



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

CORP. OFF.: PML House, SCO 829-830, Sector 22-A, Chandigarh - 160 022 Ph. 0172-5041786, 5025090 Fax : 0172-5041713

E-mail : info@paulmerchants.net Website : www.paulmerchants.net

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POSTAL BALLOT NOTICE

[PURSUANT TO SECTIONS 110 AND 108 OF THE COMPANIES ACT, 2013 READ WITH RULES 22 AND 20 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014]

Dear Members,

Notice is hereby given to the shareholders of PAUL MERCHANTS LIMITED pursuant to the provisions of Section 110 and 108, and other applicable provisions of the Companies Act, 2013, as amended (the "Act"), read over with the Companies (Management and Administration) Rules, 2014, other applicable Rules framed under the Act, as amended, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), General Circular dated no. 09/2023 dated September 25th, 2023, read over with all earlier Circulars with particular reference to Circular no. 17/2020 dated April 13, 2020 and Circular no. 14/2020 dated April 8, 2020 on the subject of passing of ordinary and special resolutions in accordance with the framework provided in the aforesaid Circulars issued by the Ministry of Corporate Affairs, Government of India (the "MCA Circulars"), Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India ("SS-2") and any other applicable law, Rules and Regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), that the resolutions appended below are proposed to be passed by the members of the Company Paul Merchants Limited (the 'Company'), as on the Cut-off Date, through postal ballot (the "Postal Ballot") only by way of e-voting ("e-voting") process. An Explanatory Statement pertaining to the said resolutions setting out the material facts and the reasons/rationale thereof forms part of this Postal Ballot notice ("the Notice" or "the Postal Ballot Notice").

In compliance with Regulation 44 of the Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the rules framed thereunder and the applicable MCA Circulars, the manner of voting on the proposed resolutions is restricted only to e-voting i.e. by casting votes electronically instead of submitting postal ballot forms. Accordingly, in compliance with the aforesaid MCA Circulars postal ballot forms and pre-paid business envelopes are not being sent to Members for this Postal Ballot. This Postal Ballot Notice is being sent only through electronic mode to those Members whose email address is registered with the Company/RTA/ depository participant(s)/ Depositories. The details of the procedure to cast the vote forms part of the 'Notes' to this Notice. If your e-mail address is not registered with the Depositories,

please follow the process provided in the Notes to receive this Postal Ballot Notice and login ID and password for e-voting. The communication of the assent or dissent of the Members would only take place through the e-voting.

In accordance with the provisions of the applicable MCA Circulars, the Company has made arrangements for the shareholders to register their e-mail addresses. Therefore, those shareholders who have not yet registered their e-mail addresses are requested to register the same by following the procedure set out in the notes to this Postal Ballot Notice. The Company has made necessary arrangements with M/s Alankit Assignments Ltd, Alankit House, 4E/2, Jhandewalan Extn. New Delhi- 110055 (INDIA), Registrar and Share Transfer Agent ("RTA") to enable the Members to register their e-mail address.

The Board of Directors of the Company, at its meeting held on 13-02-2024, have appointed Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary (F 5901), SCO 64-65, Sector 17 A, Chandigarh, as the scrutinizer ("Scrutinizer") for conducting the Postal Ballot / e-voting process in a fair and transparent manner. Central Depository Services (India) Limited (CDSL) will be facilitating e-voting to enable the Shareholders to cast their votes electronically. Members are requested to read the notes to the Notice and instructions for e-voting.

In compliance with the provisions of Section 108 and Section 110 of the Act read with Rule 20 and 22 of the Rules, Regulation 44 of the Listing Regulations, applicable MCA Circulars and SS-2, the Company is pleased to provide e-voting facility to its Members, to enable them to cast their votes electronically. The detailed procedure with respect to e-voting is mentioned in this Notice.

Members desiring to exercise their vote through the e-voting process are requested to carefully read the instructions indicated in this Notice and record their assent (FOR) or dissent (AGAINST) by following the procedure as stated in the Notes forming part of the Notice not later than 5:00 p.m. (IST) on Friday, March 15, 2024. The e-voting facility will be disabled by CDSL immediately thereafter and will not be allowed beyond the said date and time.

The Scrutinizer will submit his report to the Chairman or any other person authorized by the Chairman in writing, and the result of the voting by Postal Ballot (through the e-voting process) will be announced on Saturday, March 16, 2024 at 5.00 PM at Corporate Office of the Company at SCO 829-830, Sector 22-A, Chandigarh – 160022. The result declared along with the Scrutinizer's report shall be communicated in the manner provided in this Postal Ballot Notice.

The last date of e-voting, i.e. Friday, March 15, 2024, shall be the date on which the resolutions would be deemed to have been passed, if approved by the requisite majority. Further, resolutions passed by the members through postal ballot shall be deemed to have been passed as if they are passed at a General Meeting of the Members of the Company.

