



NOTICE TO THE EQUITY SHAREHOLDERS OF SAMMAAN CAPITAL LIMITED (FORMERLY KNOWN AS INDIABULLS HOUSING FINANCE LIMITED) FOR VOTING ON THE RESOLUTIONS AS SET-OUT IN THE EGM NOTICE DATED OCTOBER 7, 2025

Dear Shareholders,

This is to provide clarification for the benefit of equity shareholders regarding voting on the resolutions as set out in the **Extraordinary General Meeting (EGM) Notice dated October 7, 2025**, read with **Corrigendum dated October 25, 2025**.

The clarifications submitted to **Stakeholders Empowerment Services (SES)** and **Institutional Investor Advisory Services India Limited (IIAS)** are enclosed for your reference.

IHC approaches its investments without a defined exit horizon, effectively coming in as a long-term, quasi-perpetual promoter. IHC has ambitious plans for the Indian financial services sector, with its investment in Sammaan Capital serving as the cornerstone for expanding both the breadth and depth of its presence in this space.

In line with its typical strategy, IHC generally acquires a controlling stake, often well in excess of 50%, in its investee companies and consolidates their financials into its own. We have been given to understand that the investment in Sammaan Capital is no exception and following the completion of this transaction, IHC intends to increase its shareholding beyond the 50% threshold.

Importantly, IHC's entry-level stake of 40% will not decline, thereby mitigating any concerns around disproportionate governance rights accruing to a promoter with limited equity participation. The proposed governance framework reflects IHC's standard oversight model and is consistent with its approach across other group entities.

Thanking you,

For and on behalf of **Sammaan Capital Limited**



Date: October 20, 2025

To,
Institutional Investor Advisory Services India Limited (IIAS),
Ground Floor, DGP House 88-C, Old Prabhadevi Road,
Mumbai - 400 025.

Subject: Response to voting recommendations of Institutional Investor Advisory Services India Limited (“IIAS”) on Item Nos. 3 and 5 in the Notice of the Extra Ordinary General Meeting dated October 7, 2025 (“EGM Notice”) sent electronically to the Members of Sammaan Capital Limited (“Company”) on October 7, 2025.

Dear IIAS team,

We acknowledge receipt of your report dated October 18, 2025 (“**Report**”), and appreciate the insights presented on the matters at hand.

Your firm’s input is highly valued, and we have thoroughly reviewed and considered the recommendations put forth. We wish to address and clarify certain points outlined in the Report, specifically, your voting recommendations to vote “**AGAINST**” on the resolutions set out at:

1. **Item No. 3** of the EGM Notice, relating to the director nomination rights of Avenir Investment RSC Ltd (“**Investor**”), till the time the Investor remains a promoter of the Company; and
2. **Item No. 5** of the EGM Notice, relating to the right of the Investor to nominate members to certain committees of the Board of Directors of the Company (“**Board**”), till the time the Investor remains a promoter of the Company.

At the outset, we note that your Report confirms that all the resolutions proposed in the EGM Notice are legally compliant, and no non-compliance with applicable laws has been highlighted. In so far as the governance concerns raised in your report, please consider the clarifications set out below.

We begin by laying out the purpose and a cogent rationale for the investment and the importance of these resolutions.

Purpose and Rationale:

From the Company’s perspective this transaction is less about the quantum of money being brought in and more about a financially strong private investment entity fund coming in as a promoter with control over the Company. The impact of this will be to set us on a path to a domestic AAA rating (from the present AA), and international credit rating upgrades to be on par with the sovereign, and thereby fully opening up access to debt. As a non-deposit accepting, non-bank lender, we borrow monies to onward lend to our customers. The quantum of money that we can borrow, and the rate at which we can get it at, is what dictates our business growth and profitability.

In the recent few years, following the exit of our erstwhile promoter, without strong promoter backing, we came down from the highest AAA rating to the present AA rating. This has resulted in both reducing the quantum of money we can raise and increasing the cost of these borrowings. The mortgage lending market that we operate in is very rate sensitive, as is the case around the world, and our handicap in raising cost-effective funding has meant that we have had to de-grow our business – our balance sheet is down from ₹ 1,30,000 crores (~\$ 15 Bn) in 2019 to ₹ 70,000 crores (~\$ 8 Bn) presently, our profits are down from ~₹ 4,100 crores (~\$ 500 Mn) in FY19 to ₹ 1,200 crores (~\$ 130 Mn) (present quarterly run-rate annualised) levels presently.

The rights being sought vide resolutions two through six, will cement IHC as the promoter of the Company. The right perspective here is that this is less about an in-coming promoter entity seeking these rights, and more about the name, financial strength and stature of IHC. Presently, we have Life Insurance Corporation of India (LIC), which holds 4.6% and is also the largest lender to the Company, with a nominee director appointed on the board. LIC is a state-owned public sector life insurance giant with an AUM of \$640 billion and a market capitalisation of \$ 64 billion. Irrespective of their shareholding or loan exposure to the Company, LIC having a nominee director on



the board of the Company signals the backing of such a strong financial institution, which increases stakeholder confidence, especially of key stakeholders such as banks and other lenders, credit rating agencies, regulatory and statutory bodies etc. Our lending banks also, without any shareholding, can request to appoint nominee directors, which if they do, the Company would more than welcome it for much the same reasons.

IHC is a public listed holding company, majority owned by Abu Dhabi-based companies. With a market capitalisation of \$ 240 billion (~₹ 21 lakh crores), it is the second most valuable company in the Gulf states after Saudi Aramco. As of June 2025, at a consolidated level, its balance sheet stood at ~\$ 119 billion (~₹ 10.6 lakh crores), with total equity of ~\$ 70 billion (~₹ 6.2 lakh crores) and cash and bank balances of ~\$ 16 billion (~₹ 1.4 lakh crores). For IHC's financial year ended December 2024, its consolidated revenues stood at ~\$ 25 billion ~₹ 2.2 lakh crores and it posted profits of ~\$ 7 billion ~₹ 62,000 crores.

