

Date: December 1, 2024

To,

**SAMMAANCAP/EQ, SCLPP**  
**National Stock Exchange of India Limited**  
“Exchange Plaza”, Bandra-Kurla Complex,  
Bandra (East),  
Mumbai – 400051

**Scrip Code – 535789, 890192**  
**BSE Limited**  
1st Floor, P.J. Towers  
Dalal Street,  
Mumbai-400001

**Sub.: Update**

Dear Sir/Madam,

The matter filed before the Supreme Court is a Special Leave Petition [SLP] *seeking permission* to appeal the final judgement passed by the Delhi High Court in February 2024, which comprehensively dismissed the Public Interest Litigation [PIL] filed by Mr. Prashant Bhushan in 2019.

The SLP is thus merely seeking permission to appeal the Delhi High Court order dismissing the PIL. Approaching a higher court seeking permission to appeal against an order of a lower court is normal in the Indian judicial system.

**PIL lodged in 2019 comprehensively dismissed by the Delhi High Court in 2024 after 5-year hearing and investigations by regulatory and statutory bodies**

The 2019 PIL sought an investigation by regulatory and statutory authorities such as the Reserve Bank of India; the National Housing Bank; SEBI; Ministry of Corporate Affairs, Government of India, into the allegations levelled by it. In the course of the 5 years between 2019 and 2024, the regulatory and statutory bodies, at the direction of the court, conducted thorough audits on the Company and its books, and filed affidavits in the court. Based on the findings and submissions in these affidavits, the Delhi High Court in February 2024, comprehensively dismissed the PIL making the following observations:

***“... the allegations levelled by the petitioner are not substantiated as these are not supported by any evidence”***

***“... a large portion of alleged loans were repaid by the respondent companies but also the loans were advanced against mortgages and securities furnished by the borrowers”***

***“In the considered opinion of this Court, due to articles published in magazine and newspaper, ... the shareholders of accused-companies were jolted and they were made to suffer huge losses”***

***“Finding no merit in the present petition, it is accordingly dismissed. Pending applications are disposed of as infructuous.”***

***Affidavits filed by regulatory/ statutory bodies:***

*Ministry of Corporate Affairs, Government of India*

*Oct 22, 2019; Nov 28, 2019; Sep 5, 2023*

*The Reserve Bank of India*

*Feb 26, 2020; Nov 4, 2020*

*The National Housing Bank*

*Nov 6, 2020*

*The Securities and Exchange Board of India*

*Jan 6, 2020; Feb 14, 2020*

The Company has filed a suit for injunction and defamation in the High Court of Delhi against Prashant Bhushan and others, restraining them from posting [including tweeting or retweeting] these unfounded allegations against the Company. Through its order dated March 18, 2020, the High Court of Delhi granted this interim injunction and restrained Mr. Bhushan from making such social media posts.

After the Hon'ble High Court of Delhi, dismissed the PIL, Mr. Bhushan filed the SLP before the Hon'ble Supreme Court, which is the next court of appeal, without disclosing any fresh allegations whatsoever. The Hon'ble Supreme Court of India on November 29, 2024, has asked the respondents to file their counter affidavits. Our Company shall be filing a detailed affidavit before the Hon'ble Supreme Court of India inter-alia stating, amongst others, the following:

**i. The prayer in the PIL seeking an investigation into the allegations by statutory and regulatory bodies, was fully satisfied**

The prayer in the PIL seeking an investigation into the allegations by statutory and regulatory bodies, was fully satisfied – the Delhi High Court judgement was based on the affidavits filed by these bodies after conducting the investigations and audits as sought by the PIL. The respective regulators from whom investigation had been sought, have extensively dealt with the allegations in the PIL and have submitted their affidavits, thus the effect has already been granted to the prayers sought by the petitioner in the PIL.

**ii. No new allegations. All allegations already investigated by regulatory and statutory bodies after which PIL was dismissed**

The present SLP filed before the Supreme Court makes no new allegations whatsoever and is merely seeking permission to appeal the Delhi High Court's judgement of February 2024. The allegations are the same and these have already been investigated by regulatory and statutory bodies, whose filed affidavits in the court was relied upon by the Delhi High Court in its comprehensive dismissal of the PIL.

**iii. All aspects of the case in the past. Nothing to do with Sammaan Capital of today**

Since de-promoterization in February 2023, the erstwhile promoter has completely exited from his holdings in the Company and does not hold a single share in the Company, and is today not associated with the Company in any manner or capacity whatsoever – neither as a promoter, nor as a director, nor as a shareholder. No employees of the Company, or anyone from the management team, or any of the current shareholders, or members of the board of directors have been named as respondents, or is a party in the SLP or the PIL.

