



“Sammaan Capital Limited  
Q3 FY '26 Earnings Conference Call”  
February 04, 2026



**MANAGEMENT: MR. GAGAN BANGA – MANAGING DIRECTOR AND  
CHIEF EXECUTIVE OFFICER – SAMMAAN CAPITAL  
LIMITED**

**MODERATOR: MR. ARYAN SUMRA – MUFG**

**Moderator:** Ladies and gentlemen, good day, and welcome to Sammaan Capital Limited Q3 FY '26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Aryan Sumra. Thank you, and over to you, sir.

**Aryan Sumra:** Thank you. Good evening. I welcome you all to the Q3 and FY'26 Earnings Conference Call for Sammaan Capital Limited. To discuss this quarter's business performance, we have from the management, Mr. Gagan Banga, Managing Director and CEO, along with other senior management.

Before we proceed with the call, I would like to mention that some of the statements made in today's call may be forward-looking and may involve risks and uncertainties. For more details, kindly refer to the investor presentation and other filings that can be found on the company's website.

Without further ado, I would like to hand over the call to the management for their opening remarks, and then we can open the floor for Q&A. Thank you, and over to you, sir.

**Gagan Banga:** To start off, in this quarter, one of the major developments was the announced proposed merger of our subsidiary, Sammaan Finserve into Sammaan Capital. Post the announcement of the proposed preferential allotment to IHC, this was the next logical step. The consolidation of our lending business and distribution will enable Sammaan Capital to offer a full suite of mortgage-backed loans.

And as we had mentioned the last time, expand the portfolio to other type of loan assets for mid-market to low-income India. It will create a structure which will allow Sammaan Capital to pursue the loan products. Sammaan Finserve as a company will continue to exist and whatever other financial services we propose to offer in due course of time, under the guidance of IHC, would be housed prospectively under Sammaan Finserve.

And then we have our AIF platform, which has already built a track record of having lend approximately INR6,200 crores and having given good returns to investors. And having experience of lent in the top 8 cities, that would continue to be the credit platform for wholesale lending.

This creates prospectively a very, clean structure. There is a lending company, which is also a holding company, an AIF platform for everything wholesale and all other financial services prospectively, which may be pursued to be housed under Sammaan Finserve.

As for the preferential issue itself, post the approval from the stock exchanges, we have also received shareholder approval and CCI approval. We await RBI approval for the preferential allotment and SEBI approval for the open offer. Post that, it will take about 15 days to post the approvals to be received. It will take about 15 days for the shares to get allotted and the monies to be received by the company.

We believe that the proposed merger of Sammaan Finserve, is facilitating an expeditious approval from both the RBI and SEBI. Both IHC and Sammaan Capital management are actively engaged with the regulators for the necessary approvals, and we are very optimistic that this process has now entered its final stages.

Moving on to the financial performance of the company. Year-on-year, the net worth has increased by approximately INR2,000 crores and stands at about INR22,423 crores. The growth AUM stands at about INR44,000 crores. The profit after tax for the quarter came in at INR314 crores versus INR302 crores. Gearing is stable at about 2.2x. Gross and net NPAs are also stable at 1.2x and 0.7x.

On a 9-month basis, we made approximately INR957 crores of PAT. Last year, if you recollect, we had a consolidated loss reported in the September quarter. So the consolidated loss 9 months was INR2,132 crores versus that, we have a net profit of INR957 crores. Everything else is the same.

Asset quality, as I said, remains stable. At the end of financial year '25, our gross NPA was at 1.3%, which is now at 1.2%. Net NPA was at 0.8%, which stands at 0.7%. As we await approvals, we continue to focus on mortgage loans and the asset-light strategy. The idea is to use this time to continue to focus more and develop technology and deeper skill sets, more automation around credit and other processes.

The product suite for now is consistent as it has been with the past. The only difference is that earlier we were pursuing the affordable lending opportunity in Sammaan Finserve, now everything has been consolidated into Sammaan Capital. So Sammaan Capital has 4 products, home loans for the prime segment at INR30 lakh, LAP loans at INR75 lakhs and then the affordable product where home loans are at INR15 lakh and LAP loans are at INR25 lakh.

At this point in time, there is no deviation from our asset-light strategy. New co-lending regulations have become effective from 1st January. I had shared with you earlier that the scope of the co-lending arrangement is much wider than the earlier model of co-lending.

And now it is not restricted to just priority sector, it is far more inclusive, it covers all types of loans. All types of financial entities are eligible. So we can do business with banks, NBFCs or HFCs, all India financial institutions.