IHC coming in as a promoter with board control will put the Company on a different plane altogether. Already, the rating agencies have put the Company on watch for an upgrade. Moody's has put the Company's international credit rating on 'review for an upgrade' (Moody's Press Release attached. Also available at: https://www.moodys.com/research/Moodys-Ratings-reviews-Sammaan-Capitals-ratings-for-upgrade-on-new-Rating-Action--PR_513789). The Company's dollar bond yields dipped by as much as 200 bps following the announcement, enabling the Company to raise \$ 450 million (~₹ 4,000 crores) of fresh bond monies in the dollar bond market just last week. Thus, benefits from news of IHC coming in as a promoter are already having the intended impact on the Company's access to funding and cost of funding.

Ultimately this will mean the Company can step up on growth which will reflect in its market capitalisation and various valuation ratios like P/B and P/E in line with AAA rated listed non-bank peers such as Bajaj Finance, Bajaj Housing Finance, Aditya Birla Capital, Sundaram, etc, all of which trade between 3x and 6x price-to-book, compared with the <1x of the Company presently.

The right to nominate directors and committee members signalling promoter control of the Company by IHC would hence be significantly value accretive to existing shareholders and very much in their interest. We request shareholders to vote in favour of all resolutions, and proxy advisory firms such as yourself to recommend shareholders to vote 'For' on all resolutions, as in totality the resolutions put up by the Board for shareholder approval would enable the Company to successfully and comprehensively execute this transaction.

Please also consider the following specific resolution-wise clarifications addressing governance concerns raised in your report.

(I) Director nomination rights of the Investor and Investor's right to recommend eligible candidates for appointment as independent directors (Item No. 3); and (II) Investor's right to nominate members to certain committees of the Board (Item No. 5)

- A. As stated above, we note that no specific non-compliance with applicable laws has been highlighted in respect of the aforesaid resolution. We further note that you have recommended voting "AGAINST" the resolution on the following grounds:
- (i) there being no shareholding-based fall-away threshold for the director nomination rights of the Investor;
 - (ii) the selection and appointment of independent directors is the prerogative of the Board / Nomination and Remuneration Committee ("NRC"), and should be independently decided by the Board/ NRC; and
 - (iii) determination of committee composition is the Board's prerogative and must be decided by the Board independently.

Board Nomination Rights of the Investor

- B. As mentioned in the EGM Notice, the Board, at its meeting held on October 2, 2025, had subject to the approval of the shareholders of the Company and such other approvals as may be required, approved issuance of equity shares and warrants to the Investor, by way of a preferential issue on



a private placement basis, representing 43.46% of the issued and fully paid-up share capital of the Company¹ (the “**Preferential Issue**”). The Investor is indirectly owned and controlled by International Holding Company (“**IHC**”) which is listed on the Abu Dhabi Stock Exchange.

- C. Pursuant to the execution of the share subscription agreement dated October 2, 2025 entered into between the Company and the Investor (“**SSA**”) and the approval of the Board dated October 2, 2025, the Investor has made an open offer in terms of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**Takeover Regulations**”) where the underlying trigger transaction is not only the acquisition of shares and warrants pursuant to the Preferential Issue but also the acquisition of ‘control’ of the Company², and the open offer documents transparently disclose the stated objective of the Investor to acquire control as well as the Investor’s control rights. Accordingly, the Investor will acquire and exercise control over the Company and be classified as a ‘promoter’ of the Company in accordance with the terms of SSA and the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**LODR Regulations**”).
- D. The SSA *inter alia* sets out certain rights of the Investor to be incorporated in the articles of association of the Company, which shall be effective from categorisation of the Investor as a ‘promoter’ of the Company in accordance with the SSA. This includes the director nomination rights of the Investor till the time the Investor remains a promoter of the Company.
- E. As stated above, we note that no non-compliance with applicable laws has been highlighted in respect of the aforesaid resolution. In fact, SEBI has specifically prescribed a framework for grant and approval of such rights under Regulation 31B of the LODR Regulations and the Company has duly complied with this framework. We note that you do not *per se* have any objection to the Investor having a right to nominate directors on the Board – and have objected only to the Board nomination rights continuing for so long as the Investor is categorised as a promoter of the Company, and there being no shareholding-based fall away thresholds for continuation of the Board nomination rights of the Investor.
- F. Given that the Investor will be classified as a ‘promoter’ of the Company post the Preferential Issue, it may be noted that as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, a ‘promoter’ by virtue of its definition is a person or an entity, who has “**control**” over the affairs of the issuer, directly or indirectly whether as a shareholder, director or otherwise. Further, the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 defines ‘control’ to include the right to appoint majority of directors on the board of directors of the listed entity. Therefore, the regulations clearly contemplate the right of the promoter (*regardless of shareholding*) to be in a position to nominate directors on the board of a listed company in order to have the ability to exercise control over the listed company.
- G. It is well understood that a promoter exercises control over the target company, which includes (a) de jure control i.e. right to appoint majority of the directors of the Company; and (b) de facto control i.e., control over management and policy decisions. Here, (i) the potential shareholding of the Investor in the Company (post consummation of the Preferential Issue and completion of the Open Offer) could be below 50% depending on the actual tendering in the Open Offer, and (ii) while the director nomination rights are not linked to the shareholding of the Investor, these are very clearly linked to the “promoter” categorization of the Investor and accordingly, it is the director nomination

¹ Assuming that the Investor exercises and converts all the warrants into equity shares of the Company pursuant to the terms of the SSA, and excluding partly-paid up shares issued by the Company.

² The public announcement of the open offer made by the Investor stipulates that the open offer is made in compliance with Regulation 3(1) and Regulation 4 of the Takeover Regulations.

rights that in fact, provide the Investor with the actual ability to exercise control as a promoter. The denial of this right would adversely impact the ability of the Investor to exercise 'control' and steer the Company, which is the stated investment objective of the Investor as per the open offer documents.

