

**PAUL MERCHANTS****FINANCE PRIVATE LIMITED**

CIN : U65921CH2010PTC032462 NBFC REGISTRATION NO. N-06.00596

Regd. Office: Ground Floor, SCO 829-830, Sector 22 A, Chandigarh 160022

Ph: 0172-5041792, 5041757, 5041740

www.paulmerchantsfin.com info@paulfincap.com

NOTICE TO DEBENTURE HOLDERS

NOTICE is hereby given pursuant to the provisions of the Debenture Trust Deed(s) dated December 28th, 2023 ("**Debenture Trust Deed**") entered into between Paul Merchants Finance Private Limited ("**Company**") and IDBI Trusteeship Services Limited ("**Trustee**") and other applicable laws, rules and regulations, the resolution set out below are proposed to be passed by the Debenture holders of the Company by means of Consent form (**the "Form"**). An Explanatory statement setting out the material facts concerning the items mentioned in the Notice and reasons thereof is annexed to the Notice along with Consent Form for your consideration.

The Company is sending the Notice to those Debenture Holders whose names appear on the list of beneficial owners as on Friday, May 2, 2025, being the cut-off date for the said purpose in electronic form to all the Debenture Holders at their registered email address registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. You are requested to carefully read the instructions mentioned in the Form, record your assent (for) or dissent (against) therein and send the signed and scanned copy of the Consent Form to the email id kanwalcs@gmail.com or by post from 06.05.2025 to 14.05.2025 to:-

Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary
SCO 64-65, Sector 17 A,
Chandigarh

The Board of Directors of the Company, at its meeting held on 03rd May, 2025, have appointed Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary (Membership No. FCS 5901), SCO 64-65, Sector 17-A, Chandigarh, as the scrutinizer ("Scrutinizer") for conducting this process in a fair and transparent manner.

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 will be announced on 15 May, 2025 at 5.00 PM at the Registered 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 Notice.

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1. TO CONSIDER AND APPROVE AMENDMENT TO THE TERMS/CONDITIONS OF THE DEBENTURE TRUST DEED DATED 28.12.2023 EXECUTED BETWEEN PAUL MERCHANTS FINANCE PRIVATE LIMITED (THE ISSUER/COMPANY) AND IDBI TRUSTEESHIP SERVICES LIMITED (THE DEBENTURE TRUSTEE)

TO CONSIDER AND, IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION:-

“RESOLVED THAT pursuant to the provisions of the Debenture Trust Deed 28.12.2023 and applicable Statutory Provisions, circulars / regulations issued by the concerned authorities and in accordance with any other applicable laws, the consent and approval of the debenture holder(s) (“Debenture holders”) holding Secured, unlisted, taxable, redeemable, non-convertible debentures (“Debentures”) issued on Private Placement basis, be and is hereby granted for modification of the terms and conditions of the Debenture Trust Deed (DTD) dated 28.12.2023 executed between Paul Merchants Finance Private Limited and IDBI Trusteeship Services Limited, as under:

Sr. No.	Existing Clause	Substituted by
	Part B Clause 31- Prepayment	Part B Clause 31- Prepayment
1	No prepayment is allowed whether in full or part.	Prepayment of the Debentures, whether in full or in part, is permitted at the discretion of the Company, with the prior intimation to the Debenture Trustee and subject to compliance with applicable laws.

RESOLVED FURTHER THAT the Debenture Trustee be and is hereby instructed to amend the Debenture Trust Deed (DTD) dated 28.12.2023 as envisaged in the above resolution and is hereby authorized to execute the amendment to the Debenture Trust deed with the Company Paul Merchants (P) Ltd in accordance with this resolution.



