, no material uncertainty exists as on the date of the audit report that company is incapable of 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) As per information shared with us by the management as well as per our audit procedures, the company has duly complied with CSR obligations and there is no unspent CSR amount at the end of the year.

(xxi) Upon examination of audit reports of companies whose financial statements have been consolidated with the company, there are no adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the said companies.

For RAJIV GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg. No.- 011106N

Sd/-
CA ROHIT GOEL
(PARTNER)
M. No. 091756
UDIN: 26091756YUUQAK1118

Date: 27.05.2026
Place: CHANDIGARH

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Paul Merchants Limited

Report on the Internal Financial Controls under Clause (i) 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 Paul Merchants Limited (“the Company”) as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s and Board of Directors Responsibility for Internal Financial Controls

The Company’s management and Board of directors 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. 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 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 unauthorised 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, 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 31, 2026, 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.

For RAJIV GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg. No.- 011106N

Sd/-
CA ROHIT GOEL
(PARTNER)
M. No. 091756
UDIN: 26091756YUUQAK1118

Date: 27.05.2026
Place: CHANDIGARH

PAUL MERCHANTS LIMITED

STANDALONE BALANCE SHEET AS ON 31ST MARCH 2026

CIN-L74900DL1984PLC018679

Amount in Rs. Lakhs

PARTICULARS	Note	As on 31.03.2026	As on 31.03.2025
ASSETS			
(1) Non-Current Assets			
a) Property, Plant and Equipment	1	6,114.20	6,074.35
b) Capital Work in Progress		-	21.25
c) Investment Property		-	-
d) Goodwill		-	-
e) Other Intangible Assets	1	49.96	56.25
f) Intangible Assets Under Development		-	0.75
g) Financial Assets			
i) Investments	2	30,159.73	24,218.62
ii) Loans	3	3,151.00	
iii) Others	4	186.69	53.16
h) Deferred Tax Assets (Net)	5	196.26	214.88
(2) Current Assets			
a) Inventories	6	692.82	854.97
b) Financial Assets			
i) Current Investments	7	6,996.47	50.82
ii) Trade Receivables	8	500.08	515.84
iii)Cash and Bank Balance	9	1,236.79	1,733.62
iv) Bank Balance other than iii above	10	73.85	1,739.12
v) Loans	11	2,471.00	16,685.00
vi) Others	12	238.02	308.07
c) Current Tax Assets	13	372.22	342.02
d) Other Current Assets	14	288.31	86.17
TOTAL		**52,727.40**	**52,954.91**
EQUITY AND LIABILITIES			
EQUITY			
Shri Laxmi Ji			
a) Equity Capital	15	308.40	308.40
b) Other Equity	16	49,214.06	47,887.01
LIABILITIES			
(1) Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	17	1.69	87.78
ii) Trade Payables		-	-
iii) Leased Liabilities	18	17.10	12.00
b) Provisions	19	281.30	263.82
(2) Current Liabilities			
a) Financial Liabilities			
i) Borrowings	20	674.20	1,541.63
ii) Trade Payables	21		
(A) total outstanding dues of micro enterprises and small enterprises;		15.78	1.18
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		248.23	188.58
iii) Other Financial Liabilities	22	628.24	1,318.46
b) Other Current Liabilities	23	1,147.71	1,159.96
c) Provisions	24	190.70	186.07
TOTAL		**52,727.40**	**52,954.91**

The accompanying accounting policies and notes form an integral part of the standalone financial statements.

PLACE: CHANDIGARH
Dated : 27.05.2026

For & on Behalf of Board of Directors

SD/-
RITESH VAID
Whole Time Director
DIN- 09433856
H. No. 17/2, Sigma City-1
Lohgarh Road,Zirakpur

SD/-
RAJNEESH BANSAL
Managing Director
DIN-00077230
H. No. 749,
Sec 8, Chandigarh

SD/-
HARDAM SINGH
Company Secretary
FCS-5046
H. No. 2007, Sector-89C.
Mohali-160055

SD/-
SAKSHI
Chief Financial Officer
FCA-419986
H. No. 580,
Sec 12, Panchkula

AUDITOR'S REPORT:
As per our Separate Report of the Even Date

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS (FRN-011106N)
SCO 823-824, FF, Sector-22 Chandigarh.

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:26091756YUUQAK1118

PAUL MERCHANTS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2026

CIN-L74900DL1984PLC018679

Amount in Rs. Lakhs

	PARTICULARS	Note	CURRENT YEAR 31.03.2026	PREVIOUS YEAR 31.03.2025
	REVENUE			
I.	Revenue from Operations	25	205,590.99	332,857.84
Ii.	Other Income	26	3,102.84	1,867.18
III	**Total Income (I+II)**		**208,693.83**	**334,725.02**
IV.	**EXPENSES**			
	Purchase of Foreign Exchange and Services	27	200,644.90	324,955.07
	Changes in Inventories of Stock in Trade	28	162.15	-38.46
	Direct Expenses	29	2,424.91	4,726.71
	Office & Administrative Expenses	30	841.41	1,009.57
	Employee Benefit Expenses	31	2,274.62	2,433.88
	Finance Costs	32	54.45	122.98
	Sales Promotion Expenses	33	90.23	150.61
	Corporate Social Responsibility Expenses	34	52.97	59.04
	Other Expenses	35	10.91	34.91
	Depreciation & Amortization Expenses	1	376.35	320.76
	TOTAL EXPENSES IV		**206,932.90**	**333,775.08**
V.	**PROFIT BEFORE EXCEPTIONAL ITEMS & TAX (III - IV)**		**1,760.94**	**949.94**
VI.	EXCEPTIONAL ITEMS	36	5.00	125.90
VII.	**PROFIT BEFORE TAX (V - VI)**		**1,755.94**	**824.04**
VIII.	**TAX EXPENSE**			
	(1) Current Tax		422.76	255.22
	(2) Prior Period Tax		-1.92	-20.72
	(3) Deferred Tax	43	15.96	-1.44
IX.	**PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (VII - VIII)**		**1,319.14**	**590.98**
X	Profit/Loss from Discontinued Operations		0.00	0.00
XI	Tax Expense of Discontinued Operations		0.00	0.00
XII	**PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS AFTER TAX (X-XI)**		0.00	0.00
XIII	**PROFIT/(LOSS) FOR THE PERIOD (IX+XII)**		**1,319.14**	**590.98**
XIV	**OTHER COMPREHENSIVE INCOME**			
A	(i) Items that will not be reclassified to profit or loss-Remeasurement Gain(Loss) on defined benefit obligations	37	10.56	-29.34
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-2.66	7.39
B	(i) Items that will be reclassified to profit or loss		0.00	0.00
	(ii) Income tax relating to items that will be reclassified to profit or loss		0.00	0.00
XV	**TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (XIII+XIV)**		**1,327.05**	**569.02**
XVI	**EARNING PER EQUITY SHARE (FOR CONTINUING OPERATION)**			
	1) BASIC (Rs.)	40	42.77	19.16
	2) DILUTED (Rs.)		42.77	19.16
XVII	**EARNING PER EQUITY SHARE (FOR DISCONTINUED OPERATION)**			
	1) BASIC (Rs.)		0.00	0.00
	2) DILUTED (Rs.)		0.00	0.00
XVIII	**EARNING PER EQUITY SHARE (FOR CONTINUING & DISCONTINUED OPERATION)**			
	1) BASIC (Rs.)		42.77	19.16
	2) DILUTED (Rs.)		42.77	19.16

The accompanying accounting policies and notes form an integral part of the standalone financial statements.

PLACE: CHANDIGARH
Dated : 27.05.2026

For & on Behalf of Board of Directors

SD/-
RITESH VAID
Whole Time Director
DIN- 09433856
H. No. 17/2, Sigma City-1
Lohgarh Road,Zirakpur

SD/-
RAJNEESH BANSAL
Managing Director
DIN-00077230
H. No. 749,
Sec 8, Chandigarh

SD/-
HARDAM SINGH
Company Secretary
FCS-5046
H. No. 2007, Sector-89C.
Mohali-160055

SD/-
SAKSHI
Chief Financial Officer
FCA-419986
H. No. 580,
Sec 12, Panchkula

AUDITOR'S REPORT:
As per our Separate Report of the Even Date

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS (FRN-011106N)
SCO 823-824, FF, Sector-22 Chandigarh.

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:26091756YUUQAK1118

PAUL MERCHANTS LIMITED

STATEMENT OF CHANGES IN EQUITY

CIN-L74900DL1984PLC018679

A Equity Share Capital

Changes in equity share capital **Amount (Rs in Lakhs)**

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Balance at the beginning of the reporting period	308.40	308.40
Changes in equity share capital during the year	0.00	0.00
Balance at the end of the reporting period	308.40	308.40

B Other Equity

Changes in other equity for the year ended 31st March, 2026

Amount (Rs in Lakhs)

Particulars	Reserves and Surplus		Total
	Securities premium Account	Retained earnings	
Balance at the beginning of the current reporting period	-	47,887.01	47,887.01
Changes in accounting policy or prior period errors			
Restated balance at the beginning of the current reporting period			
Amount Utilized for Bonus Issue	-	-	-
Total Comprehensive Income for the current year		1,327.05	1,327.05
Dividends			
Transfer to retained earnings			
Balance at the end of the current reporting period	-	49,214.06	49,214.06

Changes in other equity for the year ended 31st March, 2025

Amount (Rs in Lakhs)

Particulars	Reserves and Surplus		Total
	Securities premium Account	Retained earnings	
Balance at the beginning of the previous reporting period	-	47,317.99	47,317.99
Changes in accounting policy or prior period errors			
Restated balance at the beginning of the previous reporting period			
Amount Utilized for Bonus Issue	-	-	-
Total Comprehensive Income for the previous year		569.02	569.02
Dividends		-	-
Transfer to retained earnings		47,887.01	47,887.01
Balance at the end of the previous reporting period	-	47,887.01	47,887.01

PLACE: CHANDIGARH
Dated : 27.05.2026

For & on Behalf of Board of Directors

SD/-
RITESH VAID
Whole Time Director
DIN- 09433856
H. No. 17/2, Sigma City-1 ,
Lohgarh Road,Zirakpur

SD/-
RAJNEESH BANSAL
Managing Director
DIN-00077230
H. No. 749,
Sec 8, Chandigarh

SD/-
HARDAM SINGH
Company Secretary
FCS-5046
H. No. 2007, Sector-89C.
Mohali-160055

SD/-
SAKSHI
Chief Financial Officer
FCA-419986
H. No. 580,
Sec 12, Panchkula

AUDITOR'S REPORT:
As per our Separate Report of the Even Date

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS (FRN-011106N)
SCO 823-824, FF, Sector-22 Chandigarh.

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:26091756YUUQAK1118

PAUL MERCHANTS LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31.03.2026

CIN-L74900DL1984PLC018679

Amount (Rs. In Lakhs)

	PARTICULARS	CURRENT YEAR 31.03.2026	PREVIOUS YEAR 31.03.2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before Tax	1,755.94	824.04
	Adjustment for:		
	Depreciation	376.35	320.76
	Share in liabilities of Malaysia JV	(77.94)	-
	Provision for Expected Credit Loss	5.82	-
	Profit/Loss on Sale of Fixed Assets	(95.42)	(3.75)
	Gain on Sale of Investments	(396.17)	13.87
	Unrealized Gain on Sale of Investments	23.61	(5.10)
	Finance Cost	54.45	122.98
	Short Term Provisions	4.63	(537.72)
	Long Term Provisions	17.47	(11.97)
	Rental Income	(124.62)	(82.09)
	Interest Income	(834.83)	(1,684.24)
	Dividend Received	(1,501.84)	(0.70)
	Other Comprehensive Income	10.56	(29.34)
	OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	**(782.00)**	**(1,073.26)**
	Adjustment for :		
	Net changes in operating Assets & Liabilities		
	Inventory	162.15	(38.46)
	Other Non Current Assets	(42.85)	-
	Trade receivable	15.77	(5.58)
	Other Bank Balance	1,665.28	(525.01)
	Current Tax Assets	(30.20)	581.29
	Other Current Assets	(207.96)	(22.57)
	Trade Payables	74.24	(417.40)
	Increase/(Decrease) in Other Financial Liabilities	(690.23)	(168.33)
	Other Current Liabilities	(12.25)	(815.10)
	CASH FROM/(USED IN) OPERATIONS	**151.95**	**(2,484.42)**
	Income Taxes Paid	(420.83)	(234.50)
	NET CASH FROM/(USED IN) OPERATING ACTIVITIES	**(268.89)**	**(2,718.92)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Sale of Fixed Assets	274.06	9.13
	Purchase of Fixed Assets	(566.54)	(399.94)
	Increase in Loans and advances	(3,151.00)	-
	Non Current Investments	(5,941.10)	(2,481.37)
	Other Non Current Financial Assets	(90.68)	-
	Current Investments	(6,573.09)	1,935.11
	Short Term Loans & Advances	14,284.05	2,540.81
	Decrease in Other Long Term Liabilities	5.10	-
	Share in liabilities of Malaysia JV	77.94	
	Rental Income	124.62	82.09
	Interest Income	834.83	1,684.24
	Dividend Income	1,501.84	0.70
	NET CASH FROM/(USED IN) INVESTING ACTIVITIES	**780.03**	**3,370.78**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Borrowings (Net of Repayments)		
	Long Term Borrowings	(86.09)	(141.75)
	Short Term Borrowings	(867.44)	429.01
	Finance Cost	(54.45)	(122.98)
	NET CASH FROM/ (USED) IN FINANCING ACTIVITIES	**(1,007.98)**	**164.28**
	Net Change in Cash & Cash Equivalents (A+B+C)	(496.84)	816.14
	Cash and Cash equivalent at the beginning of the year	1,733.62	917.49
	Cash and Cash equivalents at the end of the year	**1,236.79**	**1,733.62**

Place : Chandigarh.
Dated : 27.05.2026

For & on behalf of Board of Directors

SD/-	SD/-	SD/-	SD/-
(HARDAM SINGH)	**(SAKSHI)**	**(RAJNEESH BANSAL)**	**(RITESH VAID)**
Company Secretary	**Chief Financial Officer**	**Managing Director**	**Whole Time Director**
FCS-5046	**FCA-419986**	**DIN-00077230**	**DIN- 09433856**
H. No. 2007, Sector-89C.	**H. No. 580,**	**H. No. 749,**	**H. No. 17/2, Sigma City-1**
Mohali-160055	**Sec 12, Panchkula**	**Sec 8, Chandigarh**	**Lohgarh Road,Zirakpur**

AUDITOR'S CERTIFICATE

We have examined the Cash flow Statement of Paul Merchants Limited for the Quarter and Financial Year ended March 31, 2026.The Statement has been prepared by the Company in accordance with the requirements of Regulation 34(2c) of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 and is based on and in agreement with the corresponding Statement of Profit and Loss account and Balance Sheet of the Company covered by our report to the members of the Company

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS (FRN-011106N)
SCO 823-824, FF, Sector-22 Chandigarh.

Place: Chandigarh
Dated : 27.05.2026

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:26091756YUUQAK1118

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and relevant amendment rules issued thereafter. The financial statements comply in all material aspects with said Indian Accounting Standards.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Revised Schedule III to Companies Act, 2013 has been made applicable to the Company , changes made if any are in compliance to the same
The figures appearing in financial statement has been rounded off to nearest lakhs as per requirement of Schedule III to the Companies Act

B. Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets which have been measured at fair value and defined benefit plans which have been measured at actuarial valuations.

C. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

D. Property, Plant and Equipment (PPE)

The items of Property Plant & equipment are measured at Cost less any accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment are stated at cost net of recoverable taxes and includes amounts added on revaluation (if any), less accumulated depreciation and impairment loss, if any. All costs, including financing costs, attributable to the fixed assets are capitalized.
The Company had opted to measure all its property, plant and equipment and intangible assets at the Previous GAAP (IGAAP) carrying amount as its deemed cost as on the date of transition to Ind AS.

E. Depreciation

Depreciation on fixed assets is provided to the extent of depreciable amount on written down value method (WDV) in the manner prescribed in Schedule II to the Companies Act, 2013 over their remaining useful life on pro-rata basis.

F Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

G. Foreign Currency Transactions

1 Purchases and sales of foreign currencies and traveller's cheques are accounted at the contracted rates. Other transactions in foreign currencies are initially recognised at the rate at which the transaction is entered into. On settlement of such transactions the profit/loss arising from exchange
differences is recognised in the Statement of profit and loss. Receipts of foreign exchange in money transfer are accounted on the prevalent bank conversion rate or forward contract rate as the case may be and the profit / loss arising from exchange differences is recognised in the Statement of profit and loss

2 Similarly all other Foreign Currency transactions have also been recorded at exchange rate prevailing on the date of the transaction.

3 Foreign Currency Fixed Deposits, Balances in Foreign Currency Bank Accounts and other Foreign Currency receivables or payables are valued at year end rates and gains/losses due to exchange rate differences have been adjusted in Profit & Loss Account

H. Investments

Company has opted to measure its investments in subsidiaries, joint ventures and associates at the Previous GAAP (IGAAP) carrying amount as its deemed cost as on the date of transition. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.
The Company accounts for all its investments at Fair value through profit or loss except for Investments in Subsidiary, Joint Venture and Associates which are stated at cost.

I. Inventories

Stock of Foreign Currency/TC held for trading purposes has been valued at cost.

J. Cash and cash equivalents

Cash and cash equivalents Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value in accordance with IND AS 7. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

K. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of Foreign Exchange and Services. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

L. Employee Benefits

The entity makes contributions to statutory provident funds in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance Act, 1948. Provident Fund and ESI are defined contribution schemes and the contributions are charged to the profit and loss account of the year when the contributions to the respective fund is due. There are no other obligations other than the contribution payable to the fund.

Gratuity Liability as on 31st March 2026 has been provided for on basis of actuarial valuation basis Projected unit credit method in accordance with IND AS-19.

Leave encashment which are short term compensated absences are charged to profit and loss account of the year in which it is due.

M. Borrowing Costs

As per IND AS 23 Borrowing costs that are attributable to the acquisition or construction of qualifying assets (if any) are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

N. Forex Hedging Transactions

In respect of Forex hedging transactions, gains / losses on settlement and losses on restatement are recognized in the Profit and Loss account except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

O. Provision for Current and Deferred Tax

Current income tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

P. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Q. Classification of Current / Non Current Assets

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to The Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization, the Company has assumed its operating cycle as 12 months for the purpose of Current / Non current classification of assets and liabilities

R. Leases

The Company has complied with IND AS 116 "Leases" applicable from 1 April 2019, and considered all material lease contracts existing on April 1, 2019. The Company has accounted for its short term leases and low value assets in accordance with para 6 of the IND AS. The cancellable leases are considered as short term leases therefore no right to use assets has been recognnized as per exemption available under the IND AS 116.