- H. As stated above, the director nomination rights being sought will accordingly cement IHC as the promoter of the Company, and the right perspective here is that this is less about an in-coming promoter entity seeking these rights, and more about the name, financial strength and stature of IHC. The nomination right is a cornerstone of Avenir/IHC's strategic investment, enabling them, as promoter, to exercise control, provide effective stewardship, long-term stability, and enhanced oversight, which are essential for realizing the intended growth, governance, and rating outcomes of this transaction. The denial of this right would accordingly adversely impact the ability of the Company to fully realise the intended benefits of the strategic partnership. Accordingly, as stated above, the right to nominate directors signalling promoter control of the Company by IHC would hence be significantly value accretive to existing investors and very much in their interest.
- I. Please also note that the appointment of the nominee directors of the Investor to the Board is subject to such person satisfying the 'fit and proper' criteria and other requirements/ conditions as may be specified by the Reserve Bank of India ("RBI"). In addition, the appointment of nominee directors of the Investor to the Board shall at all times be subject to the approval of the NRC and the Board, which comprises of independent directors as well. Additionally, it may be noted that members on the Board are also constituted based on knowledge, skill, and expertise of respective directors, and in adherence to various regulatory and legal requirements. The nomination right granted to Investor is accordingly only an enabling provision and remains subject to all due process, including approval of the RBI, NRC, the Board, the shareholders or such other approvals as may be applicable.

Investor's right to recommend eligible candidates for appointment as independent directors

- J. We would like to clarify that while the Investor will have a right to recommend a pool of eligible candidates for appointment as independent directors on the Board, the appointment of the independent directors shall at all times remain subject to approval of the NRC, the Board and shareholders of the Company, as required under applicable law. The foregoing is also well set out in Article 121A(b) of the AoA, which is proposed to be inserted pursuant to the resolution set out at Item No. 3 of the EGM Notice, which reads as follows:

*"the Board shall have such number of independent Directors as is required under applicable law, selected from the pool of eligible candidates for independent directorship as recommended by the Investor; **each of whom shall meet all qualification and appointment requirements specified under the Act.** No independent director shall be a nominee of the Investor". (Emphasis Supplied)*

- K. Accordingly, it is clear that the aforesaid right of the Investor is not to appoint independent directors and it is merely a right to recommend candidates for consideration by the NRC. As it is limited to recommending a pool of eligible candidates for appointment as independent directors, it does not in any manner impact the independence of these directors or undermine the powers and authority of the NRC and the Board with respect to selection and appointment of independent directors under applicable laws, and the NRC, the Board and the shareholders will at all times retain the right to approve/ reject persons from the pool of eligible candidates proposed for independent directorship by the Investor. At least two-thirds of the members of the NRC are required to be independent directors in accordance with the LODR Regulations, and the NRC will continue to have the role envisaged under the Companies Act and the LODR Regulations. Accordingly, this is merely an enabling provision and remains subject to the process prescribed under law, including (i) the recommendation of the NRC (ii) approval of the Board; and (iii) approval of the Company's shareholders, as required. Article 121A(b) (as reproduced above) in fact also acknowledges such



authority and powers of the NRC and the Board, by explicitly providing that each person recommended by the Investor shall meet all qualification and appointment requirements as provided under applicable law, and no independent director shall be a nominee of the Investor.

Committee Nomination Rights of the Investor

- L. With regard to the committee nomination rights of the Investor, please note that these go hand in hand with director nomination rights of the Investor and consequently, the right of the Investor to appoint nominees on the specified Board committees will be subject to prior approval of the Board and will not be a unilateral decision undertaken by the Investor. The Board, at the time of such request from the Investor, will ensure that the nominee is *inter alia* qualified to be appointed on the relevant committee(s) (considering committee responsibilities) and that such appointment complies with all applicable laws (committee composition, relevant qualifications, etc.). In this context, this does not, in any way, impede or impact the Board's authority to determine committee composition, or the functioning/ decision-making process of the committees of the Board. It is reiterated that all provisions of the AoA are subject to applicable laws and any exercise of rights provided therein, including the aforementioned rights, is required to be such that the statutory requirements with respect to the composition of the committees of the Board are fully complied with. Further, factoring the fiduciary duties of a nominee director, the fit and proper requirements and the fact that such nomination will be made by a reputed establishment such as IHC, the shareholders of the Company can be rest assured that the nominees shall be persons of high degree of capability and competence.

In conclusion, the proposed investment and collaboration with IHC is significant for supporting the Company in its next phase of growth and development. The grant of special rights to the Investor (which is an affiliate of IHC) is a key element of the proposed investment and the denial of such rights could adversely impact the Investor's ability to adequately steer the Company towards its next phase of growth and development for the benefit of all stakeholders and adversely impact the ability of the Company to fully realise the intended benefits of the partnership with IHC. In fact, the special rights of the Investor (including its Board and committee nomination rights) will result in a long-term shareholder voice on the Board, ensuring stability for the Company and signifying IHC's structural commitment as a long-term strategic investor and globally renowned institutional promoter.

We accordingly sincerely urge you to re-consider your recommendations on the above resolution based on the above explanation and issue a revised report with amended recommendation, under intimation to us. Further, we request you to share our responses with all your subscribers and persons to whom the original report has been circulated.

Thanking you,
Yours faithfully,

For Sammaan Capital Limited
(Formerly known as Indiabulls Housing Finance Limited)

Sd/-
Amit Jain
Company Secretary



Date: October 22, 2025

To,
Stakeholders Empowerment Services (SES)
Flat No. 109, First Floor, Shyam Baba House,
Upper Govind Nagar, Malad East,
Mumbai 400097.

Subject: Response to voting recommendations of Stakeholders Empowerment Services (“SES”) on Item Nos. 1 – 6, in the Notice of the Extra Ordinary General Meeting dated October 7, 2025 (“EGM Notice”) sent electronically to the Members of Sammaan Capital Limited (“Company”) on October 7, 2025.

Dear SES team,

We acknowledge receipt of your report dated October 20, 2025 (“**Report**”), and appreciate the insights presented on the matters at hand.

