

Twenty Ninth Annual Report for the Year Ended 31st March, 2013



PAUL MERCHANTS LTD.TM

(An ISO 9001:2008 Certified Co.)

www.paulmerchants.net

BOARD OF DIRECTORS

MR. SAT PAUL BANSAL
MR. RAJNEESH BANSAL
MR. SANDEEP BANSAL
MRS. SARITA RANI BANSAL
MR. RAM K. GUPTA
MR. KARUNASAGAR
MR. VIGYAN ARORA
MR. DILBAG SINGH SIDHU

REGISTERED OFFICE

FF-1, FF-1A, FF-1B, FF-1C, 1ST
FLOOR, 11/5-B, PUSA ROAD, NEW
DELHI-110055
TEL: 011-48602000
EMAIL: info@paulmerchants.net

CORPORATE OFFICE

SCO 829-830, SECTOR 22-A,
CHANDIGARH - 160 022
TEL: 0172-5041786, 5025090
FAX: 0172-5041709
EMAIL- info@paulmerchants.net
WEBSITE: www.paulmerchants.net

AUDITORS

M/S. JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS
SCO 819-820, SECTOR 22-A,
CHANDIGARH -160022

COMPANY SECRETARY

MR. HARDAM SINGH

BANKERS

HDFC BANK
STATE BANK OF INDIA
ICICI
PUNJAB NATIONAL BANK
AXIS BANK
STATE BANK OF PATIALA
UNION BANK OF INDIA
INDUSIND BANK
STATE BANK OF BIKANER &
JAIPUR

