

**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/2025/112
Date: August 22, 2025

SUB: - 41st Annual Report of the Company for Financial Year 2024-25

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 41st Annual General Meeting of the Company is scheduled to be held on Friday, the 19th day of September, 2025 at 12.00 Noon (IST) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) in compliance with the Ministry of Corporate Affairs (MCA) vide its General Circular No. 09/2024 dated September 19, 2024 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 and SEBI vide its Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 read over with all its earlier circulars 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, please find attached herewith the Annual Report of the Company for the Financial Year 2024-25 including the Notice of the 41st Annual General Meeting of the Company.

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



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Thanking You.

Yours faithfully,

For **PAUL MERCHANTS LIMITED,**

(HARDAM SINGH)
COMPANY SECRETARY & COMPLIANCE OFFICER
FCS 5046

Encl: Annual Report of the Company for the FY 2024-25

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
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**41st ANNUAL REPORT
FOR THE YEAR ENDED
31st MARCH, 2025**



PAUL MERCHANTS LTD.[®]
(An ISO 9001:2008 Certified Co.) (CIN: L74900DL1984PLC018679)

www.paulmerchants.net



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CORPORATE INFORMATION

<p>BOARD OF DIRECTORS</p> <p>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</p> <p>REGISTERED OFFICE</p> <p>DSM 335, 336, 337, 3rd Floor, DLF Tower, 15, Shivaji Marg, Najafgarh Road, New Delhi -110015 TEL: 011-47529460 EMAIL: info@paulmerchants.net</p> <p>CORPORATE OFFICE</p> <p>PML House, SCO 829-830, Sector 22-A, Chandigarh - 160 022 TEL: 0172-5041786, 5025090 EMAIL- info@paulmerchants.net WEBSITE: www.paulmerchants.net</p> <p>CIN: L74900DL1984PLC018679</p> <p>WHOLLY OWNED SUBSIDIARIES</p> <p>PML Realtors (Pvt) Ltd Paul Merchants Finance (Pvt) Ltd Paul Infotech (Pvt) Ltd</p> <p>Stock Exchange – BSE Ltd.</p>	<p>STATUTORY AUDITORS</p> <p>M/s Rajiv Goel and Associates, Chartered Accountants, S.C.O. 823-24, FF, Sector 22-A, Chandigarh (Firm Regn. No. 011106N)</p> <p>INTERNAL AUDITOR</p> <p>CA Aarti Markan (FCA 502300)</p> <p>SECRETARIAL AUDITOR</p> <p>M/s Anil Negi & Company, Company Secretary (ACS 46547, CP No. 17213)</p> <p>CHIEF FINANCIAL OFFICER</p> <p>CA Sakshi (FCA 419986)</p> <p>COMPANY SECRETARY AND COMPLIANCE OFFICER</p> <p>CS Hardam Singh (FCS 5046)</p> <p>PRINCIPAL BANKERS</p> <p>HDFC Bank IDBI Bank IndusInd Bank ICICI Bank IDFC First Bank State Bank of India Axis Bank</p> <p>REGISTRAR & TRANSFER AGENT</p> <p>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</p>
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YEAR 2024-25 – AT A GLANCE (ON STAND ALONE BASIS)

Gross Revenues from Operations

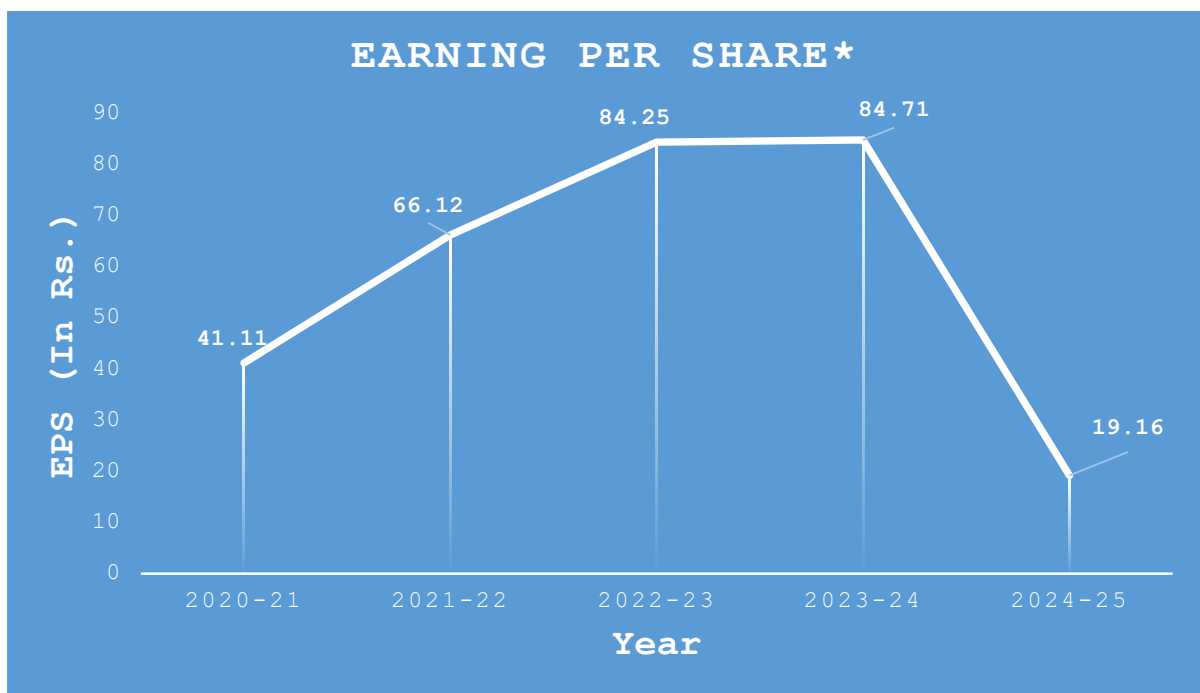
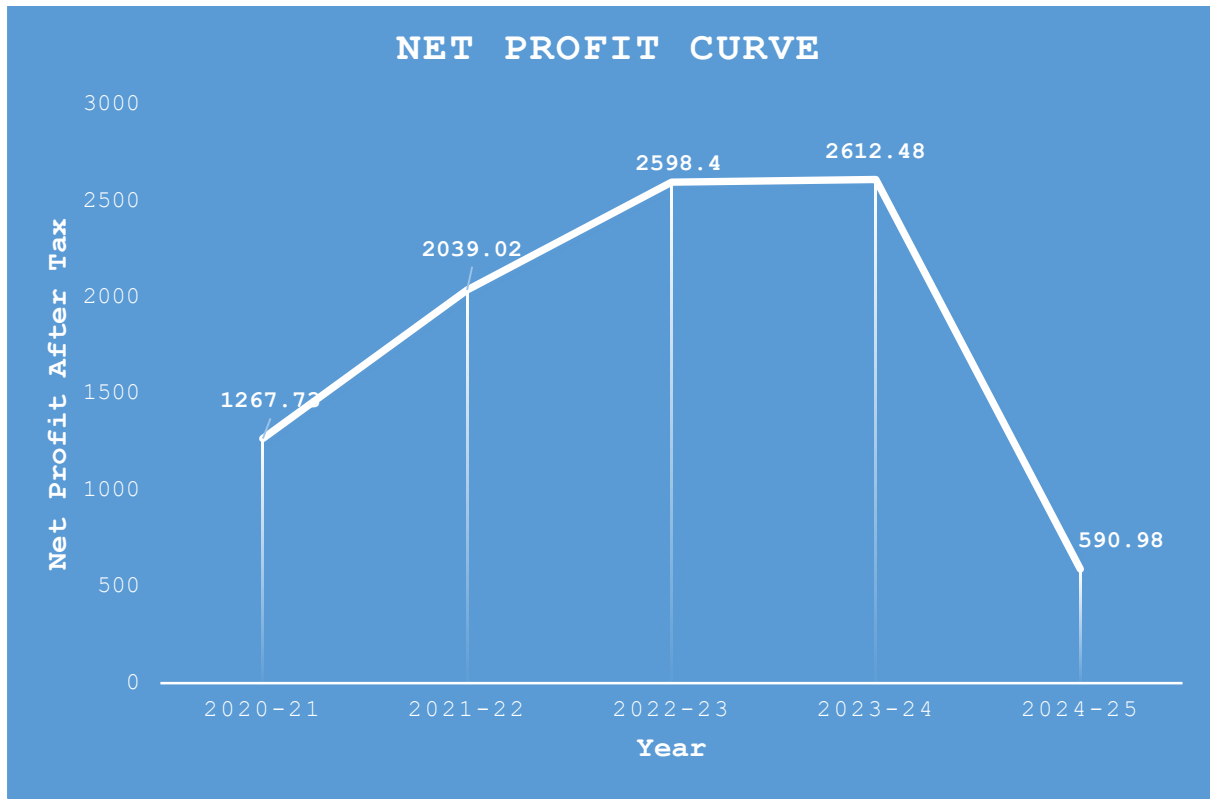
Rs. 3328.58 crores

Net Profit Before Tax

Rs. 8.24 crores

Net Profit after Tax

Rs. 5.91 crores





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 Gali Bhatti Wali Opposite Muthoot Finance Ajnala, Punjab 143001, District Amritsar
5	North	Ambala	Haryana	6349, Nicholson Road, Punjabi Mohalla, Ambala Cantt. - 133001
6	North	Amritsar	Punjab	Ground Floor, Shop No 5, Deep Complex, Court Road, Opp. Doaba Automobiles, Amritsar-143001
7	North	Baggapurana	Punjab	Opp. Bharat Petroleum, Kotkapura Road Baghapura-142038 District Moga.
8	North	Banga	Punjab	Star Complex, Main Road, Banga -144505 (Punjab)
9	North	Barnala	Punjab	B12/256-257-258-259, Pukka College Road, Opp Darbari Lal Tondon House, Barnala 148101
10	North	Batala	Punjab	SCO 30, Fuwara Chowk, Jalandhar Rd, Batala, Punjab 143505
11	North	Bathinda	Punjab	Ground Floor, Shop No 3039-A, Sharma Complex, Power House Road, Opposite Traffic Police, Bathinda (Punjab)
12	North	Bhagsunath	Himachal Pradesh	VPO Bhagsunag, Tehsil Dharamshala Distt. Kangra, HP-176219
13	North	Bathinda	Punjab	The Mall, Hanuman Chowk, Bathinda
14	Central west	Bhopal	Madhya Pradesh	Plot No 6, VNV Plaza, M.P Nagar, Zone-2, Bhopal-462011.
15	North	Bir	Himachal Pradesh	Bir Tibetan Colony, Opposite Surya Classic Hotel, Village Chaugan, Teh Baijnath, Distt. Kangra. Himachal Pradesh 176077
16	North	Chandigarh	Chandigarh UT	SCO No 829-830, Sector 22-A, Chandigarh-160022
17	South	Cochin	Kerala	No.1 & 2, Ground Floor, Corp No. 35/1460 C, Penta Estate, Janatha Junction, Palarivattom, Kochi - 682025
18	North	Delhi	New Delhi	LGF 136 & LGF 125 , World Trade Centre, Babar Road, Connaught Place, New Delhi - 110001
19	North	Dasuya	Punjab	G.T Road, Near Punjab National Bank, Dasuya-144308
20	North	Delhi	New Delhi	DSM 335,336,337, 3 rd Floor, DLF Tower, 15 Shivaji Marg, Najafgarh Road, Moti Nagar, New Delhi
21	North	Faridkot	Punjab	Jubilee Cinema Chowk, College Road, Opp. Canara Bank, Faridkot (Punjab)-151203
22	North	Ferozepur	Punjab	The Mall Road, Shaheed Udham Singh Chowk Market, Opp. Axis Bank, Ferozpur City-152001



23	North	Gardhiwala	Punjab	Shop No 08, Near College Canteen, VPO Gardhiwal, Dasuya Road, Distt Hoshiarpur Punjab.
24	North	Garhshankar	Punjab	Ground Floor, Near Punjab National Bank, Railway Road, Garhshankar, District Hoshiarpur
25	North	Gurdaspur	Punjab	Shop No.1, Shivam Market, Opp LIC Office, G T Road, Gurdaspur-143521
26	North	Gurgaon	Haryana	Shop No.117, Ground Floor, AKD Tower, Sector – 14, Gurgaon (Haryana)
27	North	Hoshiarpur	Punjab	Roshan Road, Near Bengali Sweet Shop, Phagwara Chowk, Hoshiarpur-146001
28	North	Hoshiarpur	Punjab	Near Cooperative Bank, Railway Road, Hoshiarpur 146001
29	South	Hyderabad	Telangana	5 & 6 Upper Ground Floor, Liberty Plaza, Himayat Nagar, Hyderabad - 500029
30	Central west	Indore	Madhya Pradesh	Lower Ground Floor, Shop No. LG-2, Royal Rattan Building, 7 M.G Road, Indore-452001
31	North	Jagraon	Punjab	Shop No. 111, K.S. Grewal Down Town Tehsil Road, Opp SSP Office, Jagraon, Distt. Ludhiana-142026
32	North west	Jaipur	Rajasthan	8, Katewa Bhawan, Opp. Ganpati Plaza, M.I. Road, Jaipur 302001
33	North	Jalandhar	Punjab	Shop No.19, Ground Floor, G.T. Road, Near BMC Chowk, Jalandhar-144006
34	North	Jammu	Jammu and Kashmir	Shop No. 52 (A-1), North Block, Bahu Plaza Complex, Jammu-180012
35	North	Karnal	Haryana	DSS No-207, Sec 12 Part 1, Opp Muthoot Finance, Karnal-132001
36	North	Kasol	Himachal Pradesh	VPO Kasol, Tehsil Bhunter, Distt Kullu, Himachal Pradesh-175005
37	North	Khanna	Punjab	Ground Floor, Hardyal Complex, Near Jain Sweet, Opp Bus Stand, Khanna
38	North	Kurukshetra	Haryana	SCO No. 44, Sector 17, Main Market, Kurukshetra - 136118
39	North	Leh	Jammu and Kashmir	Khawaja Complex, Main Bazaar Road, Opposite State Bank of India, Leh-194101
40	North	Phagwara	Punjab	Shop No 309, Shopping Mall, Lovely Professional University Campus, Jalandhar- Delhi G.T Road, NH - 1, Phagwara (Distt, Kapurthala)-144401
41	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 Babu Bhavan, B.N Road, Lalbagh, Lucknow 226001
42	North	Ludhiana	Punjab	SCO 14, 1st Floor, Green Park Avenue, Canal Colony, Pakhowal Road, Ludhiana
43	North	Mahilpur	Punjab	Phagwara Road, Mahilpur, Distt Hoshiarpur-146105
44	North	Manali	Himachal Pradesh	Shop No. 5, Ram Bag, The Mall, Manali, (Distt Kullu), Himachal Pradesh-175131
45	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



46	North	Mcleodganj	Himachal Pradesh	Shop. No.1 & 2, Main Square, Mcleodganj, Dharamshala, Distt. Kangra
47	North	Moga	Punjab	Ground Floor, Puri Complex, G T Road, Moga-142001
48	North	Mohali	Punjab	Booth No 17, Phase VII, Mohali-160062
49	West	Mumbai	Maharashtra	303 SO, Lucky Corner Society, Andheri Kurla Road, Opposite Holy Family Church, Andheri, East, Mumbai-400099
50	West	Nadiad	Gujarat	Shop No.10, Municipal Shopping Centre, Opp Paras Cinema, Nadiad-387001
51	North	Nakodar	Punjab	Banwari Towers, G.F., Opp Bus Stand, Near Oriental Insurance, Nakodar (Distt Jalandhar)-144040
52	North	Nawanshahr	Punjab	B-78, Lajpat Complex, Near Rai Market, Adjoining PNB Bank, Ambedkar Chowk, Nawanshahr-144514
53	North	Pathankot	Punjab	Building No. 2, Ground Floor, Opp. Venice Hotel, Dhangu Road, Pathankot-145001
54	North	Patiala	Punjab	Opp. Gurudwara Dukhniwaran Sahib, Passey Road, Patiala 1470001
55	North	Pehowa	Haryana	Opp Bus Stand, Near Chhabra Sweets, Ambala Road, Pehowa - Haryana - 136128
56	North	Phagwara	Punjab	#37, Lower Ground Floor, Handa City Centre, Opp. Bus Stand, Phagwara (Distt Kapurthala)-144401
57	North	Phillaur	Punjab	Old Nawanshahr Road, Phillaur, Punjab-144410
58	West	Rajkot	Gujarat	Shop No. U 32, Neptune Tower, Opp Jalaram Petrol Pump, Kalavad Road, Rajkot 360001
59	North	Rupnagar	Punjab	SCO No. 24, Beant Singh Aman Nagar, Rupnagar Part-2, -144001
60	North	Sri Ganganagar	Rajasthan	Shop No 13, L Block, Opp Radhe Shyam Kothi and Thareja Hospital, Radhe Shyam Kothi Road, Sri Ganganagar-335001
61	North	Sudhar	Punjab	Above Jio Store, First Floor, Near Dashmesh Medical Store, Main Bazar Sudhar (Distt Ludhiana) - 141104
62	North	Sunder Nagar	Himachal Pradesh	Shop at Bhojpur, Abutting To NH 21, Mandi Road, Sunder Nagar, Himachal Pradesh - 174401
63	West	Surat	Gujarat	Shop No.318, Upper Ground Floor, Turning Point Complex, Near Majura Fire Station, Ghod Dod Road, Surat – 395007
64	North	Tanda	Punjab	Deep Complex, Opp Municipal Office, Near Bus Stand, Tanda Urmur-144204
65	North	Tarn Taran	Punjab	Guru Ram Dass Marg, Char Khamba Chowk, Opp Punjab & Sind Bank, Tarntaran-143401
66	North	Una	Himachal Pradesh	Shop No 2, Near Lovely Sweets Shop, Amb Road, Una, Himachal Pradesh -174303
67	North	Urapar	Punjab	Opp Near Gurudwara Shaheed Ganj, VPO Urapar, Distt Nawashahr (Punjab)-144422
68	West	Vadodara	Gujarat	Shop No 102, First Floor, Dwarkesh Complex, Near Welcome Hotel, R.C. Dutt Road, Alkapuri, Vadodara-390005
69	North	Zirakpur	Punjab	SCO No 3-4, Ground Floor, Shree Balaji, Complex, Patiala Road, Zirakpur-140603



NOTICE

NOTICE is hereby given that 41st Annual General Meeting of the Members of M/s Paul Merchants Limited ("the Company") will be held on Friday, the 19th day of September, 2025 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, 2025 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, 2025 and the reports of the Board of Directors and Auditors thereon, as laid before this Meeting, 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, 2025 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, 2025, and the reports of the Auditors thereon, as laid before this Meeting, be and are hereby received, considered and adopted."

- 3. To appoint a Director in place of Sh. Sat Paul Bansal (DIN 00077499), who retires by rotation and being eligible, offers himself for re-appointment, and in this regard, pass the following resolution as a SPECIAL RESOLUTION:-**

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act 2013 and applicable Rules framed thereunder, along with Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, other 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 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 to the re-appointment of **Sh. Sat Paul Bansal (DIN 00077499)**, who is aged more than Seventy Eight (78) years, and who



retires by rotation at this Annual General Meeting and who offers himself for re-appointment, as Non-Executive Non-Independent Director and Chairman of the Company, liable to retire by rotation.”

4. To re-Appoint M/s Rajiv Goel & Associates, Chartered Accountants (Firm Registration No. 011106N) as Statutory Auditors of the Company for the Second Term of 5 Years

To consider and, if thought fit, to pass, the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) read with the Companies (Audit and Auditors) Rules, 2014, other applicable rules framed under the Act, 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 Exchange Board of India and based on the recommendation of the Audit Committee and the Board of Directors of the Company, M/s Rajiv Goel & Associates, Chartered Accountants (Firm Registration No. 011106N), SCO 823-824, 1st Floor, Sector 22-A, Chandigarh, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office for the second term of 5 years from the conclusion of this 41st Annual General Meeting until the conclusion of the 46th Annual General Meeting of the Company to be held in the year 2030, on a remuneration of Rs. 3,00,000/- (Rupees Three Lakhs Only) per annum plus GST as applicable and reimbursement of out-of-pocket expenses incurred by the auditors in connection with the audit, including tax audit of the company, with authority to the Board of Directors of the Company, which will be deemed to include any Committee of the Board constituted to exercise its powers, including powers conferred by this Resolution, to finalize and revise, from time to time the terms and conditions of re-appointment, including remuneration of the Statutory Auditor, based on the recommendation of the Audit Committee, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors, including any Committee thereof, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.”

SPECIAL BUSINESS:

5. To re-appoint Mr. Inder Sain Negi (DIN 08947230) as Independent Director of the company for the Second Term

To consider and, if thought fit, to pass, the following resolution as SPECIAL RESOLUTION:



“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable Rules made under the Act, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Inder Sain Negi (DIN 08947230), who was appointed as an Independent Director at the 37th Annual General Meeting of the Company and who holds office up to 31st of October, 2025 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from him under Section 160(1) of the Act proposing his candidature for the office of Director, and considering the report of his performance evaluation, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second successive term commencing from November 01, 2025 and ending on October 31, 2030.”

RESOLVED FURTHER THAT Liberty and Authority be and is hereby given to the Board of Directors of the Company, which will be deemed to include any Committee of the Board constituted to exercise its powers, including powers conferred by this Resolution, to decide all questions arising out of this matter, to take all requisite steps to give effect to this resolution and to decide the terms and conditions governing the re-appointment of Mr. Inder Sain Negi (DIN 08947230).”

- 6. To Appoint M/S Anil Negi & Company, Company Secretary (Membership No. ACS 46547 and CP NO. 17213, Peer Review Cert No. 2383/2022) as Secretarial Auditor of the Company for a Term of Five (5) Consecutive Years and fixation of Remuneration thereof**

To consider and, if thought fit, to pass, the following resolution as an ORDINARY RESOLUTION:-

“RESOLVED THAT pursuant to Regulation 24A other applicable Regulations, if any, of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”), pursuant to Section 205 and other applicable provisions of the Companies Act, 2013 (“the Act”) and Rules framed thereunder (including any statutory modification(s), amendment(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), and as per the recommendation of the Audit Committee and the Board of Directors of the Company, M/s Anil Negi & Company, Company Secretary (Membership No. ACS 46547 and CP No. 17213, Peer Review Cert No. 2383/2022),



Shiwalik Bhawan, Near Hotel Osheen, Tara Haal, Shimla (HP) – 171002, be and are hereby appointed as Secretarial Auditors of the Company, to hold office for a term of five (5) consecutive years, commencing from the Financial Year 2025-26 till Financial Year 2029-30, at the remuneration of Rs. 35,000/- (Rupees Thirty-Five Thousand Only) per annum plus GST as applicable and reimbursement of out-of-pocket expenses incurred by the Secretarial Auditors in connection with the audit, with authority to the Board of Directors of the Company, which will be deemed to include any Committee of the Board constituted to exercise its powers, including powers conferred by this Resolution, to revise, from time to time the terms and conditions of appointment, including remuneration of the Secretarial Auditor, based on the recommendation of the Audit Committee, as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditors.

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT any of the Directors and/or the Key Managerial Personnel of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with the Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

Place: Chandigarh
Date: August 13, 2025

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

SD/-
HARDAM SINGH
(COMPANY SECRETARY)
Membership No. 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. 3,4, 5 and 6 of the Notice convening the Annual General Meeting (AGM) is annexed hereto.
- (2) Ministry of Corporate Affairs (MCA) vide its General Circular No. 09/2024 dated September 19, 2024 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 and SEBI vide its Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 read over with all its earlier circulars on the subject (hereinafter collectively referred to as "the Circulars"), have permitted the Companies to hold their Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue till 30.09.2025. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations") and the said MCA and SEBI Circulars, the 41st 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 41st AGM shall be the Registered Office of the Company.
- (3) Vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 and clarification vide Circular No. SEBI/HO/MIRSD/MIRSD-RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI (as amended further from time to time) had mandated the furnishing of PAN, Address with PIN code, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination by holders of physical securities and prescribed certain standardized forms for submitting various service requests. The said Forms are available on the Website of the Company www.paulmerchants.net/Investors. Further, the above mentioned SEBI Circulars are also available on the website of the Company at <https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2022/07/Clarifications-with-respect-to-Circular-dated-November-03-2021.pdf>, <https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2023/06/1679050146255.pdf>, <https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2024/06/Sebi-Circular-17.11.2023.pdf>, <https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2024/06/Sebi-Circular-27.12.2023.pdf>. The Shareholders are requested to refer to the said Circulars and Formats for the relevant matters provided therein. As on the date of this Report, there is no shareholder of the Company who holds the shares 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) 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 accounts or any matter to be placed at the AGM, are requested to write to the Company from September 13, 2025 (9.00 A.M. IST) to September 15, 2025 (5.00 P.M. IST) through email to investor.redressal@paulmerchants.net. The same will be replied by the Company suitably.
- (7) In accordance with Section 20 of the Companies Act, 2013, service of documents on members by a company is allowed through electronic mode. Further in compliance with the MCA Circulars and SEBI Circular mentioned in Note no. 2, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. In accordance with Reg. 36(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended from time to time, a physical communication will be sent to those Shareholders whose e-mails are not registered, containing a web-link and exact path of the Company's website from where the Annual Report can be accessed. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website www.paulmerchants.net and 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) i.e. www.evotingindia.com (Adobe PDF can be downloaded at <https://get.adobe.com/reader>). The copies of the Notice and Annual Report 2024-25 will also be available for inspection in electronic mode, basis the request being sent on investor.redressal@paulmerchants.net. Physical copy of full annual report shall be sent to those shareholders who request for the same and request in this regard may be submitted to investor.redressal@paulmerchants.net. Further, a letter providing a weblink and QR code for accessing the Notice of the AGM and Annual Report for the financial year 2024-25 will also be sent to those shareholders who have not registered their email address.
- (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 31/03/2025 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 31-03-2025, 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
Dividend for the Financial Year 2019-20	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/2025/05/PAUL-MERCHANTS_UNCLAIMED-DIVIDEND-DATA.pdf

- (11) In terms of Section 152 of the Companies Act, 2013, Sh. Sat Paul Bansal (DIN 00077499), 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 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, 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 05-09-2025 to 11-09-2025 (both days inclusive) for the purpose of AGM. Further, the members who hold shares as on the Cut-off date i.e. Friday, September 12, 2025 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 16, 2025 and ends on 05:00 p.m. (IST) on Thursday, September 18, 2025. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 12-09-2025 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, 12th September, 2025.
- (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 16, 2025 (9.00 a.m. IST)
End of remote e-voting	Thursday, September 18, 2025 (5.00 p.m. IST)



Cut Off date	Friday, September 12, 2025 (After the closing hours)
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(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
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/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



	<p>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.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</p> <p>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.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>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.</p> <p>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</p> <p>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</p>



	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:-

- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on "Shareholders" module.
- 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.
- 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	<ul style="list-style-type: none"> • 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)	<p>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.</p> <p>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.</p>

- 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. 09/2024 dated September 19, 2024 read over 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 and SEBI vide its Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 read over with all its earlier circulars on the subject (hereinafter collectively referred to as “the Circulars”), have permitted the Companies to hold their Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue till 30.09.2025. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations”) read with the Circulars issued by MCA and SEBI, the 41st 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 and SEBI 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 and Route Map are 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 13, 2025 (9.00 A.M. IST) to September 15, 2025 (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 13, 2025 (9.00 A.M. IST) to September 15, 2025 (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 **Company/RTA email id**
- 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.

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 12-09-2025.
- 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 cast 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 20, 2025 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.

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

For individual shareholders holding shares in Demat form:-

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. 12-09-2025 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.

(26) 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 2024-25 has been referred to as “the year under review”.

Place: Chandigarh
Date: August 13, 2025

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. 3

Pursuant to the provisions of Sections 152 and other applicable provisions of the Companies Act 2013 and the Company's Articles of Association, not less than two-thirds of total number of Directors of the Company shall be liable to retire by rotation. One third of these Directors must retire from office at each Annual General Meeting (AGM), but each retiring director is eligible for re-election at such meeting. Independent directors are not subject to retirement by rotation by virtue of provisions of Section 152 and the Managing Director of the Company is not subject to retirement by rotation by virtue of Articles of Association of the Company. Accordingly, Sh. Sat Paul Bansal (DIN 00077499) is liable to retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. Further, in terms of Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, no listed Company shall appoint or continue the appointment of a Non-executive director, who has attained the age of 75 years, unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment. Accordingly, the shareholders of the Company had approved the appointment of Sh. Sat Paul Bansal as a director, in their Annual General Meeting held on 29th September 2021 by way of a Special Resolution and his re-appointment in the ensuing Annual General Meeting is also proposed to be approved by way of a Special Resolution.

Rationale:- Despite being more than 78 years of age, Sh. Sat Paul Bansal is in good health and of sound and alert mind. The Board is confident about him being able to function and discharge his duties in an able and competent manner. Based on the recommendation of the Nomination and Remuneration Committee and taking into account Sh. Sat Paul Bansal's seniority, expertise and vast experience, which has immensely benefited the Company, the Board of Directors considered and recommended the re-appointment of Sh. Sat Paul Bansal as a Non-executive Director and Chairman of the Company, liable to retire by rotation.

Sh. Sat Paul Bansal has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circular dated June 20, 2018 issued by the BSE Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

Following documents have been obtained from Sh. Sat Paul Bansal, which have been reviewed by the Nomination and Remuneration Committee and Board of Directors:-

- i. Consent as per prescribed form DIR 2 in accordance with the provisions of Section 152(5) read with Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014



- ii. Declaration in the prescribed form DIR 8 pursuant to Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014;
- iii. Declaration to the effect that he is not debarred from holding Directorship pursuant to any SEBI Order;
- iv. Declaration under Regulation 7(1)(b) of the SEBI Prohibition of Insider Trading) Regulations
- v. Disclosure of Interest as per prescribed form MBP-1
- vi. Fit and Proper Criteria declaration as per RBI Regulations
- vii. Disclosure about Shareholding in the Company

Therefore, the re-appointment of Sh. Sat Paul Bansal as a Director of the Company is placed for approval of the Members of the Company at the ensuing Annual General Meeting by way of Special Resolution. Your Directors recommend the Resolution set out at Item no. 3 to be passed as Special Resolution.

The appointee Director Sh. Sat Paul Bansal may be treated as interested in this resolution. Further, Smt. Sarita Rani Bansal and Sh. Rajneesh Bansal, Directors of the Company may also be treated as interested in this resolution as immediate relatives of Sh. Sat Paul Bansal and also as members of the same family. No other Director/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The information as required under para 1.2.5 of Secretarial Standard -2 read with Regulation 36 (3) of the SEBI (LODR) Regulations, 2015, is given under **Annexure N-1**, at the end of this Explanatory Statement.

ITEM NO. 4

The Members of Paul Merchants Limited ("PML") at the 36th Annual General Meeting (AGM) held on September 29, 2020, had approved the appointment of M/s Rajiv Goel & Associates, Chartered Accountants (Firm Registration No. 011106N), as Statutory Auditors of the Company for a term of five years, from the conclusion of the 36th AGM until the conclusion of the 41st AGM, scheduled to be held in the year 2025. As such, the Statutory Auditors will complete their first term at the conclusion of the ensuing 41st AGM of the Company. Pursuant to Section 139(2)(b) of the Companies Act, 2013 ("the Act"), a listed company may re-appoint an audit firm for a second term of five consecutive years. M/s Rajiv Goel & Associates, Chartered Accountants are eligible for re-appointment for the second term, from the conclusion of the ensuing 41st AGM until the conclusion of the 46th AGM of the Company to be held in the year 2030, as they meet the eligibility criteria as defined in the Section 139(2)(b).

The Audit Committee, in its meeting held on August 12, 2025, evaluated the performance, eligibility, qualifications, and independence of M/s Rajiv Goel & Associates, as required under Rule 3(1) of the Companies (Audit and Auditors) Rules, 2014. The Committee noted that the firm has demonstrated robust audit capabilities



over the past five years, deploying a competent team of senior audit professionals with experience in auditing listed companies of similar size and scale, and possessing sector-specific expertise relevant to PML. The firm has also confirmed its independence under Section 141 of the Act and the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI). It complies with the SEBI (Prohibition of Insider Trading) Regulations, 2015, ensuring confidentiality of unpublished price-sensitive information, and holds a valid certificate from the ICAI Peer Review Board. The firm has declared that it has not undertaken any prohibited non-audit assignments for PML.

The Board of Directors, at its meeting held on August 13, 2025, based on the recommendation of Audit Committee, recommended the re-appointment of M/s Rajiv Goel & Associates as Statutory Auditors for a second term of five consecutive years, from the conclusion of the 41st AGM until the conclusion of the 46th AGM of the Company to be held in the year 2030, at a remuneration of ₹3,00,000/- (Rupees Three Lakhs Only) per annum, plus applicable Goods and Services Tax (GST) and reimbursement of out-of-pocket expenses incurred in connection with the statutory audit and tax audit of the Company, for approval by the shareholders. The Board and Audit Committee may revise the remuneration during the auditors' tenure based on performance reviews, additional efforts due to regulatory changes, internal restructurings, rendering of other services, or other considerations, subject to applicable approvals.

M/s Rajiv Goel & Associates have provided written consent for their re-appointment and a certificate confirming their eligibility under Section 141 and compliance with Rule 4 of the Companies (Audit and Auditors) Rules, 2014, affirming:-

- Eligibility and non-disqualification under the Act, the Chartered Accountants Act, 1949, and related regulations.
- Compliance with the term limits under Section 139(2).
- Non pendency of proceedings related to professional conduct before the ICAI or any competent authority or court.
- The proposed appointment being within the limits laid down by the Act.