Your firm’s input is highly valued, and we have thoroughly reviewed and considered the recommendations put forth. We wish to address and clarify certain points outlined in the Report, specifically, your voting recommendations to vote “**AGAINST**” the resolutions set out in the EGM Notice.

At the outset, we note that your Report confirms that all the resolutions proposed in the EGM Notice are legally compliant, and no non-compliance with applicable laws has been highlighted. In so far as the governance concerns raised in your Report, please consider the clarifications set out below.

We begin by laying out the purpose and a cogent rationale for the investment and the importance of these resolutions.

Purpose and Rationale:

From the Company’s perspective this transaction is less about the quantum of money being brought in and more about a financially strong private investment entity fund coming in as a promoter with control over the Company. The impact of this will be to set us on a path to a domestic AAA rating (from the present AA), and international credit rating upgrades to be on par with the sovereign, and thereby fully opening up access to debt. As a non-deposit accepting, non-bank lender, we borrow monies to onward lend to our customers. The quantum of money that we can borrow, and the rate at which we can get it at, is what dictates our business growth and profitability.

In the recent few years, following the exit of our erstwhile promoter, without strong promoter backing (which almost all of our peers have), we came down from the highest AAA rating to the present AA rating. This has resulted in both reducing the quantum of money we can raise and increasing the cost of these borrowings. The mortgage lending market that we operate in is very rate sensitive, as is the case around the world, and our handicap in raising cost-effective funding has meant that we have had to de-grow our business – our balance sheet is down from ~₹ 1,30,000 crores (~\$ 15 Bn) in 2019 to ~₹ 70,000 crores (~\$ 8 Bn) presently, our profits are down from ~₹ 4,100 crores (~\$ 500 Mn) in FY19 to ~₹ 1,200 crores (~\$ 130 Mn) (present quarterly run-rate annualised) levels presently.



The rights being sought *vide* resolutions 2 (two) through 6 (six), will cement International Holding Company (“IHC”) as the promoter of the Company. The right perspective here is that this is less about an in-coming promoter entity seeking these rights, and more about the name, financial strength and stature of IHC. Presently, we have Life Insurance Corporation of India (LIC), which holds 4.6% and is also the largest lender to the Company, with a nominee director appointed on the board. LIC is a state-owned public sector life insurance giant with an AUM of ~\$640 billion and a market capitalisation of ~\$ 64 billion. Irrespective of their shareholding or loan exposure to the Company, LIC having a nominee director on the board of the Company signals the backing of such a strong financial institution, which increases stakeholder confidence, especially of key stakeholders such as banks and other lenders, credit rating agencies, regulatory and statutory bodies etc. Our lending banks also, without any shareholding, can request to appoint nominee directors, which if they do, the Company would more than welcome it for much the same reasons.

Established in 1999, IHC has become one of the most valuable holding company in the Middle East and one of the world’s largest investment groups. Since then, it has transformed to represent a new generation of investors. IHC’s commitment to sustainability, innovation, and economic diversification spans over 1,300 subsidiaries, driving growth across industries like Asset Management, Healthcare, Real Estate, Financial Services, IT, and more. With a market capitalisation of ~\$ 240 billion (~₹ 21 lakh crores), IHC is the second most valuable company in the Gulf states after Saudi Aramco. As of June 2025, at a consolidated level, its balance sheet stood at ~\$ 119 billion (~₹ 10.6 lakh crores), with total equity of ~\$ 70 billion (~₹ 6.2 lakh crores) and cash and bank balances of ~\$ 16 billion (~₹ 1.4 lakh crores). For IHC’s financial year ended December 2024, its consolidated revenues stood at ~\$ 25 billion (~₹ 2.2 lakh crores) and it posted profits of ~\$ 7 billion (~₹ 62,000 crores).

IHC coming in as a promoter with board control will put the Company on a different plane altogether. Already, the rating agencies have put the Company on watch for an upgrade. Moody’s has put the Company’s international credit rating on ‘review for an upgrade’ (*Moody’s Press Release attached. Also available at: https://www.moody.com/research/Moodys-Ratings-reviews-Sammaan-Capitals-ratings-for-upgrade-on-new-Rating-Action--PR_513789*). The Company’s dollar bond yields dipped by as much as 200 bps following the announcement, enabling the Company to raise ~\$ 450 million (~₹ 4,000 crores) of fresh bond monies in the dollar bond market in the immediate week following the announcement. Thus, benefits from news of IHC coming in as a promoter are already having the intended impact on the Company’s access to funding and cost of funding.

Ultimately this will mean the Company can step up on growth which will reflect in its market capitalisation and various valuation ratios like P/B and P/E in line with AAA rated listed non-bank peers such as Bajaj Finance, Bajaj Housing Finance, Aditya Birla Capital, Sundaram, etc, all of which trade between 3x and 6x price-to-book, compared with the <1x of the Company presently. IHC’s strategic investment is accordingly expected to lead to a massive re-rating and the anticipated 4x to 6x increase in share price for existing shareholders far outweighs any concern over minor dilution or the lack of a warrants premium.

The right to nominate directors and committee members signalling promoter control of the Company by IHC would hence be significantly value accretive to existing shareholders and very much in their interest. It is to also be noted that the proposed governance structure is IHC’s standard means of oversight, and is consistent with their approach in other existing group companies. We request shareholders to vote in favour of all resolutions, and proxy advisory firms such as yourself to recommend shareholders to vote ‘For’ on all resolutions, as in totality

the resolutions put up by the Board for shareholder approval would enable the Company to successfully and comprehensively execute this transaction.

Please also consider the following specific resolution-wise clarifications addressing governance concerns raised in your Report.