Prospectively, as we transform ourselves in the new regime of having a promoter as IHC, this can also become a very interesting model for us to acquire assets. That will happen when it happens. For now, this continues to be a mechanism where we are integrated with banks. The first 2 quarters would be relatively slow as we continue to successfully operationalize the co-lending arrangement framework with a variety of banks.

We have done it with a few banks where we are already technically integrated and business volumes have started in the month of Jan itself, and they will pick up month-on-month to come back to original levels by about May or June of this year.

The continuity is fairly seamless with all the partners. And once all of the tech kicks in, we expect on an operating basis, something like a 15% to 18% cost saving in the business that we do on an opex basis. The technology platform also relies itself on the e-mortgage platform that we had created back in 2017, '18, which we have continued to improve on.

And what we have functional is a complete digital lead onboarding system, a digital KYC and document upload system, digital banking for bank statement analysis and everything else that we need to do a credit appraisal, which leads itself to a digital underwriting process and now a digital disbursal process also where there are e-payment gateways, e-signing is already happening and e-insurance is also happening.

Sammaan Capital, along with all of its vendors and partners continues to work with now banks to make sure that this entire system is integrated. And month-on-month, we expect the business volumes to keep increasing to steady again by May, June of next year.

We will continue to slowly focus on expanding our branch network. And once the investment process is over, we will continue to rapidly expand the branches. For now, we are consolidating our operations and focusing more on technology and all of that internal work before we start spreading our wings.

The retail mortgage business, the quality of that business continues to be stable, the NPAs, etc., are also stable. If you flip over to Page 15, the performance of the pools that we have sold down either under direct assignment or pass-through certificates or co-lending arrangements of roughly INR1 lakh crores. That INR1.03 lakh crores now stands at about INR17,000 crores.

So about INR85,000 crores of loans have come back to our partner banks and financial institutions. And the 90 days past due is all of 0.54%. This is a brilliant moat that the company has created for itself. It has done this at scale with a large number of players, and this would continue to remain a key part of our strategy even going forward under IHC.

The other priority that the company has had is the rundown of the legacy loan book. Even though there have been extremely good developments over the last 2, 3 months, that has not made us move our eye away from that. This year, we've already done net collections of about INR5,000 crores while maintaining the overall asset quality.

And I'm quite optimistic as it was last year, the fourth quarter would be a bumper quarter in cash collections and recoveries. Just earlier this week, we've had major progress in a couple of large recoveries on the IBC front. I'm sure that is going to have a very significant contribution to our numbers in quarter 4 and quarter 1 of this year.

On the ALM side, we remain reasonably stable. This has been an area of strength for the company from a place where this was right up there in everyone's attention. While it may have fallen off the attention of the market, this remains an area of high focus for the management, and we continue to remain a fairly, well-matched asset liability maturity organization.

Before moving on to questions, I would also like to address the issue of the ongoing public interest litigation, which I'm sure is a matter of concern for all stakeholders. The matter is sub judice, and I am sticking to objective facts in the short update.

This is a long-running case, which was first filed around 7 years, 6.5 years back in 2019 in the Delhi High Court against the erstwhile promoter being targeted. The company was a party, so were other statutory and regulatory authorities such as the RBI, National Housing Bank, SEBI and MCA.

The allegations were all thoroughly examined by the regulatory agencies and statutory bodies, and it was found that the loans granted to various borrower groups had either been repaid or remained standard, demonstrating that the loans granted were not dubious. Procedural lapses, which would anyways get identified in any extensive audit process were also identified, which were done in normal course of business.

And as is dealt with, these were compounded in conformity with the process prescribed under the law. Since then, the principal amounts have turned nil for all of these cases. The company has received INR3,017 crores of interest income from these loans.

After considering the detailed affidavits and status reports filed by the various regulatory agencies and statutory bodies, in February of 2024, the Delhi High Court had dismissed the PIL. The court had also recorded that the regulators and statutory bodies had examined the allegations, found no major violations and that minor company law lapses had been duly compounded.

Roughly 8 months after that, about 15 months ago, the honorable -- the PIL, the petitioner, approached the Supreme Court by filing a special leave petition. At this stage, as the matter was heard, the Central Bureau of Investigation and Enforcement Directorate, who were not parties before the original PIL in the Delhi High Court were also added as respondents by the petitioners.

The respondent regulatory agencies and statutory bodies, namely Reserve Bank of India, National Housing Bank, MCA and SEBI in fresh affidavits before the Supreme Court, again reiterated that multiple inspections, audits and special audits were conducted on Sammaan Capital, where it was found that loans granted to various borrowers stand repaid or remain standard, demonstrating that the loans were not dubious.