The firm has also confirmed compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. Based on the recommendations of the Audit Committee and the Board of Directors, the re-appointment of M/s Rajiv Goel & Associates as Statutory Auditors for a second term of five years, as set out in Resolution No. 4, is proposed for approval by the Members as an Ordinary Resolution.

Proposed Remuneration:-

The Auditors are proposed to re-appointed on a remuneration of Rs. 3,00,000/- (Rupees Three Lakhs Only) per annum plus GST as applicable and reimbursement of out-of-pocket expenses incurred by the auditors in connection with the statutory audit and tax audit of the company, with authority to the Board of Directors of the Company, which will be deemed to include any Committee of the Board constituted to exercise its powers, including powers conferred by this Resolution, to revise from time to time, the



terms and conditions of re-appointment, including remuneration of the Statutory Auditors, based on the recommendation of the Audit Committee, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

Rationale for Re-appointment:-

M/s Rajiv Goel & Associates have exhibited robust audit capabilities and independence during their previous tenure. They have a proven track record of auditing companies of similar size and scale, including experience in the same sector. The firm has deployed a competent team of audit professionals, has undergone peer review by the Institute of Chartered Accountants of India (ICAI), and hold a valid peer review certificate. They have confirmed their independence as per the requirements under the Act and the Code of Ethics issued by the ICAI, and that they have not accepted any prohibited non-audit services. They have also confirmed their adherence to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Accordingly, the Board, on the recommendation of the Audit Committee, proposes the re-appointment of M/s Rajiv Goel & Associates as Statutory Auditors of the Company for the second term of five years, as set out in the Resolution No. 4 of the Notice.

The Board recommends the Ordinary Resolution at Item No. 4 of this Notice for approval of the Members.

The information as required under Regulation 36(5) of the SEBI (LODR) Regulations, 2015 is given under **Annexure-N2** at the end of this Explanatory Statement. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

None of the Director, Key Managerial Personnel, or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 5

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Mr. Inder Sain Negi (DIN 08947230) as an Independent Director, for a second term commencing from November 1st, 2025 and ending on October 31, 2030, not liable to retire by rotation as explained in the Resolution set out at item no. 5. Mr. Inder Sain Negi was appointed as an Independent Director of the Company at the 37th Annual General Meeting ("AGM") of the Company and holds office up to 31.10.2025. The Company has, in terms of Section 160(1) of the Act received in writing a notice from him, proposing his candidature for the office of Director. The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution to the decision making process of the Board, the continued association of Mr. Inder Sain Negi would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director.



Rationale for Re-appointment:

In the opinion of the Board, he fulfils the conditions specified in the Companies Act, 2013 and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013. Mr. Inder Sain Negi holds academic qualifications including B.A. (Honours) and M.A. to his credit. He has worked with Reserve Bank of India for more than 35 years & retired as Regional Director in November, 2016. While working with RBI, he served in key areas such as Banking Supervision, Foreign Exchange Management, Administration and Vigilance. He is about 69 years of age and lives in Panchkula. His ability to understand Financial Markets especially Forex Markets, Regulatory/Statutory framework applicable to the Company, understanding of Company's business verticals, Financial Statements, Quick decision making, experience in developing policies and processes relating to corporate governance are some of the traits, which makes him suitable for the position of Independent Director of the Company. Further, Mr. Inder Sain Negi shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The Company has received following declarations/certificates from him in writing, which have been reviewed by the Nomination and Remuneration Committee and Board of Directors of the Company:-

1. Consent letter in Form DIR-2 pursuant to the Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014
2. Intimation in Form DIR-8 pursuant to Section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 confirming that no disqualification as defined in the Companies Act, 2013 has been incurred
3. Disclosure of Interest as per Form MBP-1
4. 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
5. Declaration on Committee Positions
6. Declaration under PIT Regulations 7 (1) (b)
7. Declaration on Fit and Proper Criteria as per RBI Regulations
8. Disclosure about Shareholding in the Company Paul Merchants Limited
9. Proof of registration with IICA
10. Certificate regarding exemption from Proficiency Test issued by IICA

As on date, Mr. Inder Sain Negi holds Nil Equity Shares in the Company and does not hold any Stock Options.

A copy of the draft letter for re-appointment of Mr. Inder Sain Negi setting out the terms and conditions of re-appointment is available for inspection during the normal business hours on any working day except Sundays and Holidays and will also be kept open at the venue of the AGM till the conclusion of the AGM.



As per the provisions of Section 149 (10) of the Act, an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for re-appointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report. Therefore, Mr. Inder Sain Negi is proposed to be re-appointed by the Shareholders by way of a Special Resolution in the ensuing Annual General Meeting and the disclosure in terms of Section 149(10) of the Companies Act, 2013, has been duly made in the Board's Report.

Mr. Inder Sain Negi had been appointed on the Board on 12.11.2020 as an Independent Director and was appointed for a term of 5 years by the Members of the Company in their 37th Annual General Meeting held on 29-09-2021 to hold office till 31-10-2025. As such, on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had re-appointed him and recommended him to be re-appointed by the Shareholders by way of a Special Resolution in the ensuing Annual General Meeting, for a Second term of five (5) consecutive years up to 31-10-2030.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Mr. Inder Sain Negi as Independent Director has now been placed before the Members for their approval by way of Special Resolution.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Inder Sain Negi is re-appointed as Independent Director of the Company by the Shareholders for a Second term of five (5) consecutive years up to 31-10-2030.

The Board recommends the Special Resolution at Item No. 5 of this Notice for approval of the Members. Except Mr. Inder Sain Negi, none of the other Directors and Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 5 of the Notice. Mr. Inder Sain Negi should be treated as interested in this resolution to the extent of benefits arising out of this resolution.

The information as required under para 1.2.5 of Secretarial Standard -2 and Regulation 36(3) of the SEBI (LODR) Regulations, 2015 is given under **Annexure-N3** at the end of this Explanatory Statement. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

ITEM NO. 6

Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with relevant SEBI notifications, the Company is required to appoint a peer-reviewed practicing Company Secretary as Secretarial Auditor for conducting the annual secretarial audit to ensure compliance with applicable laws, regulations, and governance standards. It is further provided that on the basis of recommendation of board of directors, a listed entity shall appoint or re-appoint:



- i. an individual as Secretarial Auditor for not more than one term of five consecutive years; or
- ii. a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years,

with the approval of its shareholders in its Annual General Meeting:

M/s Anil Negi & Company, Company Secretary, represented by Mr. Anil Singh Negi is a Practising Company Secretary with strong credentials in the fields of SEBI regulations, corporate governance and legal compliance. He holds a valid Peer Review Certificate issued by the Institute of Company Secretaries of India (ICSI) and has a track record of delivering reliable and compliance-oriented Secretarial Audit services to the listed companies across sectors. His professional approach and subject matter expertise makes them well-suited for the role of Secretarial Auditor of the Company.

M/s Anil Negi & Company have given their consent to act as the Secretarial Auditor of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 204 of the Companies Act, 2013 ("the Act") and the Listing Regulations and have certified that they have not incurred any of the disqualifications as specified by the Board.

Based on the recommendation of the Board of Directors, the remuneration payable to the said Secretarial Auditor is proposed to be Rs. 35,000/- (Rupees Thirty Five Thousand only) for conducting Secretarial Audit of the Company for one Financial Year, excluding applicable taxes and out-of-pocket expenses. Any increment to his remuneration can be allowed by the Board, upon recommendation of the Audit Committee.

Rationale for Appointment of Secretarial Auditor:-

The appointment of M/s Anil Negi & Company, Practising Company Secretary (Membership No. ACS 46547, CP No. 17213), is based on a comprehensive evaluation by the Audit Committee and the Board, considering the following factors:

- **Peer-Reviewed Expertise:** Holds a valid Peer Review Certificate issued by the Institute of Company Secretaries of India (ICSI), attesting to adherence to professional standards and continuous quality control.
- **Experience in Corporate Governance:** They bring substantial hands-on experience in secretarial audit, SEBI compliance, and Companies Act requirements, especially for listed and regulated entities.
- **Independence and Integrity:** The proposed auditor fulfils the independence criteria and has made necessary declarations regarding absence of disqualification under applicable laws and Listing Regulations.



- **Geographic and Operational Accessibility:** Based in Shimla, Himachal Pradesh, Delhi, Chandigarh they have demonstrated capacity to serve clients across regions while maintaining efficiency and timely reporting.

Their appointment supports the Company's commitment to robust governance, regulatory transparency, and high professional standards.

The information as required under Regulation 36(5) of the SEBI (LODR) Regulations, 2015 is given under **Annexure-N4** at the end of this Explanatory Statement. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends passing of this Ordinary Resolution as set out at Item No. 6 of this Notice, for approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, except to the extent of their respective shareholding in the Company, if any, in the Resolution mentioned at Item No. 6 of the Notice.

Place: Chandigarh
Date: August 13, 2025

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

Name of Director	Sh. Sat Paul Bansal (DIN: 00077499)
Date of First (Original) Appointment on the Board:	27/09/1990
Date of Birth, Age	22-07-1947, more than 78 Years
Designation	Non-Executive Director and Chairman of the Board
<p>Mr. Sat Paul Bansal, 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 Non Executive Non Independent Director and Chairman of the Company.</p> <p>Nature of Expertise in Specific Functional Area and experience:-</p> <p>Sh. Sat Paul Bansal is the Chairman and Non-Executive Director of the Company. He is more than 78 years of age and has educational qualification of Graduation in Arts. Sh. Sat Paul Bansal has around 55 years of experience in almost every facet of business. He is a renowned Businessman and is an expert in the formulation of strategy, corporate Policy, Corporate objectives and decision making process. Earlier, he was associated with the Company from 27-09-1990 till 31-08-2020, when he resigned as Chairman Cum Managing Director of the Company. During his tenure, he led every activity of the Company with distinction, and after rejoining as Chairman and Non-Executive Director of the Company w.e.f. 08/06/2021, he resumed his responsibilities as Chairman and Non-Executive Director, continuing to provide valuable guidance to the Board and management team.</p>	
Terms and Conditions of Appointment or Re-appointment and Remuneration, if any:	
Term	Sh. Sat Paul Bansal, who is liable to retire by rotation is proposed to be re-appointed as Non-Executive Non Independent Director and Chairman of the Company by the Shareholders of the Company in the ensuing Annual General Meeting by way of Special Resolution. No term has been fixed for him and his office is liable to retirement by rotation.
Remuneration last drawn, if applicable	NIL
Details of Remuneration sought to be paid	NIL
Qualification	B.A.- Graduate in Arts
List of Other Directorships	<ol style="list-style-type: none"> 1. Paul Infotech Private Limited 2. PML Realtors Private Limited 3. PML Holidays Private Limited 4. Paul Merchants Finance Private Limited



	5. Paul Excursions Private Limited 6. Paul Overseas Private Limited 7. Paul Merchants Jewels and Metals LLP
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	1. Chairman – CSR Committee 2. Chairman – Executive Committee 3. Membership – Stakeholders Relationship
Chairmanship/Membership of the Committees of the Board of Directors of other Companies	1. Chairman - Risk Management Committee - Paul Merchants Finance Private Limited 2. Chairman - Executive Committee - Paul Merchants Finance Private Limited 3. Chairman - Asset Liability Management Committee- Paul Merchants Finance Private Limited
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 31.03.2025)	75,720 Equity Shares (2.46%)
Shareholding in the Company as a Beneficial Owner (As on 31.03.2025)	NIL
Relationship between directors inter-se and relationship with Manager and other Key Managerial Personnel of the Company:-	
<p>Sh. Sat Paul Bansal is the Chairman and Non-Executive Director of the Company. He is about more than 78 years of age and has educational qualification of Graduation in Arts. Sh. Sat Paul Bansal has around 55 years of experience in almost every facet of business. He is a renowned Businessman and is an expert in the formulation of strategy, corporate Policy, Corporate objectives and decision making process. Earlier, he was associated with the Company from 27-09-1990 till 31-08-2020, when he resigned as Chairman Cum Managing Director of the Company. During his stint as such, he had spearheaded every activity of the Company. After rejoining as Chairman and Non-Executive Director of the Company w.e.f. 08/06/2021, he resumed his responsibilities as Chairman and Non-Executive Director, continuing to provide valuable guidance to the Board and management team. Therefore, considering his qualifications and experience, his re-appointment as Non Executive Non Independent Director and Chairman of the Company is justified. The Nomination and Remuneration Committee of the Board has also approved his re-appointment.</p>	
No. of Meetings of Board attended during the FY 2024-25	7



Annexure N-2

INFORMATION PURSUANT TO REGULATION 36 (5) OF THE LISTING REGULATIONS, 2015 IN RESPECT OF M/S RAJIV GOEL AND ASSOCIATES, CHARTERED ACCOUNTANTS, WHO ARE PROPOSED TO BE APPOINTED AS THE STATUTORY AUDITORS OF THE COMPANY FOR THE SECOND TERM OF 5 YEARS

Proposed fees payable to the statutory auditor	<p>Rs. 3,00,000/- (Rupees Three Lakhs Only) per annum plus GST as applicable and reimbursement of out-of-pocket expenses incurred by the auditors in connection with the statutory audit, including tax audit of the company</p> <p>The proposed fees payable to the Statutory Auditors are based on knowledge, expertise, experience, time and effort required to be put in by them.</p>
Terms of appointment	Re-appointment for the second term of 5 (Five) consecutive years, commencing from the conclusion of ensuing 41 st AGM till the conclusion of the 46 th AGM of the Company to be held in the year 2030
Any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change	Not applicable as the existing Auditor is proposed to be re-appointed for second term
Basis of recommendation for appointment	The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee, recommended for the approval of the Members, the re-appointment of M/s Rajiv Goel & Associates, Chartered Accountants, as the Statutory Auditors of the Company, taking into account their credentials and based on the evaluation of the quality of the audit work conducted by the Auditors, as best suited to handle the scale, diversity and complexity associated with the audit of the financial statements and taxation of the Company.



<p>Details in relation to and credentials of the statutory auditor(s) proposed to be appointed</p>	<p>M/s Rajiv Goel & Associates, Chartered Accountants (Firm Registration no. 011106N) was set up in 1991 having its head office at Chandigarh along with 3 branches at Ambala, Delhi and Kurukshetra. The firm has 10 partners aided by more than 50 qualified and trained staff members. The firm has a multi-lateral approach with specific focus on audit & assurance, direct & indirect taxation and financial advisory with multiple partners of the firm also being qualified as forensic auditors and Information System Auditors. The firm is empaneled with Reserve Bank of India and CAG and over the course of its existence of more than 33 years has served multiple public sector banks, public sector undertakings and large corporate and non corporate institutions in capacity as Statutory auditors as well as financial advisors while ensuring the highest standards of financial reporting and auditor independence.</p> <p>Based on the recommendation made by the Audit committee, after assessing the performance of M/S Rajiv Goel & Associates, chartered accountants and considering their experience and expertise, the Board recommends the re-Appointment of M/S Rajiv Goel & Associates, chartered accountants as Statutory Auditors for the second term of 5 years, as set out in the Resolution No. 4 of the Notice of the ensuing AGM, for approval of the members.</p>
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Annexure N-3

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

Name of Director	Sh. Inder Sain Negi (DIN: 08947230)
Date of First (Original) Appointment on the Board:	12.11.2020
Date of Birth, Age	25-11-1956, about 69 Years
Designation	Non Executive Independent Director
It is proposed to re-appoint Mr. Inder Sain Negi as Non Executive Independent Director of the Company w.e.f. 01.11.2025 for a term commencing from 01.11.2025 and ending on 31.10.2030, as set out in the Special Resolution at Item no. 5 of the Notice and as explained in the Explanatory Statement to the said item.	
Nature of Expertise in Specific Functional Area and experience:- Mr. Inder Sain Negi is about 69 years of age and has educational qualification of B.A. (Honours) and M.A. He had worked with the Reserve Bank of India (RBI) for more than 35 years & retired as Regional Director in November, 2016 from the RBI. While working with RBI, he had worked in various capacities covering the areas of RPCD (Rural Planning and Credit Department), ECD (Exchange Control Department), Administration, DNBS (Department of Non-Banking Supervision), DAPM (Department of Administration and Personnel Management), Central Vigilance Cell, UBD (Urban Banks Department) etc. He had undergone various Trainings during his employment with RBI such as Internal Auditing in Central Banks from Bank of England, Workshop for CEOs of UCBs from CAB, Pune, Course on Rural Development Banking from APRACA-CENTRAB – MANILA, PHILIPINES and Leadership for Organizational Excellence from National Productivity Council, Hyderabad (Gangtok) etc. He joined the Company on 12/11/2020 as Independent Director and has been lending useful contribution to the decision making process of the board.	
Terms and Conditions of Appointment or Re-appointment and Remuneration, if any:	
Term	Mr. Inder Sain Negi is proposed to be re-appointed as Non Executive Independent Director of the Company by the Shareholders of the Company in the ensuing Annual General Meeting, for the second term commencing from 01.11.2025 and ending on 31.10.2030. His office is not liable to retirement by rotation
Remuneration last drawn, if applicable	He is being paid sitting fees of Rs. 15,000/- for attending meetings of the Board and Board Committees, if he is member thereof, in a calendar Quarter. Further he is entitled



	for reimbursement of actual travelling expenses, if any, for attending meetings of the Board and Committees thereof.
Details of Remuneration sought to be paid	Same as above.
Qualification	B.A. (Honours) and M.A.
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	1. Member – Audit Committee 2. Member– Nomination & Remuneration 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 31.03.2025)	NIL
Shareholding in the Company as a Beneficial Owner (As on 31.03.2025)	NIL
Relationship between directors inter-se and relationship with Manager and other Key Managerial Personnel of the Company:-	
None	
No. of Meetings of Board attended during the FY 2024-25	5
The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	As per the Nomination and Remuneration Committee (NRC) Policy of the Company, the role of an Independent Director requires a deep understanding of financial markets—particularly forex markets, along with regulatory insight, strategic thinking, governance experience, and leadership capabilities. Mr. Inder Sain Negi, with over 35 years of service at the Reserve Bank of India (RBI), including his tenure as Regional Director, brings extensive expertise in regulatory and statutory frameworks, financial supervision, and policy development. His exposure to departments such as RPCD, DNBS, ECD, and UBD, coupled with specialized training in internal auditing (Bank of England), rural



	<p>development banking (APRACA-CENTRAB, Manila), and leadership excellence (NPC, Hyderabad), equips him with the ability to interpret financial statements, guide management teams, and contribute to both short-term and long-term strategic planning. His experience and qualifications align strongly with the core competencies outlined by the Board, making him well-suited for the role of Independent Director. Further, he has been rendering useful contribution to the decision making process of the board as an Independent Director since 12/11/2020</p>
<p>Justification for Appointment of Independent Director</p>	<p>Mr. Inder Sain Negi is highly qualified for the role of Independent Director, bringing over 35 years of experience from his tenure at the Reserve Bank of India (RBI), where he retired as Regional Director. His extensive expertise in regulatory and statutory frameworks, financial supervision, and policy development, coupled with his specialized training in internal auditing from the Bank of England, rural development banking from APRACA-CENTRAB in Manila, and leadership excellence from the National Productivity Council in Hyderabad, makes him exceptionally well-suited for this position. Mr. Negi's deep understanding of financial markets, particularly forex markets, along with his strategic thinking, governance experience, and leadership capabilities, align strongly with the core competencies outlined by the Board. Since his initial appointment on 12/11/2020, he has been making significant contributions to the decision-making process of the board, further justifying his re-appointment for a second term commencing from 01.11.2025 and ending on 31.10.2030</p>
<p>Disclosure of the performance evaluation of the director, if applicable</p>	<p>The performance evaluation of Mr. Inder Sain Negi, an Independent Director, has been conducted by the Nomination and Remuneration Committee (NRC) and the entire Board, excluding Mr. Negi himself. The evaluation criteria included his</p>



	<p>experience and ability to contribute to the decision-making process, problem-solving approach, attendance and participation in meetings, personal competencies, contribution to strategy formulation, and compliance with regulatory requirements. The NRC and the Board expressed its satisfaction with Mr. Negi's performance, highlighting his significant contributions to the Board's decision-making process. The performance evaluation was carried out in the meeting of NRC on 25-04-2025 and in the Board meeting held on 26-05-2025.</p>
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Annexure N-4

INFORMATION PURSUANT TO REGULATION 36 (5) OF THE LISTING REGULATIONS, 2015 IN RESPECT OF ANIL NEGI & COMPANY, COMPANY SECRETARY (MEMBERSHIP NO. ACS 46547 AND CP NO. 17213, PEER REVIEW CERT NO. 2383/2022), WHO ARE PROPOSED TO BE APPOINTED AS THE SECRETARIAL AUDITORS OF THE COMPANY FOR A TERM OF 5 YEARS

Proposed fees payable to the Secretarial auditor	Rs. 35,000/- (Rupees Thirty-Five Thousand Only) per annum The proposed fees payable to the Secretarial Auditor is based on knowledge, expertise, experience, time and effort required to be put in by him.
Terms of appointment	For a period of 5 consecutive years commencing from the conclusion of ensuing 41 st AGM till the conclusion of the 46 th AGM of the Company to be held in the year 2030
Any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change	Not applicable as the existing Secretarial Auditor is proposed to be re-appointed for a term of 5 consecutive years in compliance with the provisions of Regulation 24A of Listing Regulations, as amended ("SEBI Listing Regulations") and Section 204 of the Companies Act, 2013 read with Rule 8 of the Companies (Meetings of Board and its powers) Rules, 2014
Basis of recommendation for appointment	The Board of Directors of the Company ('the Board'), recommended for the approval of the Members, the appointment of M/s Anil Negi & Company, Peer Reviewed Practicing Company Secretary (CP No 17213 and Membership No. A46547), as Secretarial Auditor of the Company, pursuant to the provisions of Regulation 24A of Listing Regulations, as amended ("SEBI Listing Regulations") and Section 204 of the Companies Act, 2013 read with Rule 8 of the Companies (Meetings of Board and its powers) Rules, 2014



	<p>The Board considered various parameters like Firm's peer-reviewed expertise, substantial experience in corporate governance, independence and integrity, and geographic and operational accessibility. Their appointment supports the Company's commitment to robust governance, regulatory transparency, and high professional standards.</p>
<p>Details in relation to and credentials of the Secretarial auditor(s) proposed to be appointed</p>	<p>M/s Anil Negi & Company, Company Secretary, Peer Reviewed Practicing Company Secretary (CP No 17213 and Membership No. A46547) has an extensive experience and proven proficiency in all aspects of company law, SEBI regulations, and various other business laws, CS Anil Negi excels in compliance management, including statutory reporting and meeting other regulatory requirements. The firm came into existence on 12.09.2016 and has 5 number of employees. The firm has presence in Chandigarh / Shimla / Delhi, Chandigarh cities and has good working experience and proficiency in all matters related to compliance management with respect to statutory reporting and other statutory requirements.</p>



DIRECTORS' REPORT

Dear Members,

Your Board of Directors have pleasure in presenting before you their 41st Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2025.

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	2024-25 (Amount in Rs. Lakhs)	2023-24 (Amount in Rs. Lakhs)
Gross Income	3347,25.02	6530,04.13
Profit Before Interest and Depreciation	13,64.03	39,17.82
Interest	93.33	132.08
Profit after Interest before Depreciation	12,70.70	37,85.74
Provision for Depreciation	320.76	271.97
Exceptional Items	125.9	0
Net Profit Before Tax	8,24.04	35,13.77
Provision for Tax	2,34.5	8,73.86
Deferred Tax	-1.44	27.43
Net Profit After Tax	5,90.98	26,12.48
Other Comprehensive Income/(Loss) (net of tax)	-21.96	-20.86
Total Comprehensive Income (net of tax)	5,69.02	25,91.62
Transferred to Reserves and Surplus	5,69.02	25,91.62
Reserves and Surplus	478,87.01	473,17.99
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. 3303.46 Crores, Service Charges on Foreign Exchange Services stood at Rs 3.16 crores. In Tours & Travel Segment, Turnover from Hotel Bookings & Packages stood at Rs. 4.90 crores and Revenue from other activities in the said segment stood at Rs. 2.10 crores. Other operating revenues stood at Rs 14.95 Crores, which includes Gross revenue from International Money Transfer of Rs. 26.62 Lakhs. The Profit before tax stood at Rs. 8.24 Crores and Profit after tax stood at Rs. 5.91 crores after adjusting for deferred Tax. For further details, kindly refer to the Financial Statements, Management Discussion & Analysis Report annexed as **Annexure D-3**.

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/paulmerchants/annual-return-2025/>

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 2024-25, 8 (Eight) Board Meetings were held and 1 (One) Independent Directors meeting was held on 13-02-2025. The dates on which the Board Meetings were held are 16/05/2024, 13/08/2024, 11/09/2024, 13/11/2024, 20/01/2025, 07/02/2025, 13/02/2025 and 28/03/2025. 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.

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 at 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 36th Annual General Meeting held on 29th September, 2020 for a term of five consecutive years. In the ensuing Annual General Meeting of the Company, they are proposed to be re-appointed for a second 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 2024-25.



(ii) by the Company Secretary in practice in his Secretarial Audit Report:-

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 the financial year under review pursuant to Section 204 of the Companies Act, 2013. In the ensuing Annual General Meeting of the Company, he is proposed to be appointed for a term of five consecutive years. The Secretarial Audit Report submitted by them in the prescribed form MR-3 is annexed as **Annexure D-2** 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 2024-25 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 **Annexure D-2A** 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 2024-25 which call for any explanation from the Board of Directors.

PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

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 2024-25 are attached as **Annexure D-4** which forms part of this report. Further reference in this regard can be made to Note 2, 6, 9, 10, 38 and 41 to the Standalone Financial Statements for further details.

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

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 had not entered into any contract or arrangement with related parties which could be considered 'material' 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. 41 of the standalone Financial Statements for further details, forming part of this Annual Report.

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 is 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 is 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/-.

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. 5.91 Crores and Other Comprehensive loss of Rs. 21.96 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 2024-25.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments, affecting the financial position of the Company happening between the end of the Financial Year 2024-25, 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 mandated 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 2024-25, 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, 2025:-

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 2024-25, 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 26-05-2025 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 13-02-2025 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 25-04-2025 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. It has sold its Gold Loans vertical w.e.f. 09/06/2025.
- b. PML Realtors Private Ltd., which 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 2024-25.

During the FY 2024-25, the Wholly Owned Subsidiary Company Paul Merchants Finance (P) Ltd. achieved gross revenue (including discontinued operations) of Rs. 220.66 crores as against previous year figures of Rs. 167.29 crores registering a growth of 31.90% over previous year. Further, the said Subsidiary Company achieved a Net profit after Tax of Rs. 57.06 crores as against the previous year figures of Rs. 30.53 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.

During the FY 2024-25, the Wholly Owned Subsidiary Company PML Realtors (P) Ltd., achieved gross revenue of Rs 627.12 Lakhs as against previous year gross revenue of Rs. 62.42 lakhs. Further, the said Subsidiary Company achieved Net Profit after Tax of Rs. 87.17 Lakhs as against previous year figures of Rs. 29.72 lakhs registering an increase in profit of 193.30 % over previous year.

The Wholly Owned Subsidiary Company Paul Infotech Private Limited has not undertaken any commercial operations in the FY 2024-25. Gross revenue pertaining to accrued Interest on Fixed Deposits was Rs.1.08 Lakhs. The expenses incurred during the year was Rs.1.94 Lakhs.

On a consolidated basis, the revenue from continued operations for FY 2024-25 was Rs. 3334.68 crore registering decline of 48.72% over the previous year's revenue of Rs. 6503.25 crore. The consolidated profit after tax (PAT-including profit after tax from discontinued operations) attributable to shareholders and non-controlling interests for FY 2024-25 was Rs.63.84 Crore as against the previous year figures of Rs. 54.63 Crore, registering a growth of 16.86 %. 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 2025		Share in profit or loss for the year ending 31st March 2024	
	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	9.26%	590.98	45.87%	2612.48
Subsidiary Companies:-				
Paul Merchants Finance Private Limited	89.39%	5706.26	53.61%	3053.40
PML Realtors Private Limited	1.37%	87.17	0.52%	29.72
Paul Infotech Private Limited	-0.02 %	-0.86	-0.01%	-0.40
Joint Venture (Investment as per Equity Method):-				
Nil	Nil	Nil	Nil	Nil
TOTAL		6383.55		5695.20
Adjustments arising out of consolidation	Nil	Nil	Nil	-232.63
TOTAL		6383.55		5462.57

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.

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

Smt. Sarita Rani Bansal (DIN 00094504), who was liable to retire by rotation, was re-appointed as Director by the Shareholders in their Annual General Meeting held on 26.09.2024.



Mrs. Tejinder Kaur was appointed as Additional Director of the Company by Board of Directors in their meeting held on 11.09.2024 to hold the office until next Annual General Meeting (AGM), which was held on 26.09.2024. However, since the notice of the said AGM had already been issued and dispatched on 29.08.2024 i.e. much before her appointment, the matter of her appointment as Director at the AGM could not be taken up. As a result, Ms. Tejinder Kaur ceased to hold office as an Additional Director with effect from 26th September 2024 and her appointment as an Independent Director of the Company for the first term expired on 26th September 2024. Further, on the recommendation of the Nomination and Remuneration Committee of the Company, the Board of Directors of the Company had recommended Smt. Tejinder Kaur (DIN: 00512377) to be re-appointed as an Independent Director of the Company by the Members of the Company, for a second term of five consecutive years commencing from 17-12-2024. Her appointment as Non-Executive Independent Director of the Company was approved by the Members of the Company through postal ballot by way of e-voting process concluded on December 16, 2024.

Mr. Nirmal Chand (DIN 10041305), was appointed as an Additional Director of the Company by the Board of Directors, in the capacity of a Non-Executive Independent Director, on the recommendation of the Nomination and Remuneration Committee of the Company w.e.f. 13/02/2024. His appointment as Non-Executive Independent Director of the Company was approved by the Shareholders of the Company through postal ballot by way of e-voting process concluded on March 15, 2024. He resigned from the position of Independent Director of the Company w.e.f. 14.06.2024 due to the reason that he was holding independent directorship in M/s RBL Finserve Limited, which is a wholly owned subsidiary of RBL Bank Limited (RBL) and RBL was one of the Lenders of Paul Merchants Finance Private Limited, Wholly owned subsidiary of Paul Merchants Limited and his simultaneous directorships in these two Companies were conflicting with each other.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sat Paul Bansal (DIN 00077499), 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, proposes the re-appointment of Mr. Inder Sain Negi (DIN: 08947230) as an Independent Director of the Company for a second consecutive term of five years with effect from November 1, 2025 up to October 31, 2030, not 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. 5 of the Notice. Mr. Inder Sain Negi, who was appointed as an Independent Director at the 37th Annual General Meeting and whose current term expires on October 31, 2025, has provided a notice in writing under Section 160(1) of the Companies Act, 2013, proposing his candidature for re-appointment. Based on his performance evaluation, background, experience, and valuable contributions to the Board's decision-making process, the Board considers his continued association to be in the best interest of the Company and as such, recommends the Special Resolution as set out in item no. 5 of the Notice, for



the approval of the shareholders. This disclosure is in terms of Section 149(10) of the Companies Act, 2013.

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 31/03/2025 are as follows:-

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

Mr. Naveen Kumar Laroiya (FCA 088257) resigned from his position as Chief Financial Officer and Key Managerial Personnel of the Company, effective 12/08/2024.

Ms. Sakshi, Chartered Accountant (FCA 419986) was appointed as Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. 13/08/2024.

There was no other change (appointment or cessation) in the office of KMPs during the year under review or thereafter till the date of this report.

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)(iii) OF THE COMPANIES (ACCOUNTS) RULES, 2014

The shareholders vide postal ballot concluded on December 16, 2024 approved the appointment of Mrs. Tejinder Kaur, as an Independent Director of the Company with effective from 17/12/2024, for a term of five (5) years till 16.12.2029.

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 2024-25. As such, the information as required in terms of Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is Nil.



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. As such information in this regard and about deposits which are not in compliance with the requirements of Chapter V of the Act, is nil. This information is in terms of Rule 8 (5) (v) and Rule 8 (5) (vi) of Companies (Accounts) Rules, 2014.

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 26-05-2025 and by the Board of Directors of the Company in their meeting held on the same day i.e. 26-05-2025 with reference to the FY 2024-25 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 filling with statutory authority and as per the said annual return filed by the Company on 16.01.2025 with the prescribed Authority, no complaints related to sexual harassment were raised in the calendar year 2024. Accordingly, the details required as per Rule 8(5)(x) are given below:-

- a. Number of sexual-harassment complaints received during the FY 2024-25 - **NIL**
- b. Number of complaints disposed of during the FY 2024-25 - **NIL**
- c. Number of complaints pending as on end of the FY 2024-25 - **NIL**
- d. Pending complaints exceeding 90 days during the FY 2024-25 - **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, 2025. 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, 2025 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

The Board of Directors of Paul Merchants Finance Private Limited ("**PMFPL**"), a material wholly owned subsidiary of the Company, in its meeting held on 7th February, 2025, had approved the proposal of transfer by way of slump sale of its business of advancing loans against the security of gold to customers in India ("**Gold Loan**



Business") to L&T Finance Limited, a non-banking financial company ("**Acquirer**"), together with the assets, liabilities, employees, rights, obligations, Contracts, goodwill of the Gold Loan Business of PMFPL but excluding its brand name ("**Gold Loan Business Undertaking**"), on a Going Concern basis, consequent upon a decision of PMFPL to exit the line of Gold Loan Business completely. In this regard, a Business Transfer Agreement (BTA) had been executed between PMFPL, the Acquirer, the Company Paul Merchants Limited and Promoters of PMFPL Mr. Sat Paul Bansal and Mr. Rajneesh Bansal, for a Lump sum purchase consideration of INR 537,00,00,000 (Indian Rupees Five Hundred Thirty Seven Crores Only), based on Audited Financial Statements of PMFPL as on 31.03.2024, which were to be adjusted on the date of closing of the Proposed Transaction, as per the terms and in the manner determined in the BTA ("**Proposed Transaction**").