(1) Warrants being the preferred mode of fund-raising and price of warrants (Item No. 1)

- A. We note that you have raised a governance concern in respect of **Item No. 1** of the EGM Notice: (i) with respect to warrants being the preferred mode of fund-raising; and (ii) on the basis that the Company has priced the warrants exactly the same as the equity shares. With respect to your analysis, we note that no specific non-compliance with applicable laws has been highlighted, and that your governance concerns on this particular resolution is specifically with respect to warrants being the preferred mode of fund-raising, and on the basis that while the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”) allow warrants to be priced based on a formula applicable to equity shares, you are not supportive of the same.
- B. As explained in the EGM Notice, the Board of Directors of the Company (“**Board**”), at its meeting held on October 2, 2025, had subject to the approval of the shareholders of the Company and such other approvals as may be required, approved issuance of the following securities to Avenir Investment RSC Ltd (“**Investor**” or “**Avenir**”), by way of a preferential issue on a private placement basis, and in accordance with the terms of the share subscription agreement dated October 2, 2025 entered into between the Company and the Investor (“**SSA**”):
- (i) 33,00,00,111 equity shares at a price of INR 139 per equity share (“**Subscription Shares**”); and
 - (ii) 8,68,92,966 (eight crore sixty eight lakh ninety two thousand nine hundred and sixty six) warrants, each carrying a right to subscribe to 1 (one) equity share at a price of INR 139/- per equity share (“**Tranche I Warrants**”), and 21,97,97,569 (twenty one crore ninety seven lakh ninety seven thousand five hundred and sixty nine) warrants, each carrying a right to subscribe to 1 (one) equity share (“**Tranche II Warrants**”, together with Tranche I Warrants, the “**Subscription Warrants**”),

representing 43.46% of the issued and fully paid-up share capital of the Company¹.

(the “**Preferential Issue**”).

Subscription Warrants being the preferred mode of fund-raising

- C. At the outset, given that the Preferential Issue involves issuance of both equity shares and warrants, the SES concern on warrants being the preferred mode of fund-raising is baseless. It may be appreciated that share warrants are also a widely used instrument and the investment structure is usually decided based on understanding of the mutual interest. The Investor has expressed its interest in undertaking the Preferential Issue in a form that will show their support and long-term commitment to the Company, which in turn would lend confidence to lenders, rating agencies, and other key stakeholders. More specifically, from the Company’s perspective, the investment/funding timing is aligned with the Company’s funding needs, wherein the balance 75% amount in respect of the Subscription Warrants will be received upon conversion of the Subscription Warrants by the Investor, at any time between the date of allotment of the Subscription Warrants and the expiry of 18 (eighteen) months thereof. This

¹ Assuming that the Investor exercises and converts all the Subscription Warrants into equity shares of the Company pursuant to the terms of the SSA, and excluding partly-paid up shares issued by the Company.

signals the confidence of the Investor in the future prospects of the Company subsequent to the investment and the associated “promoter-backing”, as in the event the Investor elects not to or fails to exercise the Subscription Warrants within the aforesaid timeline for any reason, the Company will forfeit 25% of the subscription amount (aggregating to INR 1065,74,96,091) paid by the Investor at the time of subscription to the Subscription Warrants. This protects the existing shareholders from premature dilution and, if anything, demonstrates the Investor’s long-term commitment in the Company.

- D. As mentioned in the EGM Notice, the Company’s primary goal now is not merely to augment capital, as evidenced by its comfortable capital adequacy and low gearing, but to introduce a powerful catalyst for a significant credit rating upgrade – and it is submitted that the Company’s current borrowing cost (9.5%+) hinders competitive mortgage lending (8.5%), necessitating a ratings improvement that only a parent such as IHC can deliver. Unlike the previous capital infusions, the Preferential Issue has the unique, credit-positive “*promoter-backing*” effect that the induction of a single, globally renowned strategic investor provides. Further, it may be noted that IHC is a long-term strategic investor (and not a financial investor seeking a small call option advantage), and structuring the investment as a combination of equity shares and warrants is purely for IHC’s operational efficacy and diversification. Further, the warrant structure allows the Company to access capital in a phased manner, which ensures liquidity support aligned with the Company’s proposed deployment timelines. Therefore, the Board has approved the issuance and allotment of the Subscription Warrants which is aligned with the Company’s funding needs and will also enable the Investor to signify its commitment to remain invested in the Company, as a long-term strategic investor and ‘promoter’ post-investment.

In respect of the above, it may also be noted that the exercise of each of the Subscription Warrants will be undertaken in one or more tranches in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (“**Takeover Regulations**”), as applicable at the time of exercise of the Subscription Warrants.

Pricing of Warrants

- E. In respect of the pricing of the Subscription Warrants, it is submitted that the Company is proposing to issue the equity shares and warrants to the Investor at a price of INR 139/- per equity share/ warrant (“**Issue Price**”), which is higher than the floor price determined in accordance with the ICDR Regulations and the value of the equity shares of the Company as certified by the valuation report dated October 2, 2025 (“**Valuation Report**”) issued by Transaction Square Advisory LLP, independent registered valuer (registration No. IBBI/RV-E/06/2023/194 and having office at 6th Floor, Tower-A, Manikchand Ikon, Dhole Patil Road, Pune – 411 001, Maharashtra, India) (“**Independent Valuer**”), which has been uploaded on the website of the Company, at the following weblink – [valuationreportprefissue02oct2025_51149.pdf](https://www.sammaancapital.com/valuationreportprefissue02oct2025_51149.pdf), and has already been disclosed in the EGM Notice.
- F. For your reference, as also disclosed in the EGM Notice, the Issue Price is not less than the higher of the following in terms of Regulations 164(1) and 166A of the ICDR Regulations:
- (i) the 90 trading days volume weighted average price (“**VWAP**”) of the equity shares quoted on the recognised stock exchange preceding the Relevant Date i.e., INR 130.96/- (Indian Rupees One Hundred and Thirty point Ninety Six Only) per equity share; or
 - (ii) the 10 trading days VWAP of the equity shares quoted on the recognised stock exchange preceding the Relevant Date i.e., INR 138.67/- (Indian Rupees One Hundred and Thirty Eight point Sixty Seven Only) per equity share; or