CBI in its affidavit also confirmed that none of the loans availed by the company had ever been declared as NPA or fraud, and therefore, there is no loss caused to public monies in loans granted by the company.

These loans, which are subject matter of the PIL, were sanctioned during a period where Mr. Sameer Gehlaut was the Executive Chairman and thus the Head of the company, and he was also the controlling shareholder and promoter. In this regard, the Honorable Supreme Court had also clarified by its order 19th November 2025, that as far as the company is concerned, they are not expressing any opinion on the allegations.

Since 2023, the company is no longer associated with Mr. Gehlaut. This is in public domain. He is no longer the promoter of Sammaan Capital after an elaborate process of de-promoterization. He is not on the Board. He has not been a shareholder since 2023 and is, therefore, in no way associated with Sammaan Capital directly or indirectly.

The allegations are against Mr. Gehlaut. They cannot be attributed to Sammaan Capital. The company has also from a materiality of distancing itself, even sold the brand name Indiabulls back to Mr. Gehlaut companies.

Sammaan Capital is not privy to any transaction that may have existed between Mr. Gehlaut, and his privately held companies and the borrower groups mentioned in the PIL. The allegations of quid pro quo cannot be attributed to Sammaan Capital and/or its officers, and that is the way I believe the matter is progressing.

Following the information provided by the Enforcement Directorate, Delhi Police lodged an FIR to investigate the -- and this is important, the quid pro quo transactions between Mr. Gehlaut and the corporate entities, namely Americorp, Reliance ADAG, DLF, Vatika, etc.

CBI has its affidavit filed before the Supreme Court has clearly stated that all the transactions were done to cause a wrongful loss to the company that the company is a victim. The CBI has also submitted that there is no need to constitute an SIT as of now.

From a perusal of the affidavits filed by the CBI, Delhi Police, EOW, etc., and the various other authorities, it emerges that the investigations are being conducted against the erstwhile promoter and 5 corporate groups entities who have availed the loan facilities. As per media reports, it also emerges that investigations are being conducted against the erstwhile promoter and the said corporate entities who had availed the loan facilities.

No financial loss, this is again very, very important, is possible as an outcome of this PIL to the company, which is Sammaan Capital, given the regulatory closures, loan repayments, and the fact that the company has already earned over INR3,000 crores of interest and has no principal exposure outstanding to any of the loans mentioned in the PIL, not even a single rupee.

The company is represented by leading legal stalwarts, and they have also fined for the company that we are on a solid wicket as far as merits are concerned. I'm certain the stakeholders have been anxious on any fallout of the proceedings of the PIL matter on the preferential issue of controlling stake to IHC.

As is but logical, in any such transaction, Board approvals for the transaction and signing of the share subscription agreement are done following a comprehensive due diligence process, including legal due diligence. All materials around ongoing civil and criminal litigations are disclosed and examined as a part of this process. The incoming Investors Council also independently verified these litigations and factor in any related contingencies.

Of course, in a transaction of this size and particularly in a matter of the PIL, which has not only been ongoing since 2019, but has been making regular noise in the media since 2019, disclosure

and diligence has been comprehensively done. The proposed incoming shareholder is fully aware of the case, and we have also kept them abreast of all the proceedings in the matter.

Both IHC and Sammaan Capital are very actively and continuously engaged with the regulators, which is RBI and SEBI, with the stock exchanges to conclude the process of approval. Just recently, on January 14, which is about, 17, 18 days ago, the incoming investors via its investment banker also released some routine clarifications through advertisements in various publications. We are also together in the process of submitting some information and clarifications, which have been sought by the RBI as part of the process.

Both IHC and Sammaan managements are hopeful of a speedy conclusion of the preferential issue. And towards this, along with our respective councils, bankers and other advisers, we are all fully focused on obtaining the requisite regulatory approvals. I personally believe that we are at the last leg of this process.

While it is unfortunate that Sammaan Capital as a company and the management team over the last 6 years since this PIL has happened, despite the fact that we have reduced debt of the company successfully by INR76,000 crores, we paid interest of around INR55,000 crores, therefore, having ensured timely cash flow to our lenders of about INR1,30,000 crores.

Our net worth has increased by INR6,000 crores from INR16.5 crores to INR22.5 crores approximately INR1,000 crores. We have ensured that we lose no monies to these borrowers. We've earned INR3,017 crores. Yet unfortunately, we do suffer both at the management's level as well as at the stakeholders' level. I hope you can empathize with the management that we are trying to do our best to make sure that the company continues to make progress despite all adversity.

