PAUL MERCHANTS

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

PML/BSE/AGM/2026/365
Date: August 20, 2026

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

SUBJECT:- NOTICE OF 42ND ANNUAL GENERAL MEETING

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
SCRIP CODE: 539113

Date of occurrence of the event/information: - 20.08.2026
Time of occurrence of the event/information: - Dispatch of the Notice spanned throughout the day

Dear Sir/ Madam,

This is for your information and records that we have dispatched the Notice of 42nd Annual General Meeting (AGM) of the Company to the Shareholders of the Company and to all others entitled to receive the notice through permitted mode on 20.08.2026. The AGM of the Company is scheduled to be held on Friday, the 18th day of September, 2026 at 12.00 Noon (IST) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) in compliance with the Ministry of Corporate Affairs (MCA) General Circular No. 03/2025 dated September 22, 2025 read over with its earlier Circulars with particular reference to Circular no. 20/2020 dated May 5, 2020, Circular no. 17/2020 dated April 13, 2020 and Circular no. 14/2020 dated April 8, 2020 on the subject. Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read over with Para A (12) of Part A of Schedule III of SEBI (LODR) Regulations, 2015 and Para A (12) of Annexure 18 of SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, the relevant information is as under:

a) **Date of Notice:** Notice of 42nd Annual General Meeting dispatched/issued to shareholders and to all others entitled to receive the notice on August 20, 2026.

b) **Brief details viz. agenda (if any) proposed to be taken up, resolution to be passed, manner of approval proposed etc.**
   (i) **Agenda proposed to be taken up**: As per Notice of the AGM attached;
   (ii) **Resolution to be passed**: As per Notice of the AGM attached;

Hardam Singh

Digitally signed by Hardam Singh
Date: 2026.08.20 17:37:06 +05'30'

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(iii) **Manner of approval proposed**: Remote E-voting and by way of e-voting during the AGM.

The said Notice is also available on the website of the Company at https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2026/08/PML-AGM-Notice-2026.pdf and also at the website of BSE Ltd at www.bseindia.com, where further details are available relating to the notice.

You are requested to take the same on your records.

Thanking You.

Yours faithfully,

For **PAUL MERCHANTS LIMITED,**

Hardam Singh

Digitally signed by Hardam Singh
Date: 2026.08.20 17:37:21 +05'30'

(HARDAM SINGH)
COMPANY SECRETARY & COMPLIANCE OFFICER
FCS 5046

Encl: Notice of the 42nd AGM of the Company

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NOTICE

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

ORDINARY BUSINESS:

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

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

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

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

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

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

SPECIAL BUSINESS

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

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

- **a.** Annual Remuneration within the range of Rs. 30.00 Lakhs to Rs. 50.00 Lakhs
- **b.** Benefits:- Annual Performance Bonus within the above range, as may be decided by Nomination and Remuneration Committee of the Board.
- **c.** Other Benefits:- Leave Encashment within the above range as per the Company's Policy and Gratuity as per Payment of Gratuity Act;
- **d.** Performance Linked Incentive:- Performance Linked Incentive within the above range, as may be decided by the Managing Director;

e. Except for the benefits as provided in this resolution, no other benefits, stock options, pension etc. will be payable to him during his term.
f. Service Contract period:- From 01-10-2026 till 30-09-2031
g. Remuneration period :- From 01-10-2026 till 30-09-2029
h. Notice period for resignation or termination from service:- Three Months' notice or equivalent remuneration for short notice.
i. Severance Fee:- No severance fee is payable to him;
j. Fixed Component: Fixed component is his salary;
k. Increment**:-** An increment in his remuneration may be given by the Managing Director of the Company as per the recommendation of the Nomination and Remuneration Committee, subject however, that the total annual remuneration shall remain within the range of Rs. 30.00 Lakhs to Rs. 50.00 Lakhs only.
l. The Nomination and Remuneration Committee may allow him an advance against salary up to an amount equal to his six months' net salary, in accordance with the Company's policy, as amended from time to time
m. Expenses incurred by him in the discharge of his official duties shall be reimbursed in accordance with the Company's policy

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

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

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

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

Place: Chandigarh
Date: August 12, 2026

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

SD/-
HARDAM SINGH
(COMPANY SECRETARY)
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. 4 of the Notice convening the Annual General Meeting (AGM) is annexed hereto.