- (iii) the value of equity shares as determined by an independent registered valuer in accordance with Regulation 166A of the ICDR Regulations and as set out in the Valuation Report, i.e., INR 132.24/- (Indian Rupees One Hundred Thirty Two point Twenty Four Only) per equity share; or
 - (iv) the floor price determined in accordance with the provisions of the Articles of Association of the Company (“AoA”). In this regard, please note that the AoA does not prescribe any method for determination of the floor price for the proposed Preferential Issue.
- G. The aforesaid Valuation Report by the Independent Valuer also takes into consideration various valuation approaches and provides rationale for weightages given to various approaches, along with the justification provided by the Independent Valuer for their assessment. Further, the Issue Price is also in excess of the value of shares as determined by the Independent Valuer.
- H. The Issue Price has also been noted and recommended by the committee of independent directors and the Board, as being fair and reasonable, and in compliance with applicable law. Additionally, the Company is currently professionally managed and does not have any promoter and hence, all its public shareholders are being offered an exit at the Issue Price (which is at a premium to the value of shares as determined by the Independent Valuer) pursuant to the open offer made by the Investor in terms of the Takeover Regulations (“**Open Offer**”), and accordingly there is no adverse impact on or prejudice to the public shareholders as a result of the proposed Preferential Issue.
- I. Further, the Subscription Warrants are convertible into equity shares in the ratio of 1:1 and are not derivative instruments and hence, please note that pricing of warrants under any other pricing model such as Black Scholes would have not been considered to be in compliance under relevant laws. In this regard, it is also pertinent to note that in another recent instance of a preferential issue of equity shares and warrants undertaken by Manappuram Finance Limited, the warrants are priced same as the equity shares.

(2) **Pre-emption rights of the Investor (Item No. 2)**

- A. As stated above, we note that no specific non-compliance with applicable laws has been highlighted in respect of the aforesaid resolution. We further note that you have recommended voting “**AGAINST**” the resolution on the following grounds:
- (i) the pre-emption rights of the Investor may result in dilution of shareholding of other shareholders in case of future issues; and
 - (ii) the pre-emption rights undermine equitable treatment of shareholders.
- B. As stated above, the Company and the Investor have executed the SSA for *inter alia* setting out the terms and conditions of the Preferential Issue. Pursuant to execution of the SSA, the Investor has made the Open Offer. The Investor will acquire and exercise control over the Company and be classified as a ‘promoter’ of the Company in accordance with the terms of the SSA and the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**LODR Regulations**”). It may be noted that the Company is currently promoter less, and as also detailed in the EGM Notice, by acquiring a controlling stake and being classified as the “promoter” post-investment, IHC establishes a structural and long-term commitment to the Company as a strong institutional promoter and long-term strategic investor.
- C. It is pertinent to note that the Investor’s pre-emption rights come into effect upon categorisation of the Investor as a promoter of the Company in accordance with the terms of the SSA, and will continue only till the time the Investor remains a promoter of the Company. Given IHC’s commitment to the Company as an incoming promoter, the pre-emption rights

proposed to be incorporated *vide* Article 19A of the AoA is solely for the purposes of providing the Investor with an option to prevent dilution of its shareholding in its capacity as a promoter, in the event of any future fund-raises, by subscribing to securities equivalent to its pro-rata shareholding – and it is accordingly submitted that an incoming promoter’s intent to maintain and prevent dilution of its shareholding only reiterates the commitment depicted to the Company by an institution having the name, financial strength and stature of IHC. This ensures that a promoter who provides capital and strategic oversight can maintain that role without destabilising shareholder composition in the event of capital raise, which lends to stable ownership - an important requirement for long term lenders. Please note that any such right of the Investor will be exercised in accordance with applicable law, including in respect of pricing, disclosures, and other applicable SEBI regulations such as the Takeover Regulations and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (“**PIT Regulations**”).

- D. Such ability to maintain its shareholding in the Company as an incoming promoter in a promoter-less company also constitutes a key element of the proposed transaction, given that the potential shareholding of the Investor in the Company (post consummation of the Preferential Issue and completion of the Open Offer) could be below 50% depending on the actual tendering in the Open Offer. Further, the concern that the Investor’s pre-emption right undermines equitable treatment of shareholders is unfounded, given that akin to IHC, all other shareholders of the Company will have the ability to vote on such future fund-raising proposal (whether undertaken by way of a preferential issue, qualified institutions placement etc.), when this is placed before the shareholders for approval at a general meeting.
- E. Further, the right to maintain shareholding as proposed in the amended Article 19A is already available to the Investor in the case a fund raise is by way of rights issue (which places the Investor on the same level field as all other shareholders and consequently does not disadvantage any public shareholder). The amendment is effectively intended as an enabling provision and as a strategic tool for the Investor to signal confidence to the public shareholders, lenders and other stakeholders of the Company in the event the Fresh Offering (as defined in the proposed Article 19A) is a preferential issuance - which in any case requires the approval by special resolution of the shareholders of the Company at a general meeting.

(3) (I) Director nomination rights of the Investor and Investor’s right to recommend eligible candidates for appointment as independent directors (Item No. 3); and (II) Investor’s right to nominate members to certain committees of the Board (Item No. 5).

- A. As stated above, we note that no specific non-compliance with applicable laws has been highlighted in respect of the aforesaid resolutions. We further note that you have recommended voting “**AGAINST**” the resolutions on the following grounds:
 - (i) there being no shareholding-based fall-away threshold for the director nomination rights of the Investor;
 - (ii) the selection and appointment of independent directors from a pool of candidates recommended by the Investor undermines the role of the Nomination and Remuneration Committee (“**NRC**”), and raises questions on the independence of the independent directors; and
 - (iii) Board committee members should be appointed considering the committee responsibilities, expertise and skills and not on the basis of special rights.