The said transaction has been successfully completed on June 9, 2025, in accordance with the terms of the BTA executed among PMFPL, L&T Finance Limited ("the Acquirer"), Paul Merchants Limited, and the Promoters of PMFPL.

As part of the completion of the transaction:

- The entire Gold Loan Business Undertaking of PMFPL, including assets, liabilities, employees, rights, obligations, contracts and goodwill (excluding the brand name), were transferred on a going concern basis to the Acquirer.
- The lump sum purchase consideration, adjusted by the First Tranche Adjustment in terms of the BTA, came to INR 660,64,47,302/- (Rupees Six Hundred Sixty Crores Sixty Four Lakhs Forty Seven Thousand Three Hundred and Two Only), which was duly paid by the Acquirer to PMFPL. The Second Tranche consideration shall be received by PMFPL in due course, as per the terms of the BTA.

Further, the Company acquired 2,25,00,000 (Two Crores Twenty Five Lakhs) Equity Shares from M/s PML Realtors Private Limited ("PRPL"), Wholly Owned Subsidiary of the Company on Rights Issue basis at a price of ₹11.00/- each (including premium of ₹1.00/- each) aggregating to ₹24,75,00,000/- (Rupees Twenty Four Crores Seventy Five Lakhs Only) on 25/06/2025. Pursuant to the said acquisition, there was no change in the existing stake of the Company in the said WOS.

There are no other events to be reported 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 REPORT

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 because the Company is not among top 1000 listed entities based on market capitalization as on 31-03-2025.

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.

DETAILS OF COMMISSION RECEIVED BY MANAGING DIRECTOR OR WHOLE TIME DIRECTOR

No amount has been paid to Mr. Rajneesh Bansal, Managing Director of the Company, as commission for the Financial Year 2024-25.

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.

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 (Pvt) Ltd, PML Realtors (Pvt) Ltd. and Paul Infotech (Pvt) Ltd, 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, 2025 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, 2025 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, 2025 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

The Company remains a frontrunner in talent cultivation, consistently adopting forward-thinking systems and cutting-edge processes to keep its human capital ahead of the curve in an increasingly technology-driven landscape. Its steadfast commitment to leadership development across all levels underscores a strategic focus on shaping employees into empowered managers whose growth aligns seamlessly with the Company's long-term expansion goals. Recognizing that its greatest asset is the dedication and capability of its people, the Company places human resources at the core of its business strategy, leveraging their indispensable role across every operational dimension. A key differentiator lies in the Company's ability to position its workforce as strategic partners, closely attuned to the evolving aspirations and challenges of the organization. With rising customer expectations and bold growth targets, building a proactive, agile, and highly motivated team has become paramount to driving the Company's vision forward.

As of 31-03-2025, the Company has a dedicated team of 351 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 2025-26 to BSE Ltd. and has also paid the Annual Custodial fee for the Financial Year 2025-26 to the Depositories. The said Fees for the Financial Year 2024-25 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, 2025. 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% issued shares of the Company are in dematerialized form as on 31/03/2025. M/s Alankit Assignments Limited, New Delhi is acting as the Registrar 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 31-03-2025. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

The Company had declared dividend for the FY 2019-20 and there is some amount of dividend lying unpaid as on 31/03/2025, information of which has been posted on the website of the Company www.paulmerchants.net. Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company shall make requisite compliances for the said unpaid dividend at the appropriate time.

FINANCIAL STATEMENTS

Annual Report 2024-25 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 2024-25 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 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 13, 2025



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 appointments 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	1. Ability to understand Financial Markets especially Forex Markets
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as required in the context of its business(es) and sector(s) for it to function effectively	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
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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. General:

- (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 time 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

**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 13, 2025



ANNEXURE D-2 TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[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, 2025 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, 2025, 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.

I further report that during the audit period:

1. The company vide Special Resolution has approved the Slump Sale of Gold Loan Business Undertaking of Paul Merchants Finance Private Limited, Material Wholly Owned Subsidiary of the Company to L & T Finance Limited through Postal Ballot on 13th March, 2025.

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: 29-07-2025

UDIN: A046547G000888542

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, 2025

[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,
Ground Floor, SCO 829-830,
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, 2025 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, 2025, 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 during the audit period:

1. The company, has allotted 38,77,147 Equity Shares of Rs. 10/- each at premium of Rs. 54/- per share to its existing shareholders under Rights Issue on 9th April, 2024.
2. The company vide Special Resolution dated 6th March, 2025, has approved the Slump Sale of its Gold Loan Business as going concern to L & T Finance Limited.

I further report that, there were no instances of

- (i) Public / Preferential issue of shares / sweat equity
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction etc.
- (iv) Foreign technical collaborations.

Place: Shimla
Date:05-08-2025

UDIN:A046547G000937844

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

Foreign Exchange: Current Landscape and India's Position

Global Market Landscape

The foreign exchange (forex) market remains the largest and most liquid financial market in the global economy, with daily average turnover exceeding US\$7.5 trillion, as per the Bank for International Settlements (BIS, 2022 Triennial Survey) (Source: <https://www.bis.org/statistics/rpfx22.htm>). This vast decentralized market supports cross-border trade, investments, and financial flows by enabling currency conversion globally. Operating 24 hours a day, five days a week, the forex market functions through major financial centers, with activity driven by macroeconomic indicators, central bank policy shifts, interest rate differentials, and geopolitical events.

Market Growth Trends and Future Drivers

According to World Bank development indicators (Source: <https://databank.worldbank.org/source/world-development-indicators>), the global forex market expanded from an estimated size of US\$752.66 billion in 2023 to US\$795.91 billion in 2024, at a CAGR of 5.7%. It is projected to reach approximately US\$1.02 trillion by 2028, reflecting a CAGR of 6.5%. These figures refer to the global retail and institutional forex services market. Growth drivers include globalization, cross-border trade, investment flows, interest rate dynamics, speculative activity, and increasing demand for digital FX solutions.

Geopolitical Conflicts and Market Volatility

The global forex market during FY 2024–25 has remained highly sensitive to various geopolitical tensions:-

- Russia–Ukraine War: Weakened EUR; elevated volatility; rise in USD safe-haven flows.
- Israel– Hamas-Iran Conflict: Oil price volatility; Middle East instability; strengthened USD.



- India–Pakistan Tensions: INR volatility spikes; capital flow caution; stabilized via RBI intervention (Source: <https://www.rbi.org.in>).

Innovation and Market Accessibility

Driven by rapid technological transformation, the foreign exchange sector has undergone a profound evolution over the past decade. The emergence of electronic trading platforms, algorithmic trading models, and real-time settlement systems has significantly improved the speed, transparency, and efficiency of forex transactions. As highlighted in the IMF working paper titled “The Rise of Digital Markets” (Source: International Monetary Fund – www.imf.org), over 70% of global FX spot transactions are now executed electronically through centralized trading platforms or interdealer systems, up from approximately 50% a decade ago. The report also emphasizes the growing role of Decentralized Finance (DeFi) protocols and blockchain-based FX liquidity pools. These innovations are further supported by ongoing exploration of Central Bank Digital Currencies (CBDCs) and open banking protocols that promise to streamline cross-border transactions.

India’s Foreign Exchange Reserves (FY 2024–25)

India’s foreign exchange reserves demonstrated considerable strength and consistency throughout FY 2024–25, reflecting the Reserve Bank of India’s prudent external sector management and the country’s macroeconomic resilience. According to data published in the Weekly Statistical Supplement of the Reserve Bank of India, at the beginning of FY 2024–25 (week ending April 5, 2024), India’s total foreign exchange reserves stood at approximately USD 578.45 billion. By the end of the financial year, reserves had climbed steadily to USD 642.63 billion, and reached USD 698.95 billion as of June 7, 2025 (Source: <https://www.rbi.org.in>). According to World Bank data (<https://databank.worldbank.org>), India continues to be one of the top global holders of foreign exchange reserves, ranking just behind China, Japan, and Switzerland. These reserves provide a strong buffer, sufficient to cover more than 11 months of imports and approximately 96% of India’s total external debt.

Stability of the Indian Rupee (INR)

Despite significant global headwinds during FY 2024–25—including geopolitical conflicts, oil price volatility, and monetary policy tightening by advanced economies—the Indian Rupee (INR) exhibited remarkably low volatility compared to other major emerging market currencies. As per analysis from the International Monetary Fund (IMF) and market observations by the European Central Bank (ECB), the INR’s annualized daily volatility in 2024–25 remained under 3%, significantly lower than currencies such as the South African Rand or Turkish Lira, which saw volatilities



exceeding 8% and 10% respectively. The INR traded largely within a narrow band of ₹82.50–₹83.60 per USD during the year, reflecting a tightly managed float regime supported by calibrated RBI interventions in the spot and forward markets. (Sources: IMF – <https://www.imf.org>; RBI – <https://www.rbi.org.in>; ECB <https://www.ecb.europa.eu>)

Bond Index Inclusion and Capital Flows

India's inclusion in JPMorgan's Government Bond Index – Emerging Market (GBI-EM) on June 28, 2024, spurred foreign investor confidence and capital inflows. Estimated USD 20–25 billion inflows are expected over the medium term, strengthening India's external position and further integrating its financial markets into the global ecosystem.

Conclusion: India's Strategic FX Position

India's FX ecosystem in FY 2024–25 demonstrates strength, backed by record reserves, prudent macroeconomic management, and strategic reforms. These factors position India favorably toward becoming a \$5 trillion economy.

Tours and Travels

International tourist arrivals in 2024 reached approximately 1.4 billion, marking an 11% increase over 2023 and nearly returning to pre-pandemic levels. (Source: United Nations World Tourism Organization – <https://www.unwto.org>)

According to the World Travel & Tourism Council (WTTC), the global travel and tourism sector contributed USD 10.9 trillion to world GDP in 2024, accounting for 10% of the global economy, and supported 357 million jobs globally. (Source: WTTC – <https://wttc.org>)

Looking ahead, WTTC projects that the sector will reach an all-time high of USD 11.7 trillion in 2025, or 10.3% of global GDP, with employment rising to 371 million jobs worldwide. (Source: WTTC Economic Impact Research 2025 – <https://wttc.org>)

In terms of travel preferences, approximately 36% of global tourists opted for destinations near water bodies (coastal, lakeside, or riverfront), reflecting increased awareness of climate change and eco-sensitive travel. (Source: UNWTO – <https://www.unwto.org>)

India continued to expand international access by offering e-Visa facilities to nationals of 167 countries, thereby enhancing its tourism accessibility and competitiveness. (Source: Ministry of Tourism, Government of India – <https://tourism.gov.in>)



Despite macroeconomic and supply chain challenges in aviation, global passenger air capacity is projected to grow by 7.5% in 2025, reflecting strong recovery momentum in international and regional travel demand. (Source: International Air Transport Association – <https://www.iata.org>)

International Money Transfer

India remains the top global recipient of remittances, with estimated inflows of USD 129 billion in 2024, an increase from USD 120 billion in 2023. This firmly places India ahead of Mexico (USD 68 billion), China (USD 48 billion), the Philippines (USD 40 billion), and Pakistan (USD 33 billion). **Source: World Bank – <https://www.worldbank.org> [worldbank.org](https://www.worldbank.org)+2blogs.worldbank.org+2worldbank.org+2**

As per the **World Bank Migration and Development Brief**, remittances to lower- and middle-income countries (LMICs) are projected to grow by **2.3% in 2024 and 2.8% in 2025**, reaching a total of **USD 690 billion**. **Source: World Bank – <https://www.worldbank.org> [worldbank.org](https://www.worldbank.org)+2documents1.worldbank.org+2documents1.worldbank.org+2**

A key driver for India's remittance inflows has been the diversified diaspora, especially skilled migrants residing in the United States, United Kingdom, and Singapore, who contribute roughly 36% of the total. Source: World Bank – <https://www.worldbank.org> [documents1.worldbank.org](https://www.worldbank.org)+2documents1.worldbank.org+2en.wikipedia.org+2

Within the **Gulf Cooperation Council (GCC)** region:

- The **UAE accounted for 18%**, and
- **Saudi Arabia, Kuwait, Oman, and Qatar collectively contributed 11%** of India's remittances. **Source: World Bank – <https://www.worldbank.org> [en.wikipedia.org](https://www.worldbank.org)+2documents1.worldbank.org+2documents1.worldbank.org+2en.wikipedia.org**

(b) OPPORTUNITIES & THREATS

Opportunities:-

The **Forex and Travel industry** is poised for significant growth and transformation in 2025–26, driven by post-pandemic travel rebound, digitization, evolving customer preferences, and regulatory shifts. The global forex market is projected to grow by \$582 billion from 2025 to 2029, driven by urbanization, digitalization, and AI-powered market evolution. The surge in global freelancing, remote work, and e-commerce creates demand for low-cost, instant foreign exchange solutions. AI and Machine



Learning Integration is set to open new opportunities in the forex market with more use of AI for predictive analytics, trading bots, and risk management. Forex demand from Africa, Southeast Asia, and Latin America is expected to rise in the coming year, and Indian companies engaged in forex activities can benefit by offering tailored FX solutions for these underpenetrated markets.

Experiential & Purpose-Driven Travel is set to rise in the years to come resulting in surge in demand for cultural, eco-friendly, and wellness travel. There will be abundant opportunities for travel agencies to curate theme-based packages e.g., digital detox retreats, spiritual journeys. Integration of AI-powered virtual assistants, dynamic pricing tools, and chatbots will make the customer experience more efficient and dynamic. In the post pandemic era, remote work culture has sustained demand for longer stays in scenic locations and Hotels, resorts, and travel planners can create packages for "work + vacation" audiences. These days, the travelers increasingly seek carbon-neutral options, throwing great opportunities for Travel Companies to build platforms highlighting green accommodations, eco-tours, and local experiences.

Threats:-

Regulatory Uncertainty and Crackdowns: Governments and regulators are tightening rules around leverage, KYC/AML, and customer protection

Wars and conflicts (e.g., Ukraine, Taiwan, Middle East tensions) cause volatile currency swings that increase operational risk.

Sanctions, Tariff war and trade barriers can make it harder to move funds across borders or service certain currencies.

Increased use of **algorithms and HFT (high-frequency trading)** can trigger flash crashes.

Central banks' sudden policy shifts (especially from the Fed, ECB, PBOC) can create massive, unpredictable swings.

Deepfakes and spoofing: Can be used in scams, leading to loss of trust.

Cybersecurity threats: Data breaches or attacks (especially via APIs) could cripple platforms or cause massive losses.

Increased competition: Newer fintech apps (e.g., copy trading, commission-free trading) are squeezing traditional Forex players.

Rupee depreciation or inflation shocks can cause instability and panic in domestic forex markets.

Government might impose **capital controls** in response to external shocks (e.g. oil prices, geopolitical tension).



Phishing attacks, fake forex websites, and WhatsApp/Telegram-based scams are on the rise.

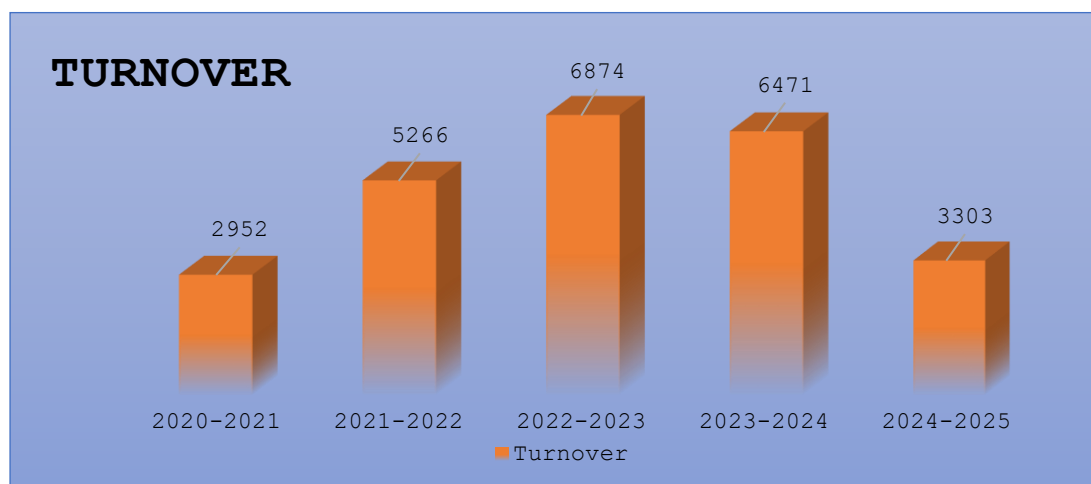
The rupee's overvaluation relative to its trading partners makes India's exports more expensive

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

The total turnover from this division decreased to ₹3303.46 Crores as compared to previous year figures of ₹ 6471.08 crores, registering a de-growth of 49%. Due to sudden dip in the students going overseas for education purposes due to the tightening of norms in Canada & UK from January 2024 onwards, the sale and purchase of foreign exchange has decreased significantly in the last Quarter of FY 2024-25, impacting the overall volume of Turnover from Forex.

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

Figures in INR Crores



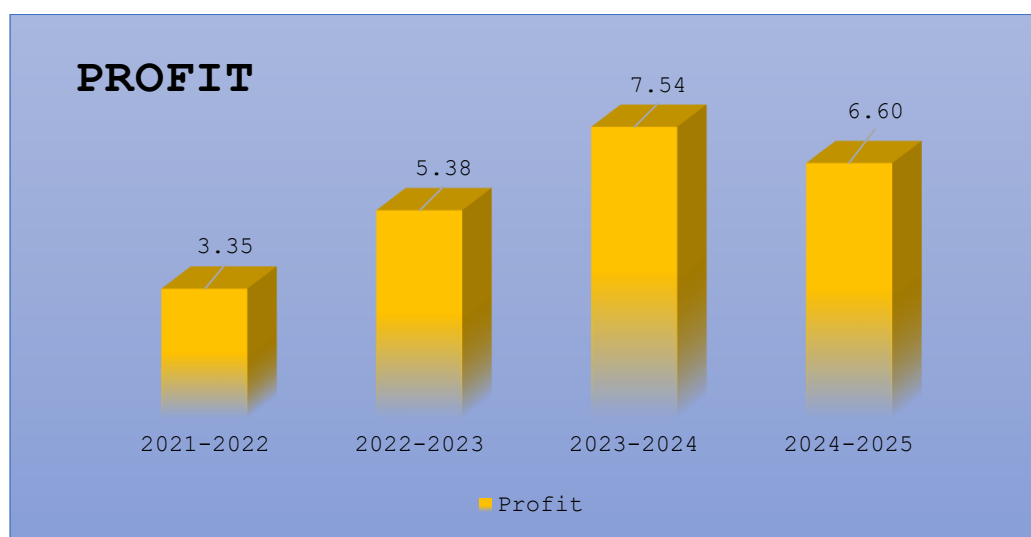
Among the various products in Forex, the Telegraphic Transfer business has always been one of the major contributor for the Company towards the overall Forex Sales. This year too, it has been one of the major contributing product with 87.28% share in the total sales made by the Company. Currency business contributed to the overall Forex sales with a 12.72% share.



Non AD II Business

The Company has been able to register an income of ₹ 6.60 crores as against the previous year's figures of ₹ 7.54 crores during the year under review, registering thereby a de-growth of 12.47 % over last year.

Non ADII Profit (Figures in INR Crores)



TRAVEL DIVISION

In this segment, Gross Turnover from Hotel Bookings and Packages stood at ₹ 490.13 Lakhs for the year under review as against the previous year figure of ₹ 335.86 lakhs, registering an increase of 45.93%. The revenue from hotel bookings stood at Rs. 31.11 Lakhs for the year under review as against the previous year figure of Rs. 27.64 Lakhs.

Revenue from Air Ticketing stood at ₹ 161.31 Lakhs for the year under review as against the previous year figure of ₹ 151.21 lakhs, registering an increase of 6.68%.

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 ₹ 17.40 Lakh for the year under review as against the previous year figure of ₹ 13.83 Lakhs, registering an increase of 25.80%



INTERNATIONAL MONEY TRANSFER DIVISION (MTSS BUSINESS)

The Company has been offering International Inward Money Transfer services as a Sub Agent of Ebix Money Express Services (P) 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 ₹26.62 Lakhs as against the previous year figure of ₹ 28.35 Lakhs, registering a decline of 6.10%.

Further, the Company achieved Revenue from Domestic Money Transfer at ₹ 9.79 Lakhs as against the previous year figure of ₹ 9.70 Lakhs, registering an increase of 0.93%. For offering these services, the Company acts as a Distributor of its Wholly Owned Subsidiary Paul Merchants Finance (Pvt) Ltd.

(d) OUTLOOK

Various global factors, including geopolitical developments, economic indicators, and policy changes, profoundly influence the foreign exchange (forex) and international travel market. Travel and forex demand is rebounding strongly post-COVID. Increased international education, medical tourism, and work migration are fueling growth in forex remittance and travel services. However, competition from digital platforms and regulatory scrutiny is likely to intensify in future. Rising disposable Income especially among Indian middle class and Tier-2/Tier-3 cities is set to boost both international tourism and Forex industry. Business + Leisure trips are becoming more common post-pandemic. India as an Outbound Market is projected to reach over \$45 billion by 2027. Surge in customized experiences and niche travel like wellness, adventure, solo trips are expected to rise. Forex cards, UPI-linked international payments, and multi-currency wallets are likely to gain adoption. The Indian travel and tourism market is projected to generate USD 25.01 billion in revenue in 2025, with an expected annual growth rate of 8.06% from 2025 to 2029

India's future outlook in global financial markets remains strong, driven by robust economic growth, financial stability, and increasing global integration. Here are key factors shaping India's financial trajectory:

1. Economic Growth & Stability

- India's real GDP growth is projected at 6.2% in 2025, maintaining its position as the fastest-growing major economy, according to the International Monetary Fund (IMF).
- The Reserve Bank of India (RBI) reports that India's financial system is well-buffered, with strong capital and liquidity ratios, declining asset impairments, and rising profitability.



2. Forex Reserves & Currency Stability

- India's foreign exchange reserves stood at USD 698.95 billion as of June 7, 2025, providing a solid buffer against global financial volatility, as per RBI data.
- The Indian rupee has remained relatively stable, benefiting from strong capital inflows and prudent macroeconomic management.

3. Global Financial Integration

- India's inclusion in JPMorgan's Government Bond Index – Emerging Market (GBI-EM) has boosted investor confidence, leading to higher foreign institutional investments.
- The OECD Economic Outlook highlights India's rising contribution to global growth, currently at 18.5% in 2024-25, reinforcing its role in the global financial system.

4. Challenges & Opportunities

- Geopolitical tensions, inflationary pressures, and global trade uncertainties pose risks, but India's strong domestic demand and policy reforms help mitigate these challenges.
- The IMF emphasizes the need for continued fiscal consolidation and structural reforms to sustain long-term financial stability.

5. Future Prospects

- India's financial markets are expected to expand further, supported by digital banking innovations, fintech growth, and strong regulatory frameworks.
- The RBI and IMF project continued resilience, with India playing a key role in global financial stability.

6. Tourism Industry Outlook

- India's travel and tourism sector is experiencing strong recovery, with domestic tourism leading the way, according to the World Travel & Tourism Council (WTTC).
- The sector contributed INR 19.13 trillion to India's GDP in 2023, 10% ahead of 2019 levels, with employment in Travel & Tourism growing by 10% to 43 million jobs.
- The Indian government aims to attract 100 million inbound tourists by 2047, as part of its long-term vision to position India as a global tourism powerhouse.

(e) RISKS AND CONCERNS

Trade Policy and Regulatory Risks

The implementation of tariffs by the U.S. administration in early 2025 (25% on Canada/Mexico and 10% on China) initially created significant forex market volatility.



While the U.S. Court of International Trade ruled these tariffs illegal and permanently blocked them in May 2025, U.S. President Donald Trump signed an executive order on August 6, 2025, imposing an additional 25% [tariff on imports from India](#), in response to India “directly or indirectly” importing oil from Russia. This is over and above the 25% tariff on Indian imports that Mr. Trump approved on July 31. These developments continue to pose risks to currency stability. Further, the evolving U.S.-China trade relationship and potential manufacturing relocations to Southeast Asia may impact currency demand patterns, affecting our exposure to emerging market currencies including the Indonesian Rupiah, Vietnamese Dong, and Thai Baht.

Visa and Travel Regulatory Risks

European Market Risks:

- New Schengen Entry/Exit System (October 2025) requiring biometric data may cause processing delays and impact customer travel plans
- France's planned visa reforms with stricter controls could reduce travel demand from key source markets
- Romania and Bulgaria's Schengen integration may alter travel flow patterns

U.S. and Canada Market Risks:

- Aggressive revocation of student visas and increased F-1 visa rejection cases have adversely hit our overseas student remittance transactions.
- Potential elimination of the Optional Practical Training (OPT) program threatens our core student-linked forex services

These visa restrictions directly impact our International Money Transfer (IMT) business, student remittances and education-related forex transactions.

Competitive and Technology Risks

Margin Compression: Fintech platforms (Wise, Revolut, BookMyForex) offering commission-free services continue eroding our traditional forex margins. Online comparison tools have eliminated pricing opacity, intensifying competitive pressure.

Digital Disruption: Customer preference shifts toward app-based solutions and instant transfers poses threat to the offline distribution network and traditional service models.

Economic and Operational Risks

Cost Pressures: Global inflation and fuel price volatility increase operational costs while reducing discretionary travel spending among price-sensitive customer segments in Tier 2 and Tier 3 cities.



External Shocks: Climate-related disruptions, potential health emergencies, and geopolitical tensions remain significant risks to our travel and tours business.

Risk Mitigation

The Company maintains a comprehensive risk management framework supervised by the Audit Committee and the Board of Directors, focusing on proactive identification, impact assessment, and mitigation strategies across all business verticals to safeguard operational stability and capitalize on emerging opportunities.

(f) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY AND RISK MANAGEMENT

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, 2025. 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.

					Rs. In lakhs
Sr. No	Particulars	Year Ended		Year Ended	
		31.03.2025	31.03.2024	31.03.2025	31.03.2024
		Standalone		Consolidated	
1	Revenue from operations				
	Sales	3,31,362.72	6,48,291.15	3,31,921.79	6,48,439.11
	Other operating income	1,495.12	1,893.61	1,545.85	1,885.81
	Total (1)	3,32,857.84	6,50,184.76	3,33,467.64	6,50,324.92
2	Expenses				
	a. Cost of materials consumed	-	-	-	-
	b. Purchase of stock in trade	3,24,955.07	6,35,758.96	3,25,115.95	6,35,758.96
	c. Changes in inventories of finished goods, stock-in-trade and work-in progress	-38.46	-255.13	282.28	-255.13
	d. Employee benefits expense	2,433.88	2,338.99	2,689.35	2,662.58
	e. Other expenses	5,980.86	11,204.09	6,108.22	11,507.58
	Total (2)	3,33,331.34	6,49,046.91	3,34,195.79	6,49,673.99
3	Operating profit (EBITDA) excluding other income (1-2)	-473.50	1,137.85	-728.16	650.92
4	Other Income	1,867.18	2,819.37	325.52	531.31
5	Less: Finance costs	122.98	171.49	195.58	218.20
6	Less: Depreciation & amortization expenses	320.76	271.97	380.49	339.89
7	Profit before share of profit/ (loss) in Subsidiaries/associates / joint venture, exceptional items & tax	949.94	3,513.77	-978.71	624.14
8	Share of profit/ (loss) in Subsidiaries/associates / joint venture, exceptional items & tax	Nil	Nil	Nil	Nil
9	Exceptional items	125.9	Nil	125.90	30.50
10	Profit before tax (from Continuing Operations)	824.04	3,513.77	-1,104.61	593.64



11	Less: Provision for tax				
	Current tax	255.22	873.32	161.74	761.11
	Prior Period Tax	-20.72	0.54	-20.72	1.07
	Deferred tax	-1.44	27.43	-16.95	6.83
	Total	233.06	901.29	124.07	769.02
12	Profit after tax (from Continuing operations)	590.98	2,612.48	-1,228.68	-175.37
13	Profit/Loss from Discontinued Operations			9,621.28	6,686.53
14	Tax Expense of Discontinued Operations			2,009.05	1,048.59
15	PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS AFTER TAX (13-14)			7,612.23	5,637.93
16	PROFIT/(LOSS) FOR THE PERIOD (12+15)			6,383.55	5,462.56
17	Total Comprehensive Income	569.02	2,591.62	6,367.91	5,443.57
18	Balance of Reserves & Surplus brought forward	47,317.99	44,931.97	56,211.75	50,973.78
19	Reserves and Surplus at the end of the year	47,887.01	47,317.99	62,579.66	56,211.75

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

In alignment with the belief that effective human capital management is rooted in strong personnel practices, the Company has continued to embed its core values across its organizational fabric—creating a workplace that thrives on inclusion, adaptability, and collaborative excellence. Individual aspirations are thoughtfully mapped to the broader vision of the Company, enabling employees to advance professionally while contributing meaningfully to business outcomes. Employees remain central to the Company's strategic initiatives, with their insights and efforts recognized as integral to sustainable growth. As the Company expands its reach and capabilities, employees are seen not merely as stakeholders but as key drivers of progress, with talent development positioned as a continuous and dynamic process. This commitment is reflected in the Company's comprehensive approach to learning and development, ensuring ongoing reskilling and capability enhancement across roles and functions.

During FY 2024–25, the Company further strengthened its HR framework by introducing a refreshed induction and integration program, conducting regular health and wellness sessions, organizing cross-functional team-building workshops, and implementing



employee feedback surveys to identify areas for improvement and strengthen engagement at all levels.

As on 31st March, 2025, 351 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	2023-24	2024-25	Change	EXPLANATION FOR CHANGE
A	Debtors Turnover	Credit Sale/Average Trade receivable	5.43	4.82	-11.33%	Credit sale decreased as compared to previous year
B	Inventory Turnover	Cost of goods sold/average inventory	82.92	50.2	-39.46%	This is mainly because Purchases reduced as compared to previous year.
C	Interest Coverage Ratio	PBT/Interest	26.603	8.83	-66.81%	PBT decreased as compared to last year
D	Current Ratio	Current Assets/Current Liability	4.29	4.89	14.10%	Current liabilities decreased compared to last year mainly due to decrease in advance from customers and borrowings at the year end
E	Debt Equity Ratio	Debt/Total Equity	0.0282	0.0338	19.97%	Borrowings decreased at the year end
F	Operating Profit Margin (%)	Operating Profit/Total Operating Revenue	0.11%	-0.28%	-354.55%	The decrease is due to decrease in revenue from operations as compared to previous year
G	Net Profit Margin (%)	PBT/ Total Income	0.40%	0.18%	-55.87%	Due to Increase in Other income
H	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	2023-24	2024-25	Change	EXPLANATION FOR CHANGE
Return On Net Worth	5.49%	1.23%	-77.65%	Profit decreased as compared to previous year leading to decline 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

**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 13, 2025



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., Wholly Owned Subsidiary	- 23,05,61,580	Net Working Capital Loan reduced during the Financial year 2024-25 on account of repayment received from Paul Merchants Finance (P) Ltd
* Total Balance outstanding as on 31-03-2025 is Rs 1,66,85,00,000/- as against the previous year's outstanding balance of Rs 1,89,90,61,580/-			
Details of Guarantees and Securities issued during the year			
Sr. No.	Name of Entity/Person	Amount	Purpose
1	State bank of India	Rs 150 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
2	Tata Capital	Rs.33.80 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
3	Catholic Syrian Bank	Rs. 35 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
4	Indian Overseas Bank	Rs. 50 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
5	Bajaj Finance Limited	Rs. 10 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
6	AU Small Finance Bank Limited	Rs. 20 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited



7	Federal Bank Limited	Rs. 100 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
8	RBL Bank Limited	Rs. 0.25 Crores	Fixed Deposits for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
9	Union bank of India	Rs. 20 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
10	HDFC Bank Limited	Rs. 121 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
11	South India bank	Rs. 10 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
12	Poonawala Fincorp Limited	Rs. 20 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
13	ESAF Small Finance Bank	Rs. 25 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
14	Karur Vysya Bank	Rs. 20 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
15	IDFC First Bank	Rs. 25 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
16	HDFC Bank Limited	Rs. 7 Crores	Fixed Deposits for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited
17	Mannapuram Finance Limited	Rs. 20 Crores	Corporate Guarantee for securing borrowing facility availed by Wholly Owned Subsidiary Paul Merchants Finance Private Limited



Details of Investments

Sr. No.	Name of Entity/Person	Amount (Rs.)	Purpose
1	Paul Merchants Finance Private Limited (PMFPL). The Company subscribed to 38,77,147 Equity Shares of PMFPL, of the Face Value of Rs 10/- each subscribed @ Rs. 64/- each on Right basis, during the FY 2024-25.	24,81,37,408	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	24,81,37,408	

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, 6, 9, 10, 38 and 41 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 13, 2025



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 24-25 (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.	6,99,504 /-
Duration of the contracts/arrangements/transactions	The arrangement is running since 01-04-2008 and the Current term is from 01/04/2025 to 31/03/2025	
Salient terms of the contracts or arrangements or transactions including the value, if any:		
Rate of Rent	Rs. 58,292/- per month from 01.04.2024 till 31.03.2025	
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 24-25 (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.	12,95,365/-



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. 107947/- per month from 01.04.2024 to 31.03.2025	
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 (Pvt.) Ltd. (PMFPL) (CIN U65921CH2010PTC032462) – Wholly Owned Subsidiary Company	Amount for the FY 24-25 (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. W.e.f. 14/05/2024.	22,05,072/-
Duration of the contracts/ arrangements/transactions	The arrangement is running since 15-09-2012. The Rent Agreement tenure in respect of SCO 829-830, Sector 22-A, Chandigarh was from 01.06.2022 till 31.05.2025. Later, due to renovation work in the said premises, in place of this space, the rent agreement in respect of SCO 827-828, Sector 22A, Chandigarh got executed and its tenure was from 24.05.2023 till 24.04.2024. Then, the rent agreement in respect of SCO 829-830, Sector 22A, Chandigarh got restored and its tenure is 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. 183756/- per month from 01.04.2024 to 31.03.2025	
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	17.08.2012 & 14.05.2019, 23.05.2023, 09.11.2023	
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 (Pvt.) Ltd. (CIN U65921CH2010PTC032462) – Wholly Owned Subsidiary Company	Amount for the FY 24-25 (Rs.)
Nature of contracts/arrangements/ transactions	Rent Agreement for giving a portion measuring 2500 Sq. Ft. approx. at Ground Floor of Company owned Godown, Hadbast No. 234, At Vakia mauja Pabhat, Tehsil Derabassi, S.A.S. Nagar, Mohali on rent	6,62,010/-
Duration of the contracts/ arrangements/transactions	The arrangement had come into effect w.e.f. 10-02-2023 and the Current term is from 10/02/2023 to 09/02/2026	
Salient terms of the contracts or arrangements or transactions including the value, if any:		
Rate of Rent	Rs. 54,000/- (exclusive of GST) per month from 10.02.2024 to 09.02.2025 and 58320/- (exclusive of GST) per month from 10.02.2025 to 31.03.2025. The arrear of Rs. 6758/- for the months of February and March, 2024 has been paid by the Company in the month of April, 2024.	
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 2500 sq. ft. area on the ground Floor of Company's Godown located at village Pabhat, Zirakpur, Punjab 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	PML Realtors (Pvt.) Ltd. (CIN:U70109CH2017PTC041807) – A Wholly Owned Subsidiary Company	Amount for the FY 24-25 (Rs.)
Nature of contracts/arrangements/ transactions	Rent Agreement for giving a portion measuring 110 Sq. Ft. at 2 nd Floor of Company owned showroom SCO 827-828, Sector 22-A, Chandigarh on rent.	1,95,941
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. 16,140/- per month from 01.04.2024 to 07.02.2025 and Rs. 17,432/- per month w.e.f. 08.02.2025 till 31.03.2025 (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	Paul E-Commerce (P) Ltd.,(CIN: U93090CH2006PTC029897)- a Company in which relatives of Directors are holding Directorship and Shareholding	Amount for the FY 24-25 (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	4,19,580/-
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. 33,620/- per month from 01.04.2024 to 30.09.2024 and Rs. 36,310/- per month w.e.f. 01.10.2024 till 31.03.2025. 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 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	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.	