S. FINANCIAL INSTRUMENTS

(i) Recognition and measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

A financial asset or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

Note 1: PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS

Rs in Lakhs

PARTICULARS	Gross Block				Accumulated Depreciation					Net Block	
	Balance as at 1 April 2025	Additions	Disposals	Balance as at 31st Mar 2026	Balance as at 1 April 2025	Depreciation/Amortization charge for the year	On disposals	Adjustments/transfer to Held for Sale	Balance as at 31st Mar 2026	Balance as at 31st March 2025	Balance as at 31st Mar 2026
Land	3,753.87	-	-	3,753.87	-	-	-	-	-	3,753.87	3,753.87
Buildings	2,606.82	67.28	111.18	2,562.92	1,010.18	78.51	49.52	-	1,039.17	1,596.64	1,523.75
Computers & Desktop	395.77	16.19	24.33	387.63	359.42	16.88	20.17	-	356.13	36.35	31.50
Servers & Networks	80.52	-	0.09	80.42	76.48	0.01	0.09	-	76.40	4.04	4.02
Furniture and Fittings	582.19	54.26	248.81	387.65	379.36	51.70	212.29	-	218.78	202.83	168.87
Motor Cars	807.82	334.07	160.11	981.79	531.51	154.30	152.10	-	533.71	276.31	448.08
Motor Cycles	1.22	-	-	1.22	0.86	0.09	-	-	0.95	0.36	0.27
Office Equipments	192.85	32.50	18.72	206.62	150.04	25.11	16.64	-	158.51	42.80	48.11
Electrical Installations & Equipments	334.77	19.93	15.20	339.51	184.05	40.41	13.46	-	211.00	150.73	128.51
Plant & Machinery	28.64	-	-	28.64	20.08	1.55	-	-	21.63	8.56	7.01
Leasehold Improvements	**37.30**		32.77	4.53	35.43	-	31.14	-	4.30	1.86	0.23
Leasehold Improvements 3 Yrs	12.44	-	7.91	4.53	11.81	-	7.51	-	4.30	0.62	0.23
Leasehold Improvements 5 Yrs	24.86	-	24.86	-	23.62	-	23.62	-	-	1.24	-
Intangible Assets								-			
Amortization on Computer Software	77.26	1.50	-	78.76	21.01	7.79	-	-	28.79	56.25	49.96
Intangible Assets Under Development								-			
Computer Software	0.75	0.75	1.50	-	-			-	-	0.75	-
Capital Work in Process	21.25	40.06	61.32	-	-			-	-	21.25	-
Total Current Year	8,921.03	566.54	674.03	8,813.54	2,768.42	376.35	495.40	-	2,649.37	6,152.60	6,164.17
Total Previous Year	8,564.08	399.94	42.99	8,921.03	2,485.27	320.76	37.61	-	2,768.42	6,078.81	6,152.60

Note 1A Intangible Assets Under Development

	As at 31st March 2026			(Rs in Lakhs)
Intangible Assets Under Development	**Less Than 1 year**	**1-2 years**	**2-3 Years**	**more than 3 years**
Software	-	-	-	-
Total Current Year	-	-	-	-

	As at 31st March 2025			(Rs in Lakhs)
Software	0.75	-	-	-
Total Previous Year	0.75	-	-	-

CWIP Ageing

	As at 31st March 2026			(Rs in Lakhs)
Amount of CWIP	**Less Than 1 year**	**1-2 years**	**2-3 Years**	**more than 3 years**
Branches under development	-	-	-	-
Total Current Year	-	-	-	-

	As at 31st March 2025			(Rs in Lakhs)
Branches under development	21.25	-	-	-
Total Previous Year	21.25	-	-	-

NOTES TO FINANCIAL STATEMENTS

Note 2: FINANCIAL ASSETS - NON CURRENT INVESTMENTS — Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
(i) Investments in Equity Shares (unquoted, fully paid up, at cost)		
Investments in Subsidiary		
Paul Merchants Finance Private Limited 4,26,48,616 Equity Shares having Face Value of Rs 10 each (Previous Year 4,26,48,616 Equity Shares having Face value of Rs 10 each)	21,520.39	21,520.39
Paul Merchants Realtors Private Limited 7,60,00,000 Equity Shares having Face value of Rs 10 each (Previous Year 2,50,00,000 Equity Shares having Face value of Rs 10 each)	8,110.00	2,500.00
Paul Infotech Private Limited 2,49,999 Equity Shares having Face value of Rs 10 each	25.00	25.00
(ii) Other Investments		
Investment in Mutual Funds Quoted at FVTPL		
Whiteoak Capital - Multi Asset Allocation Fund Dir Growth	200.87	-
HDFC FLEXICAP FUND_DIRECT PLAN_GROWTH OP	92.50	-
Nippon India Silver - ETF	21.92	
PMS - Quoted		
ASK Investment Managers Limited -Domestic Resurgence PMS	54.24	55.26
AIF - Unquoted		
CAMPUS FUND III	20.03	-
Investments in Tax Free Bonds -Quoted at FVTPL- Pledged *		
8.46 % Rural Electrification Corporation Limited Bond. *	111.82	114.32
Investments in Equity Shares- Quoted at FVTPL	2.91	3.57
Investments in Equity- Unquoted at FVTPL	0.04	0.08
Total	**30,159.73**	**24,218.62**

Note 3: FINANCIAL ASSETS -LONG TERM LOANS — Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Loan to Related Party		
Term Loan to Paul Merchants Realtors Private Limited (Wholly Owned Subsidiary)	3,151.00	-
	3,151.00	**-**

Note 4: OTHER FINANCIAL ASSETS — Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Advance against Property	70.88	70.88
Less: Provision for Expected credit Loss	(17.72)	(17.72)
Security Deposits	54.98	-
Deferred Security deposit	35.70	-
Deferred Expense	42.85	-
Total	**186.69**	**53.16**

Note 5: DEFFERED TAX ASSETS — Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Opening Balances	214.88	206.06
Add/Less: Deferred Tax Assets created/(written back) through P&L	(15.96)	1.44
Add/Less: Deferred Tax Assets created/(written back) through OCI	(2.66)	7.39
Total	**196.26**	**214.88**

Note 6: INVENTORIES Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Stock of Foreign Currency at Cost	683.86	854.97
Stock of Foreign Currency Card	8.96	-
Total	**692.82**	**854.97**

Note 7: FINANCIAL ASSETS -CURRENT INVESTMENTS Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Investments measured at Fair Value Through Profit & Loss		
Investment in Mutual Funds Quoted at FVTPL		
HDFC LIQUID FUND DP GROWTH OPTION	173.20	-
Investment in AIF/PMS - Quoted at FVTPL		
ASK Investment Managers Limited IEP PMS A/C	0.01	50.82
Neo Asset Mgmt Yield Enhancer	823.79	-
NORTHERN ARC MONEY MARKET ALPHA FUND-AIF	1,016.39	-
AIF - Unquoted		
ALPHA ALTERNATIVES MSAR LLP	507.80	-
Investments in Listed Non convertible Debentures & Commercial Papers -Quoted at FVTPL		
INDEL MONEY LIMITED 11.25 NCD 17MR27 FVRS1LAC	99.13	-
Navi Finserv Limited	998.48	-
Muthoottu Mini Finance Limited - CP	978.07	-
MUTHOOTTU MINI THEATRES PRIVATE LIMITED_NCD	1,575.31	-
PROFECTUS CAPITAL PRIVATE LIMITED_NCD	524.90	-
NCD/CP/MLD - Unquoted		
WHIZDM FINANCE PVT LTD 11.94 _NCD	299.38	-
Total	**6,996.47**	**50.82**

Previous year figures has been regrouped/rearranged whereever necessary.

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Aggregate Value of Quoted Investments	6,189.28	50.82
Aggregate Value of Unquoted Investments	807.18	-
Total	**6,996.47**	**50.82**

Note 8: FINANCIAL ASSETS- TRADE RECEIVABLES

Rs in Lakhs

Particulars	As at 31st Mar 2026					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More Than 3 years	Total
Trade receivables						
(i) Undisputed Trade Receivables, considered good	346.25	70.56	15.33	15.82	0.84	448.80
(ii) Undisputed Trade Receivables, considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables, considered good	-	0.80	1.36	-	25.00	27.16
(iv) Disputed Trade Receivables, considered doubtful	-	-	-	-	24.12	24.12
Less: Provision for doubtful debts		-				-
	346.25	71.36	16.68	15.82	49.96	500.08
Total	**346.25**	**71.36**	**16.68**	**15.82**	**49.96**	**500.08**

Particulars	As at 31st Mar 2025					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More Than 3 years	Total
Trade receivables						
(i) Undisputed Trade Receivables, considered good	339.48	91.15	35.33	0.72	0.04	466.72
(ii) Undisputed Trade Receivables, considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables, considered good	-	-	-	-	25.00	25.00
(iv) Disputed Trade Receivables, considered doubtful	-	-	-	-	24.12	24.12
Less: Provision for doubtful debts		-				-
	339.48	91.15	35.33	0.72	49.16	515.84
Total	**339.48**	**91.15**	**35.33**	**0.72**	**49.16**	**515.84**

Note 9: FINANCIAL ASSETS -CASH AND CASH EQUIVALENTS **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Cash and cash equivalents		
i) Cash in hand	204.42	168.52
ii) In Current Accounts	1,032.36	1,565.10
Total (A)	**1,236.79**	**1,733.62**

Note 10: FINANCIAL ASSETS - BALANCE WITH BANKS OTHER THAN CASH AND CASH EQUIVALENTS **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Other Balances with Banks		
i) In Term Deposit Accounts with > 3 month and <12 months maturity	36.50	28.67
ii) In earmarked Term Deposit Accounts		
a. Margin money	31.22	19.54
b. Guarantees & Other Commitments	6.10	5.70
c. For Overdraft Facility	0.00	1,685.19
iii) In Unclaimed dividend accounts	0.02	0.02
Total (B)	**73.85**	**1,739.12**
Total (A) + (B)	**1,310.63**	**3,472.75**

Note 11: FINANCIAL ASSETS - SHORT TERM LOANS **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Loan to Related Party		
Unsecured, Considered Good		
Working capital limit to Paul Merchants Finance Pvt Ltd (Wholly Owned Subsidiary)	-	16,685.00
Working capital limit to Paul Merchants Realtors Private Limited (Wholly Owned Subsidiary)	2,471.00	-
Total (A)	**2,471.00**	**16,685.00**

Note 12: FINANCIAL ASSETS - SHORT TERM ADVANCES **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Others		
Unsecured, Considered Good		
1. Advances to Other Parties (Net)	200.07	272.70
2. Security Deposits	30.45	33.12
3. Deferred Security Deposits	3.68	-
4. Staff Imprest	3.82	0.01
5. Claims Recoverable	-	2.23
Total (B)	**238.02**	**308.07**
Total (A) + (B)	**2,709.02**	**16,993.07**

Disclosure pursuant to Note No. VIII (iv) of Division II of Schedule III to the Companies Act, 2013

Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other person or amount due by firms or private companies respectively in which any director is a partner or a director or a member are stated below:

Rs. in lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Directors	-	-
Other officers of the Company	-	-
Firm in which director is a partner	-	-
Private Company in which director is also a director*	-	16,685.00
Private Company in which director is also a director**	5,622.00	-
	5,622.00	16,685.00

* Working capital Limit to Paul Merchants Finance Pvt Ltd (Wholly Owned Subsidiary)

** Working capital Limit and Term Loan to Paul Merchants Realtors Private Limited (Wholly Owned Subsidiary)

Note 13: Current tax Assets **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Balances with government authorities		
a. GST Input Credit	51.53	54.50
b. Tax Refund	320.69	287.52
Total	**372.22**	**342.02**

Previous year figures has been regrouped/reclassified whereever necessary.

Note 14: OTHER CURRENT ASSETS

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Income earned but not received	67.51	9.28
Prepaid expenses	29.20	23.77
Amount Recoverable	197.42	53.12
Less: Provision for Expected credit Loss on Investment	(5.82)	-
Total	**288.31**	**86.17**

Note 15: SHARE CAPITAL

A. Authorised, Issued, Subscribed & Paid up Share Capital and Par Value per Share

Particulars	As at 31st Mar 2026		As at 31st Mar 2025	
	Number	Amount (In Rs. lakhs)	Number	Amount (In Rs. lakhs)
Authorised				
Equity Shares of Rs. 10 each	1,05,00,000	1,050.00	1,05,00,000	1,050.00
Issued, Subscribed & fully Paid up				
Equity Shares of Rs. 10 each fully paid	30,84,000	308.40	30,84,000	308.40
(20,56,000 equity shares @ Rs 10 each issued by way of bonus issue in the ratio of 2 share for 1 share held)				
Total	**30,84,000**	**308.40**	**30,84,000**	**308.40**

B. Reconciliation of Number of Shares Outstanding at the beginning and end of the year

Particulars	Equity Shares			
	As at 31st Mar 2026		As at 31st Mar 2025	
	Number	Amount (In Rs. lakhs)	Number	Amount (In Rs. lakhs)
Shares outstanding at the beginning of the year	3,084,000	308.40	3,084,000	308.40
Bonus shares Issued during the year	-	0.00	-	0.00
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	**3,084,000**	**308.40**	**3,084,000**	**308.40**

C. Rights, Preferences and Restrictions attaching to various classes of Shares

Class of Shares	Rights, Preferences and Restrictions attaching to various classes of Shares
Equity Shares	No Special Rights, Preferences & Restrictions Attached

D. Shares in the company held by each shareholder holding more than 5% shares

Name of Shareholder (Mr./Mrs.)	Equity Shares				
	As at 31st Mar 2026		As at 31st Mar 2025		
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	% Change during the year
Sat Paul Bansal*	556,260	18.04	75,720	2.46	15.58
Sarita Rani Bansal*	556,260	18.04	1,036,800	33.62	(15.58)
Rajneesh Bansal	882,759	28.62	882,759	28.62	-
Paul Excursions LLP*	307,065	9.96	307,065	9.96	-
Total	**2,302,344**	**74.65**	**2,302,344**	**74.65**	**-**

* During the year, Smt. Sarita Rani Bansal had transferred 480540 equity shares of the company by way of gift to Sh. SatPaul Bansal

* During the year, Paul Excursions Pvt Ltd get converted into Paul Excursions LLP.

E. Shares in the company held by promoters

Name of Shareholder (Mr./Mrs.)	Equity Shares				
	As at 31st Mar 2026		As at 31st Mar 2025		
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	% Change during the year
Sarita Rani Bansal	556,260	18.04	1,036,800	33.62	(15.58)
Rajneesh Bansal	882,759	28.62	882,759	28.62	-
Sat Paul Bansal	556,260	18.04	75,720	2.46	15.58
Paul Excursions Pvt. Ltd.	307,065	9.96	307,065	9.96	-
Total	**2,302,344**	**74.65**	**2,302,344**	**74.65**	**-**

Note 16: OTHER EQUITY Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
A. Securities Premium Account		
Opening Balance	-	-
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilized for Bonus issue	-	-
Closing Balance	-	-
B. Reserve and Surplus		
Opening Balance	47,887.01	47,317.99
(+) Profit for Current Year	1,319.14	590.98
(-) Utilized for Bonus Issue	-	-
Other Comprehensive Income/(loss) (net of tax)	7.91	(21.96)
Closing Balance	49,214.06	47,887.01
Total	49,214.06	47,887.01

Note 17: NON CURRENT FINANCIAL LIABILITIES: BORROWINGS Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
SECURED		
A. Non-Current Maturities of Term Loans		
1. From Banks		
a. Car Loans from KOTAK MAHINDRA PRIME LTD.	1.69	11.13
(Secured by Hypothecation of Cars)		
b. Car Loans from HDFC	0.00	76.65
(Secured by Hypothecation of Cars)		
Total	**1.69**	**87.78**

Note 18: LEASED LIABILITIES Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Deferred Income	3.26	0.63
Security deposits received (Fair valued through P & L)	13.84	11.37
Total	**17.10**	**12.00**

Note 19: LONG TERM PROVISIONS **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Provision for employee benefits		
Gratuity - Unfunded	281.30	263.82
Total	**281.30**	**263.82**

Note 20: CURRENT FINANCIAL LIABILITIES - BORROWINGS **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
A. SECURED		
Loans repayable on demand- From Banks		
(i) Cash Credit Facility from HDFC (CC)	588.10	799.88
(Secured by Inventory and Debtors (future & current) and Mortgage of one Property)		
(ii) WCDL Facility from IDBI (Secured by Current Assets and Debtors (future & current) , Fixed deposit and Personal Guarantee of Directors)	-	600.00
Current maturities of long-term debt		
a. Car Loans from KOTAK MAHINDRA PRIME LTD.	9.44	35.58
(Secured by Hypothecation of Cars)		
b. Car Loans from HDFC	76.65	106.17
(Secured by Hypothecation of Cars)		
Total	**674.20**	**1,541.63**

Note 21: FINANCIAL LIABILITIES - TRADE PAYABLES Rs in Lakhs

Particulars	As at 31st Mar 2026				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Sundry Creditors	**184.50**	**36.37**	**43.13**	**-**	**264.00**
Sundry Creditors - Forex					
(i) MSME	-	-	-	-	-
(ii) Others	122.13	33.60	41.64	-	197.37
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Sundry Creditors - Travel & Others					
(i) MSME	15.78	-	-	-	15.78
(ii) Others	46.60	2.77	1.49	-	50.86
(iii) Disputed Dues - MSME					
(iv) Disputed Dues - Others					
Total	**184.50**	**36.37**	**43.13**	**-**	**264.00**

Rs in Lakhs

Particulars	As at 31st Mar 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Sundry Creditors	**130.18**	**44.48**	**14.20**	**0.90**	**189.76**
Sundry Creditors - Forex					-
(i) MSME	-	-	-	-	
(ii) Others	72.83	42.36	13.45	0.90	129.53
(iii) Disputed Dues - MSME	-	-	-	-	
(iv) Disputed Dues - Others	-	-	-	-	
Sundry Creditors - Travel	-	-	-	-	-
(i) MSME	1.18	-	-	-	1.18
(ii) Others	56.18	2.12	0.76	-	59.05
(iii) Disputed Dues - MSME					
(iv) Disputed Dues - Others					
Total	**130.18**	**44.48**	**14.20**	**0.90**	**189.76**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31st March, 2026. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Disclosure under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31st Mar 2026 Amount (Rs.In lakhs)	As at 31st Mar 2025 Amount (Rs.In lakhs)
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	NIL	NIL
(ii) The amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act	NIL	NIL
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	NIL	NIL
(v) The amount of 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	NIL	NIL

Note 22: OTHER SHORT TERM FINANCIAL LIABILITIES **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
(a) Security deposits	3.20	3.20
(b) Statutory Payables		
(i) PF Payable	11.85	11.92
(ii) ESI Payable	0.46	0.62
(iii) TDS Payable	24.39	24.20
(iv) TCS Payable	6.04	113.01
(v) GST Payable	34.51	41.93
(c) Expenses Payable	498.51	830.13
(d) Unclaimed dividends	0.02	0.02
(e) Other payables	49.25	293.43
Total	**628.24**	**1,318.46**

Note 23: OTHER CURRENT LIABILITIES **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Revenue Received in Advance	1,147.71	1,159.96
Total	**1,147.71**	**1,159.96**

Disclosure under Rule 16A of the Companies (Acceptance of Deposits) Rules, 2014

Particulars	As at 31st Mar 2026 Amount (Rs. In lakhs)	As at 31st Mar 2025 Amount (Rs.In lakhs)
Advance Received from Directors	NIL	NIL
Advance Received from relatives of Directors	NIL	NIL

Note 24: SHORT TERMS PROVISIONS **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
(a) Provision for employee benefits	190.70	186.07
Gratuity - Unfunded	96.72	88.11
Leave Encashment	31.42	32.00
Bonus	62.57	65.96
(b) Others (Specify nature)		
Provision for Taxes	-	-
Total	**190.70**	**186.07**

Previous year figures has been regrouped/rearranged whereever necessary.