YEAR 2012-2013 – AT A GLANCE

INTERNATIONAL MONEY TRANSFER ACTIVITIES

Gross Remittances – Rs 12695 Crores

Business Growth 18.18%

MONEY EXCHANGE ACTIVITIES

Gross Turnover – Rs. 1469 Crores

Business Growth 4.93%

INCOME FROM TOURS & TRAVELS ACTIVITIES

Gross Income – Rs. 35.98 Crores

Business Growth 19.92%

OVERALL PERFORMANCE

Gross Revenues– 1615 Crores

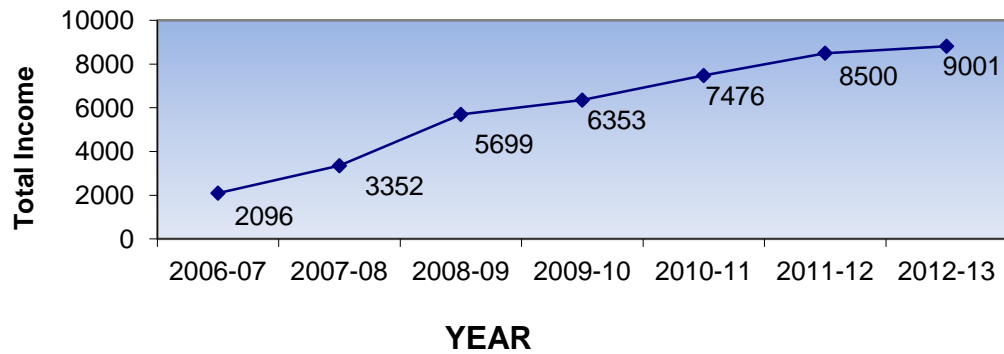
Growth – 5.67%

Net Profit Before Tax – 25.56 crores

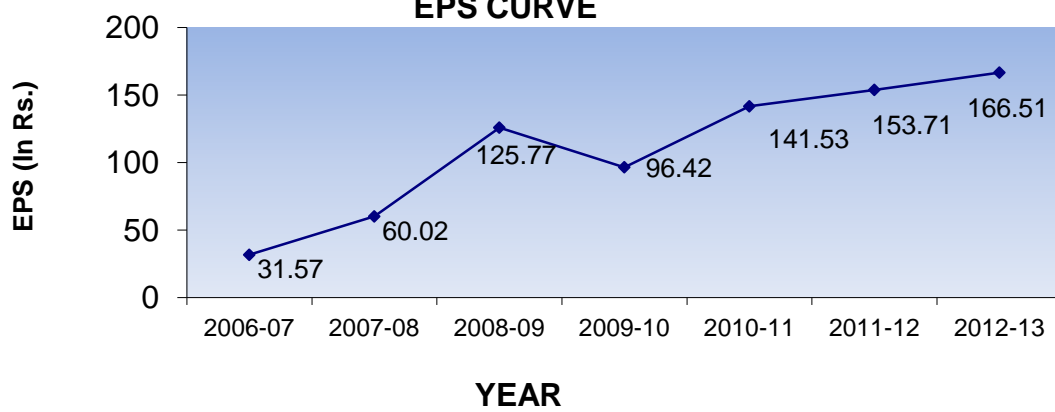
Net Profit After Tax – Rs 17.12 Crores

- * MONTHLY AVERAGE OF WUMT TRANSACTIONS REMAINED MORE THAN 5 LACS IN THE CALENDAR YEAR 2012.**
- * EMBARKED UPON BOTH INWARD & OUTWARD INTERNATIONAL COMMERCIAL REMITTANCES IN ASSOCIATION WITH WESTERN UNION**
- * KICK STARTED DOMESTIC MONEY TRANSFER SERVICES IN ASSOCIATION WITH WESTERN UNION**
- * LAUNCHED PREPAID CARDS FOR EFFECTING WUMT TRANSACTIONS**
- * TIED UP WITH WESTERN UNION FOR EFFECTING OUTWARD STUDENT REMITTANCES**
- * CONTINUED TO BE THE TOP SELLER OF AMERICAN EXPRESS TRAVEL CHEQUES**

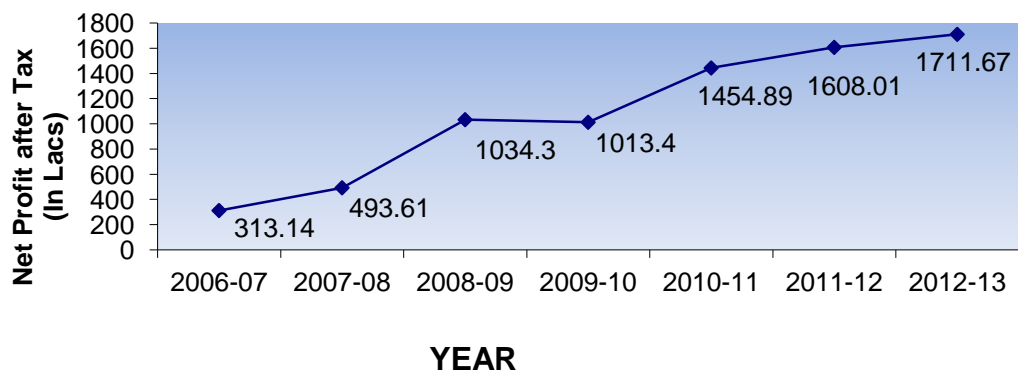
Total Income (In lacs)



EPS CURVE



Net Profit Curve



NOTICE

NOTICE is hereby given that 29th Annual General Meeting of the shareholders of M/s Paul Merchants Limited will be held on Monday, the 30th day of September, 2013 at 11.00 A.M. at the Registered Office of the Company situated at FF-1, FF-1A, FF-1B and FF-1C, 1st 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 31st March 2013 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. Rajneesh Bansal, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Sh. Sandeep Bansal, 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 in partial modification of the Special Resolution passed by the Shareholders of the Company in their Annual General Meeting held on 29.09.2012 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 @ Rs. 15,00,000/- (Rupees Fifteen Lacs only) per month for the Financial Year 2012-13 and Financial Year 2013-14, with a liberty to the Board of Directors of the Company to alter and vary the terms and conditions and/or remuneration of the Chairman cum Managing Director 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 notwithstanding anything contained hereinabove, where, during the term of employment of the of the Chairman cum Managing Director, 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 of the Chairman cum Managing Director including Salary, Commission, Perquisites and any other Allowances, shall be governed by 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 Central 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 8, 2013

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 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 23rd September, 2013 till 30th September, 2013 (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 company or the RTA of the Company M/s Alankit Assignments Ltd.
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.