And we are fairly confident that we will bring home this investment, and we will put to rest this case as far as Sammaan Capital is concerned. We are headed in the right direction. At this point in time, I feel safe as far as the company is concerned and I'm fairly optimistic about the future of the company. Rather, I'm very optimistic about the future of the company and looking forward to moving on from just being a mortgage lender to a full suite NBFC.

On this note, we will open this call for questions. Let's proceed with that.

**Moderator:** Thank you, sir. We will now begin the question and answer session. The first question is from the line of Amish Kanani from Knowise Investment Managers.

**Amish Kanani:** Congrats on the good numbers. Sir, one question that keeps bothering us as an investor is that with the company being so very well capitalized post the preferential issue and we also intending to continue the asset-light model. In one of the previous conference call, you did alluded to a possibility of using the capital for lending.

The question is, how do we look at our leverage post the transaction because we are very, very lowly leveraged. And how are we planning to use, say, profits because in one of the earlier conference call, you did mention that we have a good dividend payout ratio because we don't

need capital. How do you look at these 2 things vis-a-vis an RoE, which we need to kind of improve upon?

**Gagan Banga:**

Sure. So thanks, Amish, for the question. It's actually a very relevant question from a longer-term strategy perspective. And this is the stage at which the strategy has certainly evolved. It will evolve into more specifics soon after the conclusion of the transaction.

When we say the asset-light model, what it allows us to do is to cover a very wide suite of products. So you can start with products which are in the early 8% range and go all the way up to maybe 18%, 19%. For an NBFC to long-term hold loans, which are, let's say, 8% to 9.5%, even 10% on its balance sheet is not really very RoE accretive, but we have distribution, we have scale. And this is something that we have tremendous experience around.

As I shared a short while back, we have done business of this sort with banks and other counterparties of over INR1 lakh crore. So we leverage on that experience, and continue to earn from that experience and also sweat our distribution, people, technology, etc., that we built over the years.

As our cost of funds reduce, as the ratings probably improve, the leverage, which is about 2.2x, should settle in the range of 4x to 4.5x. That is the go-to long-term for the company, which I believe we should be hitting sometime around 2030.

And in a year or so of the investment, I believe we will be ready to start paying dividends. There is a dividend payout policy of the Reserve Bank of India. Conservatively, we believe that we should be in the 30% to 40% sort of dividend payout ratio over a longer-term, basis all the calculations of RoA and capital that we have simulated.

So yes, we would be a dividend-paying company. That's clearly an agreement of minds between the management and the incoming shareholders. The leverage will increase, but the leverage would increase to widen the product suite. There is no need of leverage on the existing product suite.

On the existing product suite, which is more prime mortgage type assets, it is best to continue to use the low and granular liability model of a bank and leverage on the experience built by the - of the company and continue to thrive using that model as well.

**Amish Kanani:**

And sir, a quick follow-up on the collection side. You did mention that there were good collections continuing in the month of Jan as well. So is it possible one to quantify? And if not, should we assume that the targets that we have kind of set out an aggressive target for the second half, should we be easily able to achieve that, sir?

**Gagan Banga:**

It's an aggressive target. So I'll not discount the team's efforts to say it will be easily done, but it will be done.

**Moderator:**

The next question is from the line of Meet Nitin Mewada from Sunrise Gilts & Securities.

**Meet Nitin Mewada:** I just wanted to know the RBI granted the approval of IHC, which is around INR8,850 crores. So is there any specific condition payment pending as of February 2026?

**Gagan Banga:** Nitin, we are awaiting the approval itself. So it's not as if RBI has granted and there is some specific condition. RBI will approve the preferential allotment. If we look at other NBFCs and banks, it takes about 6 months to 9 months. Our application is about 3 months old. But we are moving rapidly.

And as we were able to get faster than usual approvals from other stakeholders, we are optimistic given the fact that we are an upper layer NBFC and therefore, RBI is familiar with our operations and IHC is also a very large company. Thus, we should be in a position to hopefully expedite the approval process. As of right now, everything is on track, and we are progressing very well.

**Meet Nitin Mewada:** Okay. And another question is, in which new cities did the company has expanded the e-mortgage loans? And how many branches added lately in this quarter?

**Gagan Banga:** So these will be Tier 3 and Tier 4 type of cities. I don't know the names offhand. And as of right now, our pace is calibrated, so we will look at only adding about 10 branches a quarter. We've made a blueprint as to how do we get to about 400 to 500 cities very, very quickly over the course of the next 2 financial years. The pace of the rollout will increase very rapidly post the investment coming through.