Note 25: REVENUE FROM OPERATIONS **Rs in Lakhs**

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Sale of Services		
Foreign Exchange	203,975.01	330,346.45
FX Service Charges	170.73	316.32
Sale of Forex Currency Card	0.04	-
Sales of Hotel Bookings & Packages	304.46	490.13
Revenue from Air Ticketing	158.10	161.31
Revenue from Hotel Bookings & Packages	38.64	31.11
Revenue from Visa ,Bus Bookings, Railway	13.11	17.40
Total - Sale of Services	204,660.08	331,362.72
Other Operating Revenues		
Rewards & Incentives	**71.31**	**82.26**
- FX Incentive	-	-
-Travel Incentive	28.73	51.87
- Credit Card Incentive	42.58	30.39
Credit Card Encashment	**74.33**	**57.32**
Other Service charges	**785.27**	**1,355.53**
AD-1 Referral - Commission	696.67	1,224.83
Commission from Foreign Banks	33.24	94.26
Collection Fees from MTFX	23.09	-
International Money Transfer- Commission	24.58	26.62
Domestic Money Transfer - Commission	7.66	9.79
Franchisee Fees	0.03	0.03
Total - Other Operating Revenues	930.91	1,495.12
Total Revenue From Operations	**205,590.99**	**332,857.84**

Note 26: OTHER INCOME Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
A. Interest Income		
1. Interest on Bank Deposits	53.96	78.10
2. Other Interest	780.87	1,606.14
- Paul Merchants Finance Pvt. Ltd.	294.67	1,547.20
- Paul Merchants Realtors Private Limited	189.36	-
- L & T Finance Ltd	3.82	-
- Tax free Bonds	8.46	33.33
- NCD, CP & Other Debt Funds	282.58	-
- India real estate	-	23.75
- DLF ,Travel, Staff loan etc. Others	1.98	1.85
3. Interest on Income Tax Refund	-	7.98
B. Dividend Income*	1,501.84	0.70
C. Net Gain on Sale/Fair Valuation of investments	**372.56**	**(8.77)**
1. Realized Gain on Sale of investments	396.17	(13.87)
2. Net Unrealized gain/ (loss) on financial instruments at fair value through profit or loss	(23.61)	5.10
D. Other non-operating income	**393.61**	**183.03**
1. Rental Income	124.62	82.09
2. Profit on sale of Fixed Assets	95.42	3.75
3. Miscellaneous Income	91.72	75.67
4.Fair Valuation gain on Financial Assets	3.90	0.71
5.Changes in Inventory (WIP converted to Intangible Asset)	-	20.81
6.Share in liability towards Loss incurred by Joint Venture	77.94	-
Total	**3,102.84**	**1,867.18**

*During the Financial year, the Company received an interim dividend of ₹15,01,23,128 declared by its Wholly Owned Subsidiary, Paul Merchants Finance Private Limited, on September 2, 2025. After deduction of TDS, the net amount of ₹13,51,10,808.29 was credited on September 4, 2025.

Note 27: Purchase of Foreign Exchange and Services Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Foreign Exchange	200,361.54	324,513.84
Purchase of Forex Card Stock	9.00	-
Hotel Bookings & Packages	274.36	441.23
Total	**200,644.90**	**324,955.07**

Note 28: Changes in Inventories of Stock in Trade — Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Closing Stock of Foreign Exchange	692.82	854.97
Opening Stock of Foreign Exchange	854.97	816.51
NET DECREASE/(INCREASE)	**162.15**	**(38.46)**

Note 29: DIRECT EXPENSES — Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
COMMISSION AND INCENTIVES	**2,410.82**	**4,726.71**
Forex Agents - AD-2	2,091.40	4,109.79
Forex Agents - AD-1 Referral	307.35	564.79
Agent Commission for Reffering Foreign Bank A/c	10.68	42.88
Travel agent	1.40	9.26
OTHER SERVICE CHARGES		
Forex Card Charges	14.09	-
Total	**2,424.91**	**4,726.71**

Note 30: OFFICE & ADMINISTRATIVE EXPENSES — Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Bad Debts and Balances Written Off	5.82	-
Communication Expenses	33.56	38.50
Computer Expenses	65.82	69.49
Conference Expenses	18.21	40.43
Conveyance Expenses	22.15	24.01
Generator Running Expenses	1.31	2.14
Insurance	16.58	18.80
Legal, Professional & Outsourcing	73.25	158.70
Statutory Audit Fees	2.00	2.00
Tax Audit Fees	1.00	1.00
Postage & Telegram	9.48	11.95
Power and Water Expenses	41.77	46.40
Printing and stationery	10.61	13.79
Rates and taxes	30.70	21.64
Rent	255.03	241.93
Repairs and maintenance	121.05	159.19
Office maintenance	5.20	8.41
Security Services	18.62	22.44
Travelling Expenses	68.86	64.67
Vehicle Running & Maintenances	35.22	29.13
Portfolio Management Services	3.24	32.63
Office Expenses	0.24	2.32
Total	**841.41**	**1,009.57**

Rs in Lakhs

Payments to the auditor	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Statutory Audit Fees	2.00	2.00
Tax Audit Fees	1.00	1.00
For other Services	1.50	1.50
Total	**4.50**	**4.50**

Note 31: EMPLOYEE BENEFIT EXPENSES

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Salaries & Employee Benefits	2,082.79	2,225.25
Salaries & Allowances	1,987.79	2,123.54
Bonus	62.68	68.20
Leave Encashment	32.32	33.51
Contributions to:		
(i) Provident Fund	69.08	79.43
(ii) ESI	4.28	6.05
(iii) NPS	17.04	3.76
Gratuity	54.28	51.48
Staff welfare expenses	47.14	67.89
Total	**2,274.62**	**2,433.88**

Note 32: FINANCE COSTS

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Interest Expenses:		
Interest on Demand Loans	20.83	65.46
Interest on Term Loans	-	2.32
Interest on Car Loans	13.25	24.83
Notional Interest on Security Deposit	3.90	0.71
Other Finance Expenses:		
Bank Charges	13.65	25.60
Credit Card Charges	2.82	4.05
Total	**54.45**	**122.98**

Note 33: SALES PROMOTION EXPENSES

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Advertisement & Publicity	26.82	72.73
Business Promotion	63.41	77.88
Total	**90.23**	**150.61**

Note 34: CSR- CORPORATE SOCIAL RESPONSIBILITY — Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Gross Amount Required to be spent by the Co. During the Year	49.01	57.07
A) Amount Spent During the year	**Amount Paid**	**Amount Paid**
Promoting Healthcare	20.11	2.34
Eradicating hunger	2.34	6.88
Employment enhancing Vocation skills	0.83	0.76
Promoting education	29.59	48.16
Administrative overheads (including Salary of one employee dedicated for CSR activities)	0.10	0.91
B) AMOUNT YET TO BE PAID	NIL	NIL
Total	52.97	59.04

Note 35: OTHER EXPENSES — Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Donations	0.34	4.30
Gain/Loss on Exchange Rate Fluctualtion	-	14.25
Fees & Subscriptions	10.57	16.37
Total	**10.91**	**34.91**

Note 36: EXCEPTIONAL ITEMS — Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Penalty by Enforcement Directorate	5.00	-
RBI Penalties A/c	-	125.90
Total	**5.00**	**125.90**

The Company has received an order dated October 6, 2025 from the Directorate of Enforcement, New Delhi, imposing a cautionary penalty of Rs. 5,00,000 under Section 13(1) of FEMA, 1999 for alleged contravention of Section 10(5) of FEMA read with RBI KYC Master Directions. There is no material effect on the Company’s financial or operational activities. The amount has been recorded under Exceptional items.

Note 37: OTHER COMPREHENSIVE INCOME — Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Remeasurement (Gain)Loss on defined benefit obligations	(10.56)	29.34
Income tax relating to above	2.66	(7.39)
Remeasurement Loss on defined benefit obligations (net of Tax)	**(7.91)**	**21.96**

Note 38. MANAGERIAL REMUNERATION

During the year the company incurred an expense towards managerial remuneration as detailed below:

Name of Director	Designation	For the Year ended 31st Mar 2026 Rs. in Lakhs	For the Year ended 31st Mar 2025 Rs. in Lakhs
Mr. Rajneesh Bansal *	Managing Director	360.00	336.09
Mr. Ritesh Vaid *	Designated Director	31.67	30.12
Total		391.67	366.21

Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013:

Particulars	For the Year ended 31st Mar 2026 Rs. in Lakhs	For the Year ended 31st Mar 2025 Rs. in Lakhs
Profit Before Tax & Exceptional Items	1,760.94	949.94
Add: Managerial Remuneration	391.67	366.21
Add: Loss (Profit) on Sale of Fixed Assets	(95.42)	(3.75)
Add: Provision for Expected Credit Loss	-	-
Add: Notional Interest on SD	3.90	0.71
Less: Fair Value Gain on Financial Asset	(3.90)	(0.71)
Less: Profit on Sale of Investments	(396.17)	13.87
Add: Unrealized loss (Gain) on Investment	23.61	(5.10)
Net Profit for the Year	1,684.62	1,321.18

* The Remuneration of Sh. Rajneesh Bansal, Managing Director had been approved by the Shareholders of the Company by way of Special Resolution passed in their Annual General Meeting held on 26.09.2024, wherein the Shareholders had approved payment of the above remuneration irrespective of the Profits and even in the event of absence or inadequacy of profits in any financial year. Vide the said Special Resolution, the shareholders had further approved that the remuneration of other Whole Time Directors of the Company shall remain unaffected in spite of the fact that the remuneration payable to them may exceed the limits prescribed in Section 197 of the Companies Act, 2013.

* The Remuneration of Sh. Ritesh Vaid, Whole Time Director had been approved by the Shareholders of the Company by way of Special Resolution passed in their Annual General Meeting held on 26.09.2024, wherein the Shareholders had approved payment of the above remuneration irrespective of the Profits and even in the event of absence or inadequacy of profits in any financial year. Vide the said Special Resolution, the shareholders had further approved that the remuneration of other Whole Time Directors of the Company shall remain unaffected in spite of the fact that the remuneration payable to them may exceed the limits prescribed in Section 197 of the Companies Act, 2013.

Note 39. CONTINGENT LIABILITY NOT PROVIDED FOR

Particulars	As at 31st Mar 2026 Rs. in Lakhs	As at 31st Mar 2025 Rs. in Lakhs
Claims against company not acknowledged as Debt	52.66	55.62
Outstanding Bank Guarantees	90.00	100.00
Corporate Guarantee in Respect of OD Limits taken by Paul Merchants Finance Private Limited Company from Tata Capital Ltd.	4,580.00	118,730.00
Income Tax Demand pending before CIT(A) A.Y. 2015-16	97.50	97.50
Demand by Enforcement Directorate	397.20	545.20
Total	5,217.35	119,528.32

Note 40. Earnings per Share

(Rs. In Lakhs)

Particulars	As at 31st Mar 2026 Amount (Rs. in Lakhs)	As at 31st Mar 2025 Amount (Rs. in Lakhs)
Earnings per Share- Continuing Operations		
Net Profit for the Year (*Rs.*)	1,319.14	590.98
Number of Equity Shares (*Nos.*)	30.84	30.84
Basic & Diluted EPS (*Rs per Share*)	42.77	19.16
Earnings per Share - Discontinued Operations		
Net Profit for the Year (*Rs.*)	-	-
Number of Equity Shares (*Nos.*)	30.84	30.84
Basic & Diluted EPS (*Rs per Share*)	-	-
Earnings per Share - Continuing and Discontinued Operations		
Net Profit for the Year (*Rs.*)	1,319.14	590.98
Number of Equity Shares (*Nos.*)	30.84	30.84
Basic & Diluted EPS (*Rs per Share*)	42.77	19.16

Note 41. Employee Benefits

Disclosure on employee benefits with regard to defined benefit plans, as per *IND AS 19- Employee Benefits is as below:* **(Rs. in Lakhs)**

Particulars of Defined Benefit Plan- Gratuity	As at 31st Mar 2026 Amount (Rs. in Lakhs)	As at 31st Mar 2025 Amount (Rs. in Lakhs)
Assumptions		
Discount rate	6.80% per annum	6.55% per annum
Rate of increase in Compensation levels	6.50% per annum	6.50% per annum
Rate of Return on Plan Assets Not Applicable Not Applicable	NA	NA
Change in Present Value of Obligations		
Opening of defined benefit obligations	**351.93**	**286.74**
Acquisition Adjustments (Transfer Out)		
Service cost	31.23	30.75
lnterest Cost	23.05	20.73
Benefit Paid	(17.64)	(15.63)
Actuarial (Gain)/Loss on total liabilities	**(10.56)**	**29.34**
- due to change in financial assumptions	(2.53)	14.73
- due to change in demographic assumptions	-	(6.03)
- due to experience variance	(8.03)	20.64
Closing of defined benefit obligation/liability	**378.01**	**351.93**
The amount to be recognized in Statement of Assets and Liabilities		
Present Value of Obligations	378.01	351.93
Fair value of plan assets	-	-
Net defined liability/(asset) recognized in balance sheet	378.01	351.93
Expense recognized in Statement of profit and loss		
Service cost	31.23	30.75
lnterest Cost	23.05	20.73
Expense recognized in Statement of profit and loss	54.28	51.48
Other Comprehensive Income		
Actuarial (Gain)/Loss on total liabilities	(10.56)	29.34

Note 42. Related Party Disclosures

(Disclosure as per *Ind AS 24*)

A. List of Related Parties

Name of Related Party	Relationship
Rajneesh Bansal	Managing Director
Sat Paul Bansal	Chairman and Non Executive Director
Sakshi	Key Management Personnel- CFO w.e.f 13.08.24
Hardam Singh	Key Management Personnel- CS
Ritesh Vaid	Designated Whole Time Director
Sandeep Bansal	Relative of Director
Hardik Bansal	Relative of Director
PRIYA JAIN	Relative of Director
Sarita Rani Bansal	Non-Executive Director
Nita Bansal	Relative of Director
Paul Merchants Finance Private Limited	Wholly Owned Subsidiary
Aastha Bansal	Relative of Director
Bosna Digital Entertainment Private Limited	Private Company in which relative of directors are directors and shareholders
Nikka Mal Babu Ram	Firm in which relative of director is partner
Paul Merchants Realtors Private Limited	Wholly Owned Subsidiary
Pitaara Entertainment Private Limited.	Private company in which directors of the company are Directors.
Divya Broadcasting Network Private Limited	Private Limited Company in which relatives of Directors are Directors and Shareholders
Valuefin India Credit Services Private Limited	Private Limited Company in which relatives of Directors are Directors
M/S Bright Cove Goods	A Firm in which a relative of Director is a partner
Paul Fincare Private Limited	Private Limited Company in which relatives of Directors are Directors and Shareholders
Paul Infotech Private Limited	Wholly Owned Subsidiary
Magical Vacation Travel & Tourism LLC	Limited Liability Corporation in which Managing Director of company is Partner & Manager

B. Related Party Transactions in Ordinary Course of Business **For the Year ended 31st Mar 2026** **(Rs. In Lakhs)**

Nature of Transaction	Directors	Key Management Personnel	Relative of Directors	Wholly Owned Subsidiary	Associate Company/Firm/ /Related Party Txn	Total
Managerial Remuneration - Whole Time Directors	391.67					**391.67**
Remuneration - KMPs		61.83	2.86			**64.69**
EMI From KMPs		2.54				**2.54**
Rent Paid for Premises	21.54			-	-	**21.54**
Rent Received				57.79	4.54	**62.33**
Net Repayment of working capital limit by Paul Merchants Finance Private Limited during the period				16,685.00		**16,685.00**
Investment in Equity				5,610.00		**5,610.00**
Interest earned from Paul Merchants Finance Private Limited on Working Capital limit				294.67		**294.67**
Interest paid to Paul Merchants Finance Private Limited on Working Capital limit				0.04		**0.04**
Net additional working capital limit issued to Paul Merchants Realtors Private Limited during the period				2,471.00		**2,471.00**
Interest earned from Paul Merchants Realtors Private Limited on Working Capital limit				116.76		**116.76**
Net Term loan given to Paul Merchants Realtors Private Limited during the period				3,151.00		**3,151.00**
Interest earned from Paul Merchants Realtors Private Limited on Term loan				72.60		**72.60**
Dividend Received				1,501.23		**1,501.23**
Gross value of Travel /FX Services rendered	30.27	-	31.86	33.29	140.51	**235.94**
Commission Paid for cross reference Sales				0.14		**0.14**
Asset Sale & Purchase from Paul Merchants Finance Pvt Ltd-				101.33		**101.33**
Commission paid for distributing travel products						**-**

There are no transactions with related parties, which are not in ordinary course of business or not at arm’s length.