REVENUE RECEIVED FROM WHOLLY OWNED SUBSIDIARY COMPANY

Name(s) of the related party and nature of relationship	Paul Merchants Finance (Pvt.) Ltd. (PMFPL) (CIN U65921CH2010PTC032462) – Wholly Owned Subsidiary Company			Amount for the FY 24-25 (Rs.)
Nature of contracts/arrangements/transactions	Commission received for INDO-NEPAL Money Transfer Services			7,555/-
Duration of the contracts/arrangements/transactions	Agreement dated 16.11.2015, Addendum dated 17.11.2018 and Amendment dated 11.08.2022, vide which the Company is acting as an Agent of PMFPL for offering Indo Nepal Money Transfer Services. The said Agreement was initially valid for One year and has been extended thereafter for successive terms of One year each.			
Salient terms of the contracts or arrangements or transactions including the value, if any:				
Rate	On every Transaction of Indo Nepal Money Transfer processed by the Company, the entitlement of the company is as given below:-			
	Transaction Type	Amount of the Transaction (Rs)	Amount to be Collected by PML from Customers	Entitlement of PML (including GST)



			(including GST)		
	Cash to Cash	Up to INR 5000	150	25.33	
		Above INR 5000	199	37.25	
	Cash to Account	Up to INR 5000	90	20.30	
		Above INR 5000	120	24.56	
	A sum of Rs. 7,555/- has been received as commission from Paul Merchants Finance (Pvt.) Ltd on this account. Applicable GST on the income received by the respective parties is borne by themselves.				
Annual Increase	N/a				
Justification for entering into such contracts or arrangements or transactions	The Company is acting as an Agent of Paul Merchants Finance (Pvt.) Ltd. for offering Indo Nepal Money Transfer Services and is receiving the share in gross commission, which is adding up to its revenues. As such, this Transaction is justified and is in the interests of the Company.				
Date(s) of approval by the Board, if any	Addendum to the Agreement dated 16.11.2015, had been approved by the Board on 13.11.2018. Amendment Agreement was approved on 10.08.2022				
Amount paid as advances, if any:	As mutually agreed from time to time.				
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 (Pvt.) Ltd. (PMFPL) (CIN U65921CH2010PTC032462) – Wholly Owned Subsidiary Company	Amount for the FY 24-25 (Rs.)
Nature of contracts/arrangements/transactions	Commission paid in respect of referral of Forex related transactions by PMFPL to the Company, as Referral Agent of the Company.	724,521
Duration of the contracts/arrangements/transactions	Perpetual Referral Agreement dated 06.08.2019, which is valid till terminated by any party	
Salient terms of the contracts or arrangements or transactions including the value, if any:		
Rate	Commission @ 70% of the margin earned by the company on every transaction referred to by PMFPL, is shared by the Company to PMFPL	
Annual Increase	N/A	
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 refers Forex customers to the Company as per the terms and conditions of the 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	06.08.2019	
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.	

Name(s) of the related party and nature of relationship	Paul Merchants Finance (Pvt.) Ltd. (PMFPL) (CIN U65921CH2010PTC032462) – Wholly Owned Subsidiary Company	Amount for the FY 24-25 (Rs.)
Nature of contracts/arrangements/transactions	Commission paid in respect of travel related services offered by PMFPL as per the Distributor Arrangement	4,98,984/-
Duration of the contracts/arrangements/transactions	Customer Referral Agreement dated 21.05.2024 is valid for an initial term of 3 (Three) years and shall thereafter be renewed mutually between the parties	
Salient terms of the contracts or arrangements or transactions including the value, if any:		
Rate	a) In respect of every transaction referred by PMFPL, the Company will pay Commission @70% of the Net Revenue earned on that transaction, to PMFPL. b) Settlement of the Commission in respect of customers so referred by PMFPL to PML shall be done by PML on Monthly basis on the basis of an Invoice to be raised by PMFPL to PML on or before 7th of the following month. The settlement shall be made by PML within the next 7 days.	
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 shall be acting as a Referral Agent of PML for referring customers for Travel Products to PML and will receive commission from PML 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 24-25 (Rs.)
Nature of contracts/arrangements/transactions	Payment of Remuneration	5,99,921/-
Duration of the contracts/arrangements/transactions	The employment is valid until terminated by any party by giving prior notice of one month to the other.	



Salient terms of the contracts or arrangements or transactions including the value, if any	Mr. Hardik Bansal is working as an employee of the Company and handles the legal matters filed by and/or against the Company and during the FY 2024-25, a sum of Rs. 5,99,921/- 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 is working as an employee of the Company and handle 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. 41 of the Balance sheet, which is a part of this Annual Report.

For & On Behalf of the Board

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

PLACE: CHANDIGARH
 Date: August 13, 2025

For & On Behalf of the Board

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



ANNEXURE D-6 TO THE DIRECTORS' REPORT:-

A. Conservation of Energy :

- (i) Steps taken or impact on conservation of energy:- Though energy does not form a significant portion of the cost for the Company, yet wherever possible and feasible, continuous efforts are put for conservation of energy and to minimize traditional power cost. The Energy conservation measures include encouraging the use of solar lights, low power consuming apparatus, replacement of old electrical units with new energy efficient units.
- (ii) Steps taken by the company for utilising alternate sources of energy:- Wherever possible, paperless processes are adopted under Green Initiative. Staff of the Company is regularly sensitized about conservation of power and paper. The vehicles operated by the company are in compliance of all pollution control regulations.
- (iii) Capital investment on energy conservation equipments:- As the Company is in service sector, and solar systems/plants have been installed wherever possible, capital investment on energy conservation equipments is not significant to be reported.

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

	2024-25	2023-24
PARTICULARS	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
Foreign Exchange Outgo		
Towards Travelling Overseas	25.52	13.36
Towards Overseas Tour Packages Business	221.28	86.66



Towards Membership & Subscription Fee (IATA & ASTA)	1.18	2.65
Towards Advertisement & Telecom Expenses	6.49	0.14
Towards Revenue Share for outward Remittances	-	64.15
Total	254.47	166.96
Foreign Exchange Receipts		
Tour Packages Business	18.35	15.89
Revenue share from Forex Business	117.82	282.07
Total	136.17	297.96

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 13, 2025

ANNEXURE D-7 TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2024-25

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:

- CSR Committee:-
<https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2024/04/CSR-Committee-1.pdf>
- CSR Policy:
<https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2022/07/CSR-Policy.pdf>
- CSR Projects:
<https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2024/05/Annual-Action-Plan.pdf>

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. 31,22,53,545/- (Rupees Thirty One Crores Twenty Two Lakhs Fifty Three Thousand Five Hundred and Forty Five Only)



(b) Two percent of average net profit of the company as per sub-section (5) of section 135:-

Rs. 62,45,071/- (Rupees Sixty Two Lakhs Forty Five Thousands and Seventy One Only)

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

(a) Amount required to be set-off for the financial year, if any:- Rs. 5,37,836/-

(b) Total CSR obligation for the financial year [(b)+(c)-(d)] : Rs. 57,07,235/-

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

Amount spent on ongoing projects: - Not Applicable

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.	Expenditure on Healthcare project DWAI (Drugs and Wellness for All in Indigence Project, whereby medicines are collected from households and distributed free of cost to poor and needy people	Promoting Health Care	Yes	Chandigarh	Chandigarh	20060	Yes	—	—



2.	Maintaining the Shelter house (Panah) at GMCH, Sector 32, Chandigarh for patients & their attendants staying there	Promoting Health Care	Yes	Chandigarh	Chandigarh	214049	Yes	--	--
3.	Running of Training Centre for providing free of cost training in Stitching & Tailoring Activities for needy Women	Promoting employment enhancing vocational skills	Yes	Punjab	Barnala	75,600	Yes	-	-
4.	Scholarship to needy Girl Students of C.L. Aggarwal DAV Model School, Sector 7-B, Chandigarh	Promoting Education	Yes	Chandigarh	Chandigarh	10,00,000	Yes	-	-
5.	Building Auditorium and Class Rooms for Smt. Shanti Devi Memorial Girls Government School, Tapa Mandi	Promoting Education	Yes	Punjab	Tapa Mandi	13,15,591	Yes		
6.	Eradicating Hunger, Organizing community lunch in Chandigarh	Eradication of Hunger	Yes	Chandigarh	Chandigarh	688371	Yes	-	-
7.	Construction of School Building in Madan Mohan Agarwal Public School, Dabawali at Distt. Sirsa, Haryana	Promoting Education	Yes		Dabawali at Distt. Sirsa, Haryana	2500000	No	Bhagwan Shri Krishan college of Education	CSR00084938
TOTAL						5813671			

b. Amount spent in Administrative Overheads: Rs. 90,539/-

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

d. Total amount spent for the Financial Year (a+b+c) : Rs. 59,04,210/-



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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
Rs. 59,04,210/-	N.A.				

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	6245071/-
(ii)	Total amount spent for the Financial Year	59,04,210/- + Rs. 5,37,836/- excess carried forward from FY 2023-24
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	1,96,975/-
(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)]	1,96,975/-

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

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year (s)	Amount transferred to Unspent	Balance Amount in unspent	Amount Spent in the	Amount transferred to a fund as specified under Schedule VII as per second	Amount remaining to be spent in	Deficiency, if any



		CSR Account under sub-section (6) of section 135 (in Rs.)	CSR Account under sub-section (6) of section 135 (in Rs.)	Financial Year (in Rs)	proviso to sub-section (5) of Section 135, if any		succeeding financial years. (in Rs.)	
					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)x	(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.

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: 13-08-2024



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, 2025.

Place: CHANDIGARH
Date: 13-08-2025

SD/-
RAJNEESH BANSAL
Managing Director
DIN- 00077230



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 31-03-2025:-

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 2025. 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 2025.

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 2024-25 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 31/03/2025 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) The attendance of each Director at Board Meetings during FY 2024-25 and at the Last Annual General Meeting:-

NAME	CATEGORY	Board Meetings attended during the year	Attendance at the AGM held on 26.09.2024
Mr. Sat Paul Bansal	Chairman and Non-Executive Director	7	Yes
Mr. Rajneesh Bansal	Executive (Managing Director)	8	Yes
Mr. Sarita Rani Bansal	Non-Executive Non Independent Director	7	Yes
Mr. Inder Sain Negi	Non-Executive Independent Director	5	No
Mr. Ritesh Vaid	Designated Whole Time Director	8	Yes



Mr. Bhupinder Singh	Non-Executive Independent Director	7	Yes
Mr. Anoop Kumar Sharma	Non-Executive Independent Director	6	Yes
Mrs Tejinder Kaur	Non-Executive Independent Director	3	No
Nirmal Chand (Resigned w.e.f. 14.06.2024)	Non-Executive Independent Director	1	N.A.

(c) Number of Other Board of Directors or Committees in which a Director is a Member or Chairperson as on 31/03/2025

	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	4	0	2
Mr. Sat Paul Bansal	1	3	3	0	1
Mrs. Sarita Rani Bansal	1	1	4	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 31/03/2025.
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.

Names of the Listed Entities where the person is a director and the category of directorship as on 31/03/2025:-

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	Whole Time Designated 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 2024-25, 8 Board Meeting have been held on the following dates:

16/05/2024, 13/08/2024, 11/09/2024, 13/11/2024, 20/01/2025, 07/02/2025, 13/02/2025, 28/03/2025

Independent Directors meeting was held on 13-02-2025.

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 2024-25 is given below:-

Name of Director	Title	No. of Meetings held	No. of Meetings attended
Mr. Sat Paul Bansal	Chairman, Non-Executive Director	8	7
Mr. Anoop Kumar Sharma	Non-Executive Independent Director	8	6
Mr. Bhupinder Singh	Non-Executive Independent Director	8	7
Mr. Inder Sain Negi	Non-Executive Independent Director	8	5
Mr. Nirmal Chand (Resigned 14.06.2024) w.e.f	Non-Executive Independent Director	8	1
Mr. Rajneesh Bansal	Managing Director	8	8
Mr. Ritesh Vaid	Whole Time Director	8	8
Mrs. Sarita Rani Bansal	Non-Executive Director	8	7
Mrs. Tejinder Kaur	Non-Executive Independent Director	8	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 31/03/2025.

(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 held 1036800 (33.62%) Equity Shares in the Company as on 31/03/2025. She does not hold any shares in the Company on beneficial basis.
- Mr. Sat Paul Bansal:-He held 75720 (2.46%) Equity Shares in the Company as on 31/03/2025. He does not hold any shares in the Company on beneficial basis.
- 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 2024-25 have been posted under the web link: <https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2025/03/Familiarization-Programme-FY-2024-1.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
<ol style="list-style-type: none"> 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 31/03/2025, 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 including Mrs Tejinder Kaur, who was appointed as Non Executive Independent Director during the year under review, possess the required Skills/Expertise/Competence to discharge their duties as Independent Directors.

(i) CONFIRMATION BY THE BOARD REGARDING INDEPENDENT DIRECTORS

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) 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

Mr. Nirmal Chand (DIN 10041305) resigned from the position of Independent Director of the Company w.e.f. 14/06/2024 due to the reason that he was holding independent directorship in M/s RBL Finserve Limited, which is a wholly owned subsidiary of RBL Bank Limited (RBL) and RBL was one of the Lenders of Paul Merchants Finance Private Limited, Wholly owned subsidiary of Paul Merchants Limited and his simultaneous directorships in these said two Companies were conflicting with each other.

The above director has confirmed that there were no other material reasons for his resignation other than those provided in the resignation letter.

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



3. AUDIT COMMITTEE

a. Brief description of Terms of Reference of Audit Committee:

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).

Composition of Audit Committee

- 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 31/03/2025, 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 31/03/2025:-

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 2024-25

4 meetings of the Audit Committee have been held during the year 2024-25 on the following dates:-

15/05/2024, 12/08/2024, 12/11/2024, 13/02/2025,

The attendance at the Audit Committee Meetings during the Financial Year 2024-25 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

4. NOMINATION AND REMUNERATION COMMITTEE

(a) Brief description of Terms of Reference:-

- 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.
- To recommend addition/modification to the Nomination & Remuneration Policy to the Board from time to time.
- 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
- To formulate criteria for evaluation of performance of independent directors and the board of directors
- To devise a policy on diversity of board of directors
- 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 31/03/2025:

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:-

Six meetings of the Nomination and Remuneration Committee have been held during the year 2024-25 on the following dates:

24/04/2024, 25/07/2024, 12/08/2024, 11/09/2024, 28/10/2024, 25/01/2025,

The attendance at the Nomination and Remuneration Committee Meetings during the Financial year 2024-25 is given below:

Name	Title	No. of Meetings held	No. of Meetings attended
Mr. Anoop Kumar Sharma	Non-Executive Independent Director, Chairman	6	6
Mr. Bhupinder Singh	Non-Executive Independent Director, Member	6	6



Mr. Inder Sain Negi	Non-executive Independent Director, Member	6	5
Mr. Hardam Singh	Company Secretary, Secretary to the Committee	6	6

(d) Performance Evaluation Criteria For 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 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:-

Nil

(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 31/03/2025:-

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 2024-25, 4 meetings of the Stakeholders Relationship Committee have been held on the following dates: -

23/04/2024, 23/07/2024, 26/10/2024, 24/01/2025

The attendance at the Stakeholders' Relationship Committee Meetings during the Financial year 2024-25 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, because the Company is not among top 1000 listed entities, determined on the basis of market capitalization, as at the end of the immediate previous financial year i.e. as on 31-03-2024. 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:-

- To ensure a sound and robust risk management system;
- 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;
- 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:

- 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;
- In the absence of the Committee chairman, the remaining members present shall elect one of themselves to chair the meeting.
- The Committee may invite any other members of the management from time to time;
- The Committee may hire any independent expert and seek their advice on the subject matters within its responsibilities;
- 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 31/03/2025:-

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	Smt. Sakshi -Chief Financial Officer	Member
5	Sh. Gaurav Joshi-Assistant Vice President (IT) (Resigned on 23.05.2025)	Member
6	Sh. Hardam Singh, Company Secretary	Secretary to the Committee

Mr. Rohit Tripathi, Vice President (IT) has been inducted as a member of the Committee w.e.f. 01.05.2025.

(c) Meetings And Attendance During The Year:-

During the Financial year 2024-25, three meetings of the Risk Management Committee have been held on the following dates: -

22/06/2024, 28/10/2024, 27/01/2025

Name	Title	No. of Meetings held	No. of Meetings attended
Mr. Rajneesh Bansal	Managing Director, Chairman	3	3
Mr. Anoop Kumar Sharma	Non-Executive Independent Director, Member	3	3
Mr. Ritesh Vaid	Whole Time Director, Member	3	3
Mr. Naveen Kumar Laroiya	Chief Financial Officer, Member (resigned w.e.f. 12.08.2024)	3	1
Ms. Sakshi	Chief Financial Officer (Appointed w.e.f. 13.08.2024)	3	2
Mr. Gaurav Joshi	Assistant Vice President (IT), Member	3	3
Mr. Hardam Singh	Company Secretary, Secretary to the Committee	3	3



Sh. Gaurav Joshi, Assistant Vice President (IT) resigned w.e.f. 23/05/2025. Mr Rohit Tripathi, Vice President – IT has been inducted in the Committee as a member w.e.f. 01/05/2025.

5B Senior Management:-

The details of the Senior Management of the Company as on 31/03/2025 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	Mrs. Sakshi	Chief Financial Officer
4	Mr. Gaurav Joshi (Resigned on 23.05.2025)	Assistant Vice President -IT
5	Mr. Dharam Pal Sharma	Chief Compliance Officer
6	Mr. Nitin Sharma	Assistant General Manager –HR
7	Mr. Vikas Sharma	AGM – Administration & Risk Management
8	Mrs. Aarti Markan	Chief Internal Auditor

Changes in the Senior Management since the close of the FY 2023-24 i.e. since 31.03.2024:-

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.

There is no other change in the Senior Management since the close of the FY 2023-24 i.e. since 31.03.2024

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 and there is no 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. There is no other pecuniary relationship or transactions of Mr. Sat Paul Bansal with the Company during the year under review.



Non-Executive Independent Directors:-

A sum of Rs. 2,95,000/- has been paid to Non- Executive Independent Directors as their sitting fee during the Financial year 2024-25 (before TDS) as per details given below:

NAME	SITTING FEE (In Rs.)
Mr. Inder Sain Negi	45000
Mr. Anoop Kumar Sharma	75000
Mr. Tejinder Kaur	75000
Mr. Bhupinder Singh	75000
Mr. Nirmal Chand	25000
Total	295000

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 31/03/2025 are given below:-

NAME	No. of Shares
Sh. Sat Paul Bansal	75720
Smt. Sarita Rani Bansal	1036800
Sh. Inder Sain Negi	Nil
Sh. Anoop Kumar Sharma	Nil
Sh. Bhupinder Singh	Nil
Smt. Tejinder Kaur	Nil
Total	11,12,520

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 any, 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 2024-25 is as under:-

Mr. Rajneesh Bansal, Managing Director

Salary:- Remuneration of Rs. 3,33,00,000/- has been paid to him @ Rs. 25.00 Lakhs per month w.e.f. 01/04/2024 and @ Rs. 28.00 Lakhs per month w.e.f. 01/05/2024 in the form of salary during the Financial Year under review. In addition, rent free accommodation has also been provided to him by the Company valued at Rs. 3,09,012/- till 30/04/2024 during the year under review, which includes payment of Utility bills in the said accommodation on actual usage basis.

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.

Performance Criteria:-

The performance of Mr. Rajneesh Bansal 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. Rajneesh Bansal in this regard is nil.

He holds 882759 (28.62%) equity shares in the Company as on 31/03/2025. He does not hold any shares in the Company on beneficial basis.

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. Transactions relating to Travel and Forex products were entered into him worth Rs. 14,44,159/- 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. Rajneesh Bansal with the Company during the year under review.

Sh. Ritesh Vaid, Designated Whole Time Director

Salary:- Salary amounting to Rs. 27,16,116/- 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. 119,952/- pertaining to the FY 2023-24 has been paid to him during the FY 2024-25. Further, the Performance Bonus of Rs. 1,35,000/- for the FY 2024-25 shall be paid to him at the time of Diwali, 2025. 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.

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 31/03/2025:-



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, 19 meetings of the Executive Committee have been held on the following dates:

26/04/2024, 08/05/2024, 31/05/2024, 21/06/2024, 28/06/2024, 10/07/2024,
16/07/2024, 12/08/2024, 28/08/2024, 26/09/2024, 22/10/2024, 16/11/2024,
25/11/2024, 30/12/2024, 20/01/2025, 14/02/2025, 06/03/2025, 27/03/2025,
28/03/2025

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	19	18
Mr. Rajneesh Bansal	Managing Director, Member	19	19
Mr. Ritesh Vaid	Designated Whole Time Director, Member	19	19
Mr. Hardam Singh	Company Secretary, Secretary to the Committee	19	19

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 31/03/2025:-

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 2024-25, 4 meetings of the CSR Committee were held on:-

22/04/2024, 10/08/2024, 25/10/2024, 23/01/2025

The attendance at the CSR Committee Meetings during the Financial Year 2024-25 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. Guiding principles for monitoring of CSR initiatives:-

- (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. Guiding principles for formulation of Annual Action Plan

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	2022	2023	2024
Type of Meeting	AGM	AGM	AGM
Date	29.09.2022	29.09.2023	26.09.2024
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) Whether any Special Resolutions passed in the last three Annual General Meetings :- YES

Details of the Special Resolutions passed in the last three Annual General Meetings:-



Year 2022

1. To approve the revised remuneration and terms and conditions of Sh. Rajneesh Bansal (DIN 00077230) as the Managing Director of the Company.
2. To approve the continuation of directorship of Smt. Sarita Rani Bansal (DIN 00094504) after she attains the age of 75 years.

Year 2023

To adopt the new Memorandum of Association of the Company

Year 2024

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

(c) **Whether any Special Resolution passed last year through Postal Ballot – details of voting pattern**

Yes, Two Special Resolutions were passed through Postal Ballot through the process of Postal ballot through e-voting during Financial Year FY 2024-25.

Details of Voting pattern for the above mentioned Special Resolutions:-

Sr. No.	Resolution	Consolidated details of Votes	Votes casted in favor	Votes cast against	Date of Passing Resolution
1.	To appoint Mrs. Tejinder Kaur (DIN: 00512377) as an Non-Executive Independent Director of the company for a second term of five consecutive years	2310824	2310738	86	16 th December, 2024



2.	To approve Slump Sale of Gold Loan business undertaking of Paul Merchants Finance Private Limited, material wholly owned subsidiary of the Company to L&T Finance Limited.	24,37,101	24,36,580	521	13 th March, 2025
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(d) **Person who conducted the postal ballot exercise –**

Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary (FCS No. 5901 and CP No. 5870) conducted the Postal Ballot through the process of e-voting.

(e) **Whether any Special Resolution is proposed to be conducted through Postal Ballot Process:-**

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 19 th day of September, 2025 Time:- At 12.00 Noon Venue:- The Company is conducting the meeting through VC / OAVM pursuant to the MCA Circular no. 09/2024 dated 19th September 2024 read over with its earlier Circulars on the subject and SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3rd October 2024 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 41 st AGM shall be the Registered Office of the Company.
b.	Financial year	1 st April, 2024 to 31 st March, 2025
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);	<p>BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street Mumbai- 400001.</p> <p>Listing Fee for the Financial year 2024-25 had been paid on 18/04/2024 and for the Financial year 2025-26 has been paid on 17/04/2025.</p>
h.	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.
i.	Registrar to an Issue and Share Transfer Agents	Alankit Assignments Limited, 205-208 Anarkali Complex Jhandewalan Extension New Delhi- 110055 (INDIA) Ph. No.: 011-42541959 (RTA of the Company)
j.	Share Transfer System	<p>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.</p> <p>Till 01-04-2019 the share transfers, which were received in physical form, were processed and the share certificates</p>



		<p>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.</p> <p>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.</p> <p>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.</p>
k.	Distribution of Shareholding	As per <u>Annexure- G-1</u>
l.	Dematerialization of shares and liquidity	<p>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, 2025 and as such, there is sufficient liquidity in the stock.</p> <p>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.</p>
m.	Outstanding Global Depository Receipts (GDRs)/ American Depository Receipts (ADRs)/ Warrants or any	The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments till date.



	Convertible instruments, conversion date and likely impact on equity			
n.	Commodity price risk or foreign exchange risk and hedging activities	<p>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.</p> <p>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.</p>		
o.	Plant Locations	The Company is in service Industry and had 69 own offices as on 31-03-2025. The list of the said offices is appended to this Annual Report in the beginning.		
p.	Address for correspondence	<p>The Company Secretary, PML House, SCO 829-830, Sector 22-A, Chandigarh – 160022 Ph. 0172-5041792, 5041760, email: cs@paulmerchants.net</p>		
q.	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	Instrument/Facility Long Term Bank Facility – Working capital facility	Amount (INR Crore) 18.00 (Reduced from Rs. 19.75)	Rating Assigned by Infomercials Valuation and Rating Pvt Ltd., a SEBI registered Credit Rating Agency) on 23.08.2024 IVR A/RWDI (IVR A, Rating watch with Developing implications) (Reaffirmed and the rating is placed under “Rating watch with



	mobilization of funds, whether in India or abroad.			developing implications")
		Short Term Bank Facility– Bank Guarantee	2.00	IVR A1/RWDI (IVR A1, Rating watch with Developing implications) (Reaffirmed and the rating is placed under "Rating watch with developing implications")
		Proposed Long Term/Short Term Loans	11.75 (Increased from Rs. 10.00)	IVR A/RWDI (IVR A, Rating watch with developing implications)/ IVR A1/RWDI (IVR A1, Rating watch with developing implications) (Reaffirmed and the rating is placed under "Rating watch with Developing implications")
		Total	31.75	

q.	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	Instrument/Facility	Amount (INR Crore)	Rating Assigned by Infomercials Valuation and Rating Pvt Ltd., a SEBI registered Credit Rating Agency) on 28.11.2024
		Long Term Bank Facility – Working capital facility	18.00	IVR A/RWDI (IVR A, Rating watch with Developing implications) (Reaffirmed)
		Short Term Bank Facility– Bank Guarantee	2.00	IVR A1/RWDI (IVR A1, rating watch



	involving mobilization of funds, whether in India or abroad.			with developing implications) (Reaffirmed)
		Proposed Long Term/Short Term loans	11.75	IVR A/RWDI (IVR A, Rating watch with Developing implications)/ IVR A1/RWDI (IVR A1, rating watch with developing implications) (Reaffirmed)
		Total	31.75	
	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 Pvt Ltd., a SEBI registered Credit Rating Agency) on 28.02.2025
		Long Term Bank Facility – Working capital facility	18.00	IVR A-/Negative (IVR single minus with negative outlook) (Rating removed from watch and downgraded)
		Short Term Bank Facility– Bank Guarantee	2.00	IVR A2+ (IVR A two plus) (Rating removed from watch and downgraded)
		Proposed Long Term/Short Term Loans	11.75	IVR A-/Negative (IVR single A minus with negative outlook)/IVR A2+ (IVR A two plus) (Rating removed from watch and downgraded)



		Total	31.75	
r.	Date of Book closure	05/09/2025 to 11/09/2025 (both days inclusive)		
s.	ISIN	INE 291 E 01019		

ANNEXURE – G-1

(a) **Distribution of Shareholding (No. of Shares) as on March 31, 2025 is as under :-**

No. of Shares	No. of Shareholders	% of Shareholders	Total No. of Shares	% of Holding
1-500	4274	95.89	213160	6.91
501-1000	91	2.04	67067	2.17
1001-2000	45	1.01	66531	2.15
2001-3000	17	0.38	44096	1.42
3001-4000	6	0.13	22664	0.73
4001-5000	4	0.10	18498	0.59
5001-10000	6	0.13	47147	1.52
10001 and above	14	0.33	2604837	84.46
Total	4457	100.00	3084000	100.00

Shareholding Pattern as on 31st March, 2025:-

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)	4957
Private Corporate Bodies (Including clearing member)	12,638
Indian Public (including HUF)	754229
NRIs/QCBs	9,832
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 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. 41 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. 41 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. 41 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



- 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.
- 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 other 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/2024/08/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.

Adoption of Non-Mandatory Requirements as per part E of Schedule II Of SEBI (LODR) Regulations, 2015

1. The Board

- (i) As on 31/03/2025, 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 31/03/2025, the Company is duly having Mrs. Tejionder 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

There are no Audit qualifications/Modified Opinion on the Financial Statements of the Company for the Financial year 2024-25 and as such the current Financial Statements are with unmodified audit opinion. As there are no Audit qualifications/Modified Opinion on the Financial Statements of the Company, statement on Impact of Audit Qualifications as stipulated in Regulation 33(3)(d) of SEBI (LODR) Regulations is not required to be given

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 significant findings of the internal audit are placed before the Audit Committee on regular basis and other SEBI Regulations regarding Internal



Audit are duly followed by the Company. Performance of the Internal Audit department is also reviewed by the Audit Committee periodically.

6. Independent Directors

As on 31/12/2024, when this regulation came into effect, the Company was not among top 2000 listed entities. During the year under review, one meeting of independent directors of the company was duly held.

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

(f) Web Link Where Policy For Determining 'Material' Subsidiaries Is Disclosed.

<https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2025/02/Policy-on-determination-of-Materiality-20.01.2025.pdf>

(g) Web link where policy on dealing with related party transactions is disclosed:-

<https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2025/08/POLICY-ON-RELATED-PARTY-TRANSACTIONS-01.09.2025.pdf>

(h) 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.

(i) 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.

- (j) **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**.

- (k) **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 2024-25, 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.

