



**PAUL MERCHANTS**

**Paul Merchants Limited**

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

To,

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

PML/BSE/BM/2025/243  
Date: February 7<sup>th</sup>, 2025

**Sub: Intimation regarding slump sale of the 'Gold Loan Business Undertaking' by Paul Merchants Finance Private Limited, a material wholly owned subsidiary of Paul Merchants Limited, to L&T Finance Limited**

**Ref: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**SCRIP CODE: 539113**

**Date of the Board Meeting: February 7<sup>th</sup>, 2025**

**Time of commencement of the Board Meeting: 04:00 PM**

**Time of conclusion of the Board Meeting: 5:15 PM**

Dear Sir/Madam,

We wish to inform you that the Board of Directors of Paul Merchants Finance Private Limited (“**PMFPL**”), a material wholly owned subsidiary of Paul Merchants Limited (“**Company**”), in its meeting held today, i.e. 7<sup>th</sup> February, 2025, has approved the proposal of transfer by way of slump sale of its business of advancing loans against the security of gold to customers in India (“**Gold Loan Business**”) to L&T Finance Limited, CIN: L67120MH2008PLC181833, a non-banking financial company (“**Acquirer**”), together with the assets, liabilities, employees, rights, obligations, Contracts, goodwill of the Gold Loan Business of PMFPL but excluding its brand name (“**Gold Loan Business Undertaking**”), on a Going Concern basis, consequent upon a decision of PMFPL to exit the line of Gold Loan Business completely, on the terms and conditions as more particularly defined in the Business Transfer Agreement (BTA), executed between PMFPL, the Acquirer, the Company Paul Merchants Limited and Promoters of PMFPL Mr. Sat Paul Bansal and Mr. Rajneesh Bansal, for a Lump sum purchase consideration of INR 537,00,00,000 (Indian Rupees Five Hundred Thirty Seven Crores Only), based on Audited Financial Statements of PMFPL as on



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31.03.2024, to be adjusted on the date of closing of the Proposed Transaction, on the terms and in the manner determined in the BTA ("**Proposed Transaction**").

The Proposed Transaction has also been approved by the Board of Directors of the Company in its meeting held today, i.e. February 7<sup>th</sup>, 2025. The Proposed Transaction is subject to the approvals of shareholders of each of PMFPL and the Company, in terms of applicable laws, and such other regulatory and other approvals, as may be applicable, and the conditions (if any) prescribed in such approvals.

The details as required under Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, in relation to the Proposed Transaction, are set as **Annexure A**.

Kindly take the same on your records.

Thanking you,

Yours faithfully,

For **PAUL MERCHANTS LIMITED**

(**HARDAM SINGH**)  
**COMPANY SECRETARY & COMPLIANCE OFFICER**  
**FCS-5046**

**Encl: a/a**



## Annexure-A

Details as per Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 read with SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024

		<b>Division</b>	<b>Amount (INR) and %</b>
1)	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division or undertaking or subsidiary or associate company of the listed entity during the last financial year	Gold loan Business Undertaking of PMFPL <b>(Undertaking)</b>	As per audited financials of PMFPL as on March 31, 2024:  Total income from the Undertaking: Rs.1,64,29,70,027/- (98.21% of total income of the PMFPL)  Net worth of the Undertaking - Rs. 2,88,71,81,581 (100.00% of total net-worth of PMFPL)
2)	Date on which the agreement for sale has been entered into	BTA for the Proposed Transaction has been executed today i.e. February 7 <sup>th</sup> , 2025.  The Proposed Transaction will be closed after receipt of approvals of shareholders of PMFPL and the Company and relevant regulatory and other approvals, as may be required for the Proposed Transaction and subject to fulfillment of the terms and condition of the BTA.	
3)	The expected date of completion of sale/disposal	The Proposed Transaction is expected to be completed within 4 (four) months (automatically extendable by 2 (two) months) or such other date as may be agreed by the relevant parties in writing, subject to receipt of approvals of	



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		shareholders of PMFPL and the Company and relevant regulatory and other approvals, as may be required for the Proposed Transaction and subject to fulfillment of the terms and condition of the BTA.
4)	Consideration received from such sale/disposal	Lump sum purchase consideration of INR 537,00,00,000 (Indian Rupees Five Hundred Thirty Seven Crores Only), based on Audited Financial Statements of PMFPL as on 31.03.2024, to be adjusted on the date of closing of the Proposed Transaction, on the terms and in the manner determined in the BTA.
5)	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof	<p>L&amp;T Finance Limited (formerly known as L&amp;T Finance Holdings Limited) is a non-banking financial company in India and is engaged in the business of providing financial products and services to customers.</p> <p>The Acquirer does not belong to the promoter /promoter group of the Company.</p>
6)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length".	<p>The Acquirer is not a related party of the Company and PMFPL.</p> <p>Further, the Company has provided certain comfort, including undertaken indemnity obligations in favour of the Acquirer on behalf of PMFPL (which is a material wholly owned subsidiary of the Company).</p>
7)	Whether the sale, lease or disposal of the undertaking is outside Scheme of Arrangement? If yes, details of the same including compliance with regulation 37A of LODR Regulations	Not Applicable



8)	<p>Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger shall be disclosed by the listed entity with respect to such slump sale.</p> <p>(For the purpose of this sub-clause, "slump sale" shall mean the transfer of one or more undertakings, as a result of the sale for a lump sum consideration, without values being assigned to the individual assets and liabilities in such sales)</p>	<p>Indicative disclosures provided for amalgamation/merger are given below.</p>
8(a)	<p>Name of the entity(ies) forming part of the slump sale, details in brief such as, size, turnover etc.</p>	<p>The Gold Loan Business Undertaking of PMFPL is proposed to be sold to the Acquirer on a going concern basis pursuant to slump sale. The details of consideration as well as income from the said Undertaking are set out above.</p>
8.(b)	<p>Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";</p>	<p>The Acquirer is not a related party of the Company and PMFPL.</p> <p>The Company has provided certain comfort, including undertaken indemnity obligations in favour of the Acquirer on behalf of PMFPL (which is a material wholly owned subsidiary of the Company).</p>
8. (c)	<p>Area of business of the entity(ies)</p>	<p>The Company is engaged in the business of forex, tours and travels and international inward money transfer.</p> <p>PMFPL is engaged in three business verticals i.e. gold loans, prepaid payment instruments and corporate agency for distributing insurance products.</p> <p>Acquirer is a non-banking financial company in India and is engaged in the</p>



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		business of providing financial products and services to customers.
8 (d)	Rationale for slump sale	The sale of gold loan business undertaking of PMFPL pursuant to the Proposed Transaction would inter alia help PMFPL to focus on growth and expansion of its other business activities and to possess adequate resources for the same.
8 (e)	In case of cash consideration – amount or otherwise share exchange ratio.	Lump sum purchase consideration of INR 537,00,00,000 (Indian Rupees Five Hundred Thirty Seven Crores Only) based on Audited Financial Statements of PMFPL as on 31.03.2024, to be adjusted on the date of closing of the Proposed Transaction, on the terms and in the manner determined in the BTA.
8 (f)	Brief details of change in shareholding pattern (if any) of listed entity.	There will not be any change in the shareholding pattern of the Company or PMFPL pursuant to the Proposed Transaction.