C. Related Party Outstanding Balance as on: **(Rs. In Lakhs)**

Nature of Transaction	Directors	Key Management Personnel	Relative of Directors	Subsidiary	Related Party	Total
Balance as on 31st Mar 2026						
Outstanding working capital limit to Paul Merchants Realtors Private Limited	-	-		2,471.00		**2,471.00**
OutstandingTerm Loan to Paul Merchants Realtors Private Limited				3,151.00		**3,151.00**
Outstanding Interest on Term Loan to Paul Merchants Realtors Private Limited				65.34		**65.34**

Please refer Note 39 for details on Corporate Guarantee given for Sanction of credit facility in Paul Merchants Finance Private Limited from Tata Capital Ltd.

D. Loans and Advances in the nature of Loans granted to promoters, directors, KMP's, and related parties

Type of Borrower	Amoount of loan or advances in nature of loan outstanding as on 31.03.2026	Percentage to total loans and advances in the nature of loans	Amoount of loan or advances in nature of loan outstanding as on 31.03.2025	Percentage to total loans and advances in the nature of loans
Promoter	-		-	
Direcrtors	-		-	
KMP's	-		-	
Related Parties (Subsidiary Company)	5,687.34	100%	16,685.00	100%

E. Transactions of the listed entity with Sh Rajneesh Bansal who belongs to the promoter/promoter group and hold(s) 10% or more shareholding in the listed entity

Nature of Transaction	For the FY 2025-26	For the FY 2024-25
Managerial Remuneration	360.00	336.09
Rent Paid for Premises	21.54	19.95
Sale of Goods/Services	30.15	14.44

F. Related Party Transactions in Ordinary Course of Business for the Previous Year ended 31st March 2025 **(Rs. In Lakhs)**

Nature of Transaction	Directors	Key Management Personnel	Relative of Directors	Wholly Owned Subsidiary	Related Party	Total
Managerial Remuneration - Whole Time Directors	366.21					**366.21**
Remuneration - KMPs		63.77				**63.77**
Remuneration			6.00			**6.00**
EMI From KMPs		2.54				**2.54**
KMP repayment of loan		2.60				**2.60**
Rent Paid for Premises	19.95			-	-	**19.95**
Rent Received	-	-		30.63	4.20	**34.83**
Net Service Charges Earned - Indo Nepal & DMT from Paul Merchants Finance Private Limited	-	-		0.08		**0.08**
Net Repayment of working capital limit by Paul Merchants Finance Private Limited during the period				2,305.62		**2,305.62**
Investment in Equity				2,481.37		**2,481.37**
Interest earned from Paul Merchants Finance Private Limited on Working Capital limit	-	-		1,547.20		**1,547.20**
Gross value of Travel /FX Services rendered	14.44	-	44.27	60.71	137.05	**256.47**
Commission Paid for cross reference Sales				12.24		**12.24**

G. Related Party Outstanding Balance as on 31 March 2025 **(Rs. In Lakhs)**

Outstanding working capital limit to Paul Merchants Finance Private Limited	-	-		16,685.00		**16,685.00**

Note 43. Deferred Tax

(*As per IND AS 12 Income taxes*) **(Rs. In Lakhs)**

Deferred Tax Assets on Account of Timing Differences	As at 01.04.2025	Arising During the Year	As at 31.03.2026
Depreciation	30.46	-19.51	10.96
Provision for Gratuity	88.57	6.56	95.14
Provision for Bonus & Commission	16.60	-0.85	15.75
Provision for Leave encashment	0.00	0.00	0.00
Unrealized Loss on Investments	0.00	5.94	5.94
Interest cost on Car Loan	-0.20	-0.01	-0.21
Impairment Loss	84.42	-14.70	69.72
Investments	0.00	-1.03	-1.03
Unrealized Gain on Investments	-4.97	4.97	0.00
Net Deferred Tax Asset	**214.88**	**-18.62**	**196.26**

Note 44. Segment Reporting

As per IND AS-108 on Segment Reporting, segment Information is provided below:

Amount in Rs. Lakhs

Sr. No	PARTICULARS	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
1	**Segment Revenue**		
(a)	Forex	205,015.71	332,069.60
(b)	Travel	543.04	751.82
(c)	Others	32.25	36.41
	Total	**205,590.99**	**332,857.84**
	Less: Inter Segment Revenue		
(a)	Forex	0.00	0.00
(b)	Travel	0.00	0.00
(c)	Others	0.00	0.00
	Net sales/Income From Operations	**205,590.99**	**332,857.84**
2	**Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)#**		
(a)	Forex	-542.08	-56.80
(b)	Travel	-12.83	5.84
(c)	Others	9.50	12.07
	Total	**-545.42**	**-38.88**
	Less:		
i)	Interest	54.45	122.98
ii)	Other Un-allocable Expenditure net off	747.04	881.27
iii)	Un-allocable income	3,102.84	1,867.18
	Total Profit Before Tax	**1,755.94**	**824.04**
3	**Segment Assets**		
(a)	Segment - Forex	3,094.66	3,557.39
(b)	Segment - Travel	362.79	465.89
(c)	Segment - Others	0.00	0.00
(d)	Unallocated Assets	49,269.95	48,931.64
	Total	**52,727.40**	**52,954.91**
4	**Segment Liabilites**		
(a)	Segment - Forex	1,377.81	2,702.09
(b)	Segment - Travel	95.34	121.64
(c)	Segment - Others	0.00	0.00
(d)	Unallocated Liabilties	1,731.79	1,935.77
	Total	**3,204.94**	**4,759.50**
5	**Capital Employed**		
(a)	Forex	1,716.85	855.30
(b)	Travel	267.45	344.25
(c)	Others	0.00	0.00
(d)	Unallocated Assets	49,269.95	49,186.86
(e)	Unallocated Liabilities	1,731.79	2,190.99
	Total	**49,522.46**	**48,195.41**

Previous year figures has been regrouped/rearranged whereever necessary.

Note 45. Financial Ratios

Particulars	As at 31st Mar 2026	As at 31st Mar 2025	% Change during the year	Numerator	Denominator	Reasons for change
(a) Current Ratio	4.43	5.08	-12.73	Current Assets	Current Liabilities	
(b) Debt - Equity Ratio	1.36%	3.38%	-59.63	Borrowings	Equity	The ratio has improved as compared to last year mainly due to decrease in borrowings and increase in Net Worth
(c) Debt Service Coverage Ratio	13.97	4.28	226.81	Profit after tax, before depreciation & interest	Interest Expense+Principal amount of current maturities of long term debt	The ratio has improved as compared to last year mainly due to increase in Profits and reduction in Loan liabilities
(d) Return on Equity Ratio	2.66%	1.23%	117.23	Profit after tax	Equity	The ratio has improved as compared to last year due to increase in profit and Net worth
(e) Inventory turnover Ratio	43.80	50.20	-12.75	Purchases of Currency	Average Inventory of currency	
(f) Trade Receivables turnover Ratio	4.03	4.82	-16.41	Credit sales during the year	Average Trade Receivables	
(g) Trade payables turnover Ratio	3.26	3.62	-9.96	Credit purchase during the year	Average Trade Payable	
(h) Net Capital turnover ratio	20.63	18.57	11.07	Revenue from operations	Working Capital (CA-CL)	
(i) Net profit Ratio	0.63%	0.18%	258.01	Profit after tax	Total Income	The ratio has improved as compared to last year due to increase in profits
(j) Return on Capital employed	3.59%	2.10%	71.12	EBIT	Capital Employed	The ratio has improved as compared to last year due to increase in Earings before Interest and tax
(k) Return on investment	6.21%	3.90%	59.07	Interest & dividend income from investments & Loans	Current & Non current investment & Loans	The ratio has improved as compared to last year due to reduction in interest and increase in dividend income

Note 46. Other Notes

a Balance under Sundry Debtors, Sundry Creditors, Loans & Advances and Other Receivable and Payables are subject to confirmation and reconciliation.

b The previous Year figures have been regrouped/re-classified/re-stated wherever necessary to conform with the current presentation.

c Notes form integral part of Accounts for the year ending 31st March 2026

d The company has availed finance facilities from banks and other financial institutions against security of current assets and the quarterly statements submitted to bank in respect of the same are in agreement with the books of accounts. Further all banking facilities obtained by the company during the year have been utilised for the specified purposes only. All charges in respect of the finance facilities have also been duly registered with the Registrar of Companies within specified time under the Companies Act 2013.

e The company confirms that title deeds of all immovable properties accounted in the financial statements are held in name of the company. No proceedings are pending against the Company for holding any Benami property under the Benami Property (Prohibition) Act ,1988 (45 of 1988)and the rules made thereunder.

f The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

g The company does not have any transaction with the Strike Off Companies in the Financial Year.

h No registration or satisfaction of charges are pending to be filed with ROC.

i There are no undisclosed income /transactions which has been surrendered during the year as per income tax act,1961

j The company has not traded or invested in crypto currency or virtual currency during the financial year.

k There is no scheme of Amalgamation/Merger is approved by Court/NCLT, as no such case for Amalgamation/Merger related to company is pending before any Court/NCLT.

l Additional information pursuant to Schedule III Division II part I & II of the Companies Act. 2013 other than stated above is either NIL or Not Applicable.

PLACE: CHANDIGARH
Dated : 27.05.2026

AUDITOR'S REPORT:
As per our Separate Report of the Even Date

For & on Behalf of Board of Directors

SD/-	**SD/-**
RITESH VAID	**RAJNEESH BANSAL**
Whole Time Director	**Managing Director**
DIN- 09433856	**DIN-00077230**
H. No. 17/2,Sigma City-1	H. No. 749,
Lohgarh Road,Zirakpur	Sec 8, Chandigarh
SD/-	**SD/-**
HARDAM SINGH	**SAKSHI**
Company Secretary	**Chief Financial Officer**
FCS-5046	FCA-419986
H. No. 2007, Sector-89C.	H. No. 580, Sec-12,
Mohali-160055	Panchkula

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS (FRN-011106N)
SCO 823-824, FF, Sector-22 Chandigarh.

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:26091756YUUQAK1118

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PAUL MERCHANTS LIMITED
Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **PAUL MERCHANTS LIMITED** ("The Holding Company") and its subsidiaries (Paul Merchants Finance Private Limited, Paul Merchants Realtors Private Limited and Paul Infotech Private Limited), Paul Landscape Realtors LLP (in which 95% profit-sharing interest is held through wholly owned subsidiary Paul Merchants Realtors Private Limited) and SSBRO Infra Surge LLP (in which 33% profit-sharing interest is held through wholly owned subsidiary Paul Merchants Realtors Private Limited) (hereinafter referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information. (Hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, of the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Revenue Recognition** The holding company holds licenses issued by Reserve Bank of India to act as Authorized Dealer Category II for providing foreign exchange services. The company derives its major revenue from sale and purchase of foreign exchange. The company has various branches spread throughout the country which deal in sale and purchase of foreign exchange. A customer can walk into the branch and the currency is sold or purchased at the agreed upon rate after taking into consideration average buying rate of currency in hand and IBR (Inter-banking rate). The company collects the KYC documents, copy of visa documents etc along with Form A2 as prescribed by RBI while making sale of currency. The invoice is raised only after completion of all the norms prescribed by RBI. The company charges service charges as well as GST separately while raising invoice and service charges are being shown separately in the balance sheet. Therefore, revenue is recognized when the invoice is raised upon sale of foreign exchange as well as service charges received on the same. The company maintains its currency stock by purchasing the same either from Retail customers or other AD dealers or licensed full Fledged Money Changers. Recognition of revenue has been identified as a key audit matter due to the complexity and large volume of transactions generating revenue for the company, which results in increase in the risk of error in timing of revenue	**Principal Audit Procedures Performed** Our key audit procedures around revenue recognition included, but were not limited to, the following: • Obtained an understanding of and assessed the design, implementation and operating effectiveness of management's key internal financial controls in relation to revenue recognition; • Assessed the appropriateness of the revenue recognition accounting policies of the Company including those relating to variable consideration, by evaluating compliance with the applicable accounting standards. • Selected samples of revenue transactions during the year and assessed the Company's timing of revenue recognition; • Performed analytical review procedures on revenue recognized during the year to identify any unusual and/or material variances. • Tested selected samples of revenue transactions recorded before and after the financial year end date to determine whether the revenue has been recognized in the appropriate financial period. Evaluated the appropriateness and adequacy of disclosures in the financial statements in respect of revenue

	recognition. Since the company and its external stakeholders focus on revenue as a key performance indicator and therefore, there could be a risk of material misstatement in so far as revenue recognition is concerned.	recognition with the applicable standards.
2	**<u>Accounting treatment of Gold Loan Business transferred by wholly owned Subsidiary, Paul Merchants Finance Pvt Ltd</u>** During the year, Paul Merchants Finance Private Limited ("PMFPL"), a wholly owned subsidiary of the Holding Company, completed the transfer of its Gold Loan Business Undertaking to L&T Finance Limited by way of a slump sale on a going concern basis pursuant to the Business Transfer Agreement dated 07 February 2025. The Gold Loan Business constituted a significant line of business of PMFPL and accordingly involved significant accounting considerations under Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations", including identification and classification of the disposal group, derecognition of related assets and liabilities upon completion of the transaction, accounting of consideration received and presentation/disclosure of discontinued operations in the consolidated financial statements. Considering the materiality of the transaction and the significant management judgement involved in determining the accounting and disclosures relating thereto, the matter was considered to be a Key Audit Matter.	**<u>Principal Audit Procedures Performed</u>** Our key audit procedures on this matter included, but were not limited to, the following: • Obtained and evaluated the Business Transfer Agreement entered into between PMFPL and L&T Finance Limited • Assessed the appropriateness of management's accounting treatment of the slump sale transaction in accordance with the requirements of Ind AS 105 and other applicable accounting standards • Evaluated the basis for identification and derecognition of assets and liabilities pertaining to the disposal group • Verified, on a test check basis, the accounting and presentation of consideration received and receivable by the company • Examined the presentation and disclosures relating to discontinued operations in the consolidated financial statements; and • Examined the correctness of the profit recognized by the company on disposal of the business undertaking and its accompanying tax effect.

		• Assessed the adequacy and appropriateness of related disclosures made in the notes to the consolidated financial statements.

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

The Holding Company's Board of Directors is responsible for the preparation of 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 and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, consider whether such other information is materially inconsistent with the consolidated 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 a material misstatement of this other information, we are required to communicate the matter to those charged with, Governance under SA 720 'The Auditor's responsibilities relating to Other Information'. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with Indian Accounting Standard prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

❖ Identify and assess the risks of material misstatement of the consolidated 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.

❖ 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 internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

❖ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

❖ Conclude on the appropriateness of the Board of Directors' 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 ability of the Group 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 consolidated 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 Group to cease to operate as a going concern.

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

- ❖ Obtain sufficient appropriate audit evidence regarding the financial statements and financial information of the entities within the Group to express an opinion on the consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

  Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2026 (current year) and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) As per the explanations provided to us, during the year, Paul Merchants Finance Private Limited, wholly owned subsidiary of Paul Merchants Limited, completed the transfer of its Gold Loan Business Undertaking to L&T Finance Limited by way of a slump sale on a going concern basis.

The company had already categorised the assets & liabilities of the transferred business as 'Held for sale' in the consolidated financial statements for financial year ended on 31st March 2025. Further, profit from the transfer of the business as well as from operation of the business till its transfer has been separately recognised as Profit from discontinued operations in the accompanying consolidated audited financial statements for the year ended on 31st March 2026 in accordance with IND AS 105.

b) We did not audit the financial statements of the Wholly Owned Subsidiary, Paul Merchants Finance Private Limited, whose financial statements include total assets of Rs. 62,253.94 Lakhs/- as at March 31, 2026, total revenues of Rs. 6,647.20 Lakhs/- and total net profit/(loss) of Rs. 26,918.38 Lakhs/- for the year ended March 31, 2026, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of such other auditors.

c) We did not audit the financial statements of the Associate LLP, SSBRO Infra Surge LLP, whose financial statements include total assets of Rs. 2.158 lakhs as at March 31, 2026, total revenues of Rs. 20.858 lakhs and total net loss of Rs. 8.399 lakhs for the year ended March 31, 2026, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on the report of such other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report, to the extent applicable 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 purpose of our audit of the aforesaid consolidated financial statements.

b. In our opinion proper books of account as required by law for preparation of aforesaid Consolidated Financial Statements have been kept by the Company and its subsidiaries/associates so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (Including Other Comprehensive Income), the Consolidated Statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Company and its subsidiaries/associates incorporated in India, none of the directors of the Group companies are disqualified as on March 31, 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 **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to consolidated Financial Statements

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 by the management, the remuneration paid by the Holding Company to its directors during the year is in accordance with 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, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statements disclose the impact of pending litigations on the financial position of the Group.

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

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. Based on our examination which included test checks performed by us during course of our audit of the entities in the group audited by us (i.e. the holding company, its two wholly owned subsidiaries and an associate LLP) as well as based upon the reports of other auditors in case of remaining entities, the entities in the group have used 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 test checks, we did not come across any instance of audit trail feature being tampered with.

v. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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(s) or entity(ies), including foreign entities ("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;

vi. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("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;

vii. Based on such audit procedures that we have 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 (v) and (vi) above contain any material mis-statement.

viii. Based on the representations received by us and audit procedures conducted by us, the company has not declared or paid dividend during the year.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report on consolidated financial statements, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and by us and other auditors for its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in such CARO reports.

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg. No. 011106N

Sd/-
ROHIT GOEL
(PARTNER)
M. No.091756
UDIN: 26091756ESDHPX1924

Date: 27.05.2026
Place: CHANDIGARH

"Annexure A" to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Paul Merchants Limited

Report on the Internal Financial Controls under Clause (i) 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 Paul Merchants Limited ("the Company"), its Subsidiaries (Paul Merchants Finance Private Limited, Paul Merchants Realtors Private Limited and Paul Infotech Private Limited), Paul Landscape Realtors LLP, in which 95% profit-sharing interest is held through wholly owned subsidiary Paul Merchants Realtors Private Limited, and SSBRO Infra Surge LLP, in which 33% profit-sharing interest is held through wholly owned subsidiary Paul Merchants Realtors Private Limited as of March 31, 2026 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's and Board of Directors Responsibility for Internal Financial Controls

The Respective management and Board of Directors of the Company and its subsidiaries/associates are 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. 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 were 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 judgment, 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 of the Company and its subsidiary/associate.