- (l) **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 2024-25 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 (P) Limited	1,50,000 plus GST	1,00,000 plus GST
PML Realtors (P) Limited	10,000 plus GST	NIL
Paul Infotech (P) 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 (P) Limited	NIL	NIL
PML Realtors (P) Limited	NIL	NIL
Paul Infotech (P) Limited	NIL	NIL

(m) Disclosures In Relation To The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013:-

- e. Number of sexual-harassment complaints received during the FY 2024-25 - **NIL**
- f. Number of complaints disposed of during the FY 2024-25 - **NIL**
- g. Number of complaints pending as on end of the FY 2024-25 - **NIL**
- h. Pending complaints exceeding 90 days during the FY 2024-25 - **NIL**

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 31.03.2025
1	Paul Merchants Limited (Holding Company)	Paul Merchants Finance Private Limited, Wholly Owned Subsidiary (WOS). An amount of Rs. 23,05,61,580 /- was repaid by the said WOS during the year under review on net basis.	Rs. 1,66,85,00,000
2	PML Realtors Private Limited (Wholly Owned Subsidiary Company)	Paul Merchants Finance Private Limited (PMFPL). An amount of Rs. 3,45,30,000/- was given to PMFPL during the year under review on net basis.	Rs. 9,65,00,000
3	Paul Merchants Finance Private Limited (Wholly Owned Subsidiary Company)	Bosna Digital Entertainment Pvt Ltd. (Bosna). An amount of Rs. 1,35,00,000 has been repaid by Bosna on net basis.	Rs 40,00,000

Further reference in this regard can be made to Note no. 41 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.

(n) 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	Ground Floor, SCO 829-830, Sector 22-A, Chandigarh - 160022



Principal Business Activities	Loans against Property, Business/personal loans, distribution of Insurance products and PPI Instruments
Date of incorporation	15-09-2010
Place of incorporation	Chandigarh
Name of the Statutory Auditors	M/s Rajiv Goel and Associates, Chartered Accountants, S.C.O. 823-24, FF, Sector 22-A, Chandigarh (Firm Regn. No. 011106N)
Date of appointment of the statutory auditors	26/08/2020

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 date, there are no shares in the said Suspense Escrow Demat Account

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 of 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 by a qualified practicing Company secretary on quarterly basis for the purposes of reconciliation of the total issued capital, listed capital and capital held by depositories in dematerialized form, the details of changes in share capital during the quarter and for other purposes as specified in the Regulation 76(1) and 76(2) of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.



(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/2025/03/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 in the name of Paul Merchants Finance (Pvt) Ltd as defined under Regulation 16 (1) (c) of SEBI (LODR) Regulations, 2015. The requirement relating to composition of Board of Directors of Unlisted Material subsidiary and other requirements of Listing Regulations with respect to Material subsidiaries have been complied with during the year under review.

(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. Sat Paul Bansal (DIN 00077499), Director of the Company retire by rotation in the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Further, it is proposed to re-appoint Mr. Inder Sain Negi (DIN 08947230) as Independent Director of the company for the Second Term. He was appointed as Independent Director of the company w.e.f. 12/11/2020 and his First term is due to expire on 31/10/2025.

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 31/03/2025. 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 2024-25. 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, 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)

Vide SEBI Circular number SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023, SEBI has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal <https://smartodr.in/login>. The Company has already registered itself on this platform in compliance with the said SEBI Circulars.

(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/paulmerchant/wp-content/uploads/2025/02/PML-Code-of-Conduct.pdf
Familiarization Programme Policy for Independent Directors	https://www.paulmerchants.net/paulmerchant/wp-content/uploads/2022/08/Familiarisation-Programme-Policy.pdf
Paul Merchants Ltd Code of Practices & Procedures For Fair Disclosure Of Unpublished Price Sensitive Information	https://www.paulmerchants.net/paulmerchant/wp-content/uploads/2025/03/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/paulmerchant/wp-content/uploads/2024/10/PIT-Code-of-Conduct-Reg-9.pdf



Archival Policy	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2022/08/POLICY-ON-ARCHIVAL-OF-RECORDS.pdf
Policy on Related Party Transactions	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2025/08/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/2025/02/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/2022/07/CSR-Policy.pdf
Vigil Mechanism Cum Whistle Blower Policy	https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2024/08/Vigil-Mechanism-Policy-13.08.2024.pdf

For & On Behalf of the Board

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

PLACE: CHANDIGARH
Date: August 13, 2025

For & On Behalf of the Board

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



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/proprietary 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. What should a Whistleblower do if he/she faces any retaliatory action or threats of retaliatory action as a result of making a Disclosure?

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

**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 13, 2025**



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, 2025, 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 (2) 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: 22.07.2025

Place: Chandigarh

UDIN: F005901G000835455

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 2024-25	NAME OF DIRECTOR	RATIO
		Mr. Rajneesh Bansal	81:01
		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 2024-25	NAME OF DIRECTOR/KMP	PERCENTAGE INCREASE
		Mr. Rajneesh Bansal, Managing Director	-13.67%
		Mr. Ritesh Vaid ,Designated Director	14.67%
		Mr. Hardam Singh, Company Secretary	0.58%
		Mr. Naveen Kumar Laroiya, Chief Financial Officer (Resigned on 12.08.2024)	N/a
		Ms. Sakshi Mittal Chief Financial Officer (Appointed w.e.f. 13.08.2024)	N/a
(iii)	The percentage increase in the median remuneration of employees in the financial year.	-22.00%.	
(iv)	The number of permanent employees on the rolls of the company.	351	
(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	Average increase made in salaries of employees other than the managerial personnel is 13.77% as compared to increase of 15.40% in salary of managerial personnel in the financial year under review. Remuneration of Mr. Rajneesh Bansal, Managing Director decreased by 13.67% due to non-payment of commission for the Financial Year under review, however his remuneration 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 14.67%. The	



	for increase in the managerial remuneration	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 <u>Annexure D-11A</u> , 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)**

PLACE: CHANDIGARH
Date: August 13, 2025

For & On Behalf of the Board

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



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)	Whole Time Designated Director	Vice President-Travel	Senior Vice President-Travel
Remuneration Received (Rs)	3,36,09,012	39,61,364	30,12,072	26,41,022	26,15,714
Nature of employment, whether contractual or otherwise	Contractual	Permanent	Permanent	Permanent	Permanent
Qualifications and experience of the employee	MBA & 26 Years	FCS, MBA & 26 Years	MBA & 23 years	PG & 24 Years	B.A & 31 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	51 Years	51 Years	48 Years	49 Years	53 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 w.e.f. 13/08/2025	General Manager	General Manager	General Manager	Senior Zonal Manager
Remuneration Received (Rs)	20,92,233	1592556	1626676	1629772	1567332
Nature of employment, whether contractual or otherwise	Permanent	Permanent	Permanent	Permanent	Permanent
Qualifications and experience of the employee	CA & 10 Years	CA & 17 Years	BA & 27 Years	BBA & 19 Years	MSC & 22 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	35 Years	43 Years	49 Years	39 Years	45 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

Information	Details	Details
	11	12
Name of Employee	Mr. Abhishek Singh	Ms Rajni
Designation of the Employee	Assistant Vice President	Senior Zonal Manager
Remuneration Received (Rs)	1430040	1422153
Nature of employment, whether contractual or otherwise	Permanent	Permanent
Qualifications and experience of the employee	BA & 12 Years	MBA & 8 Years
Date of commencement of employment	01-Mar-24	30-Nov-15
The age of such employee	36 Years	41 Years
The last employment held by such employee before joining the company	Dish Tv	Essel Finance Vkc Forex Ltd
The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of rule 5(2)	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
DOB	28-Jun-88	15-Apr-83

NOTE:

1. The above information is as on 31/03/2025
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 2023-24 has been included in the figures of remuneration. Performance Bonus for the FY 2024-25 will be paid at the time of Diwali, 2025.

3. Remuneration of Ms Sakshi has been taken for full year as she joined on 01/05/2024 and was redesignated as Chief Financial Officer w.e.f. 13/08/2024.
4. 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.
5. 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.
6. 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
7. 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

**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 13, 2025



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	PML 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	25,00,00,000	25,00,000
6	Reserves & surplus	316,52,65,638	2,96,78,785	(1,26,505)
7	Total assets	14,47,04,58,812	28,30,73,300	23,78,495
8	Total Liabilities	10,87,87,07,713	33,94,505	5,000
9	Investments	-	-	-
10	Turnover	218,75,47,459	5,62,00,000	-
11	Profit before taxation	75,76,28,718	1,17,20,030	(86,223)
12	Provision for taxation	18,70,02,382	30,03,242	0
13	Profit after taxation	57,06,26,336	87,16,787	(86,223)
14	Proposed Dividend	Nil	Nil	-
15	% Shareholding	100%	100%	100%

Notes :

- Names of Subsidiaries which are yet to commence operations - Paul Infotech Private Limited
- 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

There are no associates or Joint ventures of the Company during the financial year 2024-25

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

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

Sd/-
(HARDAM SINGH)
COMPANY SECRETARY
FCS-5046

Sd/-
(SAKSHI)
CHIEF FINANCIAL OFFICER
FCA- 419986

PLACE: CHANDIGARH

Date: August 13, 2025



Annexure D-13

CEO AND CFO CERTIFICATE

To

The Board of Directors,
Paul Merchants Limited,
SCO 829-830, Sector 22-A,
Chandigarh.

Date: 26.05.2025

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 31.03.2025 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/-
Sakshi
(Chief Financial officer)
PAN-EQFPS7178A

Sd/-
Rajneesh Bansal
(Managing Director)
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, 2025 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: 22.07.2025

Place: Chandigarh

UDIN: F005901G000835400

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 2024 to 31st March, 2025, 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:25549610BMKYUM1444**

**Date: 13-05-2025
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, 1ST 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, 2025

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 report,

for the year ended March 31, 2025 ("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:-

- i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- j) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not Applicable to the company during the review period.
- k) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- l) 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.
- m) 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.
- n) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021: Not applicable during the review period.
- o) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- p) 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
1.	Non-compliance with the requirements pertaining to appointment or continuation of Non-executive director who has attained the age of seventy-five years	Regulation 17(1A)	Non-compliance with the requirements pertaining to appointment or continuation of Non-executive director who has attained the age of seventy-five years	BSE Limited	Penalty Imposed	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.	Rs. 2,000/- excluding taxes

Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
The BSE Limited, on the receipt of the representation of the	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)	No further action required, as the Penalty imposed



Company against the penalty so levied, had vide their email dated 05.12.2024, had withdrawn the penalty.	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.	was withdrawn by the authority.
--	---	---------------------------------

(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
N.A.	

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: <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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.: <ol style="list-style-type: none"> Identification of material subsidiary companies; 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 Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	Nil
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: <ol style="list-style-type: none"> The listed entity has obtained prior approval of Audit Committee for all related party transactions; 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 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.	N.A	Nil
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/COR/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: 28.05.2025

UDIN: F005901G000467120

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, 2025, 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, 2025, 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 Results 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 results 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, 2025 (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.	<p>Revenue Recognition</p> <p>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.</p> <p>The company has various branches spread throughout the country which deals in sale and purchase of foreign exchange. A customer can walk in to 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 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</p>	<p>Principal Audit Procedures Performed</p> <p>Our key audit procedures around revenue recognition included, and not limited to, the following:</p> <ul style="list-style-type: none"> • 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

	<p>prescribed by RBI.</p> <p>The company charges service charges as well as GST separately while raising invoice and service charges are being shown separately in the balance sheet.</p> <p>Therefore, revenue is recognized when the invoice is raised upon sale of foreign exchange as well as service charges received on the same.</p> <p>The company maintains its currency stock by purchasing the same either from Retail customers or other AD dealers or licensed Full Fledged Money Changers.</p> <p>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 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.</p>	<p>unusual and/or material variances.</p> <ul style="list-style-type: none"> • 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.
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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 Results

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 of 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 results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 results.

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 results, 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 results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results 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 aggregate makes 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 to communicate with 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.

Other Matters

- a) We draw attention to amounts reported by the company as extraordinary items in the statement of profit and loss for the year ended 31st March 2025 out of which Rs. 1,25,20,000/- relates to penalties levied under the Foreign Exchange Management Act, 1999 (FEMA). As per facts, Directorate of Enforcement, Chandigarh had issued a Show cause Notice dated 28.02.2024 in relation to 1138 overseas remittance transactions processed by certain branches of the Company during the period from 06.09.2017 till 01.08.2018. In response, the Company and its Principal Officer had filed separate compounding applications with RBI on 16.04.2024. The compounding application filed by principal officer was disposed vide compounding order dated January 17, 2025 as per which RBI advised the principal officer to deposit compounding amount of Rs.11.40 Lakhs and same was deposited by the company on 23.01.2025. Further, in response to the compounding application filed by the Company, RBI advised that the Company being an Authorised Person, the matter shall be dealt with under Section 11(3) of FEMA, 1999. Accordingly, RBI vide its order dated 23.01.2025 had imposed a penalty of Rs. 1,13,80,000/- u/s 11(3) of FEMA and the same was deposited by the company on 24.01.2025. As informed to us, after deposition of such penalties, the company has submitted an application to the Directorate of Enforcement, Chandigarh and prayed for dropping of the Adjudicating proceedings since the matter in question stands adjudicated by RBI with respect to both the Company as well its Principal Officer. However, such application remains pending to be adjudicated upon by the Directorate of Enforcement as of date of our report.

The above remarks are on the basis of explanations provided to us by the management however our opinion on the accompanying financial results are not qualified to this extent.

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 accounts.
- 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, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 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

Date: 26.05.2025
Place: CHANDIGARH

SD/-
CA ROHIT GOEL
(PARTNER)
M. No. 091756
UDIN: 25091756BMUKKJ9970

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, 2025:

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

(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 2025 amounted to Rs. 62.49 lakhs (Rs. 65.68 lakhs as on 31.3.2024) 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 accounts.

(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 accounts were observed by us.

(iii) (a) According to information and explanation given to us, the company has granted unsecured loan to its wholly owned Subsidiary Paul Merchants Finance Private Limited, covered in register maintained under section 189 of the Companies Act, 2013. The outstanding amount of Loan and interest thereon as on 31st March 2025 was Rs. 16685 lakhs (Rs. 18990.62 Lakhs as on 31.3.2024). Additionally, the company has also extended corporate guarantee to the extent of Rs. 118730 lakhs (Rs. 55850.00 Lakhs as on 31.3.2024) in respect of credit facilities availed by such subsidiary from banks and other financial institutions. Further the aggregate amount of assets of the company (as recognized in balance sheet as of 31.03.2025) mortgaged with respect to credit facilities availed by the subsidiary amounted Rs. 6041.08 lakhs (including book value of immovable properties amounting Rs. 4298.54 lakhs, book value of FDRs of Rs. 1628.22 lakhs and fair value of investments amounting Rs. 114.32 lakhs as per audited balance sheet as of 31.03.2025). The comparative figure of assets pledged for credit facilities availed by the subsidiary stood at Rs. 7194.43 lakhs as on 31.3.2024.

(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 subsidiary are 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.

(c) With reference to stipulation of schedule of repayment of the principal and interest, interest is stipulated to be paid/accrued on monthly intervals whereas the loan is granted in form of working capital limit for 12 months and is subject to renewal after expiry.

(d) According to the information and explanations given to us and based on the audit procedures conducted by us, the above loan granted by the company to its wholly owned subsidiary was not overdue as on 31.3.2025.

(e) According to the information and explanations given to us and based on the audit procedures conducted by us, the abovementioned loan to wholly owned subsidiary has been renewed during financial year 2024-25 for further period of 12 months. The loan balance receivable as of 31.3.2025 stood at Rs. 16685 lakhs and comprises 100% of such loans and advances granted 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. These remarks on the basis of our understanding that the abovementioned loan granted to the subsidiary is for a term of 12 months.

(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 accounts, 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, 2025 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 31.3.2025 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 FY 2022-23.
FEMA	Demand	540	Adjudication	This demand pertains to penalty

1999	raised vide adjudication order dated 29.10.2020	lakhs	order dated 29.10.2020	imposed by Directorate of Enforcement, South Regional Office on the company as well as its responsible person for non compliance with applicable regulations relating to sale of foreign currency travel cards. The company had preferred appeal before SD (Appeals) and same has been dismissed and now the appeal has been filed before Hon'ble Appellate Tribunal. The appeal remains pending as of date.
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.
FEMA 1999	Demand raised against adjudication orders dated 12.02.2020	4 Lakhs	Adjudication order dated 12.02.2020	This demand pertains to adjudication order passed by Directorate of Enforcement, Jaipur Zone whereby penalty of Rs 4 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 wilful 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

Date: 26.05.2025
Place: CHANDIGARH

SD/-
CA ROHIT GOEL
(PARTNER)
M. No. 091756
UDIN: 25091756BMUKKJ9970

"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, 2025 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 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 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, 2025, 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

Date: 26.05.2025
Place: CHANDIGARH

SD/-
CA ROHIT GOEL
(PARTNER)
M. No. 091756
UDIN: 25091756BMUKKJ9970

PAUL MERCHANTS LIMITED
STANDALONE BALANCE SHEET AS ON 31ST MARCH 2025

CIN-L74900DL1984PLC018679

Amount in Rs. Lakhs

PARTICULARS	Note	As on 31.03.2025	As on 31.03.2024
ASSETS			
(1) Non-Current Assets			
a) Property, Plant and Equipment	1	6,074.35	6,037.20
b) Capital Work in Progress	1	21.25	-
c) Investment Property		-	-
d) Goodwill		-	-
e) Other Intangible Assets	1	56.25	41.61
f) Intangible Assets Under Development	1	0.75	-
g) Financial Assets			
i) Investments	2	24,045.39	21,564.02
ii) Others	3	53.16	53.16
h) Deferred Tax Assets (Net)	4	214.88	206.06
(2) Current Assets			
a) Inventories	5	854.97	816.51
b) Financial Assets			
i) Current Investments	6	224.04	2,167.93
ii) Trade Receivables	7	515.84	510.26
iii) Cash and Bank Balance	8	1,733.62	917.49
iv) Bank Balance other than iii above	9	1,739.12	1,214.11
v) Loans	10	16,685.00	18,990.62
vi) Others	11	308.07	543.27
c) Current Tax Assets	12	597.24	1,178.54
d) Other Current Assets	13	86.17	63.61
TOTAL		53,210.13	54,304.37
EQUITY AND LIABILITIES			
EQUITY			
Shri Laxmi Ji			
a) Equity Capital	14	308.40	308.40
b) Other Equity	15	47,887.01	47,317.99
LIABILITIES			
(1) Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	16	87.78	229.53
ii) Trade Payables		-	-
iii) Leased Liabilities	17	12.00	12.00
b) Provisions	18	263.82	275.80
(2) Current Liabilities			
a) Financial Liabilities			
i) Borrowings	19	1,541.63	1,112.62
ii) Trade Payables	20		
(A) total outstanding dues of micro enterprises and small enterprises;		1.18	0.32
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.			
iii) Other Financial Liabilities	21	188.58	606.84
b) Other Current Liabilities	22	1,318.46	1,486.80
c) Provisions	23	1,159.96	1,975.05
		441.30	979.01
TOTAL		53,210.13	54,304.37

The accompanying accounting policies and notes form an integral part of the standalone financial statements.

PLACE: CHANDIGARH
Dated : 26.05.2025

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/-
HARDAM SINGH
Company Secretary
FCS-5046
H. No. 2007, Sector-89C.
Mohali-160055

SD/-
RAJNEESH BANSAL
Managing Director
DIN-00077230
H. No. 749,
Sec 8, Chandigarh

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)

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:25091756BMUKKJ9970

PAUL MERCHANTS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2025

CIN-L74900DL1984PLC018679

Amount in Rs. Lakhs

PARTICULARS		Note	CURRENT YEAR 31.03.2025	PREVIOUS YEAR 31.03.2024
REVENUE				
I.	Revenue from Operations	24	332,857.84	650,184.76
II.	Other Income	25	1,867.18	2,819.37
III.	Total Income (I+II)		334,725.02	653,004.13
IV. EXPENSES				
	Purchase of Foreign Exchange and Services	26	324,955.07	635,758.96
	Changes in Inventories of Stock in Trade	27	-38.46	-255.13
	Direct Expenses	28	4,726.71	9,650.85
	Office & Administrative Expenses	29	1,009.57	1,180.35
	Employee Benefit Expenses	30	2,433.88	2,338.99
	Finance Costs	31	122.98	171.48
	Sales Promotion Expenses	32	150.61	280.61
	Corporate Social Responsibility Expenses	33	59.04	54.14
	Other Expenses	34	34.91	38.14
	Depreciation & Amortization Expenses	1	320.76	271.97
	TOTAL EXPENSES IV		333,775.08	649,490.36
V.	PROFIT BEFORE EXCEPTIONAL ITEMS & TAX (III - IV)		949.94	3,513.77
VI.	EXCEPTIONAL ITEMS	35	125.90	0.00
VII.	PROFIT BEFORE TAX (V - VI)		824.04	3,513.77
VIII.	TAX EXPENSE			
	(1) Current Tax		255.22	873.32
	(2) Prior Period Tax		-20.72	0.54
	(3) Deferred Tax	42	-1.44	27.43
IX.	PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (VII - VIII)		590.98	2,612.48
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)		590.98	2,612.48
XIV.	OTHER COMPREHENSIVE INCOME			
A	(i) Items that will not be reclassified to profit or loss-Remeasurement Gain(Loss) on defined benefit obligations	36	-29.34	-27.87
	(ii) Income tax relating to items that will not be reclassified to profit or loss	43	7.39	7.01
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)		569.02	2,591.62
XVI.	EARNING PER EQUITY SHARE (FOR CONTINUING OPERATION)			
	1) BASIC (Rs.)	39	19.16	84.71
	2) DILUTED (Rs.)		19.16	84.71
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.)		19.16	84.71
	2) DILUTED (Rs.)		19.16	84.71

The accompanying accounting policies and notes form an integral part of the standalone financial statements.

PLACE: CHANDIGARH
Dated : 26.05.2025

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/-
HARDAM SINGH
Company Secretary
FCS-5046
H. No. 2007, Sector-89C.
Mohali-160055

SD/-
RAJNEESH BANSAL
Managing Director
DIN-00077230
H. No. 749,
Sec 8, Chandigarh

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)

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:25091756BMUKKJ9970

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, 2025	For the year ended 31st March, 2024
Balance at the beginning of the reporting period	308.40	102.80
Changes in equity share capital during the year	0.00	205.60
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, 2025

Amount (Rs in Lakhs)

Particulars	Reserves and Surplus		Total
	Securities premium Account	Retained earnings	
Balance at the beginning of the current reporting period	-	47,317.99	47,317.99
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		569.02	569.02
Dividends			
Transfer to retained earnings			
Balance at the end of the current reporting period	-	47,887.01	47,887.01

Changes in other equity for the year ended 31st March, 2024

Amount (Rs in Lakhs)

Particulars	Reserves and Surplus		Total
	Securities premium Account	Retained earnings	
Balance at the beginning of the previous reporting period	50.40	44,881.57	44,931.97
Changes in accounting policy or prior period errors			
Restated balance at the beginning of the previous reporting period			
Amount Utilized for Bonus Issue	(50.40)	(155.20)	(205.60)
Total Comprehensive Income for the previous year		2,591.62	2,591.62
Dividends		-	-
Transfer to retained earnings		47,317.99	47,317.99
Balance at the end of the previous reporting period	-	47,317.99	47,317.99

PLACE: CHANDIGARH

Dated : 26.05.2025

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

SD/-

CA. ROHIT GOEL

Partner

(M. No. 091756)

UDIN:25091756BMUKKJ9970

AUDITOR'S REPORT:

As per our Separate Report of the Even Date

For RAJIV GOEL AND ASSOCIATES

CHARTERED ACCOUNTANTS

(FRN – 011106N)

PAUL MERCHANTS LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31.03.2025

CIN-L74900DL1984PLC018679

Amount (Rs. In Lakhs)

PARTICULARS	CURRENT YEAR 31.03.2025	PREVIOUS YEAR 31.03.2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	824.04	3,513.77
Adjustment for:		
Depreciation	320.76	271.97
Profit/Loss on Sale of Fixed Assets	(3.75)	(2.02)
Gain on Sale of Investments	13.87	(6.07)
Unrealized Gain on Sale of Investments	(5.10)	(29.15)
Finance Cost	122.98	171.48
Short Term Provisions	(537.72)	32.75
Long Term Provisions	(11.97)	52.96
Rental Income	(82.09)	(75.83)
Interest Income	(1,684.24)	(2,433.65)
Dividend Received	(0.70)	(233.09)
Other Comprehensive Income	(29.34)	(27.87)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	(1,073.26)	1,235.25
Adjustment for :		
Net changes in operating Assets & Liabilities		
Inventory	(38.46)	(255.13)
Trade receivable	(5.58)	(17.15)
Other Bank Balance	(525.01)	(899.23)
Current Tax Assets	581.29	(219.03)
Other Current Assets	(22.57)	(32.62)
Trade Payables	(417.40)	438.19
Increase/(Decrease) in Other Financial Liabilities	(168.33)	195.88
Other Current Liabilities	(815.10)	(1,004.61)
CASH FROM/(USED IN) OPERATIONS	(2,484.42)	(558.44)
Income Taxes Paid	(234.50)	(873.86)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	(2,718.92)	(1,432.30)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	9.13	4.41
Purchase of Fixed Assets	(399.94)	(637.68)
Non Current Investments	(2,481.37)	(4,987.75)
Current Investments	1,935.11	243.83
Short Term Loans & Advances	2,540.81	4,361.68
Decrease in Other Long Term Liabilities	-	(8.45)
Rental Income	82.09	75.83
Interest Income	1,684.24	2,433.65
Dividend Income	0.70	233.09
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	3,370.78	1,718.61
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital	-	205.60
Issue of Bonus Shares utilizing Security Premium	-	(50.40)
Issue of Bonus Shares utilizing Reserve & Surplus	-	(155.20)
Borrowings (Net of Repayments)		
Long Term Borrowings	(141.75)	229.53
Short Term Borrowings	429.01	(838.44)
Finance Cost	(122.98)	(171.48)
NET CASH FROM/ (USED) IN FINANCING ACTIVITIES	164.28	(780.39)
Net Change in Cash & Cash Equivalents (A+B+C)	816.14	(494.07)
Cash and Cash equivalent at the beginning of the year	917.49	1,411.56
Cash and Cash equivalents at the end of the year	1,733.62	917.49

Place : Chandigarh.

Dated : 26.05.2025

For & on behalf of Board of Directors

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

SD/-

(RAJNEESH BANSAL)

Managing Director

DIN-00077230

H. No. 749,

Sec 8, Chandigarh

SD/-

(RITESH VAID)

Whole Time Director

DIN- 09433856

H. No. 17/2, Sigma City-1

Lohgarh Road,Zirakpur

AUDITOR'S CERTIFICATE

We have examined the Cash flow Statement of Paul Merchants Limited for the Quarter and Year ended March 31, 2025. 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)

Place: Chandigarh

Dated : 26.05.2025

SD/-

CA. ROHIT GOEL

Partner

(M. No. 091756)

UDIN:25091756BMUKKJ9970

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. During the year Stock of shares has been treated as Current Investment and resultant Gain has been booked in Income

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 2025 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 recognized 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MAR 2025

Note 1: PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS

Rs in Lakhs

PARTICULARS	Gross Block (Amount in Rupees)				Accumulated Depreciation (Amount in Rupees)					Net Block (Amount in Rupees)	
	Balance as at 1 April 2024	Additions	Disposals	Balance as at 31st Mar 2025	Balance as at 1 April 2024	Depreciation/Amortization charge for the year	On disposals	Adjustments/transfer to Held for Sale	Balance as at 31st Mar 2025	Balance as at 31st March 2024	Balance as at 31st Mar 2025
Land	3,753.87	-	-	3,753.87	-	-	-	-	-	3,753.87	3,753.87
Buildings	2,543.10	63.71	-	2,606.82	930.91	79.27	-	-	1,010.18	1,612.20	1,596.64
Computers & Desktop	381.23	16.50	1.96	395.77	337.90	23.39	1.87	-	359.42	43.34	36.35
Servers & Networks	80.52	-	-	80.52	76.37	0.11	-	-	76.48	4.15	4.04
Furniture and Fittings	436.80	150.19	4.80	582.19	348.71	32.94	2.29	-	379.36	88.09	202.83
Motor Cars	841.07	-	33.25	807.82	436.62	125.65	30.76	-	531.51	404.45	276.31
Motor Cycles	1.22	-	-	1.22	0.73	0.13	-	-	0.86	0.48	0.36
Office Equipments	164.82	28.67	0.64	192.85	131.60	18.98	0.54	-	150.04	33.21	42.80
Electrical Installations & Equipments	244.50	92.61	2.34	334.77	154.55	31.65	2.15	-	184.05	89.95	150.73
Plant & Machinery	24.20	4.44	-	28.64	18.59	1.48	-	-	20.08	5.61	8.56
Leasehold Improvements	37.30	-	-	37.30	35.43	-	-	-	35.43	1.86	1.86
Leasehold Improvements 3 Yrs	12.44	-	-	12.44	11.81	-	-	-	11.81	0.62	0.62
Leasehold Improvements 5 Yrs	24.86	-	-	24.86	23.62	-	-	-	23.62	1.24	1.24
Intangible Assets											
Amortization on Computer Software	55.45	21.81	-	77.26	13.84	7.16	-	-	21.01	41.61	56.25
Intangible Assets Under Development	-	-	-	-	-	-	-	-	-	-	-
Computer Software	-	0.75	-	0.75	-	-	-	-	-	-	0.75
Capital Work in Process	-	21.25	-	21.25	-	-	-	-	-	-	21.25
Total Current 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
Total Previous Year	7,966.62	637.68	40.22	8,564.08	2,251.13	271.97	37.83	-	2,485.27	5,715.49	6,078.81

* Land & Building at SCO 827-828, Chandigarh mortgaged with ICICI Bank Limited and at # 749 Sector 8 Chandigarh & DSM 335-337, 346-347 DLF Delhi, Flat No. 2203, 22nd Floor, Wing C, DB Woods, Mumbai, Unit no A/303, 3rd Floor, Kanakia Zillion, Wing A, LBS Marg, Kurla(west), Mumbai, Shop No 3, UGF, 37, Cantt Road, Lucknow, godown at village Bhabat -Teh.Derabassi mortgaged with State Bank of India for OD limit taken by Wholly owned subsidiary - Paul Merchants Finance Private Limited.

Note 1A Intangible Assets Under Development

	As at 31st March 2025			(Rs in Lakhs)
Intangible Assets Under Development	Less Than 1 year	1-2 years	2-3 Years	more than 3 years
Software	0.75	-	-	-
Total Current Year	0.75	-	-	-

	As at 31st March 2024			(Rs in Lakhs)
Software	-	-	-	-
Total Previous Year	-	-	-	-

CWIP Ageing

	As at 31st March 2025			(Rs in Lakhs)
Amount of CWIP	Less Than 1 year	1-2 years	2-3 Years	more than 3 years
Branches under development	21.25	-	-	-
Total Current Year	21.25	-	-	-

	As at 31st March 2024			(Rs in Lakhs)
Branches under development	-	-	-	-
Total Previous Year	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

Note 2: FINANCIAL ASSETS - NON CURRENT INVESTMENTS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
(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 3,87,71,469 Equity Shares having Face value of Rs 10 each)	21,520.39	19,039.02
PML Realtors Private Limited 2,50,00,000 Equity Shares having Face value of Rs 10 each (Previous Year 2,50,00,000 Equity Shares having Face value of Rs 10 each)	2,500.00	2,500.00
Paul Infotech Private Limited 2,49,999 Equity Shares having Face value of Rs 10 each	25.00	25.00
Total	24,045.39	21,564.02

Note 3: OTHER FINANCIAL ASSETS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Advance against Property	70.88	70.88
Less: Provision for Expected credit Loss	-17.72	-17.72
Total	53.16	53.16

Note 4: DEFFERED TAX ASSETS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Opening Balances	206.06	226.48
Add/Less: Deferred Tax Assets created/(written back) during the year	8.82	-20.42
Total	214.88	206.06

Note 5: INVENTORIES

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Stock of Foreign Currency at Cost	854.97	795.70
Work in Progress*	-	20.81
Total	854.97	816.51

* Amount incurred towards Development of Travel Software for Sale.

