

**Twenty Eighth Annual Report  
for the Year Ended 31<sup>st</sup> March, 2012**



**PAUL MERCHANTS LTD.**

<http://www.paulmerchants.net>

**YEAR 2011-2012 – AT A GLANCE**

**INTERNATIONAL MONEY TRANSFER ACTIVITIES**

**Gross Remittances – Rs 10,742 Crores**

**Business Growth 29%**

**MONEY EXCHANGE ACTIVITIES**

**Gross Turnover – 1400 Crores**

**Business Growth 24%**

**INCOME FROM TOURS & TRAVELS ACTIVITIES  
AND OTHER INCOME**

**Gross Income – 38.76 Crores**

**Business Growth 32.50%**

**OVERALL PERFORMANCE**

**Gross Revenues– 1528 Crores**

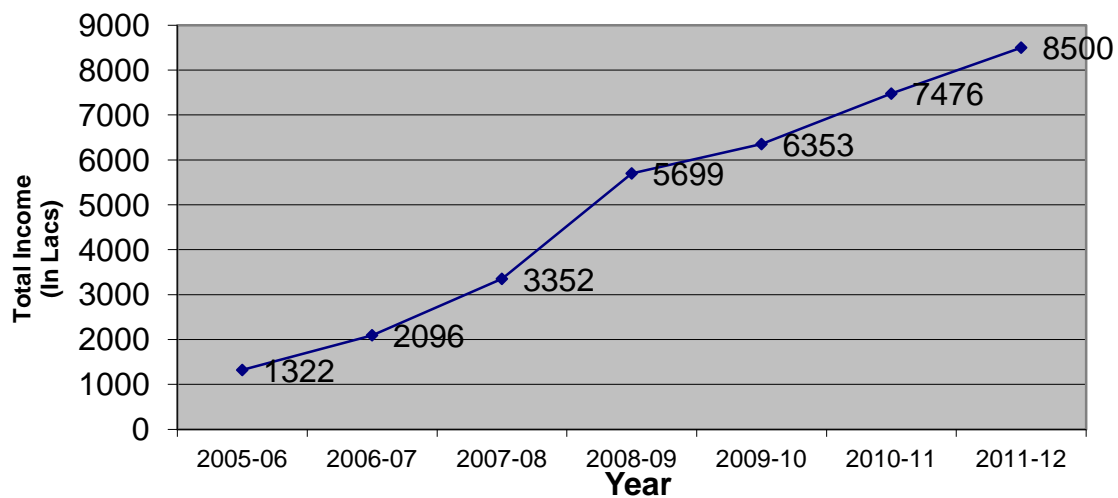
**Growth –23.50 %**

**Net Profit Before Tax – 24.07 Crores**

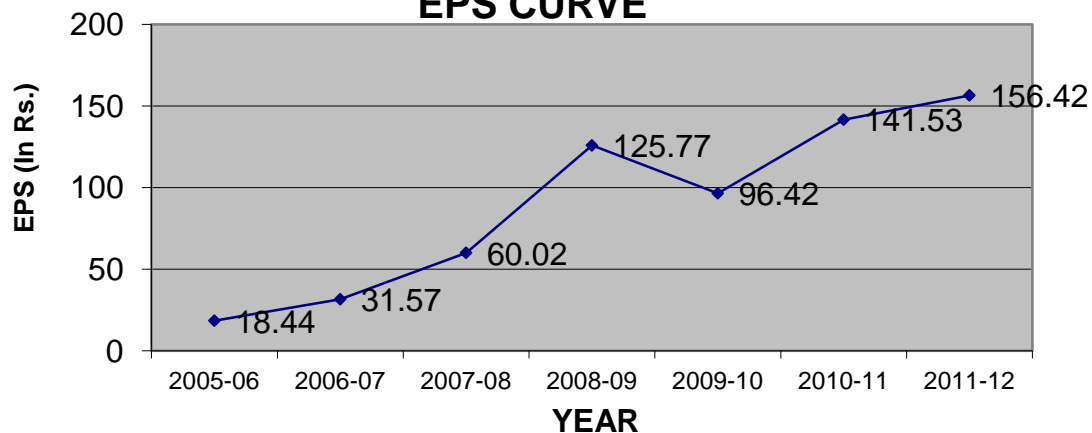
**Net Profit After Tax – Rs 16.08 Crores**

- \* WON APAC Agent of the Year – 2011 AWARD FROM WESTERN UNION, THE HIGHEST HONOUR FOR A PRINCIPAL AGENT OF WESTERN UNION**
- \* WON BUSINESS CHAMPION 2011 AWARD FROM WESTERN UNION**
- \* WON LOCATION CHAMPION AWARD FROM WESTERN UNION**
- \* BECAME TOP PRIMARY AGENT FOR WESTERN UNION IN WHOLE OF ASIA PACIFIC REGION CONSISTING OF 44 COUNTRIES**
- \* CONTINUED TO BE THE TOP SELLER OF AMERICAN EXPRESS TRAVEL CHEQUES**