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 consolidated 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 consolidated 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 consolidated 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, the Company and its Subsidiaries/associates have, 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 31, 2026, based on the internal control over financial reporting criteria established by the respective Companies 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to the wholly owned subsidiary company, Paul Merchants Finance Private Limited, and the associate LLP, SSBRO Infra Surge LLP, is based on the corresponding reports of the respective auditors of such entities

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg. No. 011106N

Sd/-
CA ROHIT GOEL
(PARTNER)
M. No.091756
UDIN: 26091756ESDHPX1924

Date: 27.05.2026
Place: CHANDIGARH

PAUL MERCHANTS LIMITED
CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2026
CIN-L74900DL1984PLC018679

Rs in Lakhs

PARTICULARS	Note	As on 31.03.2026	As on 31.03.2025
ASSETS			
(1) Non-Current Assets			
a) Property, Plant and Equipment	1	6,558.12	6,167.12
b) Capital Work in Progress	1	0.00	21.25
c) Investment Property	2A	6,877.27	0.00
d) Goodwill		0.00	0.00
e) Other Intangible Assets	1	94.07	36.56
f) Intangible Assets Under Development	1	4.42	0.75
g) Biological Assets other than bearer plants		0.00	0.00
h) Financial Assets			
i) Investments	2	4,796.78	173.23
ii) Trade Receivables		0.00	0.00
iii) Loans	3	14,069.96	0.00
iv) Others	4	4,480.51	66.20
i) Deferred Tax Assets (Net)	5	329.84	251.68
j) Other Non-Current Assets			
(2) Current Assets			
a) Inventories	6	2,309.39	1,210.22
b) Financial Assets			
i) Current Investments	7	25,774.83	50.82
ii) Trade Receivables	8	528.38	591.26
iii)Cash and Bank Balance	9	2,949.77	1,864.53
iv) Bank Balance other than iii above	10	6,027.10	1,994.08
v) Loans	11	17,674.09	1,385.78
vi) Others	12	476.11	746.18
c) Current Tax Assets	13	808.36	297.13
d) Other Current Assets	14	246.89	89.88
(3) Group of assets classified as held for sale		0.00	143,783.69
TOTAL		**94,005.90**	**158,730.35**
EQUITY AND LIABILITIES			
EQUITY			
Shri Laxmi Ji			
a) Equity Capital	15	308.40	308.40
b) Other Equity	16	89,418.81	62,579.66
c) Non Controlling Interest	16	81.68	0.00
LIABILITIES			
(1) **Non-Current Liabilities**			
a) Financial Liabilities			
i) Borrowings	17	243.98	796.78
ii) Trade Payables		0.00	0.00
iii) Leased Liabilities	18	17.10	12.00
b) Provisions	19	325.96	297.66
(2) **Current Liabilities**			
a) Financial Liabilities			
i) Borrowings	20	778.21	1,541.63
ii) Trade Payables	21		
(A) total outstanding dues of micro enterprises and small enterprises;		36.45	2.77
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		271.56	201.95
iii) Other Financial Liabilities	22	993.41	1,478.94
b) Other Current Liabilities	23	1,197.71	1,159.96
c) Provisions	24	332.64	228.02
d) Current Tax Liabilities(Net)		0.00	0.00
(3) **Group of liabilities classified as held for sale**		0.00	90,122.57
TOTAL		**94,005.90**	**158,730.35**

The accompanying accounting policies and notes form an integral part of the consolidated financial statements.

PLACE: CHANDIGARH
Dated : 27.05.2026

For & on Behalf of Board of Directors

SD/-
RITESH VAID
Whole Time Director
DIN- 09433856
H. No. 17/2, Sigma City-1
Lohgarh Road,Zirakpur

SD/-
RAJNEESH BANSAL
Managing Director
DIN-00077230
H. No. 749,
Sec 8, Chandigarh

SD/-
HARDAM SINGH
Company Secretary
FCS-5046
H. No. 2007, Sector-89C.
Mohali-160055

SD/-
SAKSHI
Chief Financial Officer
FCA-419986
H. No. 580,
Sec 12, Panchkula

AUDITOR'S REPORT:
As per our Separate Report of the Even Date

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS (FRN-011106N)
SCO 823-824, FF, Sector-22 Chandigarh.
(FRN – 011106N)

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:26091756ESDHPX1924

PAUL MERCHANTS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2026

CIN-L74900DL1984PLC018679

Rs in Lakhs

	PARTICULARS	Note	CURRENT YEAR 31.03.2026	PREVIOUS YEAR 31.03.2025
	REVENUE			
I	Revenue from Operations	25	207,362.79	333,467.64
II	Other Income	26	4,082.20	325.52
III	**Total Income (I+II)**		**211,444.99**	**333,793.16**
IV.	**EXPENSES**			
	Purchase of Foreign Exchange and Services	27	200,639.63	324,952.98
	Changes in Inventories of Stock in Trade	28	124.23	445.24
	Direct Expenses	29	2,461.91	4,715.46
	Office & Administrative Expenses	30	1,585.24	1,090.84
	Employee Benefit Expenses	31	3,734.15	2,689.35
	Finance Costs	32	107.79	195.58
	Sales Promotion Expenses	33	163.04	162.17
	Corporate Social Responsibility Expenses	34	120.94	59.22
	Other Expenses	35	82.87	80.54
	Depreciation & Amortization Expenses	1	547.90	380.49
	TOTAL EXPENSES IV		**209,567.70**	**334,771.87**
V.	**PROFIT BEFORE EXCEPTIONAL ITESMS & TAX (III - IV)**		**1,877.28**	**(978.71)**
VI.	EXCEPTIONAL ITEMS	36	5.00	125.90
VII.	**PROFIT BEFORE TAX (V - VI)**		**1,872.28**	**(1,104.61)**
VIII.	**TAX EXPENSE**			
	(1) Current Tax		996.27	161.74
	(2) Prior Period Tax		30.73	(20.72)
	(3) Deferred Tax	43	(63.01)	(16.95)
IX.	**PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (VII - VIII)**		**908.29**	**(1,228.68)**
X	Profit/Loss from Discontinued Operations	37	30,332.77	9,621.28
	Profit on Disposal of Group			0.00
XI	Tax Expense of Discontinued Operations		4,364.07	2,009.05
	Tax Expense on Disposal of Group		0.00	0.00
XII	**PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS AFTER TAX (X-XI)**		25,968.70	7,612.23
	Profit/(Loss) on Disposal of Group		0.00	0.00
	Share of Profit (Loss) of associates and joint ventures accounted for using equity method		(2.80)	0.00
XIII	**PROFIT/(LOSS) FOR THE PERIOD (IX+XII)**		**26,874.18**	**6,383.55**
XIV	**OTHER COMPREHENSIVE INCOME**			
A	(i) Items that will not be reclassified to profit or loss-Remeasurement Gain(Loss) on defined benefit obligations	38	3.26	(20.90)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	38	(0.82)	5.26
B	(i) Items that will be reclassified to profit or loss		0.00	0.00
	(ii) Income tax relating to items that will be reclassified to profit or loss		0.00	0.00
XV	**TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (XIII+XIV)**		**26,876.62**	**6,367.91**
	Profit or loss, attributable to:			
	Owners of the Company		**26,874.21**	**6,383.55**
	Non-controlling interests		**(0.03)**	**0.00**
	Total Comprehensive income for the period attributable			
	Owners of the Company		**26,876.65**	**6,367.91**
	Non-controlling interests		**(0.03)**	**0.00**
XVI	**EARNING PER EQUITY SHARE (FOR CONTINUING OPERATION)**	41		
	1) BASIC (Rs.)		29.36	(39.84)
	2) DILUTED (Rs.)		29.36	(39.84)
XVII	**EARNING PER EQUITY SHARE (FOR DISCONTINUED OPERATION)**	41		
	1) BASIC (Rs.)		842.05	246.83
	2) DILUTED (Rs.)		842.05	246.83
XVIII	**EARNING PER EQUITY SHARE (FOR CONTINUING & DISCONTINUED OPERATION)**	41		
	1) BASIC (Rs.)		871.41	206.99
	2) DILUTED (Rs.)		871.41	206.99

The accompanying accounting policies and notes form an integral part of the standalone financial statements.

PLACE: CHANDIGARH
Dated : 27.05.2026

For & on Behalf of Board of Directors

SD/-
RITESH VAID
Whole Time Director
DIN- 09433856
H. No. 17/2, Sigma City-1
Lohgarh Road,Zirakpur

SD/-
RAJNEESH BANSAL
Managing Director
DIN-00077230
H. No. 749,
Sec 8, Chandigarh

SD/-
HARDAM SINGH
Company Secretary
FCS-5046
H. No. 2007, Sector-89C.
Mohali-160055

SD/-
SAKSHI
Chief Financial Officer
FCA-419986
H. No. 580,
Sec 12, Panchkula

AUDITOR'S REPORT:
As per our Separate Report of the Even Date

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS (FRN-011106N)
SCO 823-824, FF, Sector-22 Chandigarh.
(FRN – 011106N)

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:26091756ESDHPX1924

PAUL MERCHANTS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2026

CIN-L74900DL1984PLC018679

A Equity Share Capital

Changes in equity share capital for the year ended **(Rs in Lakhs)**

Particulars	31st Mar, 2026 Amount (Rs) In Lakhs	31st Mar, 2025 Amount (Rs) In Lakhs
Balance at the beginning of the reporting period	308.40	308.40
Changes in equity share capital during the year	0.00	0.00
Balance at the end of the reporting period	308.40	308.40

B Other Equity *

Changes in other equity for the year ended 31st March, 2026

Amount (Rs in Lakhs)

Particulars	Reserves and Surplus			Total	Non Controlling Interest	Total
	Securities premium Account	Other Statutory reserve	Retained Earnings			
Balance at the beginning of the current reporting period	-	2,836.21	59,743.45	62,579.66		62,579.66
Changes in accounting policy or prior period errors	-		-	-		-
Restated balance at the beginning of the current reporting period						
Amount Utilized for Right Issue			(37.50)	(37.50)		(37.50)
Total Comprehensive Income for the current year			26,876.62	26,876.62		26,876.62
Security Premium transferred to Reserve	-		-	-		-
Transfer to retained earnings		6,094.74	(6,094.74)	-		-
Non Controlling Interest	-	-		-	81.71	81.71
NCI for the Period			0.03	0.03	(0.03)	-
Balance at the end of the current reporting period	-	8,930.95	80,487.86	89,418.81	81.68	89,500.49

Changes in other equity for the year ended 31st March, 2025

Amount (Rs in Lakhs)

Particulars	Reserves and Surplus			Total	Non Controlling Interest	Total
	Securities premium Account	Other Statutory reserve	Retained Earnings			
Balance at the beginning of the previous reporting period	-	2,384.22	53,827.53	56,211.75		56,211.75
Changes in accounting policy or prior period errors						
Restated balance at the beginning of the previous reporting period						
Amount Utilized for Bonus Issue				-		
Total Comprehensive Income for the previous year			6,367.91	6,367.91		6,367.91
Dividend			-	-		
Transfer to retained earnings		452.00	(452.00)	-		-
Balance at the end of the previous reporting period	-	2,836.21	59,743.45	62,579.66	-	62,579.66

Balance of other equity as at 1st April,2024 **Amount (Rs in Lakhs)**

Particulars	Reserves and Surplus			Total	Non Controlling Interest	Total
	Securities premium Account	Other Statutory reserve	Retained Earnings			
Balance as at 1st April, 2024.	-	2,384.22	53,827.53	56,211.75	-	56,211.75

*During the year, the Management reviewed the historical presentation in the consolidated financial statements relating to its wholly owned subsidiary, Paul Merchants Finance Private Limited. Upon review & in accordance with the principles of applicable Ind AS, certain regrouping and streamlining in classification of Securities Premium account have been made. Consequently, an amount of Rs. 75,44,67,882/- pertaining to shares of the said subsidiary that were ultimately acquired by the Holding Company and had been retained in the consolidated financial statements in the previous years specifically financial years 2017-18 and 2018-19 in the Securities Premium account in the consolidated financials, has been retrospectively reclassified from the Securities Premium account to the General Reserve account within Other Equity. This adjustment ensures an appropriate presentation of the reserves & securities premium at the consolidated group level. As both components ie Securities premium & General reserves form part of the Group's 'Other Equity', this retrospective reclassification is entirely neutral and carries no impact on total equity, net assets, net worth, operational profitability, other comprehensive income, or basic and diluted earnings per share for the current or any of the preceding financial years presented in these consolidated financial statements. Further, this has no impact on the standalone financial statements of the parent or the subsidiary company.To maintain comparability as per applicable IND AS, the opening balances as at April 1, 2024, and the comparative figures for the year ended March 31, 2025, have also been retrospectively restated to reflect this.

PLACE: CHANDIGARH
Dated : 27.05.2026

For & on Behalf of Board of Directors

SD/-
RITESH VAID
Whole Time Director
DIN- 09433856
H. No. 17/2, Sigma City-1 ,
Lohgarh Road,Zirakpur

SD/-
RAJNEESH BANSAL
Managing Director
DIN-00077230
H. No. 749,
Sec 8, Chandigarh

SD/-
HARDAM SINGH
Company Secretary
FCS-5046
H. No. 2007, Sector-89C.
Mohali-160055

SD/-
SAKSHI
Chief Financial Officer
FCA-419986
H. No. 580,
Sec 12, Panchkula

AUDITOR'S REPORT:
As per our Separate Report of the Even Date

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS (FRN-011106N)
SCO 823-824, FF, Sector-22 Chandigarh.
(FRN – 011106N)

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:26091756ESDHPX1924

PAUL MERCHANTS LTD

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31.03.2026

CIN-L74900DL1984PLC018679

Amount (Rs.in Lakhs)

	PARTICULARS	CURRENT YEAR 31.03.2026 Audited	PREVIOUS YEAR 31.03.2025 Audited
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before Tax	32,205.06	8,516.67
	Adjustment for:		
	Depreciation	547.90	380.49
	Profit/Loss on Sale of Fixed Assets/Investments	(95.42)	(3.75)
	Share in liabilities of Malaysia JV	(77.94)	-
	Provision for Expected Credit Loss	48.94	45.62
	Share in loss of Associates	(2.80)	-
	Realized Gain on Sale of Investments	(1,900.05)	10.35
	Unrealized Gain on Sale of Investments	204.00	(5.10)
	Finance Cost	107.79	195.58
	Short Term Provisions	104.61	(784.34)
	Long Term Provisions	28.30	(80.93)
	Rental Income	(152.83)	(53.44)
	Interest Income	(1,895.77)	(163.28)
	Dividend Received	(0.61)	(0.70)
	Adjustment for Assets & Liabilities held for sale (Discontinued Operations)	53,658.36	(52,664.05)
	Other Comprehensive Income	3.26	(20.90)
	OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	**82,782.79**	**(44,627.77)**
	Adjustment for :		
	Net changes in operating Assets & Liabilities		
	Inventory	(1,099.16)	282.28
	Long Term Loans & Advances	(14,069.96)	-
	Other Non Current Assets	-	-
	Trade receivable	62.89	(39.19)
	Other Bank Balance	(4,033.02)	(397.46)
	Short Term Loans & Advances	(16,018.24)	95,918.38
	Current Tax Assets	(511.23)	700.07
	Other Current Assets	(162.84)	283.32
	Trade Payables	103.29	(517.44)
	Increase in Other Financial Liabilities	(485.53)	(3,911.43)
	Other Current Liabilities	37.75	(815.10)
	CASH FROM/(USED IN) OPERATIONS	**46,606.72**	**46,875.66**
	Income Taxes Paid	(5,407.06)	(2,090.72)
	NET CASH FROM/(USED IN) OPERATING ACTIVITIES	**41,199.67**	**44,784.94**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Sale of Fixed Assets	276.10	9.13
	Purchase of Fixed Assets	(1,158.69)	(419.27)
	Adjustment of Fixed Assets	1.94	8.45
	Increase in Investment Property	(6,877.27)	-
	Increase in Other Financial Assets	(4,414.31)	-
	Movement in Current Investments	(24,027.97)	1,938.63
	Movement in Non Current Investments	(4,623.55)	-
	Movement in Other Non Current Assets	(43.11)	(45.62)
	Decrease in Other Long Term Liabilities	5.10	(1.00)
	Acquisition of stake in Subsidiary	-	-
	Share in liabilities of Malaysia JV	77.94	-
	Rental Income	152.83	53.44
	Interest Income	1,895.77	163.28
	Dividend Income	0.61	0.70
	NET CASH FROM/(USED IN) INVESTING ACTIVITIES	**(38,734.62)**	**1,707.74**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Issue of Share Capital	-	-
	Issue of Bonus Shares utilizing Security Premium	-	-
	Reserves utilized for Right issue Expense	(37.50)	
	Non Controlling Interest	81.71	
	Dividend Paid (Including Dividend Distribition Tax)	-	-
	Tax on Dividend Paid	-	-
	Borrowings (Net of Repayments)		
	Long Term Borrowings	(552.80)	(13,915.93)
	Short Term Borrowings	(763.42)	(33,023.19)
	Debt Securities Issued	-	-
	Finance Cost	(107.79)	(195.58)
	NET CASH FROM/ (USED) IN FINANCING ACTIVITIES	**(1,379.81)**	**(47,134.70)**
	Net Change in Cash & Cash Equivalents (A+B+C)	1,085.24	(642.02)
	Cash and Cash equivalent at the beginning of the year	1,864.53	2,506.55
	Cash and Cash equivalents at the end of the year	**2,949.77**	**1,864.53**

Place : Chandigarh.
Dated : 27.05.2026

For & on behalf of Board of Directors

SD/-	SD/-	SD/-	SD/-
(HARDAM SINGH)	**(SAKSHI)**	**(RAJNEESH BANSAL)**	**(RITESH VAID)**
Company Secretary	**Chief Financial Officer**	**Managing Director**	**Whole Time Director**
FCS-5046	**FCA-419986**	**DIN-00077230**	**DIN- 09433856**
H. No. 2007, Sector-89C.	**H. No. 580,**	**H. No. 749,**	**H. No. 17/2, Sigma City-1**
Mohali-160055	**Sec 12, Panchkula**	**Sec 8, Chandigarh**	**Lohgarh Road,Zirakpur**

AUDITOR'S CERTIFICATE

We have examined the Cash flow Statement of Paul Merchants Limited for the Quarter and Financial Year ended March 31, 2026.The Statement has been prepared by the Company in accordance with the requirements of Regulation 34(2c) of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 and is based on and in agreement with the corresponding Statement of Profit and Loss account and Balance Sheet of the Company covered by our report to the members of the Company