Note 6: FINANCIAL ASSETS -CURRENT INVESTMENTS
Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Investments measured at Fair Value Through Profit & Loss		
Investment in Mutual Funds Quoted at FVTPL		
HSBC LIQUID FUND_ISIN-INF336L01BN7	-	5.33
Aditya Birla Sun Life Corporate Bond Fund	-	0.38
Axis Focused 25 Fund Direct Plan Growth	-	17.80
HDFC Small Cap Fund Direct Plan Growth	-	27.61
HDFC Equity Savings Fund Direct Plan Growth Folio	-	15.01
L&T India Value Fund Direct Plan Growth	-	9.30
Kotak Standard Multicap Fund Direct Plan Growth	-	20.33
Mirae Asset India Equity Fund Direct Plan	-	18.94
ASK Investment Managers Limited -Domestic Resurgence PMS	55.26	53.35
ASK Investment Managers Limited IEP PMS A/C	50.82	48.74
HSBC ULTRA SHORT _ISIN-INF336L01OW1	-	8.22
HDFC Ultra Short Term Fund-Regular Plan Growth	-	11.78
Aditya Birla Sunlife Liquid Fund INF209K01RU9	-	17.12
HDFC Liquid Fund _ 13393612/56	-	8.25
IDFC Money Manager Fund INF194K01LG9	-	12.65
Investments in Tax Free Bonds -Quoted at FVTPL- Pledged *		
8.56 % Housing and Urban Development Corporation Limited*	-	248.38
8.48% India Infrastructure Finance Company Limited*	-	589.37
8.54% Power Finance Corporation Limited *	-	584.94
8.46 % Rural Electrification Corporation Limited Bond. *	114.32	223.94
8.23% IRFC 18 Feb 24 *	-	-
Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Investments in Equity Shares- Quoted at FVTPL	3.57	3.60
Investments in Equity- Unquoted at FVTPL	0.08	0.09
Investments in Structured Entity - Unquoted at FVTPL		
India Real Estate Investment Fund	-	242.78
Total (A)	224.04	2,167.93
Total	224.04	2,167.93

*As on 31 March 2025 Tax free bonds Valued at Rs 114.32 Lakh (Previous Year Rs 1778.98 lakh) are pledged with ICICI Bank for Over Draft limits of Rs 108 .00 lakh (Rs. 4568.80 Lakh as on 31st March 2024) taken by Paul Merchants Finance Private limited (Wholly owned Subsidiary of the company)

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Aggregate Value of Quoted Investments	223.97	1,925.05
Aggregate Value of Unquoted Investments	0.08	242.87
Total	224.04	2,167.93

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	466.7
(ii) Undisputed Trade Receivables, considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables, considered good	-	-	-	-	25.00	25.0
(iv) Disputed Trade Receivables, considered doubtful	-	-	-	-	24.12	24.1
Less: Provision for doubtful debts	-	-	-	-	-	-
	339.48	91.15	35.33	0.72	49.16	515.8
Total	339.48	91.15	35.33	0.72	49.16	515.8

Particulars	As at 31st Mar 2024					
	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	411.06	38.34	7.42	0.63	0.62	458.1
(ii) Undisputed Trade Receivables, considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables, considered good	-	-	-	-	31.15	31.2
(iv) Disputed Trade Receivables, considered doubtful	-	-	-	-	24.12	24.1
Less: Provision for doubtful debts	-	-	-	-	-3.08	(3.1)
	411.06	38.34	7.42	0.63	52.81	510.3
Total	411.06	38.34	7.42	0.63	52.81	510.3

Note 8: FINANCIAL ASSETS -CASH AND CASH EQUIVALENTS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Cash and cash equivalents		
i) Cash in hand	168.52	128.58
ii) In Current Accounts	1,565.10	788.90
iii) Cheques/Draft in Hand	-	-
Total (A)	1,733.62	917.49

Note 9: FINANCIAL ASSETS - BALANCE WITH BANKS OTHER THAN CASH AND CASH EQUIVALENTS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Other Balances with Banks		
i) In Term Deposit Accounts with > 3 month and <12 months maturity	28.67	22.05
ii) In earmarked Term Deposit Accounts		
a. Pledged FD	-	-
b. Margin money	19.54	18.39
c. Guarantees & Other Commitments	5.70	5.35
d. For Overdraft Facility *	1,685.19	1,168.11
iii) In Unclaimed dividend accounts	0.02	0.22
Total (B)	1,739.12	1,214.11
Total (A) + (B)	3,472.75	2,131.60

* Fixed deposit Pledged with IDBI for Paul Merchants Limited overdraft facility & with RBL for WCDL & HDFC Bank for term loan and WCDL facilities availed by Paul Merchants Finance Private Limited.

Note 10: FINANCIAL ASSETS - SHORT TERM LOANS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Loan to Related Party		
Unsecured, Considered Good		
Working capital limit to Paul Merchants Finance Pvt Ltd (Wholly Owned Subsidiary)	16,685.00	18,990.62
Total (A)	16,685.00	18,990.62

Note 11: FINANCIAL ASSETS - SHORT TERM ADVANCES

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Others		
Unsecured, Considered Good		
1. Advances to Other Parties (Net)	272.70	510.09
2. Security Deposits	33.12	30.71
3. Staff Imprest	0.01	2.46
4. Claims Recoverable	2.23	-
Total (B)	308.07	543.27
Total (A) + (B)	16,993.07	19,533.88

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 2025	As at 31st Mar 2024
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	18,990.62
	16,685.00	18,990.62

* Working capital Limit to Paul Merchants Finance Pvt Ltd (Wholly Owned Subsidiary)

Note 12: Current tax Assets

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Balances with government authorities		
a. GST Input Credit	54.50	46.25
b. Advance Tax	190.00	680.00
c. Tax Deducted at Source	259.11	352.42
d. Tax Collected at Source	-	4.40
e. Tax Refund	93.64	95.46
Total	597.24	1,178.54

Note 13: OTHER CURRENT ASSETS

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Income earned but not received	9.28	-
Prepaid expenses	23.77	25.21
Amount Recoverable	53.12	38.40
Total	86.17	63.61

Note 15: OTHER EQUITY

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
A. Securities Premium Account		
Opening Balance	-	50.40
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilized for Bonus issue	-	50.40
Closing Balance	-	-
B. Reserve and Surplus		
Opening Balance	47,317.99	44,881.57
(+) Profit for Current Year	590.98	2,612.48
(-) Utilized for Bonus Issue	-	155.20
Other Comprehensive Income/(loss) (net of tax)	(21.96)	(20.86)
Closing Balance	47,887.01	47,317.99
Total	47,887.01	47,317.99

Note 16: NON CURRENT FINANCIAL LIABILITIES: BORROWINGS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
SECURED		
A. Non-Current Maturities of Term Loans		
1. From Banks		
a. Car Loans from KOTAK MAHINDRA PRIME LTD. (Secured by Hypothecation of Cars)	11.13	46.71
b. Car Loans from HDFC (Secured by Hypothecation of Cars)	76.65	182.83
Total	87.78	229.53

Note 14: SHARE CAPITAL

A. Authorised, Issued, Subscribed & Paid up Share Capital and Par Value per Share

Particulars	As at 31st Mar 2025		As at 31st Mar 2024	
	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 (20,56,000 equity shares @ Rs 10 each issued by way of bonus issue in the ratio of 2 share for 1 share held)	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 2025		As at 31st Mar 2024	
	Number	Amount (In Rs. lakhs)	Number	Amount (In Rs. lakhs)
Shares outstanding at the beginning of the year	3,084,000	308.40	1,028,000	308.40
Bonus shares Issued during the year	-	0.00	2,056,000	205.60
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 2025		As at 31st Mar 2024		% Change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Sarita Rani Bansal	1,036,800	33.62	1,036,800	33.62	-
Rajneesh Bansal	882,759	28.62	882,759	28.62	-
Paul Excursions Pvt. Ltd.	307,065	9.96	307,065	9.96	-
Total	2,226,624	72.20	2,226,624	72.20	-

E. Shares in the company held by promoters

Name of Shareholder (Mr./Mrs.)	Equity Shares				
	As at 31st Mar 2025		As at 31st Mar 2024		% Change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Sarita Rani Bansal	1,036,800	33.62	1,036,800	33.62	-
Rajneesh Bansal	882,759	28.62	882,759	28.62	-
Sat Paul Bansal	75,720	2.46	75,720	2.46	-
Paul Excursions Pvt. Ltd.	307,065	9.96	307,065	9.96	-
Total	2,302,344	74.65	2,302,344	74.65	-

Note 17: LEASED LIABILITIES

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Deferred Income	0.63	1.34
Security deposits received (Fair valued through P & L)	11.37	10.66
Total	12.00	12.00

Note 18: LONG TERM PROVISIONS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Provision for employee benefits Gratuity - Unfunded	263.82	275.80
Total	263.82	275.80

Note 19: CURRENT FINANCIAL LIABILITIES - BORROWINGS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
A. SECURED		
Loans repayable on demand- From Banks		
(i) Cash Credit Facility from HDFC (CC) (Secured by Inventory and Debtors (future & current) and Hypothecation of one Property)	799.88	249.89
(ii) WCDL Facility from IDBI (Secured by Current Assets and Debtors (future & current) , Fixed deposit and Personal Guarantee of Directors)	600.00	604.00
(ii) Short Term Loan from Julius Baer Capital (India) P Ltd.(Secured by Bonds and Mutual Funds)	-	128.50
Current maturities of long-term debt		
a. Car Loans from KOTAK MAHINDRA PRIME LTD. (Secured by Hypothecation of Cars)	35.58	32.54
b. Car Loans from HDFC (Secured by Hypothecation of Cars)	106.17	97.69
Total	1,541.63	1,112.62

Note 20: FINANCIAL LIABILITIES - TRADE PAYABLES

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 & Others					
(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

Rs in Lakhs

Particulars	As at 31st Mar 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Sundry Creditors	583.54	13.41	10.22	-	607.16
Sundry Creditors - Forex					
(i) MSME					
(ii) Others	149.12	12.15	7.64	-	168.90
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Sundry Creditors - Travel					
(i) MSME	0.32	-	-	-	0.32
(ii) Others	434.10	1.26	2.58	-	437.94
(iii) Disputed Dues - MSME					
(iv) Disputed Dues - Others					
Total	583.54	13.41	10.22	-	607.16

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, 2025. 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 2025 Amount (Rs.In lakhs)	As at 31st Mar 2024 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 21: OTHER SHORT TERM FINANCIAL LIABILITIES

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
(a) Security deposits	3.20	3.20
(b) Statutory Payables		
(i) PF Payable	11.92	13.39
(ii) ESI Payable	0.62	0.79
(iii) TDS Payable	24.20	83.01
(iv) TCS Payable	113.01	201.62
(v) GST Payable	41.93	33.10
(c) Expenses Payable	830.13	772.30
(d) Unclaimed dividends	0.02	0.22
(e) Other payables	293.43	379.18
Total	1,318.46	1,486.80

Note 22: OTHER CURRENT LIABILITIES

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Revenue Received in Advance	1,159.96	1,975.05
Total	1,159.96	1,975.05

Disclosure under Rule 16A of the Companies (Acceptance of Deposits) Rules, 2014

Particulars	As at 31st Mar 2025 Amount (Rs. In lakhs)	As at 31st Mar 2024 Amount (Rs. In lakhs)
Advance Received from Directors	NIL	NIL
Advance Received from relatives of Directors	NIL	NIL

Note 23: SHORT TERMS PROVISIONS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
(a) Provision for employee benefits	186.07	105.69
Gratuity - Unfunded	88.11	10.95
Leave Encashment	32.00	32.05
Bonus	65.96	62.70
(b) Others (Specify nature)		
Provision for Taxes	255.22	873.32
Total	441.30	979.01

Note 24: REVENUE FROM OPERATIONS

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Sale of Services		
Foreign Exchange	330,346.45	647,108.16
FX Service Charges	316.32	654.46
Sales of Hotel Bookings & Packages	490.13	335.86
Revenue from Air Ticketing	161.31	151.21
Revenue from Hotel Bookings & Packages	31.11	27.64
Revenue from Visa ,Bus Bookings, Railway	17.40	13.83
Total - Sale of Services	331,362.72	648,291.15
Other Operating Revenues		
Rewards & Incentives	82.26	48.12
-Travel Incentive	51.87	25.73
- Credit Card Incentive	30.39	22.40
Credit Card Encashment	57.32	44.18
Other Service charges	1,355.53	1,801.30
AD-1 Referral - Commission	1,224.83	1,528.64
Commission for Opening GIC Account in Foreign Banks	94.26	234.23
International Money Transfer- Commission	26.62	28.35
Domestic Money Transfer - Commission	9.79	9.70
Franchisee Fees *	0.03	0.39
Total - Other Operating Revenues	1,495.12	1,893.61
Total Revenue From Operations	332,857.84	650,184.76

* Previous period Figures have been regrouped/reclassified and rearranged wherever necessary.

Note 25: OTHER INCOME

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
A. Interest Income		
1. Interest on Bank Deposits	78.10	52.32
2. Other Interest	1,606.14	2,381.33
- Paul Merchants Finance Pvt. Ltd.	1,547.20	2,186.76
- Tax free Bonds	33.33	128.05
- India real estate	23.75	63.53
- DLF ,Travel Staff loan etc. Others	1.85	3.00
3. Interest on Income Tax Refund	7.98	-
B. Dividend Income	0.70	233.09
C. Net Gain on Sale/Fair Valuation of investments	(8.77)	35.22
1. Realized Gain on Sale of investments	(13.87)	6.07
2. Net Unrealized gain/ (loss) on financial instruments at fair value through profit or loss	5.10	29.15
D. Other non-operating income	183.03	117.41
1. Rental Income	82.09	75.83
2. Profit on sale of Fixed Assets	3.75	2.02
3. Miscellaneous Income	75.67	38.89
4.Fair Valuation gain on Financial Assets	0.71	0.67
5.Changes in Inventory (WIP converted to Intangible Asset)	20.81	-
Total	1,867.18	2,819.37

Note 26: Purchase of Foreign Exchange and Services

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Foreign Exchange	324,513.84	635,458.84
Hotel Bookings & Packages	441.23	300.12
Total	324,955.07	635,758.96

Note 27: Changes in Inventories of Stock in Trade

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Closing Stock of Foreign Exchange	854.97	816.51
Opening Stock of Foreign Exchange	816.51	561.38
NET DECREASE/(INCREASE)	(38.46)	(255.13)

Note 28: DIRECT EXPENSES

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
COMMISSION AND INCENTIVES	4,726.71	9,650.85
Forex Agents - AD-2	4,109.79	8,775.35
Forex Agents - AD-1 Referral	564.79	774.93
Agent Commission for Referring Foreign Bank A/c	42.88	98.89
Travel agent	9.26	1.68
Total	4,726.71	9,650.85

Note 29: OFFICE & ADMINISTRATIVE EXPENSES

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Communication Expenses	38.50	41.07
Computer Expenses	69.49	69.02
Conference Expenses	40.43	38.67
Conveyance Expenses	24.01	33.03
Generator Running Expenses	2.14	1.13
Insurance	18.80	21.40
Legal, Professional & Outsourcing	158.70	122.24
Statutory Audit Fees	2.00	1.50
Tax Audit Fees	1.00	0.50
Postage & Telegram	11.95	17.42
Power and Water Expenses	46.40	46.61
Printing and stationery	13.79	25.04
Rates and taxes	21.64	31.44
Rent	241.93	247.72
Repairs and maintenance	159.19	273.41
Office maintenance	8.41	8.63
Security Services	22.44	25.09
Travelling Expenses	64.67	141.76
Vehicle Running & Maintenances	29.13	29.80
Portfolio Management Services	32.63	2.14
Office Expenses	2.32	2.75
Total	1,009.57	1,180.35

Rs in Lakhs

Payments to the auditor	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Statutory Audit Fees	2.00	1.50
Tax Audit Fees	1.00	0.50
For other Services	1.50	1.30
Total	4.50	3.30

Note 30: EMPLOYEE BENEFIT EXPENSES

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Salaries & Employee Benefits	2,225.25	2,131.56
Salaries & Allowances	2,123.54	2,035.36
Bonus	68.20	63.10
Leave Encashment	33.51	33.10
Contributions to:		
(i) Provident Fund	79.43	75.91
(ii) ESI	6.05	7.74
(iii) NPS	3.76	3.21
Gratuity	51.48	46.18
Staff welfare expenses	67.89	74.39
Total	2,433.88	2,338.99

Note 31: FINANCE COSTS

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Interest Expenses:		
Interest on Demand Loans	65.46	92.12
Interest on Term Loans	2.32	15.86
Interest on Car Loans	24.83	23.43
Notional Interest on Security Deposit	0.71	0.67
Other Finance Expenses:		
Bank Charges	25.60	36.58
Credit Card Charges	4.05	2.82
Total	122.98	171.48

Note 32: SALES PROMOTION EXPENSES

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Advertisement & Publicity	72.73	178.49
Business Promotion	77.88	102.13
Total	150.61	280.61

Note 33: CSR- CORPORATE SOCIAL RESPONSIBILITY

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Gross Amount Required to be spent by the Co. During the Year	57.07	48.76
A) Amount Spent During the year	Amount Paid	Amount Paid
Promoting Healthcare	2.34	16.30
Eradicating hunger	6.88	-
Employment enhancing Vocation skills	0.76	0.82
Promoting education	48.16	36.13
Administrative overheads (including Salary of one employee dedicated for CSR activities)	0.91	0.88
B) AMOUNT YET TO BE PAID	NIL	NIL
Total	59.04	54.14

Note 34: OTHER EXPENSES

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Donations	4.30	8.47
Gain/Loss on Exchange Rate Fluctualtion	14.25	-
Fees & Subscriptions	16.37	29.67
Total	34.91	38.14

Note 35: EXCEPTIONAL ITEMS

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
RBI Penalties A/c	125.90	-

Note 36: OTHER COMPREHENSIVE INCOME

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Remeasurement (Gain)Loss on defined benefit obligations	29.34	27.87
Income tax relating to above	(7.39)	(7.01)
Remeasurement Loss on defined benefit obligations (net of Tax)	21.96	20.86

Note 37. 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 2025 Rs. in Lakhs	For the Year ended 31st Mar 2024 Rs. in Lakhs
Mr. Rajneesh Bansal	Managing Director w.e.f 01.09.2020	336.09	389.30
Mr. Ritesh Vaid*	Designated Director w.e.f 10.02.2022	30.12	26.27
Total		366.21	415.57

Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013:

Particulars	For the Year ended 31st Mar 2025 Rs. in Lakhs	For the Year ended 31st Mar 2024 Rs. in Lakhs
Profit Before Tax & Exceptional Items	949.94	3,513.77
Add: Managerial Remuneration	366.21	415.57
Add: Loss (Profit) on Sale of Fixed Assets	(3.75)	(2.02)
Add: Provision for Expected Credit Loss	-	-
Add: Notional Interest on SD	0.71	0.67
Less: Fair Value Gain on Financial Asset	(0.71)	(0.67)
Less: Profit on Sale of Investments	13.87	(6.07)
Add: Unrealized loss (Gain) on Investment	(5.10)	(29.15)
Net Profit for the Year	1,321.18	3,892.10

The remuneration of Sh. Rajneesh Bansal, Managing Director, was approved by the Shareholders of the Company by way of Special Resolution passed in the Annual General Meeting held on 26.09.2024, wherein the Shareholders approved payment of the said 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 further approved that the remuneration of other Whole Time Directors of the Company shall remain unaffected despite the fact that the remuneration payable to them may exceed the limits prescribed under Section 197 of the Companies Act, 2013.

The remuneration of Sh. Ritesh Vaid, Whole Time Director, was approved by the Shareholders of the Company by way of Special Resolution passed in the Annual General Meeting held on 26.09.2024, wherein the Shareholders approved payment of the said 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 further approved that the remuneration of other Whole Time Directors of the Company shall remain unaffected despite the fact that the remuneration payable to them may exceed the limits prescribed under Section 197 of the Companies Act, 2013.

Note 38. CONTINGENT LIABILITY NOT PROVIDED FOR

Particulars	As at 31st Mar 2025 Rs. in Lakhs	As at 31st Mar 2024 Rs. in Lakhs
Claims against company not acknowledged as Debt	55.62	15.92
Outstanding Bank Guarantees	100.00	120.00
Service Tax Demand Notice pending Departmental Appeal with High Court (excl. Interest) including Penalty*	-	670.84
Corporate Guarantee in Respect of OD Limits taken by Paul Merchants Finance Private Limited Company from State Bank of India, AU Small Finance Bank, IDBI, Tata Capital Ltd., Capital Small Finance Bank, Cholamandalam Investment & Finance Co, Bajaj Finance Limited, Indian Overseas Bank, HDFC Bank, ICICI Bank, Catholic Syrian Bank, RBL Bank, Union Bank Of India, Mannapuram Finance Ltd., Poonawalla FinCorp Ltd. South Indian Bank, ESAF Small Finance Bank, Karur Vysya bank, IDFC First Bank Ltd. & Federal Bank Ltd.	118,730.00	55,850.00
Income Tax Demand pending before CIT(A) A.Y. 2015-16	97.50	97.50
Demand by Enforcement Directorate**	545.20	569.20
SCN u/s 10(5) of FEMA, 1999 from Enforcement Directorate***	-	141.79
Total	119,528.32	57,465.24

*The Company had received an adverse order dated 19.02.2019 from the Hon'ble CESTAT, Chandigarh in respect of an indirect tax demand amounting to ₹3.28 crores. Subsequently, the Department filed an appeal before the Hon'ble High Court of Punjab and Haryana in STA-05/2013. However, vide judgment dated 23.05.2024, the Hon'ble High Court, held that as per Section 35G of the Central Excise Act, 1944, no appeal lies before the High Court against orders passed by the CESTAT in such matters, and the appropriate appellate forum is the Hon'ble Supreme Court of India. Accordingly, the appeal was dismissed with liberty to the Department to approach the Hon'ble Supreme Court. As per the opinion obtained by the company from subject expert, the legal action before Hon'ble Supreme Court cannot be initiated by the department as per applicable CBEC circulars and neither any intimation of filing appeal has been received by company till date of signing of the financials. Resultantly, contingent liability of Rs6.71cr has been derecognized as of 31st March 2025.

**The Directorate of Enforcement, Chandigarh had imposed a penalty of Rs. 24,00,000/- (Rupees Twenty Four Lakh Only) on the Company for contravention of the provisions of Section 10(5) of the Foreign Exchange Management Act (FEMA), 1999, read with Para 8 of Part B of RBI Master Direction No. 07/2015-16 dated 01.01.2016, in connection with certain overseas student remittance transactions processed by the Company in the year 2017 in the Chandigarh region. The Company had filed an appeal against the said order before the Special Director (Appeals)-FEMA, New Delhi, which was rejected. Subsequently, the Company filed a further appeal before the Hon'ble Appellate Tribunal for SAFEMA at New Delhi ("Tribunal"). On 03.04.2025, the Company received the order issued by the Hon'ble Tribunal, wherein the Tribunal has set aside the penalty imposed by the Directorate of Enforcement. Consequently, the contingent liability of the Company has decreased.

***The Directorate of Enforcement, Chandigarh issued a Show Cause Notice dated 28.02.2024 in respect of 1,138 overseas remittance transactions processed by certain branches of the Company during the period from 06.09.2017 to 01.08.2018, alleging contravention of FEMA provisions. In response, separate compounding applications were filed with the Reserve Bank of India (RBI) by the Company and its Principal Officer on 16.04.2024. Pursuant to this, RBI issued a compounding order dated 17.01.2025 against the Principal Officer with a compounding amount of ₹11.40 lakhs, which has been deposited. Further, for the Company, RBI concluded that as an Authorised Person under FEMA, the matter falls under Section 11(3) and accordingly imposed a penalty of ₹1,13.80 lakhs vide its order dated 23.01.2025. This amount was deposited by the Company on 24.01.2025. An application has been submitted to the Directorate of Enforcement, Chandigarh requesting closure of the adjudication proceedings, as the matter stands concluded by RBI in respect of both the Company and its Principal Officer. Accordingly, no contingent liability is considered necessary as on the reporting date.

Note 39. Earnings per Share

(Rs. In Lakhs)

Particulars	As at 31st Mar 2025 Amount (Rs. in Lakhs)	As at 31st Mar 2024 Amount (Rs. in Lakhs)
Earnings per Share- Continuing Operations		
Net Profit for the Year (Rs.)	590.98	2,612.48
Number of Equity Shares (Nos.)	30.84	30.84
Basic & Diluted EPS (Rs per Share)	19.16	84.71
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.)	590.98	2,612.48
Number of Equity Shares (Nos.)	30.84	30.84
Basic & Diluted EPS (Rs per Share)	19.16	84.71

Note 40. 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 2025 Amount (Rs. in Lakhs)	As at 31 Mar 2024 Amount (Rs. in Lakhs)
Assumptions		
Discount rate	6.55% per annum	7.23% 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	286.74	232.09
Acquisition Adjustments (Transfer Out)		
Service cost	30.75	28.73
Interest Cost	20.73	17.45
Benefit Paid	-15.63	-19.40
Actuarial (Gain)/Loss on total liabilities	29.34	27.87
- due to change in financial assumptions	14.73	9.21
- due to change in demographic assumptions	-6.03	-
- due to experience variance	20.64	18.67
Closing of defined benefit obligation/liability	351.93	286.74
The amount to be recognized in Statement of Assets and Liabilities		
Present Value of Obligations	351.93	286.74
Fair value of plan assets	-	-
Net defined liability/(asset) recognized in balance sheet	351.93	286.74
Expense recognized in Statement of profit and loss		
Service cost	30.75	28.73
Interest Cost	20.73	17.45
Expense recognized in Statement of profit and loss	51.48	46.18
Other Comprehensive Income		
Actuarial (Gain)/Loss on total liabilities	29.34	27.87

Note 41. 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
Naveen Kumar Laroia	Key Management Personnel- CFO resigned w.e.f.12.08.24
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
MANDEEP JAIN	Relative of Director
PRIYA JAIN	Relative of Director
Nita Bansal	Relative of Director
Paul Merchants Finance Private Limited	Wholly Owned Subsidiary
Aastha Bansal	Relative of Director
Hardik 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
PML Realtors Private Limited	Wholly Owned Subsidiary
Paul E-commerce 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
9X Media Private Limited	Private Limited Company in which relative of Director is Director
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 2025

(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	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 additional working capital limit issued to Paul Merchants Finance Private Limited during the period						-
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
Reimbursement of legal expenses						-
Dividend Received						-
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
Commission paid for distributing travel products						-
Total	400.60	68.91	50.27	6,437.85	141.25	7,098.88

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 2025						
Outstanding working capital limit to Paul Merchants Finance Private Limited	-	-		16,685.00		16,685.00

Please refer to Note 1, 6 & 38 for details on Securities/Assets pledged and Corporate Guarantee given for Sanction of credit facility in Paul Merchants Finance Private Limited from ICICI Bank Limited, State Bank of India, AU Small Finance Bank, IDBI, Tata Capital Ltd., Capital Small Finance Bank, Cholamandalam Investment & Finance Co, Bajaj Finance Limited, HDFC, Federal Bank Ltd. and Indian Overseas Bank, Catholic Syrian Bank, RBL Bank, Union Bank Of India, Mannapuram Finance Ltd., Poonawalla FinCorp Ltd. South Indian Bank, ESAF Small Finance Bank, Karur Vysya bank, IDFC First Bank Ltd.

D. Loans and Advances in the nature of Loans granted to promoters, directors, KMP's, and related parties

Type of Borrower	Amount 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	Amount of loan or advances in nature of loan outstanding as on 31.03.2024	Percentage to total loans and advances in the nature of loans
Promoter	-		-	
Directors	-		-	
KMP's	-		-	
Related Parties (Subsidiary Company)	16,685.00	100%	18,990.62	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 2024-25	For the FY 2023-24
Managerial Remuneration	336.09	389.30
Rent Paid for Premises	19.95	18.47
Sale of Goods/Services	14.44	15.39

F. Related Party Transactions in Ordinary Course of Business for the Previous Year ended 31st March 2024
(Rs. In Lakhs)

Nature of Transaction	Directors	Key Management Personnel	Relative of Directors	Wholly Owned Subsidiary	Related Party	Total
Managerial Remuneration - Whole Time Directors	415.57					415.57
Remuneration - KMPs		62.22				62.22
EMI From KMPs		1.48				1.48
Adv to KMP		4.00				4.00
Rent Paid for Premises	18.47					18.47
Rent Received	-	-		22.97	3.89	26.86
Net Service Charges Earned - Indo Nepal & Domestic Money Transfer from Paul Merchants Finance Private Limited	-	-		9.70		9.70
Net additional working capital limit issued to Paul Merchants Finance Private Limited during the year	-	-		1,363.00		1,363.00
Net Repayment of working capital limit by Paul Merchants Finance Private Limited during the period				6,111.00		6,111.00
Investment in Equity				4,987.75		4,987.75
Interest earned from Paul Merchants Finance Private Limited on Working Capital limit	-	-		2,186.76		2,186.76
Reimbursement of legal expenses				18.15		18.15
Dividend Received	-	-		232.63		232.63
GST amount on account of the Corporate Guarantees given by PML on behalf of PMFPL				14.40		14.40
Gross value of Travel /FX Services rendered	35.54	0.20	10.48	271.77	13.55	331.55
Commission paid for referral of forex customers				24.30		24.30
Commission paid for distributing travel products						-
Total	469.58	67.90	10.48	15,242.42	17.43	15,807.82

G. Related Party Outstanding Balance as on 31 March 2024
(Rs. In Lakhs)

Outstanding working capital limit to Paul Merchants Finance Private Limited	-	-		23,738.62		23,738.62
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Note 42. Deferred Tax*(As per IND AS 12 Income taxes)***(Rs. In Lakhs)**

Deferred Tax Assets on Account of Timing Differences	As at 01.04.2024	Arising During the Year	As at 31.03.2025
Depreciation	38.01	-7.55	30.46
Provision for Gratuity	72.17	16.41	88.57
Provision for Bonus & Commission	15.78	0.82	16.60
Provision for Leave encashment	0.00	0.00	0.00
Unrealized Loss on Investments	0.00	0.00	0.00
Interest cost on Car Loan	-0.51	0.31	-0.20
Impairment Loss	84.42	0.00	84.42
Deferred Tax Liability			
Unrealized Gain on Investments	-3.81	-1.17	-4.97
Net Deferred Tax Asset	206.06	8.82	214.88

Note 43. 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 2025	For the Year ended 31st Mar 2024
1	Segment Revenue		
(a)	Forex	332,069.60	649,592.46
(b)	Travel	751.82	554.26
(c)	Others	36.41	38.04
	Total	332,857.84	650,184.76
	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	332,857.84	650,184.76
2	Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)#		
(a)	Forex	-56.80	1,634.93
(b)	Travel	5.84	-20.16
(c)	Others	12.07	14.65
	Total	-38.88	1,629.43
	Less:		
i)	Interest	122.98	171.48
ii)	Other Un-allocable Expenditure net off	881.27	763.55
iii)	Un-allocable income	1,867.18	2,819.37
	Total Profit Before Tax	824.04	3,513.77
3	Segment Assets		
(a)	Segment - Forex	3,557.39	2,711.09
(b)	Segment - Travel	465.89	699.20
(c)	Segment - Others	0.00	0.00
(d)	Unallocated Assets	49,186.86	50,894.08
	Total	53,210.13	54,304.37
4	Segment Liabilities		
(a)	Segment - Forex	2,702.09	2,484.97
(b)	Segment - Travel	121.64	454.90
(c)	Segment - Others	0.00	0.00
(d)	Unallocated Liabilities	2,190.99	3,738.10
	Total	5,014.72	6,677.98
5	Capital Employed		
(a)	Forex	855.30	226.12
(b)	Travel	344.25	244.29
(c)	Others	0.00	0.00
(d)	Unallocated Assets	49,186.86	50,894.08
(e)	Unallocated Liabilities	2,190.99	3,738.10
	Total	48,195.41	47,626.39

Note 44. Financial Ratios

Particulars	As at 31st Mar 2025	As at 31st Mar 2024	% Change during the year	Numerator	Denominator	Reasons for change
(a) Current Ratio	4.89	4.29	14.10	Current Assets	Current Liabilities	Current liabilities decreased compared to last year mainly due to decrease in advance from customers and current assets increased compared to last year mainly cash & bank balance
(b) Debt - Equity Ratio	3.38%	2.82%	19.97	Borrowings	Equity	Borrowings increased more compared to equity at year end
(c) Debt Service Coverage Ratio	4.28	11.50	-62.82	Profit after tax, before depreciation & interest	Interest Expense+Principal amount of current maturities of long term debt	Profit reduced compared to previous year
(d) Return on Equity Ratio	1.23%	5.49%	-77.65	Profit after tax	Equity	Profit reduced compared to previous year
(e) Inventory turnover Ratio	50.20	82.92	-39.46	Purchases of Currency	Average Inventory of currency	Purchases reduced as compared to previous year
(f) Trade Receivables turnover Ratio	4.82	5.43	-11.33	Credit sales during the year	Average Trade Receivables	Credit sale decreased as compared to previous year
(g) Trade payables turnover Ratio	3.62	5.00	-27.49	Credit purchase during the year	Average Trade Payable	Credit purchase decreased as compared to previous year
(h) Net Capital turnover ratio	18.40	32.12	-42.73	Revenue from operations	Working Capital (CA-CL)	
(i) Net profit Ratio	0.18%	0.40%	-55.87	Profit after tax	Total Income	
(j) Return on Capital employed	2.10%	7.45%	-71.87	EBIT	Capital Employed	
(k) Return on investment	3.90%	6.20%	-37.08	Interest & dividend income from investments & Loans	Current & Non current investment & Loans	Dividend income & Interest reduced compared to previous year

Note 45. 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 2025
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.
- d 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.
- e The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- f The company does not have any transaction with the Strike Off Companies in the Financial Year.
- g No registration or satisfaction of charges are pending to be filed with ROC.
- h There are no undisclosed income /transactions which has been surrendered during the year as per income tax act,1961
- i The company has not traded or invested in crypto currency or virtual currency during the financial year.
- j 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.
- k 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.
- l

PLACE: CHANDIGARH

Dated : 26.05.2025

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

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS
(FRN – 011106N)

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

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:25091756BMUKKJ9970

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 Company") and its subsidiaries (Paul Merchants Finance Private Limited, PML Realtors Private Limited and Paul Infotech Private Limited) (the Company and its subsidiaries referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2025, 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, 2025, 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 Results 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.	<p>Revenue Recognition</p> <p>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.</p> <p>The company has various branches spread throughout the country which deals in sale and purchase of foreign exchange. A customer can walk in to 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).</p>	<p>Principal Audit Procedures Performed</p> <p>Our key audit procedures around revenue recognition included, and not limited to, the following:</p> <ul style="list-style-type: none"> • 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.