The important dates with respect to the e-voting facility are given below:-

Commencement of e-voting	Thursday, February 15, 2024 (9.00 A.M. IST)
End of e-voting	Friday, March 15, 2024, (5.00 P.M IST)
Cut Off date	Friday, February 9, 2024 (After the closing of business hours)
Declaration of Result	Saturday, the 16 th March, 2024 at 5.00 PM

The Board of Directors of the Company propose to obtain the consent of the members by way of Postal Ballot (through the e-voting process) for the matters as considered in the Resolutions appended below. The Explanatory Statement pursuant to Section 102, 110 and other applicable provisions, if any, of the Act pertaining to the said Resolutions, is appended to this notice.

You are requested to peruse the proposed Resolutions along with the Explanatory Statement and thereafter record your assent or dissent by means of e-voting facility provided by the Company.

RESOLUTIONS

1. TO APPOINT MR. ANOOP KUMAR SHARMA (DIN: 02296633) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:-**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable Rules made under the Act read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 16 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, the Articles of Association of the Company and pursuant to the approval and recommendation of the Nomination & Remuneration Committee and the Board of Directors, **Mr. Anoop Kumar Sharma (DIN: 02296633)**, aged about 65 years, who was appointed as an Additional Director in the capacity of a Non Executive Independent Director of the Company by the Board of Directors of the Company w.e.f. 13-02-2024 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who is eligible for appointment and in respect of whom the Company has received a notice in writing from him under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from 13-02-2024 and ending on 12-02-2029.

RESOLVED FURTHER THAT liberty and authority be and is hereby given to the Board of Directors of the Company, which will be deemed to include any Committee of the Board constituted to exercise its powers, including powers conferred by this Resolution, to decide all questions arising out of this resolution, to take all requisite steps to give effect to this resolution and to decide the terms and conditions governing the appointment of **Mr. Anoop Kumar Sharma (DIN: 02296633).**”

2. TO APPOINT MR. BHUPINDER SINGH (DIN: 2152722) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:-**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies

(Appointment and Qualifications of Directors) Rules, 2014 and other applicable Rules made under the Act read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 16 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the Articles of Association of the Company and pursuant to the approval and recommendation of the Nomination & Remuneration Committee and the Board of Directors, **Mr. Bhupinder Singh (DIN: 2152722)**, aged about 54 years, who was appointed as an Additional Director in the capacity of a Non Executive Independent Director of the Company by the Board of Directors of the Company w.e.f. 13-02-2024 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who is eligible for appointment and in respect of whom the Company has received a notice in writing from him under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from 13-02-2024 and ending on 12-02-2029.

RESOLVED FURTHER THAT liberty and authority be and is hereby given to the Board of Directors of the Company, which will be deemed to include any Committee of the Board constituted to exercise its powers, including powers conferred by this Resolution, to decide all questions arising out of this resolution, to take all requisite steps to give effect to this resolution and to decide the terms and conditions governing the appointment of **Mr. Bhupinder Singh (DIN: 2152722).**"

3. TO APPOINT MR. NIRMAL CHAND (DIN: 10041305) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:-**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable Rules made under the Act read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 16 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the Articles of Association of the Company and pursuant to the approval and recommendation of the Nomination & Remuneration Committee and the Board of Directors, **Mr. Nirmal Chand (DIN: 10041305)**, aged about 63 years, who was appointed as an Additional Director in the capacity of a Non Executive Independent Director of the Company by the Board of Directors of the Company w.e.f. 13-02-2024 and who has submitted a declaration that

he meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who is eligible for appointment and in respect of whom the Company has received a notice in writing from him under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from 13-02-2024 and ending on 12-02-2029.

RESOLVED FURTHER THAT liberty and authority be and is hereby given to the Board of Directors of the Company, which will be deemed to include any Committee of the Board constituted to exercise its powers, including powers conferred by this Resolution, to decide all questions arising out of this resolution, to take all requisite steps to give effect to this resolution and to decide the terms and conditions governing the appointment of **Mr. Nirmal Chand (DIN: 10041305).**”

Place: Chandigarh

Date: February 13, 2024

By order of the Board of Directors

for **PAUL MERCHANTS LIMITED**

HARDAM SINGH
(COMPANY SECRETARY)
Membership No. FCS-5046
12-D, Angel Apartments,
Zirakpur (Pb)-140603

NOTES:

1. The explanatory statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 (the “Act”) stating all material facts and the reasons/rationale for the proposed resolutions is annexed herewith.
2. This Postal Ballot Notice is being sent to the members whose names appear in the register of members / list of beneficial owners as received from the National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) and whose email address is registered with the Company/RTA/depository participant(s), on the closing of business hours of Friday, February 9, 2024 (“Cut-off Date”). A person who is not a member as on the Cut-off Date should treat this Postal Ballot Notice for informational purposes only. In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”) and pursuant to the provisions of Sections 108 and 110 of the Act read with the rules framed thereunder and the applicable MCA Circulars and Secretarial Standards, the manner of voting on the proposed resolution is restricted only to e-voting i.e., by casting votes electronically instead of submitting physical postal ballot forms. Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope are not being sent to the Members for this Postal Ballot. The communication of the assent or dissent of the Members would only take place through the e-voting system. For receiving copy of postal ballot notice, members who have not yet registered their email addresses are requested to get their email addresses registered by following the process listed out in Note no. 20
3. The resolutions, if passed by the requisite majority through evoting, will be deemed to have been passed on the last date specified for evoting i.e., Friday, the 15th March, 2024. Further, resolutions passed by the members through this postal ballot process (through the e-voting process) are deemed to have been passed as if they are passed at a General Meeting of the Members.
4. The Scrutinizer will submit his report to the Chairman or any other person authorized by the Chairman in writing after the completion of scrutiny of the e-voting, and the result of the Postal Ballot through e-voting shall be declared by the Chairman of the Board or any other person duly authorized by him in writing on Saturday, the 16th March, 2024 at 5.00 PM at Corporate Office of the Company at SCO 829-830, Sector 22-A, Chandigarh – 160022. The results will also be displayed on the Company website <https://www.paulmerchants.net>, on the website of CDSL www.evotingindia.com, and communicated 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.