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS (FRN-011106N)
SCO 823-824, FF, Sector-22 Chandigarh.
(FRN – 011106N)

Place: Chandigarh
Dated : 27.05.2026

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:26091756ESDHPX1924

Note 1: PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, INTANGIBLE ASSETS UNDER DEVELOPMENTS, CAPITAL WORK IN PROGRESS

(Rs in Lakhs)

PARTICULARS	Gross Block					Accumulated Depreciation					Net Block	
	Balance as at 1 April 2025	Additions	Disposals	Transfer In/Out	Balance as at 31st Mar 2026	Balance as at 1 April 2025	Depreciation/Amortization charge for the year	On disposals	Adjustment	Balance as at 31st Mar 2026	Balance as at 31st March 2025	Balance as at 31st Mar 2026
Land	3,753.87	-	-		3,753.87	-	-	-	-	-	3,753.87	3,753.87
Buildings	2,606.82	67.28	111.18		2,562.92	1,010.18	78.51	49.52	-	1,039.17	1,596.64	1,523.75
Computers & Desktop	523.52	34.26	24.33	-109.70	423.75	431.95	25.79	20.17	-58.10	379.48	91.57	44.27
Servers & Networks	80.52	-	0.09		80.42	76.48	0.01	0.09	-	76.40	4.04	4.02
Furniture and Fittings	584.84	60.17	248.81	-	396.20	376.59	52.60	212.29	-	216.90	208.26	179.31
Motor Cars	981.19	825.71	172.29		1,634.61	670.76	274.45	162.25	-	782.97	310.43	851.64
Motor Cycles	1.22	-	-		1.22	0.86	0.09	-	-	0.95	0.36	0.27
Office Equipments	198.89	53.05	18.72	-	233.23	152.96	27.66	16.64	-	163.98	45.93	69.24
Electrical Installations & Equipments	328.71	19.93	15.20	2.00	335.44	183.11	40.48	13.46	1.73	211.86	145.60	123.58
Plant & Machinery	21.16	1.07	0.00	-	22.23	12.60	1.68	0.00	-	14.28	8.56	7.95
Leasehold Improvements	37.30	-	32.77		4.53	35.43	-	31.14	-	4.30	1.86	0.23
Intangible Assets												
Amortization on Software	96.59	51.99	-	110.46	259.04	60.03	46.63	-	58.30	164.97	36.56	94.07
Intangible Assets Under Development												
Computer Software	0.75	5.17	1.50	-	4.42	-	-	-	-	-	0.75	4.42
Capital Work in Progress	21.25	40.06	61.32		0.00	-	-	-	-	-	21.25	0.00
Non Current Assets held for Sale												
Buildings												
ROU Asset	-	-	-		-	-	-	-		-	-	-
Group of fixed assets classified as held for sale	1,631.53	-	1,628.77	-2.76	0.00	791.20	-	789.26	-1.94	0.00	840.33	0.00
Group of intangible assets classified as held for sale	176.54	-	176.54	-	-	124.43	-	124.43	-	-	52.10	-
Capital Work in Progress	4.98	-	4.98	-	-	-	-	-	-	-	4.98	-
Total	1,813.04	-	1,810.29	-2.76	0.00	915.63	-	913.70	-1.94	0.00	897.41	0.00
Total Current Year	9,236.64	1,158.69	686.22	2.76	9,711.87	3,010.96	547.90	505.54	1.94	3,055.25	6,225.68	6,656.62
Total Previous Year	8,842.50	419.27	42.99	17.85	9,236.64	2,659.62	380.49	37.61	8.45	3,010.96	6,182.88	6,225.68

Note 1A Intangible Assets Under Development

	As at 31st March 2026				(Rs in Lakhs)
Intangible Assets Under Development	Less Than 1 year	1-2 years	2-3 Years		more than 3 years
Software	4.42	-	-		-
Total Current Year	4.42	-	-		-

	As at 31st March 2025				(Rs in Lakhs)
Software	0.75	-	-		-
Total Previous Year	0.75	-	-		-

CWIP Ageing

	As at 31st March 2026				(Rs in Lakhs)
Amount of CWIP	Less Than 1 year	1-2 years	2-3 Years		more than 3 years
Branches under development	0.00	-	-		-
Total Current Year	0.00	-	-		-

	As at 31st March 2025				(Rs in Lakhs)
Branches under development	21.25				-
Total Previous Year	21.25	-	-		-

NOTES TO FINANCIAL STATEMENTS

Note 2: FINANCIAL ASSETS - NON CURRENT INVESTMENTS — Rs in Lakhs

Particulars	As at 31st Mar 2026 Amount (In Rs.)	As at 31st Mar 2025 Amount (In Rs.)
Investment in Mutual Funds Quoted at FVTPL		
Whiteoak Capital - Multi Asset Allocation Fund Dir Growth	397.16	
HDFC FLEXICAP FUND_DIRECT PLAN_GROWTH OP	181.27	
HDFC Nifty 50 Index Fund	351.85	
ICICI Prudential Multi Asset Fund	195.90	
ICICI Pru Liquid Fund	-	
ICICI Prudential Nifty 100 Fund	270.42	
Invesco Ind Focus Fund	163.25	
Motilal Oswal Nifty Midcap 150 Fund	221.27	
Motilal Oswal Large & Midcap Fund	215.38	
Nippon India Multi Cap Fund	178.57	
HDFC Gold - ETF	217.08	
ICICI Prudential Gold - ETF	253.50	
ICICI Prudential Silver - ETF	123.42	
Nippon India Silver - ETF	114.76	
Axis Liquid Fund	-	
PMS - Quoted		
Ask Domestic Resurgence Protfolio- Equity Funds	54.24	55.26
PMS - Unquoted		
Abakkus Asset Manager P Ltd	229.25	
Buoyant Capital	367.64	
Emkay Investments Managers Ltd	206.92	
AIF - Unquoted		
360 One Income Opportu Fund	92.34	
Campus Fund III	40.06	
NCD/CP/MLD - Quoted at FVTPL		
Alpha Alternative EQAR	511.15	
NCD/CP/MLD - Unquoted		
Incred Capital Gold	207.10	
InCred Capital Nifty	88.94	
Investments in Tax Free Bonds -Quoted at FVTPL- Pledged		
8.46 % Rural Electrification Corporation Limited Bond.	111.82	114.32
Investments in Equity Shares- Quoted at FVTPL	2.91	3.57
Investments in Equity- Unquoted at FVTPL	0.04	0.08
Investments in Property - Realtors	-	
Investment in Partnership Firm - Realtors		
SSBRO Infra Surge LLP (33.33% Share)	0.53	
Total	**4,796.78**	**173.23**

Note 2A: INVESTMENT PROPERTY — Rs in Lakhs

PARTCULARS	As at 31st Mar 2026	As at 31st Mar 2025
Investments in Property - Realtors	6,877.27	-
Total	**6,877.27**	**-**

Note 3: LONG TERM LOANS & ADVANCES — Rs in Lakhs

PARTCULARS	As at 31st Mar 2026	As at 31st Mar 2025
Loans and advances		
Secured, considered good	14,035.67	
Unsecured, considered good	34.29	
	14,069.96	**-**

Disclosure pursuant to Note No. VIII (iv) of Division II of Schedule III to the Companies Act, 2013

Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other person or amount due by firms or private companies respectively in which any director is a partner or a director or a member are stated below:

Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Directors	-	-
Other officers of the Company	-	-
Firm in which director is a partner	-	-
Private Company in which Director is also a Director		-
	-	-

Note 4: OTHER FINANCIAL ASSETS Rs in Lakhs

`	As at 31st Mar 2026	As at 31st Mar 2025
Advance against Property	4,335.10	70.88
Less: Provision for Expected credit Loss	(17.72)	(17.72)
Security Deposits	54.98	-
Deferred Security deposit	35.70	-
Other Financial assets	29.60	13.04
Deferred Expense	42.85	-
Total	**4,480.51**	**66.20**

Note 5: DEFFERED TAX ASSETS Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Opening Balances	251.68	288.82
Add/Less: Deferred Tax Assets created/(written back) through P&L	**78.98**	**(42.40)**
Add/Less: Deferred Tax Assets created/(written back) through OCI	(0.82)	5.26
Total	**329.84**	**251.68**

Note 6: INVENTORIES Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Stock of Foreign Currency at Cost	683.86	854.97
Stock of Foreign Currency Card	8.96	-
Stock held by PML Realtors Pvt. Ltd.	1,616.56	355.25
Total	**2,309.39**	**1,210.22**

Note 7: FINANCIAL ASSETS -CURRENT INVESTMENTS **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Investments measured at Fair Value Through Profit & Loss		
Investment in Mutual Funds Quoted at FVTPL		
Axis Liquid Fund Direct Growth	350.46	-
HDFC LIQUID FUND DP GROWTH OPTION	233.49	-
PMS - Quoted		
Neo Asset Mgmt Yield Enhancer	3,409.26	-
ASK IEP PMS	0.01	50.82
PMS - Unquoted		
Alpha Alternative PMS	3,658.98	-
AIF - Quoted		
Northern Arc Money Market Alpha Trust	1,904.66	-
AIF - Unquoted		
Vivriti Short Term Debt Fund	1,041.60	-
Alpha Alternatives MSAR LLP CAT III AIF	507.80	-
Investments in Listed Non convertible Debentures & Commercial Papers -Quoted at FVTPL		
INDEL MONEY LIMITED 11.25 NCD 17MR27 FVRS1LAC	198.26	-
Muthoottu Mini Finance Limited - CP	1,967.17	-
MUTHOOTTU MINI THEATRES PRIVATE LIMITED_NCD	1,575.31	-
PROFECTUS CAPITAL PRIVATE LIMITED_NCD	524.90	-
Keertana Finserv Pvt Ltd	125.09	-
Sammaan Capital	928.25	-
Satin Finserv Ltd	200.91	-
Navi Finserv Limited	998.48	-
Mufin Green Finance Ltd	603.26	-
MAS Financial Services Ltd	498.74	-
NCD/CP/MLD - Unquoted		
Manipal Health Care Pvt Ltd	1,004.33	-
Whizdm Finance	823.60	-
UGRO Capital Ltd	687.50	-
Vivriti Capital Ltd	500.08	-
Security Receipts - Telephone Cables		
Omkara PS 10/2025-26 Trust Series I	2,082.91	-
Omkara PS 10/2025-26 Trust Series II	1,949.79	-
Total (A)	25,774.83	50.82
Total	**25,774.83**	**50.82**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Aggregate Value of Quoted Investments	13,518.23	-
Aggregate Value of Unquoted Investments	12,256.59	-
Total	**25,774.83**	**-**

Note 8: FINANCIAL ASSETS- TRADE RECEIVABLES

Rs in Lakhs

Particulars	As at 31st Mar 2026					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More Than 3 years	Total
A. Trade receivables						
(i) Undisputed Trade Receivables, considered good	374.55	70.56	15.33	15.82	0.84	477.10
(ii) Undisputed Trade Receivables, considered doubtful	-	-	-	-	-	
(iii) Disputed Trade Receivables, considered good	-	0.80	1.36	-	25.00	27.16
(iv) Disputed Trade Receivables, considered doubtful	-	-	-	-	24.12	24.12
Less: Provision for doubtful debts	-	-	-	-	-	-
	374.55	71.36	16.68	15.82	49.96	528.38
Total	374.55	71.36	16.68	15.82	49.96	528.38

Rs in Lakhs

Particulars	As at 31st Mar 2025					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More Than 3 years	Total
Trade receivables						
(i) Undisputed Trade Receivables, considered good	412.68	91.15	37.45	0.83	0.04	542.14
(ii) Undisputed Trade Receivables, considered doubtful	-	-	-	-	-	
(iii) Disputed Trade Receivables, considered good	-	-	-	-	25.00	25.00
(iv) Disputed Trade Receivables, considered doubtful	-	-	-	-	24.12	24.12
Less: Provision for doubtful debts	-	-	-	-	-	-
	412.68	91.15	37.45	0.83	49.16	591.26
Total	412.68	91.15	37.45	0.83	49.16	591.26

Note 9: FINANCIAL ASSETS -CASH AND CASH EQUIVALENTS **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Cash and cash equivalents		
i) Cash in hand	205.66	168.54
ii) In Current Accounts	2,744.11	1,695.99
	2,949.77	**1,864.53**

Note 10: FINANCIAL ASSETS - BALANCE WITH BANKS OTHER THAN CASH AND CASH EQUIVALENTS **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Other Balances with Banks		
i) In Term Deposit Accounts with > 3 month and <12 months maturity	5,989.75	283.62
ii) In earmarked Term Deposit Accounts		
a. Margin money	31.22	19.54
b. Guarantees & Other Commitments	6.10	5.70
c. For Overdraft Facility	0.00	1,685.19
iii) Unclaimed dividend accounts	0.02	0.02
	6,027.10	**1,994.08**

Note 11: FINANCIAL ASSETS - SHORT TERM LOANS **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Loans and advances		
Secured, Considered Good	17,674.09	1,385.78
	17,674.09	**1,385.78**

Note 12: FINANCIAL ASSETS - SHORT TERM ADVANCES **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Others		
Unsecured, Considered Good		
1. Advances to Other Parties (Net)	407.00	660.11
2. Security Deposits	57.44	83.82
3. Deferred Security deposit	3.68	-
4. Staff Imprest	7.98	0.01
5. Claims Recoverable	-	2.23
Total (B)	**476.11**	**746.18**
Total	**18,150.20**	**2,131.96**

Disclosure pursuant to Note No. VIII (iv) of Division II of Schedule III to the Companies Act, 2013

Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other person or amount due by firms or private companies respectively in which any director is a partner or a director or a member are stated below:

Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Directors	-	-
Other officers of the Company	-	-
Firm in which director is a partner	-	-
Private Company in which director is also a director	-	-
	-	-

Note 13: Current tax Assets **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Balances with government authorities		
a. GST Input Credit	262.61	64.59
b. Advance Tax & TDS (Net of Provision for Tax)	545.75	232.53
Total	**808.36**	**297.13**

Note 14: OTHER CURRENT ASSETS **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Income earned but not received	2.17	9.28
Prepaid expenses	53.12	27.47
Amount Recoverable	197.42	53.12
Less: Provision for Expected credit Loss on Investment	(5.82)	-
Total	**246.89**	**89.88**

Note 15: EQUITY SHARE CAPITAL

A. Authorised, Issued, Subscribed & Paid up Share Capital and Par Value per Share

Rs in Lakhs

Particulars	As at 31st Mar 2026		As at 31st Mar 2025	
	Number	Amount (In Rs. Lakh)	Number	Amount (In Rs. Lakh)
Authorised				
Equity Shares of Rs. 10 each	10,500,000	1,050.00	10,500,000	1,050.00
Issued, Subscribed & fully Paid up				
Equity Shares of Rs. 10 each fully paid (30,84,000 equity shares @ Rs 10 each)	30,84,000	308.40	30,84,000	308.40
Total	**30,84,000**	**308.40**	**30,84,000**	**308.40**

B. Reconciliation of Number of Shares Outstanding at the beginning and end of the year

Particulars	Equity Shares			
	As at 31st Mar 2026		As at 31st Mar 2025	
	Number	Amount (In Rs. Lakh)	Number	Amount (In Rs. Lakh)
Shares outstanding at the beginning of the year	3,084,000	308.40	3,084,000	308.40
Bonus shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	**3,084,000**	**308.40**	**3,084,000**	**308.40**

C. Rights, Preferences and Restrictions attaching to various classes of Shares

Class of Shares	Rights, Preferences and Restrictions attaching to various classes of Shares
Equity Shares	No Special Rights, Preferences & Restrictions Attached

D. Shares in the company held by each shareholder holding more than 5% shares

Name of Shareholder (Mr./Mrs.)	Equity Shares				
	As at 31st Mar 2026		As at 31st Mar 2025		
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	% Change during the year***
Sat Paul Bansal*	556,260	18.04	75,720	2.46	15.58
Sarita Rani Bansal *	556,260	18.04	1,036,800	33.62	(15.58)
Rajneesh Bansal	882,759	28.62	882,759	28.62	-
Paul Excursions LLP*	307,065	9.96	307,065	9.96	-
Total	**2,302,344**	**74.65**	**2,302,344**	**74.65**	**0.00**

* During the year, Smt. Sarita Rani Bansal had transferred 480540 equity shares of the company by way of gift to Sh. SatPaul Bansal

* During the year, Paul Excursions Pvt Ltd get converted into Paul Excursions LLP.