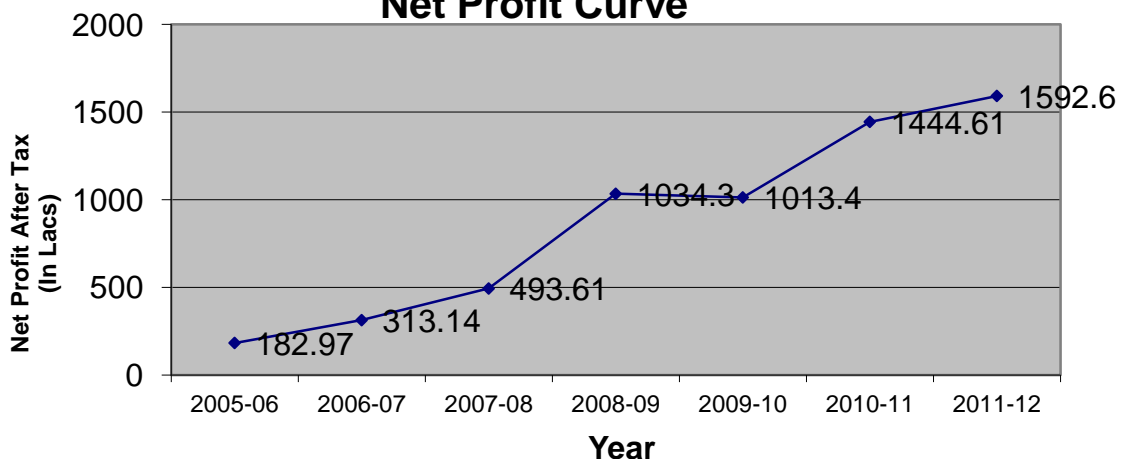
## Total Income Curve



## EPS CURVE



## Net Profit Curve



**NOTICE**

NOTICE is hereby given that 28<sup>th</sup> Annual General Meeting of the shareholders of M/s Paul Merchants Limited will be held on Saturday, the 29<sup>th</sup> day of September, 2012 at 11.00 A.M. at the Registered Office of the Company situated at Private No. FF-1, FF-1A, FF-1B, and FF-1C, 1<sup>st</sup> Floor, 11/5-B, Pusa Road, New Delhi-110 005, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2012 and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Sh. Ram Krishan Gupta, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Sh. Vigyan Arora, who retires by rotation and being eligible, offers himself for reappointment.
4. To confirm payment of Interim Dividend as Final Dividend on Equity Shares declared by the Board of Directors
5. To appoint Auditors and to fix their remuneration and for this purpose to consider and, if thought fit, to pass the following resolution with or without modification(s) as an ordinary resolution:

**"RESOLVED THAT** the retiring Auditors M/s Jain & associates, Chartered Accountants, SCO 819-20 Sector 22-A, Chandigarh (Membership No. FCA 089477) be and are hereby reappointed as Auditors of the Company to hold office till the conclusion of the next Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors of the Company."

**SPECIAL BUSINESS:**

6. **TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:**

"Resolved that Mrs. Sarita Rani Bansal, who was appointed as an additional Director of the Company by the Board of Directors and who holds office upto the date of the ensuing Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has, under Section 257 of the said Act, received notice in writing proposing his candidature for the

office of the Director, be and is hereby appointed as Director of the Company, liable to retire by rotation.

**7. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:**

“Resolved that Mr. Dilbag Singh Sidhu, who was appointed as an additional Director of the Company by the Board of Directors and who holds office upto the date of the ensuing Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has, under Section 257 of the said Act, received notice in writing proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company, liable to retire by rotation.

**8. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:**

“Resolved that Mr. Karunasagar, who was appointed as an additional Director of the Company by the Board of Directors and who holds office upto the date of the ensuing Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has, under Section 257 of the said Act, received notice in writing proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company, liable to retire by rotation.

**9. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:**

“**RESOLVED THAT** in partial modification of the Special Resolution passed by the Shareholders of the Company in their Annual General Meeting held on 30.09.2010 and in terms of Section 198, 269, 309, 310 and all other applicable Provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the said Act (including any Statutory modification(s) or re-enactment thereof for the time being in force), approval of the Members of the Company be and is hereby accorded to the payment of remuneration of Mr. Sat Paul Bansal, Chairman cum Managing Director of the Company @ 5% of the Net Profits of the Company earned during a Financial Year, with a liberty to the Board of Directors of the Company to alter and vary the terms and conditions and/or remuneration without referring the same again to the Shareholders, provided that the remuneration of the Chairman cum Managing Director shall never exceed the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

**RESOLVED FURTHER THAT** Mr. Sat Paul Bansal, Chairman cum Managing Director of the Company, who is presently being paid salary @ Rs. 15.00 lacs per month will continue to be paid the on-account salary of Rs. 15.00 lacs per month during the term of his appointment.