**Moderator:** The next question is from the line of Sambit Roy from Credit Analyst.

**Sambit Roy:** Congratulations on the quarter. I have 2 questions. One would be, could you give any projections or any guidance for the next 2, 3 years on the lines of the revenue and the cost of credit?

**Gagan Banga:** So what we've guided on the cost of credit is on a longer-term basis, an annualized credit cost of 100 basis points. That holds true with the existing product suite and the mix that we have of legacy and new book loans. If we are to expand the product suite, obviously, there would be associated credit costs, which I'm not in a position to talk about since I've not yet articulated with all of you the widened product suite strategy.

So as far as our core mortgage product is concerned, we are fairly optimistic of running it at about 100 basis points of annualized credit cost. As we look at new products and come back to you with a strategy post the investment, we will obviously elaborate the entire RoA tree as to how do we go from the yield, to opex, to credit cost, to cost of funds, to RoA, to RoE. All of that will be obviously elaborated on.

**Sambit Roy:** Got it. And anything on the lines of the revenue?

**Gagan Banga:** Again, Sambit, I think we are very close to a complete strategic shift in the operations of the company. So if we are to look at as is where is, it would not be very consequential. Like I said, I'm fairly hopeful of a fairly expeditious process coming through. And in that context, I would say that any revenue guidance or anything of that sort would be more material and relevant, once we lay out the whole strategy for you.

As I had requested last time, just please allow for the investment to come through. It will take a quarter or 2, but the longer-term plan comes out post that investment. There's a full detailed business plan that we worked out on and finalized with the investor. We will be more than happy to share very granular details of that business plan with all of you.

**Sambit Roy:** No problem. And just one last follow-up, as you mentioned about the legacy book, can you mention what is the sort of proportion of the legacy book to the growth book? And next 2, 3 years, where do you see the legacy book to be?

**Gagan Banga:** All of that has been detailed in fairly granular numbers, what is the AUM, what is the legacy, what is the growth, the direction in which it is going down. It's all there in the earning update. So in the interest of time, since it's already all detailed, I'll move to the next question, and I'm sure the answers are all there.

**Moderator:** The next question is from the line of ASN. Raju, an Individual Investor.

**ASN. Raju:** Sir, what is the total provisions -- what was the total provisions? And what is the estimated time to recollect all those?

**Gagan Banga:** So we have given a collection number that out of all the write-offs, recovery and provisions that we have done, over a period of time, we will recover, give or take, INR4,500 crores. I think of that INR4,500 crores, we are still on track to net recover.

We had also spoken about the fact that till the time that the legacy book does not become a single-digit below as in INR10,000 crores, we will continue to use these provisions being released to stay as provisions and to facilitate the recovery, which is what we are doing. So we do recover about INR400 crores to INR500 crores per quarter. We package that as provisions, most of it and continue to carry those provisions.

On a net basis, over the next 3 years, once we are done with all of these provisions and the legacy book has run down, we should be able to cash recover about INR4,500 crores. We take one last question, please.

**Moderator:** The last question is from the line of Faizaan Joad from Singularity AMC.

**Faizaan Joad:** Just wanted to clarify the incremental cost of borrowing for Q3 and some colour on the uptick in interest expense as of the current quarter?

**Gagan Banga:** So we have done fairly aggressive borrowing. Right at the start of the quarter we did a large dollar bond issuance, we did a domestic bond issuance, we also did some bank borrowings, so the interest cost uptick is largely on that account. Right now, we are borrowing at, give or take 9%. And we expect, as I said, a movement down to below 8% quickly right after this investment is to come through.

On an overall stock basis, we would expect that in about 9 months to 12 months, the cost of funds should go down by about 270 basis points. That's what the goal is that by the end of March

'27, assuming that we are able to get this done very quickly by the end of March '27, the stock of borrowing should be down by a cost of about 270 basis points.

**Faizaan Joad:**

Understood. Understood.

**Gagan Banga:**

Thank you, everyone, for patiently listening to us, for your support and I hope to get back to you probably much before the next quarter's release with an update on the investment and the plans thereafter. Thank you.

**Moderator:**

Thank you. I now hand the conference over to Mr. Aryan Sumra for the closing comments.

**Aryan Sumra:**

Thank you. I would like to thank the management for taking the time out, and I would also like to thank all the participants. If you have any queries, feel free to contact us via MUFG, Investor Relations Advisors to Samman Capital Limited. Thank you.

**Moderator:**

On behalf of Samman Capital Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.