5. All material documents referred to in the explanatory statement will be available for inspection at the Registered Office of the Company during office hours on all working days from the date of dispatch of this Postal Ballot Notice until the last date for receipt of votes by e-voting. Alternately, Members may also send their requests to investor.redressal@paulmerchants.net or ramap@alankit.com from their registered e-mail address mentioning their names, folio numbers, DP ID and Client ID during the voting period of the postal ballot.
6. The voting rights of the Members shall be in proportion of their shareholding to the total issued and paid-up equity share capital of the Company as on the Cut-off date i.e. on the closing of business hours of February 9, 2024.
7. Members holding shares either in physical form or dematerialized form, as on the Cut-off Date i.e. on the closing business hours of February 9, 2024, (including those Members who may not receive this Postal Ballot Notice due to non-registration of their email address with the DPs, as aforesaid) can cast their votes electronically, in respect of the resolutions as set out in this Postal Ballot Notice only through the e-voting.
8. In accordance with Section 20 of the Companies Act, 2013, service of documents on members by a company is allowed through electronic mode. Further in compliance with the MCA Circulars mentioned above, this Postal Ballot Notice is being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/Depositories/Depository Participants. Members may note that the Postal Ballot Notice will also be available on the Company's website www.paulmerchants.net and the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL (agency for providing the e-Voting facility) i.e. www.evotingindia.com (Adobe PDF can be downloaded at <https://get.adobe.com/reader>). The copies of the Postal Ballot Notice will also be available for inspection in electronic mode, basis the request being sent on investor.redressal@paulmerchants.net.
9. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote.
10. 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 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.
11. In compliance with the provisions of Section 108, 110 of the Companies Act, 2013 and the Rules framed thereunder and Regulation 44 of the Listing Regulations, Company is providing facility for voting by electronic means to its members to enable them to cast their votes electronically through e-voting and for this purpose

the Company has engaged the services of Central Depository Services (India) Limited (CDSL) and as such, the business set out in this Postal Ballot Notice 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.

12. In accordance with the MCA Circulars, the Members are requested to take note of the following:-

- a. Vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 and clarification vide Circular No. SEBI/HO/MIRSD/MIRSD-RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI had mandated the furnishing of PAN, Address with PIN code, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination by holders of physical securities and prescribed certain standardized forms for submitting various service requests. The said Forms are available on the Website of the Company [www.paulmerchants.net\Investors](http://www.paulmerchants.net/Investors). Further, the above mentioned SEBI Circulars are also available on the website of the Company at <https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2022/07/Circular-dated-November-03-2021.pdf> and <https://www.paulmerchants.net/paulmerchants/wp-content/uploads/2022/07/Clarifications-with-respect-to-Circular-dated-November-03-2021.pdf>. The Shareholders are requested to refer to the said Circulars and Formats for the relevant matters provided therein. As on the date of this Notice, there is no shareholder of the Company who holds the shares in physical form.
- b. Members holding shares of the Company in electronic form can verify/update their email address and mobile number with their respective DPs.
- c. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
- d. 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
- e. 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.

E-voting:-

13. In compliance with Regulation 44 of the Listing Regulations and Section 108, 110 of the Act, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended and the relevant MCA Circulars, the Company is pleased to provide facility of e-voting to enable its Members to cast their votes electronically in respect of the resolutions as set out in this Postal Ballot Notice.
14. The e-voting period shall commence from Thursday, February 15, 2024 (9.00 A.M. IST) and ends on Friday, March 15, 2024, (5.00 P.M IST). The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be forthwith disabled by CDSL upon expiry of the aforesaid period. Once the vote on the resolutions is cast by the Member, he/she shall not be allowed to change it subsequently. 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
15. 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 e-voting process in a fair and transparent manner.
16. The e-voting facility will be available during the following period after which the evoting portal shall forthwith be blocked and shall not be available for evoting:-

Commencement of e-voting	Thursday, February 15, 2024 (9.00 A.M. IST)
End of e-voting	Friday, March 15, 2024, (5.00 P.M IST)
Cut Off date	Friday, February 9, 2024 (After the closing of business hours)

17. The procedure and instructions for e-voting are as under:

- (i) As per SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020**, 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 abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:-

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasinew/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi Tab and then use your existing my easi username & password. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the e-Voting period. 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the

<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>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 under Value Added 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 e-Voting period.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit 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 the e-Voting page. Click on the 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 e-Voting period or joining virtual meeting & voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>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 e-Voting period or joining virtual meeting & voting during the meeting.</p>

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 022-23058738 and 22-23058542-43 and 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 toll free no.: 1800 1020 990 and 1800 22 44 30

18.Login method for e-Voting 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.
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PAN	<ul style="list-style-type: none"> Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</p>

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

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

19. Instructions for Non – Individual Shareholders and Custodians – For evoting 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- 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 the 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.

20. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES/DEPOSITOTY PARTICIPANTS

- i. For Physical shareholders- Please refer to the instructions given at Note no. 12.
- ii. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
- iii. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository
- iv. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

GENERAL INSTRUCTIONS

- i. If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43 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. 09-02-2024
- iii. The result of the e-voting shall be declared by the Chairman of the Board or any other person duly authorized by him in writing on Saturday, March 16, 2024 at 5.00 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 at www.bseindia.com, 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 last date specified for evoting i.e., Friday, March 15, 2024, 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 022-23058542/43 or 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 Fax 0172-5041713 or at PML House, SCO 829-830, Sector 22-A, Chandigarh - 160022.



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

CORP. OFF.: PML House, SCO 829-830, Sector 22-A, Chandigarh - 160 022 Ph. 0172-5041786, 5025090 Fax : 0172-5041713

E-mail : info@paulmerchants.net Website : www.paulmerchants.net

REGD. OFF.: DSM 335, 336, 337, 3rd Floor, DLF Tower, 15, Shivaji Marg, Najafgarh Road, New Delhi-110015 Ph. : 011-47529460

Explanatory statement pursuant to Sections 102(1) and 110 of the Companies Act, 2013

Resolutions No. 1

Based on the approval and recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the appointment of Mr. Anoop Kumar Sharma (DIN: 02296633) as an Independent Director, for a term of five consecutive years commencing from 13-02-2024, not liable to retire by rotation as explained in the Resolution set out at item no. 1. Mr. Anoop Kumar Sharma was appointed as an Additional Director in the capacity of a Non Executive Independent Director of the Company by the Board of Directors of the Company w.e.f. 13-02-2024. The Company has, in terms of Section 160(1) of the Act received in writing a notice from him, proposing his candidature for the office of Director. The Nomination and Remuneration Committee ("NRC") had finalized the desired attributes for the selection of the Independent Director(s). Basis those attributes, the NRC recommended the candidature of Mr. Anoop Kumar Sharma. The Board, based upon recommendation of Nomination and Remuneration Committee, considers that given his background, experience and qualifications, the induction of Mr. Anoop Kumar Sharma as a Non-Executive Independent Director of the Company would be beneficial to the Company and his skills, background and experience are aligned to the role and capabilities identified by the NRC and as such, the Board was satisfied that his appointment is justified.

In the opinion of the Board, he fulfils the conditions specified in the Companies Act and Listing Regulations for appointment as a Non Executive Independent Director and is independent of the management of the Company. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013. Mr. Anoop Kumar Sharma has qualifications like B.Com, CA to his credit. He has overall experience of 36 years in various corporate, financial, taxation (both Direct & Indirect) and project matters. He is an expert in the area of Government undertakings and Social sector Schemes of Government and third party audit with EPFO. He is Certified by ICAI as Forensic Auditor and Fraud Detection and is also a Certified Concurrent Auditor of ICAI.

Further, Mr. Anoop Kumar Sharma shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The Company has received following

declarations from him in writing:-

- a. Form DIR-2 pursuant to Section 152(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, signifying his consent to act as Independent Director of the Company.
- b. A declaration that he meets the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under Regulation 16(1) (b) and 25 of the Listing Regulations
- c. A declaration in Form DIR-8 in terms of Section 164 of the Companies Act, 2013 read over with Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 that he is not disqualified from being appointed as Director
- d. Declaration in FORM-B pursuant to Regulation 7 (1) (b) read with Regulation 6 (2) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- e. Declaration that he conforms to the Fit and proper Criteria pursuant to RBI guidelines
- f. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018 that he has not been debarred from holding office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority
- g. Interest in other entities in the prescribed form MBP-1

Further, Mr. Anoop Kumar Sharma has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company. Mr. Anoop Kumar Sharma has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. As on date, Mr. Anoop Kumar Sharma holds Nil Equity Shares in the Company and does not hold any Stock Options. He does not hold any shares in the Company as a Beneficial Owner.

A copy of the draft letter for appointment of Mr. Anoop Kumar Sharma, setting out the terms and conditions of appointment is available for inspection at the Registered Office and Corporate Office of the Company during the normal business hours on any working day except Sundays and Holidays from the date of dispatch of this Postal Ballot Notice until the last date for receipt of votes by e-voting.

Keeping in view his vast expertise and knowledge, it will be in the interests of the Company that Mr. Anoop Kumar Sharma is appointed as a Non Executive Independent Director of the Company by the Shareholders for a term of five consecutive years commencing from 13-02-2024.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 and 25(2A) of the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the approval of the Members is sought for the appointment of Mr. Anoop Kumar Sharma as Non Executive Independent Director of the Company, as a special resolution as set out above.

The Board recommends the Special Resolution at Item No. 1 of this Notice for approval of the Members.