**RESOLVED FURTHER THAT** in case on finalization of the Net Profits of the Company for any Financial Year, the amount of 5% of the Net Profits is calculated to be higher or lower than the amount of salary already paid to Mr. Sat Paul Bansal, the differential of plus or minus as the case may be shall be adjusted at the time of finalization of Net Profits of the Company.

**RESOLVED FURTHER THAT** notwithstanding anything contained hereinabove, where, during the term of employment of the Chairman cum Managing Director, in the event in any Financial Year, the Company has no profits or its profits are inadequate, unless otherwise approved by the Central Government, the Remuneration payable to the Chairman cum Managing Director including Salary, Perquisites and any other Allowances, shall be governed and be subject to the ceiling provided under Section II of part II of Schedule XIII to the Companies Act, 1956 or such other limits as may be prescribed by the Government from time to time.

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take all steps as may be necessary, proper and expedient to give effect to this resolution.”

Place: Chandigarh  
Date: August 17, 2012

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

SD/-  
**HARDAM SINGH**  
**(COMPANY SECRETARY)**

**NOTES:**

1. A Member Entitled To Attend And Vote At The Meeting Is Entitled To Appoint A Proxy To Attend And Vote On A Poll Instead Of Himself/Herself And The Proxy Need Not Be A Member Of The Company. Proxies In Order To Be Effective Must Be Received At The Registered Office Of The Company Not Less Than 48 Hours Before Commencement Of The Meeting.
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Resolutions set out at Item No. 6,7 and 8 of the Notice is annexed herewith.
3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy the Board resolution authorizing their representative to attend and vote on their behalf.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> September, 2012 till 29<sup>th</sup> September, 2012 (Both days inclusive)
5. Members desirous of getting any information about the accounts of the company are requested to send their queries at the Registered office of the company at least 10 days prior to the date of meeting, so that the requisite information can be readily made available at the meeting.
6. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios along with relevant share certificates to the company.
7. Pursuant to the Provisions of Section 109 A of the Companies Act, 1956, Shareholders are entitled to make nominations in respect of shares held by them in physical form. Shareholders desirous of making nominations, are requested to send their requests in Form 2B (which will be made available on request) to the Corporate Office of the Company.
8. Members/ Proxies are requested to bring their copies of the Annual Report and attendance slip to the meeting.
9. Member who hold shares in dematerialized form are requested to write their client ID and DP ID and those who hold shares in physical form are requested to write their folio no. in the attendance slip for attending the meeting.
10. Members are requested to quote client ID and DP ID or ledger folio numbers in their correspondence with the Company.



13. Brief resume of the Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of their companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.
14. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
15. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
17. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate column in the members feedback



form (refer page 203 of the Annual Report) and register the same with  
M/s Alankit Assignments Ltd, New Delhi.

Place: Chandigarh  
Date: August 17, 2012

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

SD/-  
**HARDAM SINGH**  
**(COMPANY SECRETARY)**



**ANNEXURE TO THE NOTICE**

**EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 173 (2) OF THE COMPANIES ACT, 1956**

**ITEM NO. 6**

Mrs. Sarita Rani Bansal was appointed as an additional Director of the Company by the Board of Directors. In terms of Section 260 of the Companies Act, 1956 Mrs. Sarita Rani Bansal holds office upto the date of the ensuing Annual General Meeting. Notice under Section 257 of the said Act has been received from a member of the Company proposing Mrs. Sarita Rani Bansal as a candidate for the office of the Director, liable to retire by rotation.

The Board of Directors is of the view that the services of Mrs. Sarita Rani Bansal will be of immense value to the Company as an Director. Your directors therefore, recommend her appointment as Director of the Company.

Mr. Sat Paul Bansal, Mr. Rajneesh Bansal and Mr. Sandeep Bansal, Directors of the Company are interested or concerned in the resolution.

**ITEM NO. 7**

Mr. Dilbag Singh Sidhu was appointed as an additional Director of the Company by the Board of Directors. In terms of Section 260 of the Companies Act, 1956 Mr. Dilbag Singh Sidhu holds office upto the date of the ensuing Annual General Meeting. Notice under Section 257 of the said Act has been received from a member of the Company proposing Mr. Dilbag Singh Sidhu as a candidate for the office of the Director, liable to retire by rotation.

The Board of Directors is of the view that the services of Mr. Dilbag Singh Sidhu will be of immense value to the Company as an Independent Director. Your directors therefore, recommend his appointment as Director of the Company.

None of the Directors of the Company except Mr. Dilbag Singh Sidhu are interested or concerned in the resolution.

**ITEM NO. 8**

Mr. Karunasagar was appointed as an additional Director of the Company by the Board of Directors. In terms of Section 260 of the Companies Act, 1956 Mr. Karunasagar holds office upto the date of the ensuing Annual General Meeting. Notice under Section 257 of the said Act has been received from a member of