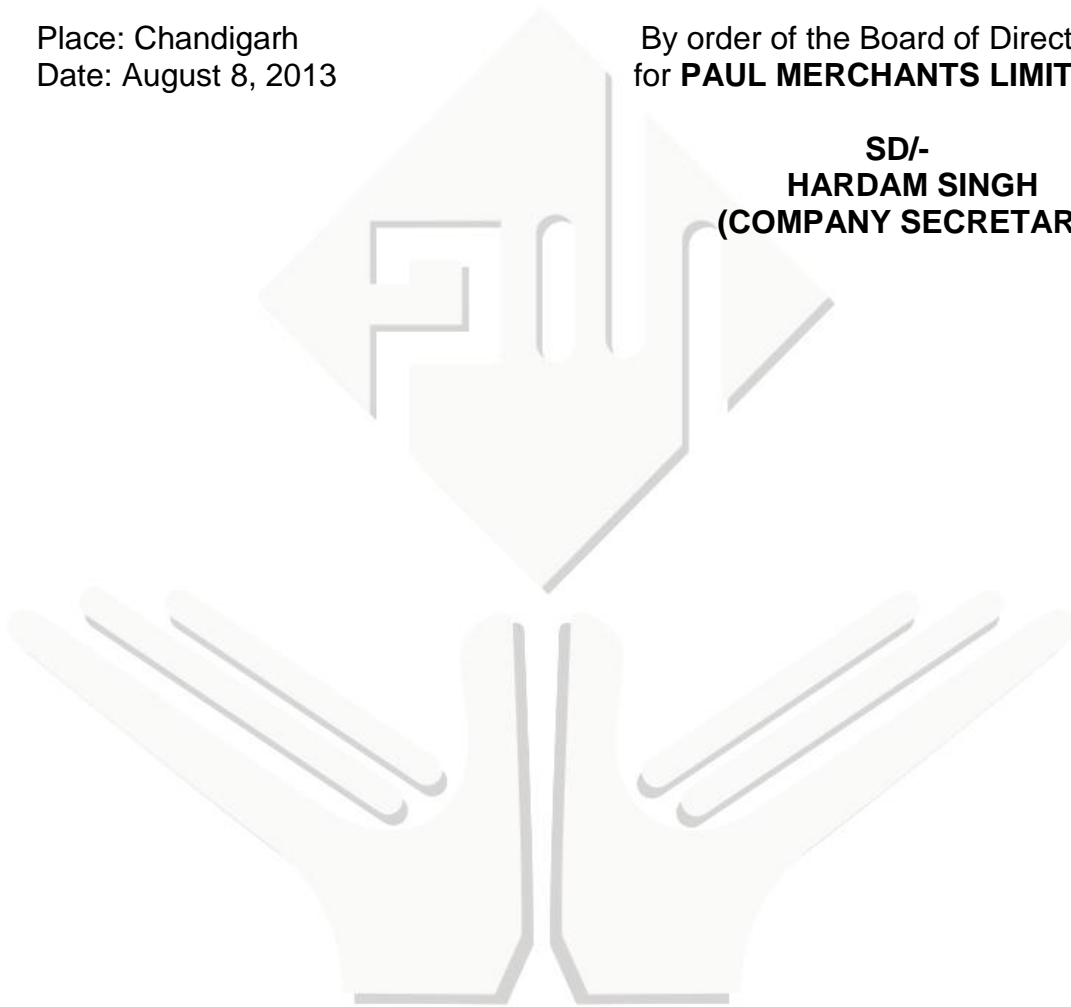
8. Members/ Proxies are requested to bring their copies of the Annual Report and attendance slip to the meeting.
9. Member who hold shares in dematerialized form are requested to write their client ID and DP ID and those who hold shares in physical form are requested to write their folio no. in the attendance 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.
11. 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.
12. 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 Sundays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
13. 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.
14. 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.
15. 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 and register the same with M/s Alankit Assignments Ltd, New Delhi.

Place: Chandigarh
Date: August 8, 2013

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

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



**EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 173
(2) OF THE COMPANIES ACT, 1956****ITEM NO. 6**

The Board of Directors of the Company had, subject to the Provisions of Sections 198, 269, 309, 310, 311 and all other applicable Provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the said Act, re-structured the remuneration of Mr. Sat Paul Bansal, the Chairman cum Managing Director of the Company in their meeting held on 31.10.2012 @ Rs. 15,00,000/- (Rupees Fifteen Lacs Only) per month without linkage with the net profits of the Company for the Financial Year 2012-13. Further, in their meeting held on 12.02.2013, the Board of Directors of the Company retained the same remuneration of the Chairman cum Managing Director i.e Rs. 15,00,000 lacs (Rs. Fifteen Lacs) per month for the Financial Year 2013-14.

As per the requirements of the Companies Act, 1956 and the provisions of Schedule XIII thereto, the appointment/re-appointment of the Managing Director/Whole Time Directors and increase/change in their remuneration is to be made with approval of the Shareholders in the General Meeting. The said revision for the Financial Year 2012-13 and further continuance of the same remuneration for the Financial Year 2013-14 was subject to approval of the Members of the Company. Therefore your Directors recommend the Resolutions set out at Item no. 6 to be passed as Special Resolution.

The Directors Mr. Sat Paul Bansal, Mr. Rajneesh Bansal. Mrs. Sarita Rani Bansal and Mr. Sandeep Bansal may be treated as interested in this resolution.

Place: Chandigarh
Date: August 8, 2013

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

SD/-
HARDAM SINGH
(COMPANY SECRETARY)