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2. TO APPROVE SLUMP SALE OF GOLD LOAN BUSINESS UNDERTAKING OF PAUL MERCHANTS FINANCE PRIVATE LIMITED TO L&T FINANCE LIMITED

To consider and, if thought fit, to pass with or without modification(s), the following resolution:

RESOLVED THAT pursuant to the provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification thereto or re-enactment for the time being in force) other applicable circulars / regulations issued by the RBI, the provisions of Memorandum and Articles of Association of the Company and in accordance with any other applicable laws, the consent and approval of the debenture holder(s) ("Debenture holders") holding Secured, unlisted, taxable, redeemable, non-convertible debentures ("Debentures") issued on Private Placement basis, be and is hereby accorded to transfer by way of slump sale, Company's 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 but excluding its brand name ("**Gold Loan Business Undertaking**"), on a going concern basis, consequent upon a decision of the Company 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 Paul Merchants Finance Private Limited (**Company**), the Acquirer, PML 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 the Company as on 31.03.2024, to be adjusted on the date of closing of proposed transaction , on the terms and in the manner determined in the BTA.

RESOLVED FURTHER THAT Mr. Sat Paul Bansal, Chairman and Managing Director (DIN: 00077499), Mr. Rajneesh Bansal, Director (DIN: 00077230), Mr. Shaibu Geevarghese Cherian, Whole Time Director (DIN: 07319125), Mrs. Aarti Markan, Chief Financial Officer (M. No. 502300) and Mrs. Shivani Sharma Company Secretary (M. No. A46981) of the Company be and are hereby severally as well as jointly authorised to do all such acts, deeds, matters and things as it may, in their absolute discretion, deem necessary, expedient, proper or desirable to give effect to the above resolution and to settle any matter, question, difficulty or doubt that may arise in this regard, without requiring any further approval of the debenture



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holders and that debenture holders shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

**BY ORDER OF THE BOARD
FOR PAUL MERCHANTS FINANCE PRIVATE LIMITED**

**Sd/-
SHAIBU CHERIAN
DESIGNATED DIRECTOR
DIN 07319125**

**PLACE: CHANDIGARH
DATE: 03.05.2025**



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NOTES:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") stating all material facts and the reasons/ rationale for the proposed resolution is annexed herewith.
2. This Notice is being sent to the Debenture Holders whose names appear in the register of beneficial owners as received from the National Securities Depository Limited ("NSDL") and Central Depository Services Limited (CDSL) and whose email address is registered with the Company/RTA/ depository participant(s), on the closing of business hours of Friday, May 2, 2025 ("Cut-off Date"). A person who is not a debenture holder as on the Cut-off Date should treat this Notice for informational purposes only.
3. The resolution, if passed by the requisite majority, will be deemed to have been passed on the last date specified for voting i.e., Wednesday, May 14, 2025.
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 consent forms, and the result of the voting shall be declared by the Chairman of the Board or any other person duly authorized by him in writing on Thursday, the 15th May, 2025 at 5.00 PM at Registered Office of the Company at SCO 829-830, Sector 22-A, Chandigarh – 160022.
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 Notice until the last date for receipt of consent forms.
6. Debenture holders holding debentures either in physical form or dematerialized form, as on the Cut-off Date (including those Debenture holders who may not receive this Notice due to non-registration of their email address with the DPs, as aforesaid) can also cast their votes, in respect of the resolution as set out in this Notice.
7. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote.
8. Institutional / Corporate Debenture holders (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.
9. Please note that non-receipt of consent or dissent shall be treated as consent for the purposes of determining requisite majority.
10. The voting rights of the Debenture Holders shall be in proportion of their holding to the total issued and paid-up Debentures of the Company as on the Cut-off date.
11. If you have any queries or issues regarding voting or this notice you may also contact Mr. Shaibu Cherian, Designated Director of the Company at



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shaibu.cherian@paulmerchants.net or at 9317714358 or at PML House, SCO 829-830, Sector 22-A, Chandigarh - 160022.

12. The result of the voting shall be declared by the Chairman of the Board or any other person duly authorized by him in writing on Thursday, May 15, 2025 at 5.00 PM at Registered Office of the Company at SCO 829-830, Sector 22-A, Chandigarh – 160022.
13. The Scrutinizer's decision on the validity of the vote shall be final and binding.