**iv. Part of series of extortionist petitions had been filed against Our Company**

A series of extortionist petitions had been filed against Our Company, which were all withdrawn. In the same breath and with exactly the same allegations, Mr. Bhushan filed the PIL before the Hon'ble Delhi High Court. After affidavits filed by the Government authorities and due consideration of all the parties, Hon'ble High Court dismissed the PIL.

## No impact on the financials of the Company

None of the loans mentioned in the PIL are on the books of the Company today. Thus, not only have all allegations been thoroughly investigated and comprehensively dismissed, but all aspects that the allegations were made around also no longer exist and are entirely in the past, and has nothing to do with the management team and/or current shareholders and board of directors. Of course, there is no question of any impact from the SLP or the appeal on the Company's financials, income statements, or credit costs.

## Numbers speak loud against the allegations of siphoning and malafide lending

The crux of the allegations in the PIL was of malafide lending via which trillions of rupees [lakhs of crores of rupees] were siphoned out of the Company. A sound and tangible rebuttal of these ridiculous allegations and insinuations is in the numbers.

As at the end of March 2019, just before the PIL was lodged, the Company's borrowings stood at ~₹ 1,05,000 Crs. As at the end of September 2024, the Company's borrowings are down to ~₹ 37,770 Crs – a reduction in debt of ~65%, gearing is down from 6.4x to 1.9x. On a gross basis the debt repaid plus the interest paid to the lenders is ~₹ 1,73,300 Crs [1.7x of the outstanding debt at end of March 2019]. This is the amount of hard cash that has gone out of the Company's accounts and into the accounts of its lenders which includes domestic [public + private sector] banks, insurance & pension companies, financial institutions, and foreign lenders.

If large scale siphoning of funds, to the tune of trillions of rupees as alleged in the PIL had occurred, or if the Company had engaged in rampant malafide lending, the balance sheet would not have generated the cashflows out of loan book repayments to repay ~₹ 1,73,300 Crs to its lenders!!

The financial performance of the Company since 2019 further completely demolishes the bogus allegations made in the PIL. In the 5+ years since the PIL was lodged, the Company's net worth has grown from ₹ 16,482 Crs at the end of Mar 2019 to ₹ 19,792 Crs at the end of Mar 2024. Between FY2019 and FY2024, the Company posted total profits of ₹ 11,014 Crs; paid over ₹ 5,000 Crs in taxes to the government; and paid over ₹ 4,277 Crs of dividends to its shareholders.

In this period, the Company has transformed itself into a board-run, professionally managed, and diversely held [promoter-less] financial institution. Board-constituted committees, with the key ones helmed by independent directors, have effective oversight on all operational aspects of the Company. Under the guidance of the Board, the Company's organizational culture has developed strong focus on risk management and compliance. The Company has built a fortress balance sheet of high capitalization, low gearing, strong asset quality, and high provision cover.

## SLP merely seeking permission to appeal

The SLP is thus merely seeking permission to appeal the Delhi High Court order dismissing the PIL. Approaching a higher court seeking permission to appeal against an order of a lower court is normal in the Indian judicial system.

Importantly, the prayer in the PIL seeking an investigation into the allegations by statutory and regulatory bodies, was fully satisfied – the Delhi High Court judgement dismissing the PIL, and the allegations contained therein, was based on the affidavits filed by these bodies after conducting the investigations and audits as sought by the PIL. The company has extremely cogent grounds to seek dismissal of the SLP. The findings of the Delhi High Court are sound, based upon the affidavits filed by regulatory and statutory bodies following thorough checks and audits.



As we run down and collect from our legacy book, a lender like us faces multiple litigations. The bigger cases that make the news are instigated by vested interests, such as in this case, or by well-connected borrowers that borrow from the Company public monies lent to us by banks and debt markets, and then default on this. We are fully equipped to handle such cases and the Company and the management does not get distracted from its core operational objectives – as demonstrated through the course of the 5 years of this PIL during which the legacy book ran down in an orderly manner from over ₹ 1,20,000 Crs to ~₹ 31,000 Crs; growth AUM scaled up to ₹ 32,000 Crs; and Company's borrowings reduced from ~₹ 1,05,000 Crs to ~₹ 37,770 Crs. The management's focus on delivering on its goals – set out in our recent earnings' release dated November 14, 2024 – will remain steadfast.

The Company is a responsible and a law-abiding corporate citizen, and has complete faith in the Indian judiciary. The Company will continue to cooperate with the courts to ensure the judicial system also sees through these frivolous allegations and this matter is permanently put to rest.

This is for your information and records.

Thanking you,  
Yours truly,  
For **Sammaan Capital Limited**  
*(Formerly Indiabulls Housing Finance Limited)*

**Amit Jain**  
**Company Secretary and Compliance Officer**

**CC:**  
**Singapore Exchange Securities Trading Limited, Singapore ("SGX")**  
**India International Exchange IFSC Limited ("India INX")**