



PRESS RELEASE

17th October, 2024

We read in [LiveMint](#) regarding a statement attributed to Quantum Mutual Fund and made to the honourable judges of NCLAT New Delhi that Sebi is "hand in glove" with ICICI Bank and ISEC in the delisting proposal.

We have filed an Affidavit in NCLAT to clarify our position that we have **never** alleged any collusion between SEBI and ICICI Bank and ISEC – this is crystal clear from our pleadings before the NCLT, Mumbai and NCLAT, New Delhi.

But, yes, we are unhappy with SEBI's approach to fight on behalf of millions of retail investors.

We note that SEBI, as a regulator, demands transparency from entities it regulates but has chosen to refuse to divulge in the public domain the Regulation 37 exemption letter issued to ICICI Bank on June 20, 2023. This, in our opinion, is detrimental to the rights of minority shareholders whom SEBI is mandated to protect particularly since this has monetary ramifications for millions of retail investors who (directly or via the mutual funds they may have invested in) are shareholders of ICICI Securities.

Furthermore, as has been indicated in the judgement of the honourable NCLT, Mumbai we note that Sebi has refused to protect the interest of minority shareholder rights and clarify to the honourable NCLT that the voting on March 27, 2024 for the proposed delisting should be treated as null and void, as this entire voting process was hijacked via a questionable outreach exercise from ICICI Bank - which SEBI has termed 'inappropriate' multiple times. Furthermore, SEBI's letter to ICICI Securities on June 6, 2024 noted that *"sharing of shareholders' information by your company with ICICI Bank is not appropriate and against the spirit of the Companies Act that, inter alia, upholds shareholders' privacy. Your company, thus, failed to maintain the privacy of personal data of minority shareholders."*

SEBI as a referee should blow the whistle and disallow the 'we won the vote' claim of ICICI Bank and, at the very least, ask for a new vote.

Despite our unhappiness, we continue to have faith that SEBI, as a regulator, will do the correct thing and take steps to ensure that the monetary interests of millions of retail investors will be protected.

We further recognise that no other fund house was willing to step up to the plate and protect the interests of their unit owners giving an impression that everything is "compliant" – we leave it to unit owners of those fund houses to decide whether their funds acted in the best interests of the unit owners which owned shares in ICICI Securities.

The stance of Quantum Mutual Fund and our commitment to serve the interests of our unit owners has been articulated in the '[Letter from our Founder](#)' which was emailed to our investors.

Our sole purpose of filing an appeal at NCLAT was for SEBI to clarify the stated doubt in the judgement of the honourable NCLT about the interpretation of SEBI's June 6, 2024 letters to ICICI Bank and ICICI Securities wherein we have appealed to SEBI to confirm that the first vote on March 27, 2024 was "vitiating" and, therefore, to direct ICICI Bank to hold a fair and honest 2nd vote.

In summary, despite our frustration at the inaction by SEBI, at no point in time did we ever consider that Sebi is "hand in glove" with ICICI Bank or ICICI Securities. Regulators can make errors and this reported "hand in glove" remark is certainly neither a statement nor a mindset to be attributed to Quantum Mutual Fund.

We wish to place the above on record and reiterate that it is not our case that SEBI is 'hand in glove' with ICICI Bank and ISEC.

Place : Mumbai

Date : October 17, 2024