The appointee Director Mr. Anoop Kumar Sharma should be treated as interested in this resolution 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 the resolution set out at Item No. 1 of the Notice.

The information as required under para D of Secretarial Standard -2 and Regulation 36(3) of the Listing Regulations is given under **Annexure-N1** at the end of this Explanatory Statement. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

Resolutions No. 2

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the appointment of Mr. Bhupinder Singh (DIN: 2152722) as an Independent Director, for a term of five consecutive years commencing from 13-02-2024, not liable to retire by rotation as explained in the Resolution set out at item no. 2. Mr. Bhupinder Singh was appointed as an Additional Director in the capacity of a Non Executive Independent Director of the Company by the Board of Directors of the Company w.e.f. 13-02-2024. The Company has, in terms of Section 160(1) of the Act received in writing a notice from him, proposing his candidature for the office of Director. The Nomination and Remuneration Committee ("NRC") had finalized the desired attributes for the selection of the Independent Director(s). Basis those attributes, the NRC recommended the candidature of Mr. Bhupinder Singh. The Board, based upon recommendation of Nomination and Remuneration Committee, considers that given his background, experience and qualifications, the induction of Mr. Bhupinder Singh as a Non-Executive Independent Director of the Company would be beneficial to the Company and his skills, background and experience are aligned to the role and capabilities identified by the NRC and as such, the Board was satisfied that his appointment is justified.

In the opinion of the Board, he fulfils the conditions specified in the Companies Act and Listing Regulations for appointment as a Non Executive Independent Director and is independent of the management of the Company. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013. Mr. Bhupinder Singh has qualifications like B.Sc, DISA (Information System Audit) and CA to his credit. He has overall experience of 28 years of audit, Internal control, Internal Audit, Project financing and has vast exposure to Banking, Insurance, Telecom and Financial Sector.

Further, Mr. Bhupinder Singh shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The Company has received following declarations from him in writing:-

- a. Form DIR-2 pursuant to Section 152(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, signifying his consent to act as Independent Director of the Company.
- b. A declaration that he meets the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under Regulation 16(1) (b) and 25 of the Listing Regulations
- c. A declaration in Form DIR-8 in terms of Section 164 of the Companies Act, 2013 read over with Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 that he is not disqualified from being appointed as Director
- d. Declaration in FORM-B pursuant to Regulation 7 (1) (b) read with Regulation 6 (2) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- e. Declaration that he conforms to the Fit and proper Criteria pursuant to RBI guidelines
- f. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018 that he has not been debarred from holding office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority
- g. Interest in other entities in the prescribed form MBP-1

Further, Mr. Bhupinder Singh has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company. Mr. Bhupinder Singh has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. As on date, Mr. Bhupinder Singh holds Nil Equity Shares in the Company and does not hold any Stock Options. He does not hold any shares in the Company as a Beneficial Owner.

A copy of the draft letter for appointment of Mr. Bhupinder Singh, setting out the terms and conditions of appointment is available for inspection at the Registered Office and Corporate Office of the Company during the normal business hours on any working day except Sundays and Holidays from the date of dispatch of this Postal Ballot Notice until the last date for receipt of votes by e-voting.

Keeping in view his vast expertise and knowledge, it will be in the interests of the Company that Mr. Bhupinder Singh is appointed as a Non Executive Independent Director of the Company by the Shareholders for a term of five consecutive years

commencing from 13-02-2024.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 and 25(2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the approval of the Members is sought for the appointment of Mr. Bhupinder Singh as Non Executive Independent Director of the Company, as a special resolution as set out above.

The Board recommends the Special Resolution at Item No. 2 of this Notice for approval of the Members.

The appointee Director Mr. Bhupinder Singh should be treated as interested in this resolution 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 the resolution set out at Item No. 2 of the Notice.

The information as required under para D of Secretarial Standard -2 and Regulation 36(3) of the Listing Regulations is given under **Annexure-N2** at the end of this Explanatory Statement. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

Resolutions No. 3

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the appointment of Mr. Nirmal Chand (DIN: 10041305) as an Independent Director, for a term of five consecutive years commencing from 13-02-2024, not liable to retire by rotation as explained in the Resolution set out at item no. 3. Mr. Nirmal Chand was appointed as an Additional Director in the capacity of a Non Executive Independent Director of the Company by the Board of Directors of the Company w.e.f. 13-02-2024. The Company has, in terms of Section 160(1) of the Act received in writing a notice from him, proposing his candidature for the office of Director. The Nomination and Remuneration Committee ("NRC") had finalized the desired attributes for the selection of the Independent Director(s). Basis those attributes, the NRC recommended the candidature of Mr Nirmal Chand. The Board, based upon recommendation of Nomination and Remuneration Committee, considers that given his background, experience and qualifications, the induction of Mr. Nirmal Chand as a Non-Executive Independent Director of the Company would be beneficial to the Company and his skills, background and experience are aligned to the role and capabilities identified by the NRC and as such, the Board was satisfied that his appointment is justified.