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

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

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

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

(5) Pursuant to Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, transfer, Transmission or transposition of securities of the Company is not permitted unless the securities are

held in dematerialized form. The shares of the Company are under compulsory Demat trading. As on the date of this Report, there is no shareholder of the Company who holds the shares in physical form.

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

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

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

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

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

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

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

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

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

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

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

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

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

(15) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote. In order to enable the company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio.

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

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

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

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

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

(i) In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company is providing facility for voting by electronic means to its members to enable them to cast their votes electronically through remote e-voting (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting) and for this purpose the Company has engaged the services of Central Depository Services (India) Limited (CDSL) and as such, the business of the AGM shall be transacted through such voting. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. This remote e-voting facility is available on all resolutions set forth in this Notice and as such the business of the AGM shall be transacted through such voting. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility

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

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

(iv) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

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

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

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

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

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

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

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

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

(i) As per SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated** December 9, 2020, as amended, e-voting has been enabled to **all the demat account holders**, **by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

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

Type of shareholders	**Login Method**
Individual Shareholders	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

holding securities in Demat mode with **CDSL**	authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasitoken/Home/Login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	**Helpdesk details**
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at Toll Free no. 1800225533.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000

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

a. The shareholders should log on to the e-voting website www.evotingindia.com.
b. Click on "Shareholders" module.
c. Now enter your User ID

- For CDSL: 16 digits beneficiary ID
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID
- Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

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

m. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote
n. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote
o. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page
p. If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system
q. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

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

i. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
iii. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
iv. The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
v. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
vi. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at his email ID kanwalcs@gmail.com and to the Company at the email address viz; investor.redressal@paulmerchants.net, if they have voted from individual tab & not uploaded the same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

b) Since this AGM is being held pursuant to the above said Circulars issued by MCA through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form is not annexed to this Notice. Attendance Slip is also not annexed to this Notice for the same reason. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

c) The procedure for e-Voting on the day of the AGM is same as per the instructions mentioned above for e-voting.

d) The link for VC/OAVM to attend AGM will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

e) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

f) Shareholders are encouraged to join the AGM through Laptops / iPads for better experience.

g) Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

h) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

i) The Members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee of Directors, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. may be allowed to attend the meeting without any restrictions on first come first served basis.

j) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request from their registered email address in advance from September 12, 2026 (9.00 A.M. IST) to September 14, 2026 (5.00 P.M. IST) mentioning their name, demat account number/folio number, email id, mobile number at investor.redressal@paulmerchants.net. Those Members who have registered themselves as speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The shareholders who do not wish to speak during the AGM but have queries may send their queries from September 12, 2026 (9.00 A.M. IST) to September 14, 2026 (5.00 P.M. IST) from their registered email addresses mentioning their name, demat account number/folio number, email id, mobile number at investor.redressal@paulmerchants.net. These queries will be replied to by the company suitably.

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

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

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

i. For Physical shareholders- Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor.redressal@paulmerchants.net or ramap@alankit.com
ii. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
iii. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository
iv. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

(25) **General Instructions**

I. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at Toll Free no. 1800225533. Further details in this regard are given in para VIII below.
II. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on the cut off date i.e. after closing hours of 11-09-2026.
III. The scrutinizer shall, immediately after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than 24 Hours from conclusion of the meeting, a consolidated scrutinizer's report of the total votes casted in favour or against, if any, to the Chairman of the Meeting or a person authorised by him in writing who shall countersign the same and the Chairman or a person authorised

by him in writing shall declare the results of the voting forthwith. The result of the e-voting shall be declared by the Chairman of the Meeting or any other person duly authorized by him in writing on Saturday, September 19, 2026 at 2.00 PM at Corporate Office of the Company at SCO 829-830, Sector 22-A, Chandigarh - 160022.