	<p>The company collects the KYC documents, copy of VISA 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.</p> <p>The company charges service charges as well as GST separately while raising invoice and service charges are being shown separately in the balance sheet.</p> <p>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.</p> <p>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 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.</p>	<ul style="list-style-type: none"> • 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.
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2	<p>Accounting treatment of Gold Loan Business proposed to be transferred by wholly owned Subsidiary, Paul Merchants Finance Pvt Ltd</p> <p>During the year, Paul Merchants Finance (P) Ltd. (PMFPL), a wholly owned subsidiary of Paul Merchants Ltd., has entered into a definitive agreement to transfer its Gold Loan Business Undertaking to L&T Finance Ltd. (LTF) by way of a slump sale on a going concern basis. The Gold Loan business constitutes a major line of business within PMFPL and qualifies for classification as held for sale as per IND AS 105. Further, the disposal group including assets and liabilities of the business qualify for classification as a discontinued operation under IND AS 105.</p>	<ul style="list-style-type: none"> • Understood the accounting treatment given by the company in relation to the assets and liabilities of the gold loan business of PMFPL in the consolidated financial statements of the Group. • Examined and subjected to test check the basis for identification of assets and liabilities of the disposal group separately classified as held for sale keeping in mind the specific facets of the agreement entered into by the subsidiary with LTF • Examined that the disclosure and accounting requirements laid down under IND-AS 105 are complied with.
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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 the 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 including its subsidiaries and joint ventures 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 the 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 results 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 results 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 and its subsidiaries and joint ventures 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 continue as a going concern.
- ❖ Evaluate the overall presentation, structure and content of the consolidated financial results, 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 results/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, 2025 (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) We draw attention to amounts reported by the company as extraordinary items in the consolidated statement of profit and loss for the year ended 31st March 2025 out of which Rs. 1,25,20,000/- relates to penalties levied under the Foreign Exchange Management Act, 1999 (FEMA). As per facts, Directorate of Enforcement, Chandigarh had issued a Show cause Notice dated 28.02.2024 in relation to 1138 overseas remittance transactions processed by certain branches of the Company during the period from 06.09.2017 till 01.08.2018. In response, the Company and its Principal Officer had filed separate compounding applications with RBI on 16.04.2024. The compounding application filed by principal officer was disposed vide compounding order dated January 17, 2025 as per which RBI advised to deposit compounding amount of Rs.11.40 Lakhs and same was deposited by the company on 23.01.2025. Further, in response to the compounding application filed by the Company, RBI advised that the Company being an Authorised Person, the matter shall be dealt with under Section 11(3) of FEMA, 1999. Accordingly, RBI vide its order dated 23.01.2025 had imposed a penalty of Rs. 1,13,80,000/- u/s 11(3) of FEMA and the same was deposited by the company on 24.01.2025. As informed to us, after deposition of such penalties, the company has submitted an application to the Directorate of Enforcement, Chandigarh and prayed for dropping of the Adjudicating proceedings since the matter in question stands adjudicated by RBI with respect to both the Company as well its Principal Officer. However, such application remains pending to be disposed of by the Directorate of Enforcement as of date of our report.

The above remarks are on the basis of explanations provided to us by the management and records examined by us however our opinion on the accompanying financial statements are not qualified to this extent.

- b) The Company as well as its subsidiary company Paul Merchants Finance Pvt Ltd (PMFPL) in their respective board meetings held on February 7, 2025, approved

the transfer of Gold Loan Business of PMFPL (i.e., the business of providing loans against the security of gold to customers in India) to L&T Finance Limited (the Acquirer) by way of a slump sale on a going concern basis, in accordance with the terms and conditions specified in the Business Transfer Agreement (BTA) dated 07th February 2025. The transaction includes the transfer of all assets, liabilities, employees, contracts, rights, obligations, and goodwill related to the Gold Loan Business Undertaking of PMFPL. As per the explanations provided to us, the transfer is expected to be completed in the month of June 2025.

Consequently, in accordance with IND AS 105, the assets and liabilities of the Gold Loan Business of PMFPL have been presented in consolidated audited balance sheet for year ended 31st March 2025 separately as "Group of assets classified as held for sale" and "Group of liabilities classified as held for sale" respectively. Further, in accordance with requirement of IND-AS 105, the gold loan business of PMFPL has been identified as Discontinued operations and the related incomes, expenses and pre-tax and post-tax profit of such operations have been excluded from the respective incomes, expenses and pre tax and post tax profit of the group in the Consolidated Audited Statement of Profit and loss for year ended 31st March 2025 and the Pre-tax profit, tax expense and post tax profit of such discontinued operations has been disclosed separately in the statement of profit and loss. Further, the corresponding figures for the previous period i.e year ended 31st March 2024 have been restated on the same basis in the statement of profit and loss as per requirements of Ind AS 105. Further, similar changes have also been made to the consolidated statement of cash flow forming part of the accompanying financial results.

The above remarks are on the basis of explanations provided to us by the management however our opinion on the accompanying financial results are not qualified to this extent.

- c) We did not audit the financial statements/ financial information of the Wholly owned subsidiary, PML Realtors Private Limited whose financial results include

total assets of Rs 2830.73 Lakhs as at March 31, 2025, total revenues of Rs 562 lakhs, total net profit after tax of Rs. 87.17 lakhs for the year ended on that date and net cash outflows of Rs. 15.51 lakhs for the year ended March 31, 2025, as considered in the consolidated financial statements.

These financial statements / financial information 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 and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors. The independent auditor's report on the financial results/information of this subsidiary has been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of the said subsidiary is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements /financial information certified by the Management.

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 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 accounts 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, 2025 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India, none of the directors of the Group companies are disqualified as on March 31, 2025 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 Standalone 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 in case of holding company and its 2 wholly owned subsidiaries and based on report of the auditor of another wholly owned subsidiary, the company and its subsidiaries have 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 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 & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg. No.- 011106N

Date: 26.05.2025
Place: CHANDIGARH

SD/-
CA ROHIT GOEL
(PARTNER)
M. No. 091756
UDIN: 25091756BMUKKI5044

“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”) and its Subsidiaries (Paul merchants Finance Private Limited, PML Realtors Private Limited and Paul Infotech Private Limited) as of March 31, 2025 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 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 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 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 companies.

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 Indian Subsidiaries 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, 2025, 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 subsidiary company, PML Realtors Limited, is based on the corresponding reports of the auditors of such subsidiary company incorporated in India.

For RAJIV GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg. No.- 011106N

Date: 26.05.2025
Place: CHANDIGARH

SD/-
CA ROHIT GOEL
(PARTNER)
M. No. 091756
UDIN: 25091756BMUKKI5044

PAUL MERCHANTS LIMITED
CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2025
CIN-L74900DL1984PLC018679

Rs in Lakhs

PARTICULARS	Note	As on 31.03.2025	As on 31.03.2024
ASSETS			
(1) Non-Current Assets			
a) Property, Plant and Equipment	1	6,167.12	7,130.94
b) Capital Work in Progress	1	21.25	25.25
c) Investment Property		0.00	0.00
d) Goodwill		0.00	0.00
e) Other Intangible Assets	1	36.56	41.61
f) Intangible Assets Under Development	1	0.75	0.00
g) Biological Assets other than bearer plants		0.00	0.00
h) Financial Assets			
i) Investments	2	0.00	0.00
ii) Trade Receivables		0.00	0.00
iii) Loans		0.00	0.00
iv) Others	3	66.20	66.20
i) Deferred Tax Assets (Net)	4	251.68	288.82
j) Other Non-Current Assets			
(2) Current Assets			
a) Inventories	5	1,210.22	1,492.50
b) Financial Assets			
i) Current Investments	6	224.04	2,167.93
ii) Trade Receivables	7	591.26	552.08
iii) Cash and Bank Balance	8	1,864.53	2,506.55
iv) Bank Balance other than iii above	9	1,994.08	1,596.61
v) Loans	10	1,385.78	96,983.06
vi) Others	11	746.18	1,067.27
c) Current Tax Assets	12	640.62	1,340.69
d) Other Current Assets	13	89.88	373.20
(3) Group of assets classified as held for sale		143,783.69	
TOTAL		159,073.84	115,632.71
EQUITY AND LIABILITIES			
EQUITY			
Shri Laxmi Ji			
a) Equity Capital	14	308.40	308.40
b) Other Equity	15	62,579.66	56,211.75
LIABILITIES			
(1) Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	16	796.78	14,712.71
ii) Trade Payables		0.00	0.00
iii) Leased Liabilities	16A	12.00	13.00
b) Provisions	17	297.66	378.59
(2) Current Liabilities			
a) Financial Liabilities			
i) Borrowings	18	1,541.63	34,564.82
ii) Trade Payables	19		
(A) total outstanding dues of micro enterprises and small enterprises;		2.77	44.39
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		201.95	677.76
iii) Other Financial Liabilities	20	1,478.94	5,390.38
b) Other Current Liabilities	21	1,159.96	1,975.05
c) Provisions	22	571.52	1,355.86
d) Current Tax Liabilities(Net)		0.00	0.00
(3) Group of liabilities classified as held for sale		90,122.57	
TOTAL		159,073.84	115,632.71
The accompanying accounting policies and notes form an integral part of the consolidated financial statements.			
<div> <div> PLACE: CHANDIGARH Dated : 26.05.2025 </div> <div> 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 </div> <div> SD/- HARDAM SINGH Company Secretary FCS-5046 H. No. 2007, Sector-89C. Mohali-160055 </div> <div> SD/- RAJNEESH BANSAL Managing Director DIN-00077230 H. No. 749, Sec 8, Chandigarh </div> <div> SD/- SAKSHI Chief Financial Officer FCA-419986 H. No. 580, Sec 12, Panchkula </div> </div> <div> AUDITOR'S REPORT: As per our Separate Report of the Even Date For RAJIV GOEL AND ASSOCIATES CHARTERED ACCOUNTANTS (FRN – 011106N) SD/- CA. ROHIT GOEL Partner (M. No. 091756) UDIN:25091756BMUKKI5044 </div>			

PAUL MERCHANTS LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2025
CIN-L74900DL1984PLC018679

Rs in Lakhs

PARTICULARS		Note	CURRENT YEAR 31.03.2025	PREVIOUS YEAR 31.03.2024
REVENUE				
I	Revenue from Operations	23	333,467.64	650,324.92
II	Other Income	24	325.52	531.31
III	Total Income (I+II)		333,793.16	650,856.23
IV. EXPENSES				
	Purchase of Foreign Exchange and Services	25	325,115.95	635,758.96
	Changes in Inventories of Stock in Trade	26	282.28	-255.13
	Direct Expenses	27	4,715.46	9,664.70
	Office & Administrative Expenses	28	1,090.84	1,304.59
	Employee Benefit Expenses	29	2,689.35	2,662.58
	Finance Costs	30	195.58	218.20
	Sales Promotion Expenses	31	162.17	416.58
	Corporate Social Responsibility Expenses	32	59.22	55.36
	Other Expenses	33	80.54	66.35
	Depreciation & Amortization Expenses	1	380.49	339.89
	TOTAL EXPENSES IV		334,771.87	650,232.09
V.	PROFIT BEFORE EXCEPTIONAL ITEMS & TAX (III - IV)		-978.71	624.14
VI.	EXCEPTIONAL ITEMS	34 A	125.90	30.50
VII.	PROFIT BEFORE TAX (V - VI)		-1,104.61	593.64
VIII.	TAX EXPENSE			
	(1) Current Tax		161.74	761.11
	(2) Prior Period Tax		-20.72	1.07
	(3) Deferred Tax	39	-16.95	6.83
IX.	PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (VII - VIII)		-1,228.68	-175.37
X	Profit/Loss from Discontinued Operations	34 B	9,621.28	6,686.53
XI	Tax Expense of Discontinued Operations		2,009.05	1,048.59
XII	PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS AFTER TAX (X-XI)		7,612.23	5,637.93
	Share of Profit (Loss) of associates and joint ventures accounted for using equity method		0.00	0.00
XIII	PROFIT/(LOSS) FOR THE PERIOD (IX+XII)		6,383.55	5,462.56
XIV	OTHER COMPREHENSIVE INCOME			
A	(i) Items that will not be reclassified to profit or loss-Remeasurement Gain(Loss) on defined benefit obligations	34C	-20.90	-25.38
	(ii) Income tax relating to items that will not be reclassified to profit or loss	34C	5.26	6.39
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)		6,367.91	5,443.57
	Profit or loss, attributable to:			
	Owners of the Company		6,383.55	5,462.56
	Non-controlling interests		0.00	0.00
	Total Comprehensive income for the period attributable			
	Owners of the Company		6,367.91	5,443.57
	Non-controlling interests		0.00	0.00
XVI	EARNING PER EQUITY SHARE (FOR CONTINUING OPERATION)	37		
	1) BASIC (Rs.)		-39.84	-5.69
	2) DILUTED (Rs.)		-39.84	-5.69
XVII	EARNING PER EQUITY SHARE (FOR DISCONTINUED OPERATION)	37		
	1) BASIC (Rs.)		246.83	182.81
	2) DILUTED (Rs.)		246.83	182.81
XVIII	EARNING PER EQUITY SHARE (FOR CONTINUING & DISCONTINUED OPERATION)	37		
	1) BASIC (Rs.)		206.99	177.13
	2) DILUTED (Rs.)		206.99	177.13

The accompanying accounting policies and notes form an integral part of the standalone financial statements.

PLACE: CHANDIGARH
Dated : 26.05.2025

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/-
HARDAM SINGH
Company Secretary
FCS-5046
H. No. 2007, Sector-89C.
Mohali-160055

SD/-
RAJNEESH BANSAL
Managing Director
DIN-00077230
H. No. 749,
Sec 8, Chandigarh

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)

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:25091756BMUKKI5044

PAUL MERCHANTS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2025

CIN-L74900DL1984PLC018679

A Equity Share Capital

Changes in equity share capital for the year ended

(Rs in Lakhs)

Particulars	31st Mar, 2025 Amount (Rs. in Lakhs)	31st Mar, 2024 Amount (Rs in Lakhs)
Balance at the beginning of the reporting period	308.40	102.80
Changes in equity share capital during the year	0.00	205.60
Balance at the end of the reporting period	308.40	308.40

B Other Equity

Changes in other equity for the year ended 31st Mar, 2025

Amount (Rs in Lakhs)

Particulars	Reserves and Surplus			Total
	Securities premium Account	Other Statutory reserve	Retained Earnings	
Balance at the beginning of the current reporting period	7,544.68	2,384.22	46,282.85	56,211.75
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			6,367.91	6,367.91
Dividend			-	-
Transfer to retained earnings		452.00	(452.00)	-
Balance at the end of the current reporting period	7,544.68	2,836.21	52,198.77	62,579.66

Changes in other equity for the year ended 31st March, 2024

Amount (Rs in Lakhs)

Particulars	Reserves and Surplus			Total
	Securities premium Account	Other Statutory reserve	Retained Earnings	
Balance at the beginning of the previous reporting period	7,595.08	1,715.90	41,662.80	50,973.78
Changes in accounting policy or prior period errors				
Restated balance at the beginning of the previous reporting period				
Amount Utilized for Bonus Issue	(50.40)		(155.20)	(205.60)
Total Comprehensive Income for the previous year			5,443.57	5,443.57
Dividend			-	-
Transfer to retained earnings		668.32	(668.32)	-
Balance at the end of the previous reporting period	7,544.68	2,384.22	46,282.85	56,211.75

PLACE: CHANDIGARH

Dated : 26.05.2025

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)

SD/-

CA. ROHIT GOEL

Partner

(M. No. 091756)

UDIN:25091756BMUKKI5044

PAUL MERCHANTS LTD CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31.03.2025 CIN-L74900DL1984PLC018679			Amount (Rs.in Lakhs)
PARTICULARS	CURRENT YEAR 31.03.2025	PREVIOUS YEAR 31.03.2024	
	Audited	Audited	
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before Tax	8,516.67	7,280.17	
Adjustment for:			
Depreciation	380.49	604.38	
Profit/Loss on Sale of Fixed Assets/Investments	(3.75)	(2.02)	
Provision for Expected Credit Loss	45.62	-	
Share in loss of Associates	-	-	
Gain on Sale of Investments	10.35	(6.07)	
Unrealized Gain on Sale of Investments	(5.10)	(29.15)	
Finance Cost	195.58	4,260.45	
Short Term Provisions	(784.34)	(528.24)	
Long Term Provisions	(80.93)	88.04	
Rental Income	(53.44)	(57.80)	
Interest Income	(163.28)	(270.81)	
Dividend Received	(0.70)	(0.46)	
Adjustment for Assets & Liabilities held for sale (Discontinued Operations)	(52,664.05)		
Other Comprehensive Income	(20.90)	(25.38)	
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	(44,627.77)	11,313.10	
Adjustment for :			
Net changes in operating Assets & Liabilities			
Inventory	282.28	(255.13)	
Trade receivable	(39.19)	(58.97)	
Other Bank Balance	(397.46)	(996.11)	
Short Term Loans & Advances	95,918.38	(25,308.23)	
Current Tax Assets	700.07	650.31	
Other Current Assets	283.32	(112.49)	
Trade Payables	(517.44)	553.19	
Increase in Other Financial Liabilities	(3,911.43)	3,544.22	
Other Current Liabilities	(815.10)	(1,004.61)	
CASH FROM/(USED IN) OPERATIONS	46,875.66	(11,674.72)	
Income Taxes Paid	(2,090.72)	(1,848.28)	
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	44,784.94	(13,522.99)	
B. CASH FLOW FROM INVESTING ACTIVITIES			
Sale of Fixed Assets	9.13	75.11	
Purchase of Fixed Assets	(419.27)	(1,131.47)	
Adjustment of Fixed Assets	8.45		
Movement in Current Investments	1,938.63	243.83	
Movement in Other Non Current Assets	(45.62)	-	
Decrease in Other Long Term Liabilities	(1.00)	(7.45)	
Rental Income	53.44	57.80	
Interest Income	163.28	270.81	
Dividend Income	0.70	0.46	
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	1,707.74	(490.91)	
C. CASH FLOW FROM FINANCING ACTIVITIES			
Issue of Share Capital	-	205.60	
Issue of Bonus Shares utilizing Security Premium	-	(50.40)	
Issue of Bonus Shares utilizing Reserve & Surplus	-	(155.20)	
Borrowings (Net of Repayments)			
Long Term Borrowings	(13,915.93)	4,836.79	
Short Term Borrowings	(33,023.19)	13,720.84	
Finance Cost	(195.58)	(4,260.45)	
NET CASH FROM/ (USED) IN FINANCING ACTIVITIES	(47,134.70)	14,297.19	
Net Change in Cash & Cash Equivalents (A+B+C)	(642.02)	283.28	
Cash and Cash equivalent at the beginning of the year	2,506.55	2,223.27	
Cash and Cash equivalents at the end of the year	1,864.53	2,506.55	
Place : Chandigarh. Dated : 26.05.2025			For & on behalf of Board of Directors
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	SD/- (RAJNEESH BANSAL) Managing Director DIN-00077230 H. No. 749, Sec 8, Chandigarh	SD/- (RITESH VAID) Whole Time Director DIN- 09433856 H. No. 17/2, Sigma City-1 Lohgarh Road,Zirakpur
AUDITOR'S CERTIFICATE We have examined the Cash flow Statement of Paul Merchants Limited for the year ended 31st March 2025. 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			
Place: Chandigarh Dated : 26.05.2025			For RAJIV GOEL AND ASSOCIATES CHARTERED ACCOUNTANTS (FRN – 011106N) SD/- CA. ROHIT GOEL Partner (M. No. 091756) UDIN:25091756BMUKKI5044

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

These financial statements are prepared in accordance with Indian Accounting Standard (IndAS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs, 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 there after.

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, 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.

C Basis of Consolidation

The investment in Malaysian Joint Venture is accounted for using Equity Method. Investment in subsidiary companies (PML Realtors Private Limited and Paul Merchants Finance Private Limited) is accounted for using pooling of interest method as the same are subject to common control before and after such investments in accordance with IND AS. The financial statements of the Subsidiary companies are consolidated on a line-by-line basis and intra-group balances and transactions are eliminated upon consolidation.

D 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.

E 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.

F 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.

G 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.

H Foreign Currency Transactions

Purchases and sales of foreign currencies and traveller's cheques are accounted at the contracted rates.

- 1 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.
- 2 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

I 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.

J Inventories

Stock of Foreign Currency/TC and Stock of Shares held for trading purposes has been valued at cost.

K 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.

L 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.

M 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 2024 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.

N 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.

O 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.

P 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.

Q 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.

R 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

S 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 recognized as per exemption available under the IND AS 116.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MAR 2025

Note 1: PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, INTANGIBLE ASSETS UNDER DEVELOPMENTS, CAPITAL WORK IN PROGRESS

(Rs in Lakhs)

PARTICULARS	Gross Block (Rs. In Lakhs)					Accumulated Depreciation (Rs. In Lakhs)					Net Block (Rs. In Lakhs))	
	Balance as at 1 April 2024	Additions	Disposals	Transfer In/Out	Balance as at 31st Mar 2025	Balance as at 1 April 2024	Depreciation/Amortization charge for the year	On disposals	Adjustment	Balance as at 31st Mar 2025	Balance as at 31st March 2024	Balance as at 31st Mar 2025
Land	3,753.87	-	-		3,753.87	-	-	-	-	-	3,753.87	3,753.87
Buildings	2,543.10	63.71	-		2,606.82	930.91	79.27	-	-	1,010.18	1,612.20	1,596.64
Computers & Desktop	497.18	16.50	1.96	11.80	523.52	399.68	27.50	1.87	6.64	431.95	97.50	91.57
Servers & Networks	80.52	-	-		80.52	76.37	0.11	-	-	76.48	4.15	4.04
Furniture and Fittings	439.45	150.19	4.80		584.84	345.93	32.94	2.29	-	376.59	93.52	208.26
Motor Cars	1,014.44	-	33.25		981.19	560.38	141.15	30.76	-	670.76	454.06	310.43
Motor Cycles	1.22	-	-		1.22	0.73	0.13	-	-	0.86	0.48	0.36
Office Equipments	164.82	28.67	0.64	6.05	198.89	131.60	20.08	0.54	1.81	152.96	33.21	45.93
Electrical Installations & Equipments	238.44	92.61	2.34		328.71	153.62	31.65	2.15	-	183.11	84.82	145.60
Plant & Machinery	16.72	4.44	-		21.16	11.12	1.48	-	-	12.60	5.61	8.56
Leasehold Improvements	37.30	-	-		37.30	35.43	-	-	-	35.43	1.86	1.86
Intangible Assets												
Amortization on Software	55.45	41.14	-		96.59	13.84	46.19	-	-	60.03	41.61	36.56
Intangible Assets Under Development												
Computer Software	-	0.75	-	-	0.75	-	-	-	-	-	-	0.75
Capital Work in Progress	-	21.25	-		21.25	-	-	-	-	-	-	21.25
ROU Asset	-	-	-		-	-	-	-	-	-	-	-
Group of fixed assets classified as held for sale	1,516.33	139.17	6.12	-17.85	1,631.53	584.31	219.21	3.88	-8.45	791.20	932.02	840.33
Group of intangible assets classified as held for sale	147.94	28.60	-	-	176.54	90.29	34.14	-	-	124.43	57.64	52.10
Capital Work in Progress	25.25	-	20.27	-	4.98	-	-	-	-	-	25.25	4.98
Total	1,689.52	167.77	26.39	-17.85	1,813.04	674.60	253.35	3.88	-8.45	915.63	1,014.92	897.41
Total Current 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
Total Previous Year	9,511.75	1,131.47	111.20		10,532.02	2,767.96	604.38	38.11	-	3,334.23	6,743.79	7,197.80

* Land & Building at SCO 827-828, Chandigarh mortgaged with ICICI Bank Limited and at # 749 Sector 8 Chandigarh & DSM 335-337, 346-347 DLF Delhi, Flat No. 2203, 22nd Floor, Wing C, DB Woods, Mumbai, Unit no A/303, 3rd Floor, Kanakia Zillion, Wing A, LBS Marg, Kurla(west), Mumbai, Shop No 3, UGF, 37, Cantt Road, Lucknow , godown at village Bhabat -Teh.Derabassi mortgaged with State Bank of India for OD limit taken by Wholly owned subsidiary - Paul Merchants Finance Private Limited.

Note 1A Intangible Assets Under Development

	As at 31st March 2025			(Rs in Lakhs)	
Intangible Assets Under Development	Less Than 1 year	1-2 years	2-3 Years		more than 3 years
Software	0.75	-	-		-
Total Current Year	0.75	-	-		-

	As at 31st March 2024			(Rs in Lakhs)	
Software	-	-	-		-
Total Previous Year	-	-	-		-

CWIP Ageing

	As at 31st March 2025			(Rs in Lakhs)	
Amount of CWIP	Less Than 1 year	1-2 years	2-3 Years		more than 3 years
Branches under development	21.25	-	-		-
Total Current Year	21.25	-	-		-

	As at 31st March 2024			(Rs in Lakhs)	
Branches under development	10.34	5.36	9.56		-
Total Previous Year	10.34	5.36	9.56		-

NOTES TO FINANCIAL STATEMENTS

Note 2: FINANCIAL ASSETS - NON CURRENT INVESTMENTS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Other Investments	NIL	NIL
Total	-	-

Note 3: OTHER FINANCIAL ASSETS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Advance against Property	70.88	70.88
Less: Provision for Expected credit Loss	(17.72)	(17.72)
Other Financial assets	13.04	13.04
Total	66.20	66.20

Note 4: DEFERRED TAX ASSETS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Opening Balances	288.82	251.76
Add/Less: Deferred Tax Assets created/(written back) during the year	(37.14)	37.06
Total	251.68	288.82

Note 5: INVENTORIES

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Stock of Foreign Currency at Cost	854.97	795.70
Work in Progress*	-	20.81
Stock held by PML Realtors Pvt. Ltd.	355.25	675.99
Total	1,210.22	1,492.50

* Amount incurred towards Development of Travel Software for Sale

Note 6: FINANCIAL ASSETS -CURRENT INVESTMENTS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Investments measured at Fair Value Through Profit & Loss		
Investment in Mutual Funds Quoted at FVTPL		
HSBC LIQUID FUND_ISIN-INF336L01BN7	-	5.33
Aditya Birla Sun Life Corporate Bond Fund	-	0.38
Axis Focused 25 Fund Direct Plan Growth	-	17.80
HDFC Small Cap Fund Direct Plan Growth	-	27.61
HDFC Equity Savings Fund Direct Plan Growth Folio	-	15.01
L&T India Value Fund Direct Plan Growth	-	9.30
Kotak Standard Multicap Fund Direct Plan Growth	-	20.33
Mirae Asset India Equity Fund Direct Plan	-	18.94
Ask Domestic Resurgence Profolio- Equity Funds	55.26	53.35
ASK IEP PMS	50.82	48.74
HSBC ULTRA SHORT_ISIN-INF336L01OW1	-	8.22
HDFC ULTRA SHORT TERM FUND-REGULAR PLAN GROWTH	-	11.78
Aditya Birla Sunlife Liquid Fund INF209K01RU9	-	17.12
HDFC Liquid Fund _ 13393612/56	-	8.25
IDFC Money Manager Fund INF194K01LG9	-	12.65
Investments in Tax Free Bonds -Quoted at FVTPL- Pledged *		
8.56 % Housing and Urban Development Corporation Limited	-	248.38
8.48% India Infrastructure Finance Company Limited	-	589.37
8.54% Power Finance Corporation Limited	-	584.94
Rural Electrification Corporation Limited	114.32	223.94
Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Investments in Equity Shares- Quoted at FVTPL	3.57	3.60
Investments in Equity- Unquoted at FVTPL	0.08	0.09
India Real Estate Fund	-	242.78
Total (A)	224.04	2,167.93
Total	224.04	2,167.93

*As on 31 March 2025 Tax free bonds Valued at Rs 114.32 Lakh (Previous Year Rs 1778.98 lakh) are pledged with ICICI Bank for Over Draft limits of Rs 108 .00 lakh (Rs. 4568.80 Lakh as on 31st March 2024) taken by Paul Merchants Finance Private limited (Wholly owned Subsidiary of the company)

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Aggregate Value of Quoted Investments	223.97	1,925.05
Aggregate Value of Unquoted Investments	0.08	242.87
Total	224.04	2,167.93

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
A. 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

Particulars	As at 31st Mar 2024					
	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	452.42	38.78	7.42	0.00	0.62	499.25
(ii) Undisputed Trade Receivables, considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables, considered good	-	-	-	0.63	31.15	31.78
(iv) Disputed Trade Receivables, considered doubtful	-	-	-	-	24.12	24.12
Less: Provision for doubtful debts	-	-	-	-	-3.08	-3.08
	452.42	38.78	7.42	0.63	52.81	552.08
Total	452.42	38.78	7.42	0.63	52.81	552.08

Note 8: FINANCIAL ASSETS -CASH AND CASH EQUIVALENTS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Cash and cash equivalents		
i) Cash in hand	168.54	236.51
ii) In Current Accounts	1,695.99	2,270.04
iii) Cheques/Draft in Hand	-	-
	1,864.53	2,506.55

Note 9: FINANCIAL ASSETS - BALANCE WITH BANKS OTHER THAN CASH AND CASH EQUIVALENTS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Other Balances with Banks		
i) In Term Deposit Accounts with > 3 month and <12 months maturity	283.62	404.55
ii) In earmarked Term Deposit Accounts		
a. Pledged FD		
b. Margin money	19.54	18.39
c. Guarantees & Other Commitments	5.70	5.35
d. For Overdraft Facility *	1,685.19	1,168.11
iii) In Unclaimed dividend accounts	0.02	0.22
	1,994.08	1,596.61

* Fixed deposit Pledged with IDBI for Paul Merchants Limited overdraft facility & with RBL for WCDL & HDFC Bank for term loan and WCDL facilities availed by Paul Merchants Finance Private Limited.

Note 10: FINANCIAL ASSETS - SHORT TERM LOANS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Loans and advances		
Secured, Considered Good- Gold Loan	1,385.78	96,920.53
Unsecured, Considered Good	-	62.53
TOTAL(A)	1,385.78	96,983.06

Note 11: FINANCIAL ASSETS - SHORT TERM ADVANCES

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Others		
Unsecured, Considered Good		
1. Advances to Other Parties (Net)	660.11	662.02
2. Security Deposits	83.82	408.93
3. Staff Imprest	0.01	(3.69)
4. Claims Recoverable	2.23	-
Total (B)	746.18	1,067.27
Total(A+B)	2,131.96	98,050.34

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 2025	As at 31st Mar 2024
Directors	-	-
Other officers of the Company	-	-
Firm in which director is a partner	-	-
Private Company in which director is also a director	-	-
	-	-

Note 12: Current tax Assets

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Balances with government authorities		
a. GST Input Credit	64.59	161.74
b. Advance Tax	212.16	1,034.14
c. Tax Deducted at Source	270.23	44.95
d. Tax Collected at Source	-	4.40
e. Tax Refund	93.64	95.46
Total	640.62	1,340.69

Note 13: OTHER CURRENT ASSETS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Income earned but not received	9.28	-
Prepaid expenses	27.47	349.20
Amount Recoverable	53.12	24.00
Total	89.88	373.20

Note 15: OTHER EQUITY

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
A. Securities Premium Account		
Opening Balance	7,544.68	7,595.08
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilized for Bonus issue	-	50.40
Total	7,544.68	7,544.68
Less : Non Controlling Interest	-	-
Closing Balance	7,544.68	7,544.68
B. Statutory Reserve		
Opening Balance	2,262.74	1,651.69
(+) Current Year Transfer	-	611.05
Total	2,262.74	2,262.74
Less : Non Controlling Interest	-	-
	2,262.74	2,262.74
C. Impairment Reserve		
Opening Balance	121.48	64.21
(+) Current Year Transfer	452.00	57.26
Total	573.48	121.48
Less : Non Controlling Interest	-	-
	573.48	121.48
D. Reserve and Surplus		
Opening Balance	46,282.85	41,662.80
(+) Profit for Current Year	6,383.55	5,462.56
(-) Utilized for Bonus Issue	-	(155.20)
Other Comprehensive Income (net of tax)	(15.64)	(19.00)
(-) Dividends (including dividend distribution tax)	-	-
Less: Transferred to Statutory Reserves	-	(611.05)
Less: Transferred to Impairment Reserves	(452.00)	(57.26)
Less: Loss/change in reserve on acquisition of NCI	-	-
Closing Balance	52,198.77	46,282.85
Other Equity Attributable to Owners	62,579.66	56,211.75
Non Controlling Interest (Equity)		
Non Controlling Interest (Sec Premium)		
Non Controlling Interest (Statutory Reserve)		
Non Controlling Interest (Gen Reserves)		
Non Controlling Interest (Current Year Profit)		
Total Non Controlling Interest	-	-
Total Other Equity	62,579.66	56,211.75

Note 14: EQUITY SHARE CAPITAL

A. Authorised, Issued, Subscribed & Paid up Share Capital and Par Value per Share

Rs in Lakhs

Particulars	As at 31st Mar 2025		As at 31st Mar 2024	
	Number	Amount (Rs. In Lakhs)	Number	Amount (Rs. In Lakhs)
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 (20,56,000 equity shares @ Rs 10 each issued by way of bonus issue)	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 2025		As at 31st Mar 2024	
	Number	Amount (Rs. In Lakhs)	Number	Amount (Rs. In Lakhs)
Shares outstanding at the beginning of the year	3,084,000	308.40	1,028,000	308.40
Bonus shares Issued during the year	-	-	2,056,000	205.60
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 2025		As at 31st Mar 2024		% Change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Sarita Rani Bansal	1,036,800	33.62	1,036,800	33.62	-
Rajneesh Bansal	882,759	28.62	882,759	28.62	-
Paul Excursions Pvt. Ltd.	307,065	9.96	307,065	9.96	-
Total	2,226,624	72.20	2,226,624	72.20	0

E. Shares in the company held by promoters

Name of Shareholder (Mr./Mrs.)	Equity Shares				
	As at 31st Mar 2025		As at 31st Mar 2024		% Change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Sarita Rani Bansal	1,036,800	33.62	1,036,800	33.62	-
Rajneesh Bansal	882,759	28.62	882,759	28.62	-
Sat Paul Bansal	75,720	2.46	75,720	2.46	-
Nita Bansal	-	-	-	-	-
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: NON CURRENT FINANCIAL LIABILITIES: BORROWINGS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
SECURED		
A. Non-Current Maturities of Term Loans		
1. From Banks		
a. Car Loans from HDFC (Secured by Hypothecation of Cars)	76.65	182.83
b. Car Loans from Kotak Mahindra Prime Ltd (Secured by Hypothecation of Cars)	11.13	46.71
c. Term Loan from IDBI, Capital Small Finance Bank, SBI, HDFC, Federal Bank Ltd & Indian Overseas Bank	-	13,082.78
2. From other Parties		
a. Term Loans from Cholamandalam Investment and Finance Company & Tata Capital Financial Services Ltd	-	691.39
3. Debt Securities	709.00	709.00
Total	796.78	14,712.71

Note 16A: LEASED LIABILITIES

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Deferred Income	0.63	1.34
Security deposits received	11.37	11.66
Total	12.00	13.00

Note 17: LONG TERM PROVISIONS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Provision for employee benefits		
Gratuity - Unfunded	297.66	378.59
Total	297.66	378.59

CURRENT FINANCIAL LIABILITIES

Note 18: CURRENT FINANCIAL LIABILITIES - BORROWINGS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
A. SECURED		
1. Loans repayable on demand- From Banks		
(i) Cash Credit Facility (CC) (Secured by Inventory and Debtors (future & current) and Hypothecation of one Property)	799.88	249.89
(ii) Over Draft Facility (OD) (Secured by Current Assets and Debtors (future & current) , Fixed deposit, Pledged securities owned by Parent Company, Hypothecation of property of parent company and Personal Guarantee of Directors) Please refer to note 6	600.00	12,903.14
(iii) Term Loan from AU Small Finance Bank, IDBI, Capital Small Finance Bank, SBI, Indian Overseas Bank, HDFC & Federal Bank Ltd. (Secured by Current Assets and Debtors (future & current) , Fixed deposit, Hypothecation of property of parent company and Personal Guarantee of Directors)	-	19,584.55
Current maturities of long-term debt		
a. Car Loans from HDFC Bank (Secured by Hypothecation of Cars)	106.17	101.18
b. Car Loans from Daimler Financial Services India Private Ltd (Secured by Hypothecation of Cars)	-	-
c. Car Loans from Kotak Mahindra Prime Ltd (Secured by Hypothecation of Cars)	35.58	32.54
2. From Other Parties	-	-
(i) Term Loans from Julius Baer Capital (India) P Ltd, Cholamandalam Investment and Finance Company, Bajaj Finance Ltd & Tata Capital Financial Services Ltd Secured by Current Assets and Debtors (future & current) ,Pledged securities owned by Parent Company) Please refer to note 6	-	1,588.02
B. UNSECURED		
(i) Loans and advances from related parties	-	105.50
Total	1,541.63	34,564.82

Note 19: FINANCIAL LIABILITIES - TRADE PAYABLES

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					
Total	144.46	44.48	14.20	1.58	204.72

Note 19: FINANCIAL LIABILITIES - TRADE PAYABLES

Rs in Lakhs

Particulars	As at 31st Mar 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Sundry Creditors	680.39	30.87	10.22	0.68	722.16
Sundry Creditors - Forex					
(i) MSME					
(ii) Others	149.12	12.15	7.64	-	168.90
(iii) Disputed Dues - MSME					
(iv) Disputed Dues - Others					
Sundry Creditors - Travel					
(i) MSME	0.32				0.32
(ii) Others	434.10	1.26	2.58	-	437.94
(iii) Disputed Dues - MSME					
(iv) Disputed Dues - Others					
Sundry Creditors - Others					
(i) MSME	44.08	-	-	-	44.08
(ii) Others	52.78	17.46	-	0.68	70.92
(iii) Disputed Dues - MSME					
(iv) Disputed Dues - Others					
Total	680.39	30.87	10.22	0.68	722.16

Note : Previous Year's figures have been regrouped and re-arranged wherever required.