In the opinion of the Board, he fulfils the conditions specified in the Companies Act and Listing Regulations for appointment as a Non Executive Independent Director and is independent of the management of the Company. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013. Mr. Nirmal Chand has qualifications like MA and MBA to his credit. He retired as Principal Chief

General Manager, Reserve Bank of India after putting in about 35 years of service in its various departments like Currency Management, Department of Banking Operations & Development & Estate Department, Department of Supervision DOS and Department of Non- Banking Supervision.

Further, Mr. Nirmal Chand shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The Company has received following declarations from him in writing:-

- a. Form DIR-2 pursuant to Section 152(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, signifying his consent to act as Independent Director of the Company.
- b. A declaration that he meets the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under Regulation 16(1) (b) and 25 of the Listing Regulations
- c. A declaration in Form DIR-8 in terms of Section 164 of the Companies Act, 2013 read over with Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 that he is not disqualified from being appointed as Director
- d. Declaration in FORM-B pursuant to Regulation 7 (1) (b) read with Regulation 6 (2) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- e. Declaration that he conforms to the Fit and proper Criteria pursuant to RBI guidelines
- f. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018 that he has not been debarred from holding office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority
- g. Interest in other entities in the prescribed form MBP-1

Further, Mr. Nirmal Chand has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company. Mr. Nirmal Chand has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. As on date, Mr. Nirmal Chand holds Nil Equity Shares in the Company and does not hold any Stock Options. He does not hold any shares in the Company as a Beneficial Owner.

A copy of the draft letter for appointment of Mr. Nirmal Chand, setting out the terms and conditions of appointment is available for inspection at the Registered Office and Corporate Office of the Company during the normal business hours on any working day except Sundays and Holidays from the date of dispatch of this Postal Ballot Notice until

the last date for receipt of votes by e-voting.

Keeping in view his vast expertise and knowledge, it will be in the interests of the Company that Mr. Nirmal Chand is appointed as a Non Executive Independent Director of the Company by the Shareholders for a term of five consecutive years commencing from 13-02-2024.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 and 25(2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the approval of the Members is sought for the appointment of Mr. Nirmal Chand as Non Executive Independent Director of the Company, as a special resolution as set out above.

The Board recommends the Special Resolution at Item No. 3 of this Notice for approval of the Members.

The appointee Director Mr. Nirmal Chand should be treated as interested in this resolution 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 the resolution set out at Item No. 3 of the Notice.

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

Place: Chandigarh
Date: February 13, 2024

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

HARDAM SINGH
(COMPANY SECRETARY)
Membership No. FCS-5046
12-D, Angel Apartments,
Zirakpur (Pb)-140603

Annexure-N1

INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT BY THE SHAREHOLDERS OF PAUL MERCHANTS LIMITED THROUGH POSTAL BALLOT BY WAY OF E-VOTING PURSUANT TO REGULATION 36 (3) OF THE LISTING REGULATIONS, 2015 AND PARA 1.2.5 OF SECRETARIAL STANDARDS-2

Name of Director	Mr. Anoop Kumar Sharma (DIN: 02296633)
Date of First (Original) Appointment on the Board:	13-02-2024
Date of Birth, Age	18-01-1959, About 65 Years
Designation	Non-executive Independent Director
It is proposed to appoint Mr. Anoop Kumar Sharma as Non-Executive Independent Director of the Company w.e.f. 13-02-2024 for a term commencing from 13-02-2024 and ending on 12-02-2029, as set out in the Special Resolution at Item no.1 of the Notice and as explained in the Explanatory Statement to the said item.	
Nature of Expertise in Specific Functional Area and experience:- Mr. Anoop Kumar Sharma is about 65 years of age and having Education Qualifications like B.Com, CA to his credit. He has overall experience of 36 years in various corporate, financial, taxation (both Direct & Indirect) and project matters. He is an expert in the area of Government undertakings and Social sector Schemes of Government and third party audit with EPFO.	
Terms and Conditions of Appointment or Re-appointment and Remuneration, if any:	
Term	Mr. Anoop Kumar Sharma is proposed to be appointed as Non-Executive Independent Director of the Company by the Shareholders through Postal Ballot by way of e-voting, for a term commencing from 13-02-2024 and ending on 12-02-2029. His office is not liable to retirement by rotation.
Remuneration last drawn, if applicable	Not applicable as he is proposed to be appointed.
Remuneration sought to be paid	After appointment, he will be paid sitting fees of Rs. 1,00,000/- (Rupees One Lakh only) per annum for all the meetings of Board of Directors or Committees, if he is a member of the

	Committee thereof, attended by Sh. Anoop Kumar Sharma. Reimbursement of actual travelling expenses for attending the meetings of the Board/Committee(s), if any, will be made to him.
Qualification	B.Com, Chartered Accountant
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	<ul style="list-style-type: none"> a. Chairman of Audit Committee b. Chairman of Nomination and Remuneration Committee c. Chairman of Stakeholders Relationship Committee d. Member of Risk Management Committee (constituted voluntarily)
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	NIL
Shareholding in the Company as a Beneficial Owner	NIL
The skills and capabilities required for the role	Ability to understand Financial Markets especially Forex Markets, Ability to understand Regulatory/Statutory framework applicable to the Company, Quick decision making, Understanding of Company's business verticals, Experience in developing policies and processes relating to corporate governance, Ability to understand Financial Statements
The manner in which the proposed person meets above mentioned requirements	Mr. Anoop Kumar Sharma possess overall experience of 36 years in various corporate, financial, taxation (both Direct & Indirect) and project matters. He is an expert in the area of Government undertakings and Social sector