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

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

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

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

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

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

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. 11-09-2026 are requested to view the Annual Report of the Company on the website of the Company at www.paulmerchants.net or on the website of CDSL (www.evotingindia.com) for instructions relating to e-voting and for attending the AGM. The detailed procedure for obtaining login Id, password, authentication and exercising remote e-voting and e-voting at the AGM is already provided in the instructions given above.

Physical Shareholders:-

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

Other shareholders:-

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

(27) **General:-**

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

Place: Chandigarh
Date: August 12, 2026

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

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

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

ITEM NO. 4

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

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

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

a. Profile including brief resume as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

b. Consent letter in prescribed Form DIR-2 to act as Designated Whole Time Director of the Company;
c. Disclosure of interest in prescribed Form MBP-1 and Declaration on Committee Positions held by him;
d. Declaration in Form DIR-8 under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014;
e. Disclosure of his holding of securities of the Company under Regulation 7(1)(b) of the SEBI (Prohibition of Insider Trading) Regulations, 2015;
f. Certificate regarding non-disqualification in terms of SEBI Order as referred to in Circular LIST/COMP/14/2018-19 dated June 20, 2018 issued by BSE Limited or any order passed by MCA / RBI or any other statutory authority;
g. Declaration for fulfilling the conditions specified in Part I of Schedule V to the Companies Act, 2013;
h. Declaration on Fit and Proper Criteria as per applicable RBI Regulations.

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

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

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

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

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

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

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

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

PARTICULARS	FY 2023-24	FY 2024-25	FY 2025-26
Total Income (Revenue/Sale of Services)	65,30,04,13,372	33,47,25,01,927	20,86,93,83,139

Earnings before Interest, Depreciation and Tax and exceptional items	39,17,81,563	13,64,04,102	21,75,25,307
Profit from Continued Operations before Tax and exceptional items	35,13,77,157	9,49,94,355	17,60,93,553
Total Profit before Tax after exceptional items	35,13,77,157	8,24,04,355	17,55,93,553
Total Profit after Tax	26,12,47,765	5,90,98,015	13,19,14,170
Total Comprehensive Income	25,91,62,029	5,69,02,108	13,27,04,762

On Consolidated basis:-

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

2) **The relationship between remuneration and performance**

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

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

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

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

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

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

Mr. Ritesh Vaid does not hold any Equity Shares in the Company either presently or as at the end of the preceding financial year. Further he does not hold any Stock Options and accordingly, no shares of the Company have been pledged or otherwise encumbered by him at any point.

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

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

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

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

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

- **Long-Standing Institutional Expertise:** Having been associated with the Company since 2008 and serving as a Designated Whole Time Director since February 2022, Mr. Ritesh Vaid possesses deep operational insights and proven leadership. His continuity ensures strategic stability for the Company's next growth phase.

- **Commercial Growth & Network Expansion:** He has successfully spearheaded the development of the Company’s branch and dealer networks, optimized channel management, and effectively driven revenue-generating business verticals.
- **Core Statutory Compliance & PMLA Mandate:** He handles the critical portfolio of Compliance Management as a Designated Whole Time Director and discharges his duties under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005. His continuation is vital for ensuring overall compliance with the statutory obligations under Chapter IV of the PMLA, 2002, RBI regulations, KYC norms and the Company's policy on compliance.
- **Unblemished Regulatory Standing:** The Nomination and Remuneration Committee (NRC) has completed a thorough due diligence process, confirming that he satisfies the "Fit and Proper" criteria laid down in the RBI Master Directions. He is not disqualified or debarred by SEBI, MCA, RBI, or any other authority.
- **Justification of Remuneration:** While his appointment is for five years i.e. from 01-10-2026 till 30.09.2031, the proposed remuneration is restricted to three years i.e. from 01-10-2026 till 30.09.2029 in strict compliance with Schedule V of the Companies Act, 2013. The terms are validated at Arm’s Length by a Statutory Auditors' Certificate. Although the aggregate Whole Time Directors' remuneration is projected to exceed 10% of net profits, the Board considers the compensation fully commensurate with his immense responsibilities and corporate contributions.