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, 2025. 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 2025	As at 31st Mar 2024
(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 20: OTHER SHORT TERM FINANCIAL LIABILITIES

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
(a) Security deposits	3.20	3.20
(b) Statutory Payables		
(i) PF Payable	11.92	36.49
(ii) ESI Payable	0.62	1.91
(iii) TDS Payable	38.14	151.95
(iv) TCS Payable	113.01	202.54
(v) GST Payable	41.96	33.16
(c) Expenses Payable	877.89	4,581.75
(d) Unclaimed dividends	0.02	0.22
(e) Other payables	392.18	379.18
Total	1,478.94	5,390.38

Note 21: OTHER CURRENT LIABILITIES

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Revenue Received in Advance	1,159.96	1,975.05
Total	1,159.96	1,975.05

Disclosure under Rule 16A of the Companies (Acceptance of Deposits) Rules, 2014

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
Advance Received from Directors	NIL	NIL
Advance Received from relatives of Directors	NIL	NIL

Note 22: SHORT TERMS PROVISIONS

Rs in Lakhs

Particulars	As at 31st Mar 2025	As at 31st Mar 2024
(a) Provision for employee benefits	228.02	233.96
Gratuity - Unfunded	88.11	10.95
Leave Encashment	37.36	73.20
Bonus	102.56	149.82
(b) Others		
Provision for Taxes	343.49	883.60
Provision for NPA (Stage 3)	-	90.47
Provision on standard assets (Stage 1 & 2)	-	147.83
Total	571.52	1,355.86

Note 23: REVENUE FROM OPERATIONS

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Sale of Services		
Foreign Exchange	330,344.16	647,108.16
FX Service Charges	316.32	654.46
Sales of Hotel Bookings & Packages	490.13	335.86
Revenue from Air Ticketing	161.31	151.13
Revenue from Hotel Bookings & Packages	29.46	27.64
Revenue from Visa ,Bus Bookings,Railway	17.40	13.83
Interest Income -Paul Merchants Finance Pvt Limited*	0.83	2.50
Income from Domestic Money Transfer Service	0.18	145.53
Sale of Property - PML Realtors Private Limited	562.00	-
Total - Sale of Services	331,921.79	648,439.11
Other Operating Revenues		
Rewards & Incentives	82.26	48.12
-Travel Incentive	51.87	25.73
- Credit Card Incentive	30.39	22.40
Credit Card Encashment	57.32	44.18
Other Service charges	1,406.26	1,793.50
Commission Income--Paul Merchants Finance Pvt Limited*	50.81	1.90
AD-1 Referral - Commission	1,224.83	1,528.64
Commission for Opening GIC Account in Foreign Banks	94.26	234.23
International Money Transfer- Commission	26.62	28.35
Domestic Money Transfer - Commission	9.72	0.00
Franchisee Fees	0.03	0.39
Total - Other Operating Revenues	1,545.85	1,885.81
Total Revenue From Operations	333,467.64	650,324.92

*Interest Income and comission Income -Paul Merchant Finance Private Limited(wholly owned subsidiary) represents revenue from continuing operations of the business and 2023-24 have been recasted to reflect the same in accordance with the requirements of Ind AS105 consequent to the sale of Gold Loan Business Undertaking of the company.

Note 24: OTHER INCOME

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
A. Interest Income		
1. Interest on Bank Deposits	96.36	65.92
2. Other Interest	58.94	194.57
3. Interest on Income Tax Refund	7.98	0.02
B. Dividend Income	0.70	0.46
C. Net Gain on Sale/Fair Valuation of investments	(5.26)	35.22
1. Realized Gain on Sale of investments	(10.35)	6.07
2. Net Unrealized gain/ (loss) on financial instruments at fair value through profit or loss	5.10	29.15
D. Other non-operating income	166.80	235.12
1. Rental Income	53.44	57.80
2. Profit on sale of Fixed Assets	3.75	2.02
3. Miscellaneous Income	88.08	174.63
4. Fair Valuation gain on Financial Assets	0.71	0.67
5. Changes in Inventory (WIP converted to Intangible Asset)	20.81	-
Total	325.52	531.31

Note: Previous Years's figures have been regrouped and re-arranged wherever required.

Note 25: Purchase of Foreign Exchange and Services

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Foreign Exchange	324,511.75	635,458.84
Hotel Bookings & Packages	441.23	300.12
Purchase of Property - PML Realtors Private Limited	162.97	-
Total	325,115.95	635,758.96

Note 26: Changes in Inventories of Stock in Trade

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Closing Stock	1,210.22	1,492.50
Opening Stock	1,492.50	1,237.37
NET DECREASE/(INCREASE)	282.28	(255.13)

Note 27: DIRECT EXPENSES

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
COMMISSION AND INCENTIVES	4,715.46	9,664.70
Forex Agents -AD II	4,102.54	8,751.05
Forex Agents - AD I Referral	564.79	774.93
Agent Commission for Referring Foreign Bank A/c	42.88	98.89
Travel agent	4.27	1.68
Commission DMT & Indo Nepal	0.98	38.15
Total	4,715.46	9,664.70

Note 28: OFFICE & ADMINISTRATIVE EXPENSES

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Communication Expenses	38.76	41.28
Computer Expenses	104.07	116.97
Conference Expenses	40.43	38.67
Conveyance Expenses	28.08	42.79
Generator Running Expenses	2.14	1.13
Insurance	27.33	28.84
Legal, Professional & Outsourcing	175.53	149.75
Statutory Audit Fees	2.10	1.65
Tax Audit Fees	1.05	0.50
Postage & Telegram	12.04	17.42
Power and Water Expenses	46.40	46.61
Printing and stationery	14.38	25.41
Rates and taxes	25.43	38.42
Rent	242.61	247.77
Repairs and maintenance	170.51	296.00
Office maintenance	8.41	8.63
Security Services	22.44	25.09
Travelling Expenses	64.67	141.76
Vehicle Running & Maintenances	29.13	29.80
Portfolio Management Services	32.63	2.14
Cashfree Chargeback/Dispute Lost	0.39	1.22
Office Expenses	2.32	2.75
Total	1,090.84	1,304.59

Note: Previous Years's figures have been regrouped and re-arranged wherever required.

Payments to the auditor as	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Statutory Audit Fees	2.10	1.65
Tax Audit Fees	1.05	0.50
Certification Charges	1.50	1.30
Total	4.65	3.45

Note 29: EMPLOYEE BENEFIT EXPENSES

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Salaries & Benefits	2,467.15	2,446.70
Salaries & Allowances	2,359.12	2,344.54
Bonus	72.44	67.07
Leave Encashment	35.59	35.09
Contributions to:		
(i) Provident Fund	82.98	65.97
(ii) ESI	6.05	19.28
(iii) NPS	3.87	5.32
Gratuity	53.12	48.63
Staff welfare expenses	76.17	76.68
Total	2,689.35	2,662.58

Note: Previous Years's figures have been regrouped and re-arranged wherever required.

Note 30: FINANCE COSTS

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Interest Expenses:		
Interest on Demand Loans	65.46	92.12
Interest on Term Loans	2.32	15.86
Interest on NCD	72.01	18.81
Interest on Car Loans	24.88	24.70
Notional Interest on Security Deposit	0.71	0.67
Other Finance Expenses:		
Bank Charges	26.15	63.23
Credit Card Charges	4.05	2.82
Total	195.58	218.20

Note: Previous Years's figures have been regrouped and re-arranged wherever required.

Note 31: SALES PROMOTION EXPENSES

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Advertisement & Publicity	84.29	314.45
Business Promotion	77.88	102.13
Total	162.17	416.58

Note: Previous Years's figures have been regrouped and re-arranged wherever required.

Note 32: CSR- CORPORATE SOCIAL RESPONSIBILITY

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
A) Amount Spent During the year	Amount Paid	Amount Paid
Animal Welfare	-	-
Promoting Healthcare	2.34	16.30
Eradicating hunger	7.06	1.23
Employment enhancing Vocation skills	0.76	0.82
Promoting education	48.16	36.13
Setting up of old age home and Day care centre	-	-
Administrative overheads(including Salary of one employee dedicated for CSR activities)	0.91	0.88
B) AMOUNT YET TO BE PAID	NIL	NIL
Total	59.22	55.36

Note: Previous Years's figures have been regrouped and re-arranged wherever required.

Note 33: OTHER EXPENSES

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Donations	4.30	8.47
Provision for Expected Credit Loss	45.62	17.21
Gain/Loss on Exchange Rate Fluctuation	14.25	-
Fees & Subscriptions	16.37	40.67
Total	80.54	66.35

Note 34A: EXCEPTIONAL ITEMS

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
RBI Penalties A/c	125.90	30.50

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Revenue from Discontinued Operations*		
Interest Income -Paul Merchants Finance Pvt Limited	20,891.68	16,039.95
Gain on assignment of financial asset **	560.39	84.10
Total Revenue	21,452.06	16,124.05
Other Operating Revenues		
Commission Income--Paul Merchants Finance Pvt Limited	371.60	209.06
Total Revenue From Operations	21,823.66	16,333.11
Other Income	143.83	72.00
Total Income	21,967.48	16,405.11
Expenses		
(i) Office & Administrative Expenses	2,335.20	2,181.73
(ii) Employee Benefits Expenses	3,879.55	3,073.19
(iii) Finance Costs	5,790.80	4,042.25
(iv) Sales Promotion Expenses	36.28	84.87
(v) Corporate Social Responsibility Expenses	51.03	67.64
(vi) Others expenses	-	4.42
(vii) Depreciation, amortization and impairment	253.35	264.49
Total Expenses	12,346.21	9,718.58
Profit before exceptional & extraordinary items & tax from Discontinued Operations	9,621.28	6,686.53
Exceptional Items	-	-
Prior Period Items	-	-
Profit before tax from Discontinued Operations	9,621.28	6,686.53
Tax Expense:		
(1) Current tax	1,949.70	1,109.16
(2) Prior period taxes	-	(23.06)
(3) Deferred tax	59.35	(37.50)
Profit/(Loss) for the period from discontinued operations	7,612.23	5,637.93
OTHER COMPREHENSIVE INCOME		
A(i) Items that will not be reclassified to profit or loss-Remeasurement Gain(Loss) on defined employee benefit plans	8.17	2.49
(ii) Income tax relating to items that will not be reclassified to profit or loss	(2.06)	(0.63)
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	7,618.34	5,639.80
Business Transfer Proceeds		
Less: Fixed Assets and Expenses related to Transfer		
Gain on Sale of MTSS Business Segment		
Tax on above		
Total Gain and Profit before tax from Discontinued Operations		

*The Board of Directors (the Board) of Paul Merchants Finance Private Limited ("PMFPL"), the material wholly owned subsidiary and the

the Board of Paul Merchants Limited, in their respective meetings held on 7th February, 2025, approved the transfer of PMFPL's Gold Loan Business to L&T Finance Limited (Acquirer) by way of a slump sale on a going concern basis, in accordance with the terms and conditions specified in the Business Transfer Agreement (BTA) entered into with the terms and conditions specified in the Business Transfer Agreement (BTA) entered into with the Acquirer dated 07th February, 2025. The transaction includes the transfer of all assets, liabilities, employees, contracts, rights, obligations, and goodwill related to the Gold Loan Business Undertaking, excluding the brand name of PMFPL. Consequently, in accordance with IND AS 105, PMFPL has presented the assets and liabilities of the Gold Loan Business in PMFPL's standalone audited balance sheet for year ended 31st March 2025 separately as "Group of assets classified as held for sale" respectively. Further, in accordance with requirement of IND-AS 105, the gold loan business has been identified as Discontinued operations and the related incomes, expenses and pre-tax and post-tax profit of such operations have been excluded from the PMFPL's Standalone Audited Statement of Profit and loss for year ended 31st March 2025 and the Pre-tax profit from discontinued operations and related tax expense has been disclosed separately in the statement of profit and loss. The figures for the previous period i.e year ended 31st March 2024 have been restated on the same basis as per requirements of Ind AS 105.

** During the Financial Year ended on 31st March 2025, the company, Paul Merchants Finance Pvt Ltd, has assigned Loans amounting to Rs. 225 Crores under Direct Assignment (DA) agreement entered with assignee. As per IND AS 109, the company is required to recognise gain/loss on such assignment upfront at time of execution of the transaction and resultantly, a gain of Rs. 5,60,38,581/- (arrived after reducing unrealised gains on pre-matured loans) has been recognised in the accompanying financial results. This gain has been arrived at after reducing the carrying value of the assigned loans from the sale consideration on assignment. This sale consideration includes the amount received from the assignee as well as the excess interest spread expected to be earned by the company on the assigned loans till their realisation. Additionally, as per RBI guidelines on securitisation, company is required to retain minimum 10% of the assigned loans on its books while 90% of the loan amount is transferred to the assignee. Such condition has also been complied by the company and necessary disclosures mandated by RBI as well as IND AS-109 are given in the financial statements of the company.

Note 34C: OTHER COMPREHENSIVE INCOME

Rs in Lakhs

Particulars	For the Year ended 31st Mar 2025	For the Year ended 31st Mar 2024
Remeasurement (Gain)/Loss on defined benefit obligations	20.90	25.38
Income tax relating to above	(5.26)	(6.39)
Remeasurement Loss on defined benefit obligations (net of Tax)	15.64	19.00

Note 35. 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 2025 Rs. In Lakhs	For the Year ended 31st Mar 2024 Rs. In Lakhs
Mr. Sat Paul Bansal	Chairman & Managing Director -Paul Merchants Finance Pvt. Ltd	360.00	300.00
Mr. Rajneesh Bansal	Managing Director - Paul Merchants Ltd.	336.09	389.30
Mr. Ritesh Vaid	Designated Director - Paul Merchants Ltd.	30.12	26.27
Total		726.21	715.57

Note 36. CONTINGENT LIABILITY NOT PROVIDED FOR

Particulars	As at 31st Mar 2025 Rs. In Lakhs	As at 31st Mar 2024 Rs. In Lakhs
Claims against company not acknowledged as Debt	55.62	15.92
Outstanding Bank Guarantees	100.00	100.00
Service Tax Demand Notice pending Departmental Appeal with High Court (excl. Interest) including Penalty *	-	670.84
Corporate Guarantee in respect of OD Limits taken by Paul Merchants Finance Private Limited Company from State Bank of India, AU Small Finance Bank, IDBI, Tata Capital Ltd., Capital Small Finance Bank, Cholamandalam Investment & Finance Co, Bajaj Finance Limited, Indian Overseas Bank, HDFC Bank, ICICI Bank, Catholic Syrian Bank, RBL Bank, Union Bank Of India, Mannapuram Finance Ltd., Poonawalla FinCorp Ltd. South Indian Bank, ESAF Small Finance Bank, Karur Vysya bank, IDFC First Bank Ltd. & Federal Bank Ltd.	118,730.00	55,850.00
Income Tax Demand pending before CIT(A) A.Y. 2015-16	97.50	97.50
Demand by Enforcement Directorate**	545.20	569.20
SCN u/s 10(5) of FEMA,1999 from Enforcement Directorate***	-	141.79
Total	119,528.32	57,445.24

*The Company had received an adverse order dated 19.02.2019 from the Hon'ble CESTAT, Chandigarh in respect of an indirect tax demand amounting to ₹3.28 crores. Subsequently, the Department filed an appeal before the Hon'ble High Court of Punjab and Haryana in STA-05/2013. However, vide judgment dated 23.05.2024, the Hon'ble High Court, held that as per Section 35G of the Central Excise Act, 1944, no appeal lies before the High Court against orders passed by the CESTAT in such matters, and the appropriate appellate forum is the Hon'ble Supreme Court of India. Accordingly, the appeal was dismissed with liberty to the Department to approach the Hon'ble Supreme Court. As per the opinion obtained by the company from subject expert, the legal action before Honble Supreme Court cannot be initiated by the department as per applicable CBEC circulars and neither any intimation of filing appeal has been received by company till date of signing of the financials. Resultantly, contingent liability of Rs6.71cr has been derecognized as of 31st March 2025.

**The Directorate of Enforcement, Chandigarh had imposed a penalty of Rs. 24,00,000/- (Rupees Twenty Four Lakh Only) on the Company for contravention of the provisions of Section 10(5) of the Foreign Exchange Management Act (FEMA), 1999, read with Para 8 of Part B of RBI Master Direction No. 07/2015-16 dated 01.01.2016, in connection with certain overseas student remittance transactions processed by the Company in the year 2017 in the Chandigarh region. The Company had filed an appeal against the said order before the Special Director (Appeals)-FEMA, New Delhi, which was rejected. Subsequently, the Company filed a further appeal before the Hon'ble Appellate Tribunal for SAFEMA at New Delhi ("Tribunal"). On 03.04.2025, the Company received the order issued by the Hon'ble Tribunal, wherein the Tribunal has set aside the penalty imposed by the Directorate of Enforcement. Consequently, the contingent liability of the Company has decreased.

***The Directorate of Enforcement, Chandigarh issued a Show Cause Notice dated 28.02.2024 in respect of 1,138 overseas remittance transactions processed by certain branches of the Company during the period from 06.09.2017 to 01.08.2018, alleging contravention of FEMA provisions. In response, separate compounding applications were filed with the Reserve Bank of India (RBI) by the Company and its Principal Officer on 16.04.2024. Pursuant to this, RBI issued a compounding order dated 17.01.2025 against the Principal Officer with a compounding amount of ₹11.40 lakhs, which has been deposited.

Further, for the Company, RBI concluded that as an Authorised Person under FEMA, the matter falls under Section 11(3) and accordingly imposed a penalty of ₹1,13.80 lakhs vide its order dated 23.01.2025. This amount was deposited by the Company on 24.01.2025. An application has been submitted to the Directorate of Enforcement, Chandigarh requesting closure of the adjudication proceedings, as the matter stands concluded by RBI in respect of both the Company and its Principal Officer. Accordingly, no contingent liability is considered necessary as on the reporting date.

Note 37. Earnings per Share

(Rs. In Lakhs)

Particulars	As at 31st Mar 2025 Rs. In Lakhs	As at 31st Mar 2024 Rs. In Lakhs
Earnings per Share- Continuing Operations		
Net Profit for the Year (Rs.)	-1,228.68	5,462.56
Number of Equity Shares (Nos.)	30.84	30.84
Basic & Diluted EPS (Rs per Share)	-39.84	177.13
Earnings per Share - Discontinued Operations		
Net Profit for the Year (Rs.)	7,612.23	-
Number of Equity Shares (Nos.)	30.84	30.84
Basic & Diluted EPS (Rs per Share)	246.83	-
Earnings per Share - Continuing and Discontinued Operations		
Net Profit for the Year (Rs.)	6,383.55	5,462.56
Number of Equity Shares (Nos.)	30.84	30.84
Basic & Diluted EPS (Rs per Share)	206.99	177.13

Note 38. 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
Naveen Kumar Laroiya	Key Management Personnel- CFO resigned w.e.f.12.08.24
Sakshi	Key Management Personnel- CFO w.e.f 13.08.24
Hardam Singh	Key Management Personnel- CS
Mr. Gourav Kapoor	Company Secretary of Paul Merchants Finance P Ltd. (Till 10.01.2024)
Shivani Sharma	Company Secretary of Paul Merchants Finance P Ltd. (From 11.01.2024 onwards)
Ms. Gagandeep Kaur	Company Secretary of PML Realtors P Ltd. (appointed w.e.f 10.11.2023)
Mrs. Aarti Markan -	Chief Financial Officer of Paul Merchants Finance P Ltd.
Mr. Rajeev Kumar Rana	Chief Financial Officer of PML Realtors P Ltd. W.e.f 16.08.2022
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 in Paul Merchants Ltd. & Managing Director in Paul Merchants Finance P Ltd.
Aastha Bansal	Relative of Director
Sarita Rani Bansal	Whole Time Director in Paul Merchants Finance P Ltd. and Non Executive Director in Paul Merchants Ltd.
Hardik Bansal	Relative of Director
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
Hardik Bansal	Firm in which relative of director is partner
PML Realtors Private Limited	Wholly Owned Subsidiary
Paul E-commerce 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
9X Media Private Limited	Private Limited Company in which relative of Director is Director
Surinder Bansal	Relative of Director
Paul Innovations LLP	LLP in which company was designated partner till 07.09.2022
Paul Overseas Private Limited	Private Company owned or significantly influenced by Key Management Personnel or their relatives
Paul Excursions Private Limited	Private Company owned or significantly influenced by Key Management Personnel or their relatives
PML Holidays Private Limited	Private Company owned or significantly influenced by Key Management Personnel or their relatives
Paul Merchants Jewels & Metals LLP	LLP owned or significantly influenced by Key Management Personnel or Director or their relatives
Paul Distributors	Private Company owned or significantly influenced by Key Management Personnel or their relatives
Infotechure Solutions Private Limited (formerly Paul Instacred Private Limited)	Private Company owned or significantly influenced by Key Management Personnel or their relatives
Pitaara Talkies Private Limited	Private Company owned or significantly influenced by Key Management Personnel or their relatives
Collective Media Ventures Pvt Ltd	Private Company owned or significantly influenced by Key Management Personnel or their relatives
ADB 21 Media 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 Infotech Private Limited	Wholly Owned Subsidiary
White Hill Distribution	Firm in which Director or relative of Director is a partner
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 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
Dividend Received	-	-			-
Commission paid 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
TOTAL	2,120	117	62	301	2,600

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 ,6 & 36 for details on Securities/Assets pledged and Corporate Guarantee given for Sanction of credit facility in Paul Merchants Finance Private Limited from ICICI Bank Limited, State Bank of India, AU Small Finance Bank , IDBI, Tata Capital Ltd., Capital Small Finance Bank, Cholamandalam Investment & Finance Co, Bajaj Finance Limited, HDFC, Federal Bank Ltd. and Indian Overseas Banks, Catholic Syrian Bank, RBL Bank, Union Bank Of India, Mannapuram Finance Ltd., Poonawalla FinCorp Ltd. South Indian Bank, ESAF Small Finance Bank, Karur Vysya bank, IDFC First Bank Ltd.

C. Related Party Transactions in Ordinary Course of Business for the Previous Year ended 31st March 2024
(Rs. In Lakhs)

Nature of Transaction	Directors	Key Management Personnel	Relative of Directors	Related Party	Total
Managerial Remuneration - Whole Time Directors	778.76				778.76
Remuneration - KMPs*		107.63	12.00	-	119.63
Rent Paid for Premises	30.15				30.15
Rent Received	-	-		4.81	4.81
Commission for cross reference Sales	-	-		1.27	1.27
Sale of Goods/Services	35.54	0.20	14.53	48.45	98.72
Additional Borrowing from director	278.00				278.00
Additional Borrowing from Chairman & Managing Director	282.00				282.00
Additional Borrowing from Whole-time Director	30.00				30.00
Interest Exp on borrowing from director	5.47				5.47
Interest Exp on borrowing from Chairman & Managing Director	4.28				4.28
Interest Exp on borrowing from Whole-time Director	0.51				0.51
Loan & Advance repaid to Director	214.50				214.50
Loan & Advance repaid to Chairman & Managing Director	354.80				354.80
Loan & Advance repaid to Whole-time Director	30.00				30.00
Loan & Advance repaid by Whole Time Director	2.66				2.66
Advance to KMP		4.00			4.00
Loan & Advance repaid by KMP		1.48			1.48
Interest income on Loan & Advances given to related party				61.18	61.18
Interest income on Loan & Advances given to Whole Time Director	1.08				1.08
Interest income on Loan & Advances given to KMP		0.03			0.03
Advance paid to Whole Time Director					-
Total	2,047.76	113.35	26.53	115.71	2,303.35

Note 39 . Deferred Tax
(As per IND AS 12 Income taxes)
(Rs. In Lakhs)

Deferred Tax Assets on Account of Timing Differences	As at 01.04.2024	Arising During the Year	As at 31.03.2025
Depreciation	91.86	(32.64)	59.22
Provision for Gratuity	98.12	(67.35)	30.77
Provision for Bonus	37.86	(8.65)	29.20
Provision for Leave encashment	-	-	-
Unrealized Loss on Investments	-	-	-
Interest cost on Car Loan	(0.51)	0.51	-
Impairment Loss	84.42	(84.42)	-
Payable related to direct Assignment	16.64	21.76	38.41
IndAS Adjustment	(35.76)	(87.90)	(123.66)
Deferred Tax Liability			
Unrealized Gain on Investments	(3.81)	3.81	-
Net Deferred Tax Asset	288.82	(254.87)	33.95

Note 40. 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 2025	For the Year ended 31st March 2024
1	Segment Revenue		
(a)	Forex	332,067.31	649,592.46
(b)	Travel	750.17	554.18
(c)	Gold Loan	21,823.66	16,333.11
(d)	Others	650.15	178.28
	Total	355,291.30	666,658.03
	Less: Inter Segment Revenue		
(a)	Forex	0.00	0.00
(b)	Travel	0.00	0.00
(c)	Gold Loan	0.00	0.00
(d)	Others	0.00	0.00
	Net sales/Income From Operations	355,291.30	666,658.03
2	Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)		
(a)	Forex	-49.75	1,658.84
(b)	Travel	9.18	-20.23
(c)	Gold Loan	15,268.25	10,656.78
(d)	Others	-312.70	-564.02
	Total	14,914.98	11,731.36
	Less:		
i)	Interest	5,986.38	4,260.45
ii)	Other Un-allocable Expenditure net off	881.27	794.05
iii)	Un-allocable income	469.35	603.31
	Total Profit Before Tax	8,516.67	7,280.17
	Segment - International Money Transfer (Discontinued)		
	Total Profit Before Tax (Continuing and Discontinued Operations)	8,516.67	7,280.17
3	Segment Assets		
(a)	Segment - Forex	3,557.39	2,711.09
(b)	Segment - Travel	465.89	699.20
(c)	Segment - Gold Loan	143,783.69	95,338.69
(d)	Segment - Others	0.00	0.00
(e)	Unallocated Assets	11,266.88	16,883.74
	Total	159,073.84	115,632.71
4	Segment Liabilities		
(a)	Segment - Forex	2,702.09	2,484.97
(b)	Segment - Travel	121.64	454.90
(c)	Segment - Gold Loan	90,122.57	47,931.88
(d)	Segment - Others	0.00	0.00
(e)	Unallocated Liabilities	3,239.49	8,240.81
	Total	96,185.78	59,112.57
5	Capital Employed		
(a)	Forex	855.30	226.12
(b)	Travel	344.25	244.29
(c)	Segment - Gold Loan	53,661.12	47,406.81
(d)	Others	0.00	0.00
(e)	Unallocated Assets	11,266.88	16,883.74
(f)	Unallocated Liabilities	3,239.49	8,240.81
	Total	62,888.06	56,520.15

Note 41. Additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements

Name of the Company	Amount (Rs in Lakhs)							
	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	55%	48,195.41	9%	590.98	140%	(21.96)	9%	569.02
Subsidiary Companies:		-		-				
Paul Merchants Finance Private Limited	41%	35,917.52	89%	5,706.26	-40%	6.32	90%	5,712.59
PML Realtors Private Limited	3%	2,796.79	1%	87.17	0%	-	1%	87.17
Paul Infotech Private Limited	0%	23.73	0%	(0.86)		-	0%	(0.86)
Joint Venture (Investment as per Equity Method):								
M/s Horizon Remit BHD. SDN. , Malaysia	0%	-		-		-		-
Paul Tech Park LLP	0%		0%				0%	-
Paul Innovations LLP	0%		0%	-			0%	-
Sub Total	100%	86,933.45	100%	6,383.55	100%	(15.64)	100%	6,367.91
Adjustments arising out of consolidation		(24,045.39)		(0.00)				(0.00)
TOTAL		62,888.06		6,383.55		(15.64)		6,367.91

Note 42. Financial Ratios

Particulars	As at 31st March 2025	As at 31st March 2024	% Change during the year	Numerator	Denominator	Reasons for change
(a) Current Ratio	1.76	2.46	-28.15	Current Assets	Current Liabilities	
(b) Debt - Equity Ratio	3.72%	87.19%	-95.74	Borrowings	Equity	Borrowings increased at year end
(c) Debt Service Coverage Ratio	29.16	22.23	31.22	Profit After tax, depreciation & interest	Interest Expense	Interest cost increased due to new borrowings added during the year
(d) Return on Equity Ratio	10.15%	9.66%	5.03	Profit after tax	Equity	
(e) Inventory turnover Ratio	30.78	40.59	-24.17	Purchases	Average Inventory	
(f) Trade Receivables turnover Ratio	4.54	5.20	-12.75	Credit sales during the year	Average Trade Receivables	Credit sales decreased as compared to previous year
(g) Trade payables turnover Ratio	3.28	4.58	-28.44	Credit purchase during the year	Average Trade Payable	Credit purchase decreased as compared to previous year
(h) Net Capital turnover ratio	87.99	10.15	766.90	Revenue from operations	Working Capital (CA-CL)	
(i) Net profit Ratio	-0.37%	-0.03%	1266.11	Profit after tax	Total Income	
(j) Return on Capital employed	-1.36%	0.72%	-289.61	EBIT	Capital Employed	
(k) Return on investment	24.27%	10.62%	128.54	Interest & dividend income from investments	Current & Non current investment	Interest & Dividend income increased compared to previous year

Note 43. 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 2025
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
- d 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 : 26.05.2025

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

For RAJIV GOEL AND ASSOCIATES
CHARTERED ACCOUNTANTS
(FRN – 011106N)

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

SD/-
CA. ROHIT GOEL
Partner
(M. No. 091756)
UDIN:25091756BMUKKI5044



PAUL MERCHANTS Ltd.[®]