Board Nomination Rights of the Investor

- B. As mentioned in the EGM Notice, the Board, at its meeting held on October 2, 2025, had subject to the approval of the shareholders of the Company and such other approvals as may be required, approved the Preferential Issue. Pursuant to the execution of the SSA, the Investor

has made the Open Offer, where the underlying trigger transaction is not only the acquisition of shares and warrants pursuant to the Preferential Issue but also the acquisition of ‘control’ of the Company², and the Open Offer documents transparently disclose the stated objective of the Investor to acquire control as well as the Investor’s control rights. Accordingly, the Investor will acquire and exercise control over the Company and be classified as a ‘promoter’ of the Company in accordance with the terms of SSA and the provisions of the LODR Regulations.

- C. The SSA *inter alia* sets out certain rights of the Investor to be incorporated in the AoA, which shall be effective from categorisation of the Investor as a ‘promoter’ of the Company in accordance with the SSA. This includes the director nomination rights of the Investor till the time the Investor remains a promoter of the Company.
- D. As stated above, we note that no non-compliance with applicable laws has been highlighted in respect of the aforesaid resolution. In fact, SEBI has specifically prescribed a framework for grant and approval of such rights under Regulation 31B of the LODR Regulations and the Company has duly complied with this framework. We note that you do not *per se* have any objection to the Investor having a right to nominate directors on the Board – and have objected only to the Board nomination rights continuing for so long as the Investor is categorised as a promoter of the Company, and there being no shareholding-based fall away thresholds for continuation of the Board nomination rights of the Investor.
- E. Given that the Investor will be classified as a ‘promoter’ of the Company post the Preferential Issue, it may be noted that as per the ICDR Regulations, a ‘promoter’ by virtue of its definition is a person or an entity, who has “control” over the affairs of the issuer, directly or indirectly whether as a shareholder, director or otherwise. Further, the Takeover Regulations defines ‘control’ to include the right to appoint majority of directors on the board of directors of the listed entity. Therefore, the regulations clearly contemplate the right of the promoter (regardless of shareholding) to be in a position to nominate directors on the board of a listed company in order to have the ability to exercise control over the listed company.
- F. It is well understood that a promoter exercises control over the target company, which includes: (a) de jure control i.e. right to appoint majority of the directors of the Company; and (b) de facto control i.e., control over management and policy decisions. Here, (i) the potential shareholding of the Investor in the Company (post consummation of the Preferential Issue and completion of the Open Offer) could be below 50% depending on the actual tendering in the Open Offer, and (ii) while the director nomination rights are not linked to the shareholding of the Investor, these are very clearly linked to the “promoter” categorization of the Investor and accordingly, it is the director nomination rights that in fact, provide the Investor with the actual ability to exercise control as a promoter. The denial of this right would adversely impact the ability of the Investor to exercise ‘control’ and steer the Company, which is the stated investment objective of the Investor as per the Open Offer documents.
- G. As stated above, the director nomination rights being sought will accordingly cement IHC as the promoter of the Company, and the right perspective here is that this is less about an incoming promoter entity seeking these rights, and more about the name, financial strength and stature of IHC. The nomination right is a cornerstone of Avenir/IHC’s strategic investment, enabling them, as promoter, to exercise control, provide effective stewardship, long-term stability, and enhanced oversight, which are essential for realizing the intended growth, governance, and rating outcomes of this transaction. The denial of this right would accordingly adversely impact the ability of the Company to fully realise the intended benefits of the strategic partnership. Accordingly, as stated above, the right to nominate directors signalling

² The public announcement of the Open Offer made by the Investor stipulates that the Open Offer is made in compliance with Regulation 3(1) and Regulation 4 of the Takeover Regulations.

promoter control of the Company by IHC would hence be significantly value accretive to existing investors and very much in their interest.

- H. Please also note that the appointment of the nominee directors of the Investor to the Board is subject to such person satisfying the 'fit and proper' criteria and other requirements/ conditions as may be specified by the Reserve Bank of India ("RBI"). In addition, the appointment of nominee directors of the Investor to the Board shall at all times be subject to the approval of the NRC and the Board, which comprises of independent directors as well. Additionally, it may be noted that members on the Board are also constituted based on knowledge, skill, and expertise of respective directors, and in adherence to various regulatory and legal requirements. The nomination right granted to Investor is accordingly only an enabling provision and remains subject to all due process, including approval of the RBI, NRC, the Board, the shareholders or such other approvals as may be applicable.

Investor's right to recommend eligible candidates for appointment as independent directors

- I. We would like to clarify that while the Investor will have a right to recommend a pool of eligible candidates for appointment as independent directors on the Board, the appointment of the independent directors shall at all times remain subject to approval of the NRC, the Board and shareholders of the Company, as required under applicable law. The foregoing is also well set out in Article 121A(b) of the AoA, which is proposed to be inserted pursuant to the resolution set out at Item No. 3 of the EGM Notice, which reads as follows:

*"the Board shall have such number of independent Directors as is required under applicable law, selected from the pool of eligible candidates for independent directorship as recommended by the Investor, **each of whom shall meet all qualification and appointment requirements specified under the Act.** No independent director shall be a nominee of the Investor". (Emphasis Supplied)*

- J. Accordingly, it is clear that the aforesaid right of the Investor is not to appoint independent directors and it is merely a right to recommend candidates for consideration by the NRC. As it is limited to recommending a pool of eligible candidates for appointment as independent directors, it does not in any manner impact the independence of these directors or undermine the powers and authority of the NRC and the Board with respect to selection and appointment of independent directors under applicable laws, and the NRC, the Board and the shareholders will at all times retain the right to approve/ reject persons from the pool of eligible candidates proposed for independent directorship by the Investor. At least two-thirds of the members of the NRC are required to be independent directors in accordance with the LODR Regulations, and the NRC will continue to have the role envisaged under the Companies Act and the LODR Regulations. Accordingly, this is merely an enabling provision and remains subject to the process prescribed under law, including (i) the recommendation of the NRC (ii) approval of the Board; and (iii) approval of the Company's shareholders, as required. Article 121A(b) (*as reproduced above*) in fact also acknowledges such authority and powers of the NRC and the Board, by explicitly providing that each person recommended by the Investor shall meet all qualification and appointment requirements as provided under applicable law, and no independent director shall be a nominee of the Investor.