	<p>Schemes of Government and third party audit with EPFO.</p> <p>He is a Fellow Member of The Institute of Chartered Accountants of India and Founder, Partner and Governing Council Member of SARC & Associates. He is Certified by ICAI as Forensic Auditor and Fraud Detection and is also a Certified Concurrent Auditor of ICAI. The Board of Directors are of the view that Mr. Anoop Kumar Sharma is having the required skills and capabilities to discharge his duties as an Independent Director of the Company.</p>
<p>Relationship between directors inter-se and relationship with Manager and other Key Managerial Personnel of the Company:-</p> <p>Mr. Anoop Kumar Sharma is not related to any Director, Manager or Key Managerial Personnel of the Company.</p>	
<p>No. of Meetings of Board attended during the FY 2023-24</p>	<p>NIL</p>
<p>Justification for Appointment and Remuneration:-</p> <p>He is a Fellow Member of The Institute of Chartered Accountants of India and Founder, Partner and Governing Council Member of SARC & Associates. He is Certified by ICAI as Forensic Auditor and Fraud Detection and is also a Certified Concurrent Auditor of ICAI. Therefore, considering his qualifications and experience, his appointment as Non-Executive Independent Director of the Company and his sitting fee is justified. Nomination and Remuneration Committee of the Board has also approved his appointment.</p>	

Annexure-N2

INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT BY THE SHAREHOLDERS OF PAUL MERCHANTS LIMITED THROUGH POSTAL BALLOT BY WAY OF E-VOTING PURSUANT TO REGULATION 36 (3) OF THE LISTING REGULATIONS, 2015 AND PARA 1.2.5 OF SECRETARIAL STANDARDS-2

Name of Director	Mr. Bhupinder Singh (DIN: 2152722)
Date of First (Original) Appointment on the Board:	13-02-2024
Date of Birth, Age	10-05-1970, About 54 Years
Designation	Non-executive Independent Director
It is proposed to appoint Mr. Bhupinder Singh as Non-Executive Independent Director of the Company w.e.f. 13-02-2024 for a term commencing from 13-02-2024 and ending on 12-02-2029, as set out in the Special Resolution at Item no. 2 of the Notice and as explained in the Explanatory Statement to the said item.	
Nature of Expertise in Specific Functional Area and experience:- Mr. Bhupinder Singh is about 54 years of age and having Education Qualifications like B.Sc, DISA (Information System Audit) and CA to his credit. He has overall experience of 28 years of audit, Internal control, Internal Audit, Project financing and has vast exposure to Banking, Insurance, Telecom and Financial Sector. He is a Fellow Member of The Institute of Chartered Accountants of India. He is a Past Secretary of Income Tax Bar Association, Ambala District and also Past Secretary of Ambala Branch of the NIRC of ICAI.	
Terms and Conditions of Appointment or Re-appointment and Remuneration, if any:	
Term	Mr. Bhupinder Singh is proposed to be appointed as Non-Executive Independent Director of the Company by the Shareholders through Postal Ballot by way of e-voting, for a term commencing from 13-02-2024 and ending on 12-02-2029. His office is not liable to retirement by rotation.
Remuneration last drawn, if applicable	Not applicable as he is proposed to be appointed.
Remuneration sought to be paid	After appointment, he will be paid sitting fees of Rs. 1,00,000/- (Rupees One Lakh only) per

	annum for all the meetings of Board of Directors or Committees, if he is a member of the Committee thereof, attended by Mr. Bhupinder Singh. Reimbursement of actual travelling expenses for attending the meetings of the Board/Committee(s), if any, will be made to him.
Qualification	Bachelor of Science, Chartered Accountant, DISA (Information System Audit)
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	<ul style="list-style-type: none"> a. Member of Audit Committee b. Corporate Social Responsibility Committee c. Member of Nomination and Remuneration Committee
Chairmanship/Membership of the Committees of the Board of Directors of other Companies	NIL
Names of listed entities from which the person has resigned in the past three years	NIL
Membership/Chairmanship of the Committees of listed entities from which the person has resigned in the past three years	NIL
Shareholding in the Company	NIL
Shareholding in the Company as a Beneficial Owner	NIL
The skills and capabilities required for the role	Ability to understand Financial Markets especially Forex Markets, Ability to understand Regulatory/Statutory framework applicable to the Company, Quick decision making, Understanding of Company's business verticals, Experience in developing policies and processes relating to corporate governance, Ability to understand Financial Statements
The manner in which the proposed person meets above mentioned requirements	Mr. Bhupinder Singh has qualifications like B.Sc, DISA (Information System Audit) and CA to his credit. He has overall experience of 28 years of audit, Internal control, Internal Audit, Project financing and has vast exposure to