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

Place: Chandigarh
Date: August 12, 2026

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

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

Annexure N-1

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

Brief Resume Of The Director:-

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

Nature of Expertise in Specific Functional Area and experience:-

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

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

	• Annual Remuneration Rs. 28,56,108/- • Annual Bonus paid during the Year Rs. 1,35,000/- • Annual Incentive Rs. 95,004/- • Leave Encashment Rs. 81,000/- Reimbursement of some expenses actually spent by him in the course of his official functions has been made to him as per Company policy during the year under review
Details of Remuneration sought to be paid	Within the range of Rs. 30 Lakhs to Rs. 50 Lakhs per annum. Further, upon approval of his re-appointment and remuneration by the Members of the Company, he shall be paid the remuneration as already recommended and approved by the Nomination and Remuneration Committee in its meeting held on 08.05.2026 and by the Board of Directors in its meeting held on 27.05.2026 as given below, subject to further revisions/increments in his remuneration as per his terms of appointment:- • Annual Salary, Perquisites and Allowances = Rs. 29,55,756/-. The salary however, will be payable on monthly basis. • Annual Performance Bonus = Rs. 1,37,000/- subject to recommendation of the Managing Director • Leave Encashment = Rs. 82,200/- subject to Company's policy • Performance Incentive = Rs. 95,004/- per annum subject to recommendation of the Managing Director
Qualification	MBA- Marketing, Masters in Commerce and Post Graduate Diploma in Business Management
List of Other Directorships	NIL
Names of Listed Entities in which the person also holds the directorship	No Company other than Paul Merchants Limited
Chairmanship/Membership of the Committees of the Board of Directors of Paul Merchants Ltd	Member - Executive Committee Member - Risk Management Committee
Chairmanship/Membership of the Committees of the Board of Directors of other Companies	NIL

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

Place: Chandigarh
Date: August 12, 2026

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

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

Annexure N-2

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

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

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

CONSOLIDATED BASIS

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

	exceptional items (from Continued operation)			
	Profit from Continued Operations before Tax and exceptional items	6,24,14,420	-9,78,70,910	18,77,28,430
	Total Profit from continued Operation before Tax after exceptional items	5,93,64,420	-11,04,60,910	18,72,28,430
	Total Profit before Tax(continued operations)	5,93,64,420	-11,04,60,910	18,72,28,430
	Total Profit after Tax(continued operations)	-1,75,37,254	-12,28,67,963	9,08,28,645
	Profit before Tax(discontinued operations)	66,86,52,644	96,21,27,788	3,03,32,77,143
	Total Profit after Tax(discontinued operations)	56,37,93,334	76,12,22,876	2,59,68,69,679
	Share in Profit of JV	-	-	-2,79,961
	Total Profit after Tax(continued and discontinued operations and adj of JV)	54,62,56,080	63,83,54,913	2,68,74,18,364
	Total Comprehensive Income	54,43,56,560	63,67,91,199	2,68,76,62,284
(5) Foreign investments or collaborations, if any.	The share capital of the Company has a fractional shareholding (0.18%) by NRI shareholders as on 31.03.2026.			
II. Information about the appointee:				
(1) Background details	Sh. Ritesh Vaid is 49 years of age and possesses advanced functional expertise in operational management and corporate regulatory frameworks. He has extensive executive experience and has demonstrated exceptional leadership skills, administrative tact, and structural initiative in alignment with the Company's strategic goals and compliance objectives. As a Designated Whole Time Director, he actively leads operational execution and steers the overall compliance systems of the Company. As such, the Board is of the opinion that he will continue to provide immense value addition to the decision making process of the Board, and under his operational leadership, direction, and guidance, the Company will achieve higher benchmarks of regulatory excellence and business growth.			
(2) Past remuneration	His remuneration during FY 2025-26 is as follows: a. Rs. 28,56,108/- paid to him as Salary and Perquisites			

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

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

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

Place: Chandigarh
Date: August 12, 2026

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

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

Annexure N-3

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

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

CERTIFICATE

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

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

REMUNERATION:

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

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

ADDITIONAL TERMS AND CONDITIONS:

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

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

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

DATE: 17.07.2026
PLACE: Chandigarh