E. Shares in the company held by promoters

Name of Shareholder (Mr./Mrs.)	Equity Shares				
	As at 31st Mar 2026		As at 31st Mar 2025		
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	% Change during the year
Sarita Rani Bansal	556,260	18.04	1,036,800	33.62	(15.58)
Rajneesh Bansal	882,759	28.62	882,759	28.62	-
Sat Paul Bansal	556,260	18.04	75,720	2.46	15.58
Paul Excursions Pvt. Ltd.	307,065	9.96	307,065	9.96	-
Total	**2,302,344**	**74.65**	**2,302,344**	**74.65**	**0.00**

Note 16: OTHER EQUITY

Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025	As at 1st April 2024
A. Securities Premium Account *			
Opening Balance	-	-	-
Add : Securities premium credited on Share issue	-	-	-
Less : Premium Utilized for Bonus issue	-	-	-
Less : Premium transferred to Reserve	-		
Total	-	-	-
Less : Non Controlling Interest	-	-	-
Closing Balance	-	-	-
B. Statutory Reserve			
Opening Balance	2,262.74	2,262.74	2,262.74
(+) Current Year Transfer	6,596.65	-	-
Total	8,859.39	2,262.74	-
Less : Non Controlling Interest	-	-	-
	8,859.39	2,262.74	2,262.74
C. Impairment Reserve			
Opening Balance	573.48	121.48	121.48
(+) Current Year Transfer	45.21	452.00	-
(-) Amount withdrawn during the year pursuant to approval from RBI	(547.12)		
Total	71.57	573.48	121.48
Less : Non Controlling Interest	-	-	-
	71.57	573.48	121.48
D. Reserve and Surplus *			
Opening Balance	59,743.45	53,827.53	53,827.53
(+) Profit for Current Year	26,874.18	6,383.55	-
(-) Utilized for Right Issue Expense	(37.50)	-	
(-) Utilized for Bonus Issue			-
Other Comprehensive Income (net of tax)	2.44	(15.64)	-
Less: Transferred to Statutory Reserves	(6,596.65)	-	-
Less: Transferred to Impairment Reserves	(45.21)	(452.00)	-
Add: Transfer from Impairment Reserve pursuant to approval of RBI	547.12		
Add: Security Premium transferred to Reserve	-		
Add/(Less) : Non Controlling Interest	0.03	-	
Closing Balance	80,487.86	59,743.45	53,827.53
Other Equity Attributable to Owners	89,418.81	62,579.66	56,211.75
NON CONTROLLING INTEREST			
Opening balance of Non Controlling Interest	-	-	
Add: Investment during the period	80.00	-	
Add: Interest on Capital	1.71		
Add/(Less): Profit/(Loss) for the period	(0.03)	-	
Closing Balance	81.68	-	
Total Other Equity	89,500.49	62,579.66	56,211.75

*During the year, the Management reviewed the historical presentation in the consolidated financial statements relating to its wholly owned subsidiary, Paul Merchants Finance Private Limited. Upon review & in accordance with the principles of applicable Ind AS, certain regrouping and streamlining in classification of Securities Premium account have been made. Consequently, an amount of Rs. 75,44,67,882/- pertaining to shares of the said subsidiary that were ultimately acquired by the Holding Company and had been retained in the consolidated financial statements in the previous years specifically financial years 2017-18 and 2018-19 in the Securities Premium account in the consolidated financials, has been retrospectively reclassified from the Securities Premium account to the General Reserve account within Other Equity. This adjustment ensures an appropriate presentation of the reserves & securities premium at the consolidated group level. As both components ie Securities premium & General reserves form part of the Group's 'Other Equity', this retrospective reclassification is entirely neutral and carries no impact on total equity, net assets, net worth, operational profitability, other comprehensive income, or basic and diluted earnings per share for the current or any of the preceding financial years presented in these consolidated financial statements. Further, this has no impact on the standalone financial statements of the parent or the subsidiary company.To maintain comparability as per applicable IND AS, the opening balances as at April 1, 2024, and the comparative figures for the year ended March 31, 2025, have also been retrospectively restated to reflect this.

Note 17: NON CURRENT FINANCIAL LIABILITIES: BORROWINGS **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
SECURED		
A. Non-Current Maturities of Term Loans		
1. From Banks		
a. Car Loans from HDFC	242.29	76.65
(Secured by Hypothecation of Cars)		
b. Car Loans from Kotak Mahindra Prime Ltd	1.69	11.13
(Secured by Hypothecation of Cars)		
2. Debt Securities	-	709.00
Total	**243.98**	**796.78**

Note 18: LEASED LIABILITIES **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Deferred Income	3.26	0.63
Security deposits received	13.84	11.37
Total	**17.10**	**12.00**

Note 19: LONG TERM PROVISIONS **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Provision for employee benefits		
Gratuity - Unfunded	325.96	297.66
Total	**325.96**	**297.66**

CURRENT FINANCIAL LIABILITIES

Note 20: CURRENT FINANCIAL LIABILITIES - BORROWINGS **Rs in Lakhs**

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
A. SECURED		
1. Loans repayable on demand- From Banks		
(i) Cash Credit Facility (CC)	588.10	799.88
(Secured by Inventory and Debtors (future & current) and Mortgage of one Property)		
(ii) WCDL Facility from IDBI (Secured by Current Assets and Debtors (future & current) , Fixed deposit and Personal Guarantee of Directors)	-	600.00
Current maturities of long-term debt		
a. Car Loans from HDFC Bank	180.67	106.17
(Secured by Hypothecation of Cars)		
b. Car Loans from Kotak Mahindra Prime Ltd	9.44	35.58
(Secured by Hypothecation of Cars)		
Total	**778.21**	**1,541.63**

Note 21: FINANCIAL LIABILITIES - TRADE PAYABLES

Rs in Lakhs

Particulars	As at 31st Mar 2026				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Sundry Creditors	**227.22**	**36.46**	**43.65**	**0.68**	**308.01**
Sundry Creditors - Forex					
(i) MSME					
(ii) Others	122.13	33.60	41.64	-	197.37
(iii) Disputed Dues - MSME					
(iv) Disputed Dues - Others					
Sundry Creditors - Travel					
(i) MSME	15.78				15.78
(ii) Others	46.60	2.77	1.49	-	50.86
(iii) Disputed Dues - MSME					
(iv) Disputed Dues - Others					
Sundry Creditors - Others					
(i) MSME	20.67	-	-	-	20.67
(ii) Others	22.04	0.09	0.52	0.68	23.34
(iii) Disputed Dues - MSME					
(iv) Disputed Dues - Others					
Total	**227.22**	**36.46**	**43.65**	**0.68**	**308.01**

Rs in Lakhs

Particulars	As at 31st Mar 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Sundry Creditors	**144.46**	**44.48**	**14.20**	**1.58**	**204.72**
Sundry Creditors - Forex					
(i) MSME					
(ii) Others	72.83	42.36	13.45	0.90	129.53
(iii) Disputed Dues - MSME					
(iv) Disputed Dues - Others					
Sundry Creditors - Travel					
(i) MSME	1.18				1.18
(ii) Others	56.18	2.12	0.76	-	59.05
(iii) Disputed Dues - MSME					
(iv) Disputed Dues - Others					
Sundry Creditors - Others					
(i) MSME	1.59	-	-	-	1.59
(ii) Others	12.69	-	-	0.68	13.37
(iii) Disputed Dues - MSME					
(iv) Disputed Dues - Others					
Security deposits- Rent					
Total	**144.46**	**44.48**	**14.20**	**1.58**	**204.72**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31st March, 2026. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Disclosure under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31st Mar 2026 Amount (In Rs.)	As at 31st Mar 2025 Amount (In Rs.)
(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	NIL	NIL
(ii) the amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
(iii)the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act	NIL	NIL
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year	NIL	NIL
(v) the amount of 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	NIL	NIL

Note 22: OTHER SHORT TERM FINANCIAL LIABILITIES Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
(a) Security deposits	3.20	3.20
(b) Stautory Payables		
(i) PF Payable	16.81	11.92
(ii) ESI Payable	0.49	0.62
(iii) TDS Payable	67.81	38.14
(iv) TCS Payable	6.04	113.01
(v) GST Payable	65.01	41.96
(c) Expenses Payable	657.31	877.89
(d) Unclaimed dividends	0.02	0.02
(e) Other payables	176.72	392.18
Total	**993.41**	**1,478.94**

Note 23: OTHER CURRENT LIABILITIES Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Revenue Received in Advance	1,147.71	1,159.96
Advance received against Sale of Property	50.00	-
Total	**1,197.71**	**1,159.96**

Disclosure under Rule 16A of the Companies (Acceptance of Deposits) Rules, 2014

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
Advance Received from Directors	NIL	NIL
Advance Received from relatives of Directors	NIL	NIL

Note 24: SHORT TERMS PROVISIONS Rs in Lakhs

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
(a) Provision for employee benefits	247.55	228.02
Gratuity - Unfunded	96.72	88.11
Leave Encashment	46.47	37.36
Bonus	104.37	102.56
(b) Others		
Provision for Taxes	-	-
Provision for NPA (Stage 3)	34.29	-
Provision on standard assets (Stage 1 & 2)	50.79	-
Total	**332.64**	**228.02**

Previous year figures has been regrouped/rearranged whereever necessary.

Note 25: REVENUE FROM OPERATIONS | Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Sale of Services		
Foreign Exchange	203,969.52	330,344.16
FX Service Charges	170.73	316.32
Sale of Foreign Currency Card	0.04	
Sales of Hotel Bookings & Packages	304.46	490.13
Revenue from Air Ticketing	158.10	161.31
Revenue from Hotel Bookings & Packages	37.88	29.46
Revenue from Visa ,Bus Bookings,Railway	13.11	17.40
Interest Income -Paul Merchants Finance Pvt Limited	1,603.51	0.83
Income from Domestic Money Transfer Service	-	0.18
Sale of Property - PML Realtors Private Limited	-	562.00
Total - Sale of Services	206,257.35	331,921.79
Other Operating Revenues		
Rewards & Incentives	71.31	82.26
-Travel Incentive	28.73	51.87
- Credit Card Incentive	42.58	30.39
Credit Card Encashment	74.33	57.32
Other Service charges	**959.80**	**1,406.26**
Commission Income--Paul Merchants Finance Pvt Limited	90.48	50.81
AD-1 Referral - Commission	696.67	1,224.83
Commission from Foreign Banks	33.24	94.26
'Collection Fees from MTFX	23.09	-
International Money Transfer- Commission	24.58	26.62
Domestic Money Transfer - Commission	7.66	9.72
Processing Fees	84.05	-
Franchisee Fees	0.03	0.03
Total - Other Operating Revenues	1,105.44	1,545.85
Total Revenue From Operations	**207,362.79**	**333,467.64**

Note 26: OTHER INCOME | Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
A. Interest Income		
1. Interest on Bank Deposits	428.44	96.36
2. Other Interest	1,467.32	58.94
3. Interest on Income Tax Refund	0.00	7.98
B. Dividend Income	0.61	0.70
C. Net Gain on Sale/Fair Valuation of investments	**1,696.05**	**(5.26)**
1. Realized Gain on Sale of investments	1,900.05	(10.35)
2. Net Unrealized gain/ (loss) on financial instruments at fair value through profit or loss	(204.00)	5.10
D. Other non-operating income	**489.77**	**166.80**
1. Rental Income	152.83	53.44
2. Profit on sale of Fixed Assets	95.42	3.75
3. Miscellaneous Income	159.68	88.08
4.Fair Valuation gain on Financial Assets	3.90	0.71
5.Changes in Inventory (WIP converted to Intangible Asset)	-	20.81
6.Share in liability towards Loss incurred by Joint Venture	77.94	-
Total	**4,082.20**	**325.52**

Note 27: Purchase of Foreign Exchange and Services — Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Foreign Exchange	200,356.27	324,511.75
Purchase of Blank Card Stock	9.00	
Hotel Bookings & Packages	274.36	441.23
Total	**200,639.63**	**324,952.98**

Previous year figures has been regrouped/rearranged whereever necessary.

Note 28: Changes in Inventories of Stock in Trade — Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
A. Foreign Exchange & Others		
Opening Stock	854.97	816.51
Closing Stock	692.82	854.97
Net Decrease/(Increase) - A	**162.15**	**(38.46)**
B. Realtors - Property Inventory		
Opening Stock	355.25	675.99
Add: Purchases during the year	1,898.26	162.97
Less: Converted into Investment Property	674.87	-
Less: Closing Stock	1,616.56	355.25
Net Decrease/(Increase) - B	**(37.92)**	**483.71**
NET DECREASE/(INCREASE)	**124.23**	**445.24**

Previous year figures has been regrouped/rearranged whereever necessary.

Note 29: DIRECT EXPENSES — Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
COMMISSION AND INCENTIVES	**2,447.82**	**4,715.46**
Forex Agents -AD II	2,091.40	4,102.54
Forex Agents - AD I Referral	307.35	564.79
Agent Commission for Reffering Foreign Bank A/c	10.68	42.88
Travel agent	1.26	4.27
Commission --Paul Merchants Finance Pvt Limited	37.14	0.98
OTHER SERVICE CHARGES		
Master Card Charges	14.09	-
Total	**2,461.91**	**4,715.46**

Note 30: OFFICE & ADMINISTRATIVE EXPENSES — Rs in Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Bad Debts and Balances Written Off	5.82	0.00
Brokerage	1.70	-
Communication Expenses	41.27	38.76
Computer Expenses	159.69	104.07
Conference Expenses	73.76	40.43
Conveyance Expenses	74.98	28.08
Generator Running Expenses	1.31	2.14
Insurance	26.79	27.33
Legal, Professional & Outsourcing	370.55	175.53
Statutory Audit Fees	3.30	2.10
Tax Audit Fees	1.55	1.05
Postage & Telegram	10.00	12.04
Power and Water Expenses	41.88	46.40
Printing and stationery	15.20	14.38
Rates and taxes	33.39	25.43
Rent	262.51	242.61
Repairs and maintenance	291.17	170.51
Office maintenance	5.20	8.41
Security Services	21.28	22.44
Travelling Expenses	70.11	64.67
Vehicle Running & Maintenances	35.22	29.13
Portfolio Management Services	3.24	32.63
Preliminary Expense	-	-
Provision for Impairment of Loan Asset	35.09	-
Cashfree Chargeback/Dispute Lost	-	0.39
Office Expenses	0.24	2.32
Total	**1,585.24**	**1,090.84**

Payments to the auditor as	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Statutory Audit Fees	3.30	2.10
Tax Audit Fees	1.55	1.05
Certification Charges	1.50	1.50
Total	**6.35**	**4.65**

Note 31: EMPLOYEE BENEFIT EXPENSES **Rs in Lakhs**

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Salaries & Benefits	3,395.28	2,467.15
Salaries & Allowances	3,265.42	2,359.12
Bonus	85.77	72.44
Leave Encashment	44.09	35.59
Contributions to:		
(i) Provident Fund	90.07	82.98
(ii) ESI	4.55	6.05
(iii) NPS	21.51	3.87
Gratuity	63.20	53.12
Staff welfare expenses	159.54	76.17
Total	**3,734.15**	**2,689.35**

Note 32: FINANCE COSTS **Rs in Lakhs**

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Interest Expenses:		
Interest on Demand Loans	43.64	65.46
Interest on Term Loans	-	2.32
Interest on NCD	23.80	72.01
Interest on Car Loans	13.25	24.88
Notional Interest on Security Deposit	3.90	0.71
Other Finance Expenses:		
Bank Charges	20.39	26.15
Credit Card Charges	2.82	4.05
Total	**107.79**	**195.58**

Note 33: SALES PROMOTION EXPENSES **Rs in Lakhs**

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Advertisement & Publicity	99.63	84.29
Business Promotion	63.41	77.88
Total	**163.04**	**162.17**

Note 34: CSR- CORPORATE SOCIAL RESPONSIBILITY **Rs in Lakhs**

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
A) Amount Spent During the year	**Amount Paid**	**Amount Paid**
Animal Welfare	1.83	-
Promoting Healthcare	33.06	2.34
Eradicating hunger	36.72	7.06
Employment enhancing Vocation skills	0.83	0.76
Promoting education	41.49	48.16
Setting up of old age home and Day care centre	6.92	-
Administrative overheads(including Salary of one employee dedicated for CSR activities)	0.10	0.91
B) AMOUNT YET TO BE PAID	-	NIL
Total	120.94	59.22

Note 35: OTHER EXPENSES **Rs in Lakhs**

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Donations	21.84	4.30
Provision for Expected Credit Loss	43.11	45.62
Gain/Loss on Exchange Rate Fluctuation	-	14.25
Fees & Subscriptions	16.02	16.37
Interest on Capital- Realtors	1.90	-
Total	**82.87**	**80.54**

Note 36: EXCEPTIONAL ITEMS **Rs in Lakhs**

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Penalty by Enforcement Directorate	5.00	-
RBI Penalties A/c	-	125.90

The Company has received an order dated October 6, 2025 from the Directorate of Enforcement, New Delhi, imposing a cautionary penalty of Rs. 5,00,000 under Section 13(1) of FEMA, 1999 for alleged contravention of Section 10(5) of FEMA read with RBI KYC Master Directions. There is no material effect on the Company's financial or operational activities. The amount has been recorded under Exceptional items.

Note 37: DISCONTINUED OPERATIONS- Rs. In Lakhs

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Revenue from Discontinued Operations		
Interest Income -Paul Merchants Finance Pvt Limited	4,757.66	20,891.68
Gain on assignment of financial asset **	7.27	560.39
Commission Income--Paul Merchants Finance Pvt Limited	101.12	371.60
Total Revenue From Operations	**4,866.06**	**21,823.66**
Other Income	28,658.48	143.83
Total Income	**33,524.55**	**21,967.48**
Expenses		
(i)Office & Administrative Expenses	416.35	2,335.20
(ii) Employee Benefits Expenses	751.23	3,879.55
(iii) Finance Costs	2,031.96	5,790.80
(iv) Sales Promotion Expenses	1.90	36.28
(v) Corporate Social Responsibility Expenses	-	51.03
(vi) Others expenses	-	-
(vii) Depreciation, amortization and impairment	(9.68)	253.35
Total Expenses	**3,191.77**	**12,346.21**
Profit before exceptional & extraordinary items & tax from Discontinued Operations	**30,332.77**	**9,621.28**
Exceptional Items	-	-
Prior Period Items	-	-
Profit before tax from Discontinued Operations	**30,332.77**	**9,621.28**
Tax Expense:		
(1) Current tax	4,380.05	1,949.70
(2) Prior period taxes	-	-
(3) Deferred tax	(15.98)	59.35
Profit/(Loss) for the period from discontinued operations	**25,968.70**	**7,612.23**
OTHER COMPREHENSIVE INCOME		
A(i) Items that will not be reclassified to profit or loss-Remeasurement Gain(Loss) on defined employee benefit plans	(2.40)	8.17
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.61	(2.06)
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		
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**25,966.90**	**7,618.34**

Note 38: OTHER COMPREHENSIVE INCOME **Rs in Lakhs**

Particulars	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
Remeasurement (Gain)Loss on defined benefit obligations	(3.26)	20.90
Income tax relating to above	0.82	(5.26)
Remeasurement Loss on defined benefit obligations (net of Tax)	**(2.44)**	**15.64**

Note 39. MANAGERIAL REMUNERATION

During the year the company incurred an expense towards managerial remuneration as detailed below:

Name of Director	Designation	For the Year ended 31st Mar 2026 Rs. In Lakhs	For the Year ended 31st Mar 2025 Rs. In Lakhs
Mr. Sat Paul Bansal	Chairman & Managing Director-Paul Merchants Finance Pvt Ltd.	2010.00	360.00
Mr. Rajneesh Bansal	Managing Director-Paul Merchants Limited	360.00	336.09
Mrs. Sarita Rani Bansal	Whole Time Director-Paul Merchants Finance Pvt. Ltd & Non Executive Director-Paul Merchants Ltd.	548.00	36.00
Mr. Ritesh Vaid	Designated Director-Paul Merchants Limited	31.67	30.12
Mr. Shaibu Cherian	Whole Time Director-Paul Merchants Finance Pvt. Ltd.	48.13	36.39
Total		2997.80	798.60