	Banking, Insurance, Telecom and Financial Sector. He is a Fellow Member of The Institute of Chartered Accountants of India. He is a Past Secretary of Income Tax Bar Association, Ambala District and also Past Secretary of Ambala Branch of the NIRC of ICAI. The Board of Directors are of the view that Mr. Bhupinder Singh is having the required skills and capabilities to discharge his duties as an Independent Director of the Company.
Relationship between directors inter-se and relationship with Manager and other Key Managerial Personnel of the Company:- Mr. Bhupinder Singh is not related to any Director, Manager or Key Managerial Personnel of the Company.	
No. of Meetings of Board attended during the FY 2023-24	NIL
Justification for Appointment and Remuneration:- He is a Fellow Member of The Institute of Chartered Accountants of India. He is a Past Secretary of Income Tax Bar Association, Ambala District and also Past Secretary of Ambala Branch of the NIRC of ICAI. He has overall experience of 28 years of audit, Internal control, Internal Audit, Project financing and has vast exposure to Banking, Insurance, Telecom and Financial Sector. Therefore, considering his qualifications and experience, his appointment as Non-Executive Independent Director of the Company and his sitting fee is justified. Nomination and Remuneration Committee of the Board has also approved his appointment.	

Annexure-N3

INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT BY THE SHAREHOLDERS OF PAUL MERCHANTS LIMITED THROUGH POSTAL BALLOT BY WAY OF E-VOTING PURSUANT TO REGULATION 36 (3) OF THE LISTING REGULATIONS, 2015 AND PARA 1.2.5 OF SECRETARIAL STANDARDS-2

Name of Director	Mr. Nirmal Chand (DIN: 10041305)
Date of First (Original) Appointment on the Board:	13-02-2024
Date of Birth, Age	31-01-1961, About 63 Years
Designation	Non-executive Independent Director
It is proposed to appoint Mr. Nirmal Chand as Non-Executive Independent Director of the Company w.e.f. 13-02-2024 for a term commencing from 13-02-2024 and ending on 12-02-2029, as set out in the Special Resolution at Item no. 3 of the Notice and as explained in the Explanatory Statement to the said item.	
Nature of Expertise in Specific Functional Area and experience:- Mr. Nirmal Chand is about 63 years of age. He has qualifications like MA and MBA to his credit. He retired as Principal Chief General Manager, Reserve Bank of India after putting in about 35 years of service in its various departments like Currency Management, Department of Banking Operations & Development & Estate Department, Department of Supervision DOS and Department of Non- Banking Supervision.	
Terms and Conditions of Appointment or Re-appointment and Remuneration, if any:	
Term	Mr. Nirmal Chand is proposed to be appointed as Non-Executive Independent Director of the Company by the Shareholders through Postal Ballot by way of e-voting, for a term commencing from 13-02-2024 and ending on 12-02-2029. His office is not liable to retirement by rotation.
Remuneration last drawn, if applicable	Not applicable as he is proposed to be appointed.
Remuneration sought to be paid	After appointment, he will be paid sitting fees of Rs. 1,00,000/- (Rupees One Lakh only) per annum for all the meetings of Board of Directors

	or Committees, if he is a member of the Committee thereof, attended by Mr. Nirmal Chand. Reimbursement of actual travelling expenses for attending the meetings of the Board/Committee(s), if any, will be made to him.
Qualification	MA, MBA
List of Other Directorships	Director of RBL Finserve Limited
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	Nil
Chairmanship/Membership of the Committees of the Board of Directors of other Companies	a. Audit Committee of RBL Finserve Limited b. Risk and Compliance Committee of RBL Finserve Limited
Names of listed entities from which the person has resigned in the past three years	Paisalo Digital Limited. Resigned w.e.f. 19-07-2023
Membership/Chairmanship of the Committees of listed entities from which the person has resigned in the past three years	a. Nomination and Remuneration Committee of Paisalo Digital Limited. b. Stakeholder Relationship Committee of Paisalo Digital Limited
Shareholding in the Company	NIL
Shareholding in the Company as a Beneficial Owner	NIL
The skills and capabilities required for the role	Ability to understand Financial Markets especially Forex Markets, Ability to understand Regulatory/Statutory framework applicable to the Company, Quick decision making, Understanding of Company's business verticals, Experience in developing policies and processes relating to corporate governance, Ability to understand Financial Statements
The manner in which the proposed person meets above mentioned requirements	Mr. Nirmal Chand is a Retired Principal Chief General Manager, Reserve Bank of India (RBI). He has held various positions at RBI during a career spanning more than 35 years. The Board of Directors are of the view that Mr. Nirmal Chand is having the required skills and capabilities to discharge his duties as an Independent Director of the Company.

Relationship between directors inter-se and relationship with Manager and other Key Managerial Personnel of the Company:- Mr. Nirmal Chand is not related to any Director, Manager or Key Managerial Personnel of the Company.	
No. of Meetings of Board attended during the FY 2023-24	NIL
Justification for Appointment and Remuneration:- Mr. Nirmal Chand is a Retired Principal Chief General Manager, Reserve Bank of India (RBI). He has held various positions at RBI during a career spanning more than 35 years. Therefore, considering his qualifications and experience, his appointment as Non Executive Independent Director of the Company and his sitting fee is justified. Nomination and Remuneration Committee of the Board has also approved his appointment.	