Committee Nomination Rights of the Investor

- K. With regard to the committee nomination rights of the Investor, please note that these go hand in hand with director nomination rights of the Investor and consequently, the right of the Investor to appoint nominees on the specified Board committees will be subject to prior approval of the Board and will not be a unilateral decision undertaken by the Investor. The Board, at the time of such request from the Investor, will ensure that the nominee is *inter alia* qualified to be appointed on the relevant committee(s) (considering committee responsibilities) and that such appointment complies with all applicable laws (committee

composition, relevant qualifications, etc.). In this context, this does not, in any way, impede or impact the Board's authority to determine committee composition, or the functioning/decision-making process of the committees of the Board. It is reiterated that all provisions of the AoA are subject to applicable laws and any exercise of rights provided therein, including the aforementioned rights, is required to be such that the statutory requirements with respect to the composition of the committees of the Board are fully complied with. Further, factoring the fiduciary duties of a nominee director, the fit and proper requirements and the fact that such nomination will be made by a reputed establishment such as IHC, the shareholders of the Company can be rest assured that the nominees shall be persons of high degree of capability and competence.

(4) Removal of casting vote of the Chairperson (Item No. 4)

- A. As stated above, we note that no specific non-compliance with applicable laws has been highlighted in respect of the aforesaid resolution. We note that you have objected to removal of the casting vote of the chairperson of the Board on the ground that this consolidates control in the hands of a single shareholder. As stated above, the Investor has director nomination rights which are linked to the "promoter" categorization of the Investor.
- B. It may be noted that as per the proposed Article 19A, the 7-member board will comprise of at least 3 independent directors already. It may also be noted that as per Article 138(a) of the AoA (which is proposed to be inserted vide the resolution set out at **Item No. 4**), the chairperson of the Board shall be an independent director (and not a nominee of IHC) – and accordingly, the removal of the casting vote of the chairperson only promotes collective decision-making at the Board-level (as also noted in the Report) by providing all directors (including independent directors) with an equal say in decision-making at the Board level. In fact, the requirement of the chairperson of the Company being necessarily an independent director is a stipulation sought to be brought in pursuant to the current envisaged amendments to the AoA – which requirement increases the corporate governance framework of the Company.
- C. Further, the casting vote comes into question only when there is an equality of votes cast for and against a matter at the Board, which likely would not be the case in a 7-member Board.
- D. It is reiterated that the aforesaid provision will come into effect upon categorisation of the Investor as a promoter of the Company and will continue only till the time the Investor remains a promoter of the Company – and is accordingly not linked to any shareholding-based thresholds (including the Investor's shareholding in the Company after considering exercise of Subscription Warrants).

(5) Information rights of the Investor (Item No. 6)

- A. As stated above, we note that no specific non-compliance with applicable laws has been highlighted in respect of the aforesaid resolution.
- B. At the outset, it is pertinent to note that a promoter is akin to a perpetual insider having/requiring access to information of the company for legitimate purposes and compliance with legal duties. Given the role and liability of the promoter of a company and that a promoter has 'control' over the affairs of a company, it is well-understood that the promoter requires access to information about the company and such information access and sharing is required to be undertaken in compliance with applicable law including the PIT Regulations.
- C. In the above context, Article 201 of the AoA, which is proposed to be inserted pursuant to the resolution set out at Item No. 6 of the EGM Notice, recognises that till the time the Investor remains a promoter of the Company, it shall have the right to receive all such information as provided by the Company to its shareholders. Pertinently, this right is in fact ensuring parity



of information sharing with the Company's promoter and other shareholders. Further, sub-clause (c) of Article 201 provides that for so long as the Investor is classified as a promoter of the Company, it shall have the right to request the Company to provide it with such information that is reasonably necessary for the Investor to file its tax returns or in connection with any tax audit / assessments. Further, given that the Investor will acquire 'control' over the Company, such information rights are also required for the Investor to consolidate the Company's financial results with its own financials, for financial reporting purposes under applicable accounting standards and regulatory requirements. Therefore, there is no ambiguity that the information required to be provided to the promoter shall be either the same information as provided to other shareholders or information required towards discharge of legal obligations (such as filing of tax audits), all of which are recognized as legitimate under Indian laws including Regulation 3(1) of the PIT Regulations.

- D. It is reiterated that the information rights of the Investor (including its right to share information with its affiliates subject to compliance with applicable laws) will come into effect upon categorisation of the Investor as a promoter of the Company, and will continue only till the time the Investor remains a promoter of the Company. Accordingly, such information rights are specifically based on the Investor's classification as a promoter of the Company (and not based on any shareholding thresholds) and is in furtherance of the stated objectives of the proposed transaction, where IHC will, in its capacity as a strong institutional promoter, exercise control, provide effective stewardship, long-term stability, access to global best practices, and enhanced oversight/ corporate governance frameworks.

In conclusion, the proposed investment and collaboration with IHC is significant for supporting the Company in its next phase of growth and development. The grant of special rights to the Investor (which is an affiliate of IHC) is a key element of the proposed investment and the denial of such rights could adversely impact the Investor's ability to adequately steer the Company towards its next phase of growth and development for the benefit of all stakeholders and adversely impact the ability of the Company to fully realise the intended benefits of the partnership with IHC. In fact, the special rights of the Investor (including its Board and committee nomination rights) will result in a long-term shareholder voice on the Board, ensuring stability for the Company and signifying IHC's structural commitment as a long-term strategic investor and globally renowned institutional promoter.

We accordingly sincerely urge you to re-consider your recommendations on the above resolution based on the above explanation and issue a revised report with amended recommendation, under intimation to us. Further, we request you to share our responses with all your subscribers and persons to whom the original Report has been circulated.

Thanking you,
Yours faithfully,

For Sammaan Capital Limited
(Formerly known as Indiabulls Housing Finance Limited)

AMIT
KUMAR JAIN

Digitally signed by
AMIT KUMAR JAIN
Date: 2025.10.22
20:58:40 +05'30'

Amit Jain
Company Secretary