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EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 1

The Company, Paul Merchants Finance Private Limited ("the Company"), had previously issued Secured, Unlisted, Redeemable, Non-Convertible Debentures ("Debentures") on a private placement basis. These Debentures are governed by the Debenture Trust Deed ("DTD") dated December 28th, 2023 executed between the Company and IDBI Trusteeship Services Limited ("Debenture Trustee").

The existing clause 31 of the said Debenture Trust Deed prohibits prepayment of the Debentures, whether in full or in part. However, the Company has found it necessary to amend this clause to enable the prepayment of the Debentures at the discretion of the Company, subject to compliance with applicable laws. This flexibility will provide the Company with an opportunity to manage its financial affairs more effectively and the Company can make early repayments to the Debenture holders in the future, if need is felt.

As per clause 49 of the Debenture Trust deed dated December 28th, 2023, the rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated by the instructions of the Debenture Trustee acting on the instructions of the Majority Debenture Holders. Accordingly, the Board of Directors of the Company at its meeting held on 03.05.2025 decided to obtain approval of the Debenture holders for amending Debenture Trust deed dated December 28th, 2023 as follows:

Existing Clause	Substituted by
Part B	Part B
Clause 31- Prepayment	Clause 31- Prepayment
No prepayment is allowed whether in full or part.	Prepayment of the Debentures, whether in full or in part, is permitted at the discretion of the Company, with the prior intimation to the Debenture Trustee and subject to compliance with applicable laws.



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The Company seeks the consent and approval of the Debenture holders for this amendment to the terms and conditions of the Debenture Trust Deed by requisite majority and for issuing instruction to the Debenture Trustee to amend the Debenture Trust Deed accordingly.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the aforementioned Item No. 1 of this Notice, except to the extent of their holding of the debentures, if any.

The Board recommends the **Resolution** as set out at Item No. 1 of the accompanying Notice for approval of the Debenture Holders by requisite majority.

ITEM No. 02

Pursuant to provisions of Section 180 (1) (a) of the Companies Act, 2013 and other applicable provisions, the Board of Directors of the Company in its meeting held on February 7, 2025 had approved the sale of gold loan business undertaking of the Company to L&T Finance Limited ("Acquirer") by way of slump sale, on a Going Concern basis 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 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 Board of Directors of the Company and Paul Merchants Limited at their respective meetings held on February 7, 2025 approved the slump sale transaction and subsequently approved by the shareholders of the Company through a Special Resolution passed at the Extra-Ordinary General Meeting (EGM) held on March 6, 2025 and Paul Merchants Limited via postal ballot dated March 13th, 2025.

The proposed transaction is expected to be completed within 4 (four) months from the Agreement Date i.e. 07-02-2025 (automatically extendable by 2 (two) months) or such other date as may be agreed by the Parties in writing, subject to regulatory, statutory and other approvals, as may be required for the Proposed Transaction and subject to fulfilment of the terms and condition of the BTA.

The sale of gold loan business undertaking of the Company pursuant to the Proposed Transaction would inter alia help to focus on growth and expansion of its other business activities and to possess adequate resources for the same. It shall also provide means



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to the management to invest in other opportunities / businesses for better growth of the Company.

As the Debenture Holders are part of the security holders of the Company, their approval is being sought for Proposed Transaction.

None of the Directors/Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in the Notice, except to the extent of their holding of the debentures, if any.

The Board recommends the **Resolution** as set out at Item No. 2 of the accompanying Notice for approval of the Debenture Holders by requisite majority.

**BY ORDER OF THE BOARD
FOR PAUL MERCHANTS FINANCE PRIVATE LIMITED**

**Sd/-
SHAIBU GEEVARGHESE CHERIAN
DESIGNATED DIRECTOR
DIN 07319125**

**PLACE: CHANDIGARH
DATE: 03.05.2025**



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Notes:

1. Explanatory Statement pursuant to applicable provisions of the Companies Act, 2013 ("Act") and the applicable Secretarial Standards issued by the Institute of Company Secretaries of India is annexed hereto.
2. In terms with the provisions of the Debenture Trust Deed(s) dated December 28th, 2023 entered into between Company and IDBI Trusteeship Services Limited, the Debenture Holders shall provide their approvals / consents in writing by way of a Consent form in connection with the proposed resolution and such approvals / consents would constitute valid consent and the votes cast through the same shall be considered for the purpose of declaring voting result on the above-mentioned resolutions.
3. Consent form is annexed to this Notice, which should be submitted by the Debenture Holders on or before the last date of the voting, i.e., latest by 14.05.2025. The Debenture Holders may record their assent (for) or dissent (against) therein and send the signed and scanned copy of the Consent Form to the email id shaibu.cherian@paulmerchants.net from 06.05.2025 to 14.05.2025. Alternatively, the Debenture Holder may send the hard copy of the signed Consent Form to the following address by 14.05.2025:-

Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary
SCO 64-65, Sector 17 A,
Chandigarh

4. The Notice to the Debenture Holders for passing the resolutions is available on the website of the Company at <https://www.paulmerchantsfin.com>.
5. The Company has appointed Mr. Kanwaljit Singh, Practicing Company Secretary, as the Scrutinizer for conducting the this process in a fair and transparent manner. The Scrutinizer will, within 24 Hours (Twenty Four) from the conclusion of the voting process, count the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman or any other person authorized by the Chairman in writing and the same will be available on the Company's website <https://www.paulmerchantsfin.com>.
6. The Resolutions, if assented by the requisite majority, shall be deemed to be passed on the last date of voting.

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CONSENT FORM

1.	Name of the Debenture Holder	
2.	Registered Address of the Debenture holder	
3.	Regd. DP ID / Client ID	
4.	No. of Debentures held	

I / we hereby exercise my / our vote(s) in respect of the Resolutions contained in the Notice dated 03.05.2025 issued by the Company by sending my/our assent or dissent to the said resolutions by placing a tick mark (✓) in the appropriate box below.

Item No.	Description	Number of Debentures for which votes cast	I / We assent to the resolution (FOR)	I / We dissent to the resolution (AGAINST)
1	To Consider And Approve Amendment To The Terms/Conditions Of The Debenture Trust Deed Dated 28.12.2023 Executed Between Paul Merchants Finance Private Limited (The Issuer/Company) And IDBI Trusteeship Services Limited (The Debenture Trustee)			
2	To Approve Slump Sale Of Gold Loan Business Undertaking Of Paul Merchants Finance Private Limited To L&T Finance Limited			

Place :

Date :

Signature of Debenture Holder



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IMPORTANT INSTRUCTIONS FOR VOTING

1. Please go through the notes to the Notice dated 03.05.2025 carefully before filling up this form.
2. The Consent form should be completed and signed by the Debenture Holder himself/herself.
3. The consent must be accorded by recording the assent in the column "FOR" and dissent in the column "AGAINST" by placing a tick mark (✓) in the appropriate box. The assent or dissent received in any other form shall not be considered valid.
4. The vote(s) of a Debenture Holder will be considered invalid inter alia on any of the following grounds:
 - a. If a form other than the consent form issued by the Company is used;
 - b. If the consent form has not been signed by the Debenture Holder;
 - c. If the Debenture Holder has put a tick mark (✓) in both the columns, that is, for 'Assent' and also for 'Dissent' to the resolution;
 - d. If the Consent Form is incomplete or incorrectly filled;
 - e. If the Debenture Holder has made any amendment to the resolution or imposed any condition while exercising his/her/their vote;
 - f. If the consent form is received torn or defaced or mutilated or in a manner such that it is difficult for the Scrutinizer to identify either the Debenture Holder or the number of votes;
5. Duly completed Consent forms should reach the Scrutinizer / Company on or before 14.05.2025. If any consent form is received after this date and time, it will be strictly treated as if reply from such Debenture Holder has not been received. The Debenture Holder are requested to send the duly completed consent form well before the last date.
6. Any query in relation to the Resolutions proposed to be passed as per enclosed Notice may be sent to shaibu.cherian@paulmerchants.net
7. The Result of voting on the resolutions will be declared on 15.05.2025 and will also be displayed on the website of the Company <https://www.paulmerchantsfin.com>