Note 40. CONTINGENT LIABILITY NOT PROVIDED FOR

Particulars	As at 31st Mar 2026 Rs. In Lakhs	As at 31st Mar 2025 Rs. In Lakhs
Claims against company not acknowledged as Debt	52.66	55.62
Outstanding Bank Guarantees	90.00	100.00
Corporate Guarantee in Respect of OD Limits taken by Paul Merchants Finance Private Limited	4,580.00	118,730.00
Income Tax Demand pending before CIT(A) A.Y. 2015-16	97.50	97.50
Demand by Enforcement Directorate	397.20	545.20
Total	5,217.35	119,528.32

Note 41. Earnings per Share **(Rs. In Lakhs)**

Particulars	As at 31st Mar 2026 Rs. In Lakhs	As at 31st Mar 2025 Rs. In Lakhs
Earnings per Share- Continuing Operations		
Net Profit for the Year (*Rs.*)	905.49	-1,228.68
Number of Equity Shares (*Nos.*)	30.84	30.84
Basic & Diluted EPS (*Rs per Share*)	29.36	-39.84
Earnings per Share - Discontinued Operations		
Net Profit for the Year (*Rs.*)	25,968.70	7,612.23
Number of Equity Shares (*Nos.*)	30.84	30.84
Basic & Diluted EPS (*Rs per Share*)	842.05	246.83
Earnings per Share - Continuing and Discontinued Operations		
Net Profit for the Year (*Rs.*)	26,874.18	6,383.55
Number of Equity Shares (*Nos.*)	30.84	30.84
Basic & Diluted EPS (*Rs per Share*)	871.41	206.99

Note 42. Related Party Disclosures

(Disclosure as per *Ind AS 24)*

A. List of Related Parties

Name of Related Party	Relationship
Sandeep Bansal	Relative of Director
Rajneesh Bansal	Managing Director
Ritesh Vaid	Designated Whole Time Director
Nita Bansal	Relative of Director
Sakshi	Key Management Personnel- CFO
Hardam Singh	Key Management Personnel- CS
Hardik Bansal	Relative of Director
PRIYA JAIN	Relative of Director
Shivani Sharma	Company Secretary of Paul Merchants Finance P ltd. (resigned w.e.f 07.11.2025)
Arju Rana	Company Secretary of Paul Merchants Finance P ltd. (Joined w.e.f 10.11.2025)
Ms. Gagandeep Kaur	Company Secretary of Paul Merchants Realtors Pvt Ltd. (Formerly Known as PML Realtors P ltd. (resigned w.e.f 12.02.2026)
Ms. Krati Saluja	Company Secretary of Paul Merchants Realtors Pvt Ltd. (Formerly Knows as PML Realtors P ltd. (Joined w.e.f 09.03.2026)
Mrs. Aarti Markan	Chief Financial Officer of Paul Merchants Finance P ltd.
Mr. Rajeev Kumar Rana	Chief Financial Officer of Paul Merchants Realtors Pvt Ltd. (Formerly Knows as PML Realtors P Ltd.)
Sh. Shaibu Geevarghese Cherian	Whole Time Director of Paul Merchants Finance P ltd.
Paul Merchants Finance Private Limited	Wholly Owned Subsidiary
Sat Paul Bansal	Chairman & Managing Director of Paul Merchants Finance Pvt. Ltd.
Aastha Bansal	Relative of Director
Sarita Rani Bansal	Whole Time Director of Paul Merchants Finance Pvt. Ltd.
Bright Cove Goods	Firm in which relative of director is partner
Bosna Digital Entertainment Private Limited	Private Company in which relative of directors are directors and shareholders
Paul Merchants Realtors Pvt Ltd. (Formerly Knows as PML Realtors Private Limited)	Wholly Owned Subsidiary
Pitaara Entertainment Private Limited.	Private company in which directors of the company are Directors.
Divya Broadcasting Network Private Limited	Private Limited Company in which relatives of Directors are Directors and Shareholders
Paul Merchants Jewels & Metals LLP	LLP owned or significantly influenced by Key Management Personnel or Director or their relatives
Infotechture Solutions Private Limited (formerly Paul Instacred Private Limited)	Private Company owned or significantly influenced by Key Management Personnel or their relatives
Paul Fincare Private Limited	Private Limited Company in which relatives of Directors are Directors and Shareholders
Paul Landscape Realtors LLP	One of the Director of the Company is the Partner in the LLP
Paul Infotech Private Limited	Wholly Owned Subsidiary
Valuefin India Credit Services Private Limited	Private Limited Company in which relatives of Directors are Directors
SSBRO Infra Surge LLP	One of the Director of the Company is the Partner in the LLP
Magical Vacation Travel & Tourism LLC	Limited Liability Corporation in which Managing Director of company is Partner & Manager

B. Related Party Transactions in Ordinary Course of Business **For the Year ended 31st March 2026** **(Rs. In Lakhs)**

Nature of Transaction	Directors	Key Management Personnel	Relative of Directors	Related Party	Total
Managerial Remuneration - Whole Time Directors	2,997.80	-	-	-	**2,997.80**
Remuneration - KMPs*	-	121.88	-	-	**121.88**
Remuneration			31.15		**31.15**
Rent Paid for Premises	21.54	-	-	-	**21.54**
Rent Received	-	-	-	5.49	**5.49**
Commission paid for cross reference Sales	-	-	-	0.02	**0.02**
Purchase of Goods/Services	500.00	-	-	10.50	**510.50**
Sale of Goods/Services	30.27	-	31.86	140.51	**202.64**
Loan & Advance from Related Party	-	-	-	500.00	**500.00**
Additional Borrowing from director	30.00	-	-	-	**30.00**
Additional Borrowing from Chairman & Managing Director	38.00	-	-	-	**38.00**
Additional Borrowing from Whole-time Director	20.00	-	-	-	**20.00**
Interest Exp on borrowing from director	0.20	-	-	-	**0.20**
Interest Exp on borrowing from Chairman & Managing Director	1.44	-	-	-	**1.44**
Interest Exp on borrowing from Whole-time Director	0.28	-	-	-	**0.28**
Loan & Advance repaid to Director	30.00	-	-	-	**30.00**
Loan & Advance repaid to Chairman & Managing Director	113.00	-	-	-	**113.00**
Loan & Advance repaid to Whole-time Director	29.00	-	-	-	**29.00**
Loan & Advance given to related party	-	-	-	13.46	**13.46**
Loan & Advance repaid by related party	-	-	-	540.00	**540.00**
EMI From KMPs	-	6.12	-	-	**6.12**
Expense paid on behalf of related party	-	-	-	0.25	**0.25**
Loan & Advance repaid by KMP	3.18	-	-	-	**3.18**
Interest income on Loan & Advances given to related party	-	-	-	0.03	**0.03**
Interest income on Loan & Advances given to KMP	0.55	-	-	-	**0.55**
TOTAL	3,815.27	128.00	63.01	1,210.26	**5,216.55**

There are no transactions with related parties, which are not in ordinary course of business or not at arm's length.

Please refer to Note 1 ,7 & 40 for details on Securities/Assets pledged and Corporate Guarantee given for Sanction of credit facility in Paul Merchants Finance Private Limited from Tata Capital Ltd.

C. Related Party Transactions in Ordinary Course of Business for the Previous Year ended 31st March 2025 **(Rs. In Lakhs)**

Nature of Transaction	Directors	Key Management Personnel	Relative of Directors	Related Party	Total
Managerial Remuneration - Whole Time Directors	798.61				798.61
Remuneration - KMPs*		111.80	18.00	-	129.80
Rent Paid for Premises	23.99				23.99
Rent Received	-	-		5.11	5.11
Commission for cross reference Sales	-	-		4.28	4.28
Commission received for cross reference sale				1.91	1.91
Sale of Goods/Services	14.44		44.27	137.05	195.76
Additional Borrowing from director	412.00				412.00
Additional Borrowing from Chairman & Managing Director	189.50				189.50
Additional Borrowing from Whole-time Director	19.00				19.00
Interest Exp on borrowing from director	9.28				9.28
Interest Exp on borrowing from Chairman & Managing Director	6.95				6.95
Interest Exp on borrowing from Whole-time Director	0.22				0.22
Loan & Advance repaid to Director	475.50				475.50
Loan & Advance repaid to Chairman & Managing Director	156.50				156.50
Loan & Advance repaid to Whole-time Director	10.00				10.00
Loan & Advance repaid by related party				135.00	135.00
EMI From KMPs		2.54			2.54
Advance to KMP					-
Loan & Advance repaid by KMP	2.91	2.60			5.51
Interest income on Loan & Advances given to related party				17.75	17.75
Interest income on Loan & Advances given to Whole Time Director					-
Interest income on Loan & Advances given to KMP	0.83				0.83
Advance paid to Whole Time Director					-
TOTAL	2,119.72	116.94	62.27	301.10	2,600.03

Note 43. Deferred Tax

(*As per IND AS 12 Income taxes*) **(Rs. In Lakhs)**

Deferred Tax Assets on Account of Timing Differences	As at 01.04.2025	Arising During the Year	As at 31.03.2026
Depreciation	92.12	(51.59)	40.53
Provision for Gratuity	119.57	(13.19)	106.38
Provision for Bonus	45.99	(19.73)	26.27
Provision for Leave encashment	-	-	-
Unrealized Loss on Investments	-	44.83	44.83
Interest cost on Car Loan	(0.20)	(0.01)	(0.21)
Impairment Loss	84.42	(14.70)	69.72
Payable related to direct Assignment	38.41	(38.41)	-
IndAS Adjustment	(123.66)	123.66	-
Loans	-	43.38	43.38
Investments	-	(1.03)	(1.03)
Unrealized Gain on Investments	(4.97)	4.94	(0.03)
Net Deferred Tax Asset Continued Operations	**251.68**	**78.16**	**329.84**
Discontinued Operations	-	(17.98)	(17.98)
Net Deferred Tax Asset	**251.68**	**60.18**	**311.86**

Note 44. Segment Reporting

As per IND AS-108 on Segment Reporting, segment Information is provided below:

(Rs in Lakhs)

Sr. No	PARTICULARS	For the Year ended 31st Mar 2026	For the Year ended 31st March 2025
1	**Segment Revenue**		
(a)	Forex	205,010.22	332,067.31
(b)	Travel	542.28	750.17
(c)	Gold Loan (Discontinued)	4,866.06	21,823.66
(d)	Other Loans (Other than Gold Loan)	1,704.96	0.00
(e)	Others	105.33	650.15
	Total	**212,228.85**	**355,291.30**
	Less: Inter Segment Revenue		
(a)	Forex	0.00	0.00
(b)	Travel	0.00	0.00
(c)	Gold Loan (Discontinued)	0.00	0.00
(d)	Other Loans (Other than Gold Loan)	0.00	0.00
(e)	Others	0.00	0.00
	Net sales/Income From Operations	**212,228.85**	**355,291.30**
2	**Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)**		
(a)	Forex	-542.30	-49.75
(b)	Travel	-13.45	9.18
(c)	Gold Loan (Discontinued)	3,706.25	15,268.25
(d)	Other Loans (Other than Gold Loan)	-566.44	0.00
(e)	Others	-232.89	-312.70
	Total	**2,351.16**	**14,914.98**
	Less:		
i)	Interest	2,139.75	5,986.38
ii)	Other Un-allocable Expenditure net off	747.04	881.27
iii)	Un-allocable income	32,740.68	469.35
	Total Profit Before Tax	**32,205.06**	**8,516.67**
	Segment - International Money Transfer (Discontinued)		
	Total Profit Before Tax (Continuing and Discontinued Operations)	**32,205.06**	**8,516.67**
3	**Segment Assets**		
(a)	Segment - Forex	3,098.34	3,557.39
(b)	Segment - Travel	362.79	465.89
(c)	Segment - Gold Loan (Discontinued)	0.00	143,783.69
(d)	Segment - Other Loans (Other than Gold Loan)	61,631.38	0.00
(e)	Segment - Others	0.00	0.00
(f)	Unallocated Assets	28,913.39	10,923.39
	Total	**94,005.90**	**158,730.35**
4	**Segment Liabilites**		
(a)	Segment - Forex	1,377.81	2,702.09
(b)	Segment - Travel	95.34	121.64
(c)	Segment - Gold Loan (Discontinued)	0.00	90,122.57
(d)	Segment - Other Loans (Other than Gold Loan)	790.86	0.00
(e)	Segment - Others	0.00	0.00
(f)	Unallocated Liabilties	1,933.00	2,896.00
	Total	**4,197.01**	**95,842.29**
5	**Capital Employed**		
(a)	Forex	1,720.53	855.30
(b)	Travel	267.45	344.25
(c)	Segment - Gold Loan (Discontinued)	0.00	53,661.12
(d)	Segment - Other Loans (Other than Gold Loan)	60,840.52	0.00
(e)	Others	0.00	0.00
(f)	Unallocated Assets	28,913.39	10,923.39
(g)	Unallocated Liabilities	1,933.00	2,896.00
	Total	**89,808.89**	**62,888.06**

Previous year figures has been regrouped/rearranged whereever necessary.

Note 45. Additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements

Amount (Rs in Lakhs)

Name of the Company	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in comprehensive income		Share in Total comprehensive Income	
	as %age of consolidated net assets	Amount (Rs in Lakhs)	as %age of consolidated profit or loss	Amount (Rs in Lakhs)	as %age of consolidated other comprehensive income	Amount	as %age of consolidated total comprehensive income	Amount (Rs in Lakhs)
Paul Merchant Limited	**41.46%**	**49,522.46**	**4.64%**	**1,319.14**	**324.12%**	**7.91**	**4.67%**	**1,327.05**
Subsidiary Companies:		-		-				
Paul Merchants Finance Private Limited	51.35%	61,334.67	94.67%	26,923.85	-224.12%	(5.47)	94.64%	26,918.38
Paul Merchants Realtors Private Limited	7.17%	8,569.51	0.71%	202.99	0.00%	-	0.71%	202.99
Paul Infotech Private Limited	0.02%	21.36	-0.01%	(2.38)		-	-0.01%	(2.38)
Joint Venture (Investment as per Equity Method):								
SSBRO INFRA	0%		0%	(2.80)			0%	(2.80)
Sub Total	**100%**	**119,447.99**	**100%**	**28,440.80**	**100%**	**2.44**	**100%**	**28,443.24**
Adjustments arising out of consolidation		(29,720.78)		(1,566.62)				(1,566.62)
TOTAL		**89,727.21**		**26,874.18**		**2.44**		**26,876.62**

Note 46. Financial Ratios

Particulars	As at 31st March 2026	As at 31st March 2025	% Change during the year	Numerator	Denominator	Reasons for change
(a) Current Ratio	15.73	1.78	781.90	Current Assets	Current Liabilities	Current ratio improved as compared to last year due to increse in current investments and Loans
(b) Debt - Equity Ratio	1.14%	3.72%	-69.36	Borrowings	Equity	The ratio has improved as compared to last year due to decrease in borrowings and increase in Net worth
(c) Debt Service Coverage Ratio	109.54	29.16	275.60	Profit After tax, depreciation & interest	Interest Expense	The ratio has improved as compared to last year due to increase in profits and reduction in loan liabilities
(d) Return on Equity Ratio	29.95%	10.15%	195.06	Profit after tax	Equity	The ratio has improved as compared to last year due to increase in profit and Net worth
(e) Inventory turnover Ratio	19.15	30.66	-37.54	Purchases	Average Inventory	Purchases reduced as compared to previous year
(f) Trade Receivables turnover Ratio	3.96	4.54	-12.61	Credit sales during the year	Average Trade Receivables	
(g) Trade payables turnover Ratio	3.01	3.28	-8.13	Credit purchase during the year	Average Trade Payable	
(h) Net Capital turnover ratio	3.90	92.20	-95.77	Revenue from operations	Working Capital (CA-CL)	The ratio has come down due to low revenue and high net working capital
(i) Net profit Ratio	0.43%	-0.37%	-216.70	Profit after tax	Total Income	The ratio has improved as compared to last year due to increase in profits
(j) Return on Capital employed	2.14%	-1.36%	-257.42	EBIT	Capital Employed	The ratio has improved as compared to last year due to increase in Earnings before interest and tax
(k) Return on investment	10.35%	24.27%	-57.36	Interest & dividend income from investments	Current & Non current investment	Interest & Dividend income lower as compared to investment un current Financial Year

Note 47. Other Notes

a Balance under Sundry Debtors, Sundry Creditors, Loans & Advances and Other Receivable and Payables are subject to confirmation and reconciliation.

b The previous Year figures have been regrouped/re-classified/re-stated wherever necessary to conform with the current presentation.

c Notes form integral part of Accounts for the year ending 31st March 2026

d The company has availed finance facilities from banks and other financial institutions against security of current assets and the quarterly statements submitted to bank in respect of the same are in agreement with the books of accounts. Further all banking facilities obtained by the company during the year have been utilised for the specified purposes only. All charges in respect of the finance facilities have also been duly registered with the Registrar of Companies within specified time under the Companies Act 2013.

e The company confirms that title deeds of all immovable properties accounted in the financial statements are held in name of the company. No proceedings are pending against the Company for holding any Benami property under the Benami Property (Prohibition) Act ,1988 (45 of 1988)and the rules made thereunder.

f The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

g The company does not have any transaction with the Strike Off Companies in the Financial Year.

h No registration or satisfaction of charges are pending to be filed with ROC.

i There are no undisclosed income /transactions which has been surrendered during the year as per income tax act,1961

j The company has not traded or invested in crypto currency or virtual currency during the financial year.

k There is no scheme of Amalgamation/Merger is approved by Court/NCLT, as no such case for Amalgamation/Merger related to company is pending before any Court/NCLT.

l Additional information pursuant to Schedule III Division II part I & II of the Companies Act. 2013 other than stated above is either NIL or Not Applicable.

PLACE: CHANDIGARH
Dated : 27.05.2026

AUDITOR'S REPORT:
As per our Separate Report of the Even Date

For & on Behalf of Board of Directors

SD/-
RITESH VAID
Whole Time Director
DIN- 09433856
H. No. 17/2,Sigma City-1
Lohgarh Road,Zirakpur

SD/-
RAJNEESH BANSAL
Managing Director
DIN-00077230
H. No. 749,
Sec 8, Chandigarh

SD/-
HARDAM SINGH
Company Secretary
FCS-5046
H. No. 2007, Sector-89C.
Mohali-160055

SD/-
SAKSHI
Chief Financial Officer
FCA-419986
H. No. 580, Sec-12,
Panchkula

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS (FRN-011106N)
SCO 823-824, FF, Sector-22 Chandigarh.
(FRN – 011106N)

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:26091756ESDHPX1924

Paul Merchants Ltd.®