

Sammaan Capital Ltd — 13 Oct 2025 Credit Rating Summary

Section	Details
Agency	CRISIL Ratings
Rating Change	AA (Stable) → AA (Placed on Rating Watch with Developing Implications) ; No notch movement yet, but outlook shifted to "Watch."
Outlook	Watch Developing (Previous: Stable)
Key Drivers of Change	<ol style="list-style-type: none"> Strategic Acquisition: IHC (Abu Dhabi) to invest ₹8,850 Cr for up to 63.4% stake, triggering Board control. Capital Fortification: Post-infusion, networth (currently ₹22,106 Cr) will jump ~40%, drastically lowering leverage. Legacy Cleanup: Massive ₹4,050 Cr one-time provision in FY25 to de-risk legacy wholesale book, leading to a cleaner but loss-making FY25. Business Pivot: Shifting to asset-light co-lending; Retail AUM now 73% of total (₹62,378 Cr).
Rated Instruments	<ul style="list-style-type: none"> Bank Loans: ₹24,549.98 Cr
Key Observations	<p>(+) Strong Capitalization: Tier-1 CAR at 26.8% (June '25) with healthy coverage for asset-side risks.</p> <p>(+) Liquidity: ₹9,193 Cr in cash/MFs vs. debt repayments, covering 90-100% of obligations through Feb 2026.</p> <p>(+) Retail Quality: Mortgage GNPA remains stable at 1.06%.</p> <p>(-) Wholesale Risk: Commercial credit GNPA is high at 5.88%; legacy accounts carry "B/BB" median ratings.</p> <p>(-) FY25 Performance: Reported consolidated loss of ₹1,807 Cr due to fair valuation/provisions.</p> <p>(-) Execution Risk: Success of the new 60:40 Housing/LAP co-origination model is not yet seasoned.</p>
Investor Impact	<ul style="list-style-type: none"> Growth: IHC entry provides massive "dry powder" to scale AUM to targeted ₹15,000 Cr by FY27. Margins: Shift to fee-based co-lending (off-balance sheet) should improve ROA as credit costs stabilize. Leverage: Significant equity cushion reduces solvency risk but suggests potential RoE compression in the short term. Dilution: The ₹8,850 Cr infusion is a major dilution event but replaces "promoter-less" uncertainty with a global sovereign-linked backer.
Agency / Cross Analysis	<p>Same Agency: CRISIL maintained the 'AA' rating despite a ₹1,807 Cr loss in FY25. This indicates the agency views the loss as a "proactive cleanup" rather than a fundamental credit decay. The move to "Watch Developing" (instead of an immediate upgrade) suggests CRISIL is waiting for regulatory approvals (RBI/SEBI) and clarity on how the "Sammaan" brand integrates with the IHC group identity and support framework.</p>
Final Inference	<p>Real Improvement: The rating action is a major positive signal. The "Watch" is likely a precursor to an upgrade once the IHC capital hits the balance sheet. This marks the end of the "Indiabulls" legacy risk and the start of a well-capitalized, institutional-backed growth phase.</p>