GAJA ALTERNATIVE ASSET MANAGEMENT LTD

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IPO Report

19th Aug 26

Snapshot

Company is a well-established alternative asset management company, in terms of vintage, with 20 years of experience. Company act as an investment manager to India focused funds, including category II and category I alternative investment funds (“**AIFs**”) and also act as advisors to offshore funds, which provide capital to companies in India. Company is an experienced, independent and home-grown alternative asset management company (“**AMC**”). With over two decades of experience in alternative asset management, company have navigated various investment cycles across the funds managed and advised by company. As an independent alternative AMC, company is not sponsored or owned by any financial institution, corporate group, or global firm and its ownership structure is predominantly held by its leadership team.

VALUATION

Company is bringing the issue at price band of Rs 152-160 per share at p/b multiple of 28x on post issue FY26 basis.
Company is well established alternative AMC with a differentiated business model focused on driving the enterprise value of Company. Company has proven track-record of delivering consistent performance across the Gaja Capital Funds; Company’s Focus on the high-growth alternative asset management industry in India with significant headroom to scale &Invest-and-collaborate approach with a key focus on value addition to portfolio companies of the Gaja Capital Funds. Company’s Long-standing and well-established industry relationships with a diverse global investor base across the Gaja Capital Funds. Hence, we recommend “Subscribe” to issue.

Price Band (Rs./Share)	**152-160**
Opening date of the issue	**19th Aug ‘2026**
Closing Date of the issue	**21st Aug ’2026**
No of shares pre issue	11,28,85,230 Eq Shares
Issue Size	Rs 550 Cr
Fresh Issue	Rs 450 Cr
OFS	Rs 100 Cr
Face Value (Rs/ share)	Rs 5/share
Bid Lot	93
BIDDING DETAILS	
QIBs (Including Anchor)	75% of the offer (Approx 1,71,87,500 eq Shares)
Non-Institutional	15% of the offer (Approx 51,56,250 eq Shares)
Retail	10% of the offer (Approx 1,20,31,250 eq Shares)
Employee Reservation	3,43,75,000 Eq Shares
Lead managers	JM Financial, IIFL Capital Services Ltd
Registrar to the issue	MUFG Intime India Pvt Ltd

WHAT WE LIKE

Well-established alternative AMC with a differentiated business model focused on driving the enterprise value of Company

With 20 years of experience in alternative asset management, company have demonstrated a consistent track record of company’s investment management and advisory capabilities. Company’s investment approach has developed with its experience across its Prior Investments and the Gaja Capital Funds and has helped company navigate externalities such as the 2008 global financial crisis, demonetization in 2016, the liquidity crisis in the non-banking financial sector in 2018 and the COVID-19 pandemic.

Focus on the high-growth alternative asset management industry in India with significant headroom to scale

Alternative investment products are among the fastest growing managed investment products in India and over the past few years alternative investment funds have become one of the key segments in private markets in India. Between Fiscals 2019 and 2026, alternative investment fund commitments have been growing at a steady pace, registering approximately 29.2% CAGR, with a total commitment of ₹16.90 trillion as of March, 2026. The AIF segment is expected to remain one of the fastest growing managed products categories over the next few years as more institutional investors, ultra-high net worth individuals (“**UHNIs**”) and high net worth individuals (“**HNIs**”) seek out differentiated products that provide them an option to generate better returns on their investments .

Invest-and-collaborate approach with a key focus on value addition to portfolio companies of the Gaja Capital Funds

Company’s self-serve platform is intuitive and offers an efficient user experience for Merchants. According to the Redseer Report, smaller and individual retailers lacking the technical know-how to build a website, rely on direct communication to receive orders. Complatform is easy to use, with 96.73% of company’s Merchant onboarding was completed without any intervention from its support team for the Core Business in Fiscal 2026. This removes the need for extensive external support.

COMPANY BACKGROUND

Company derive its income primarily from three income streams (i) Management Fee; (ii) Carried Interest; and (iii) Income from Sponsor Commitment. The chart below sets forth the breakdown of company's income streams:

i ***Management Fee***: It is the fee that company receive for providing management and advisory services to funds. Company's Management Fee is a function of the size of a fund and is applicable on the capital committed/invested by external investors to the funds.

ii ***Carried Interest***: It is the performance linked share of profits generated by the funds managed and advised by company and is a function of the respective funds' net IRR. Carried Interest is calculated on a fund as a whole and not on an investment-by-investment basis.

iii ***Income from Sponsor Commitment***: These gains are the capital gains earned on company's capital commitment as a sponsor to the funds managed and advised by company and are a function of the gross Multiple on Invested Capital ("**MOIC**") of a fund.

All the income generated from the funds managed and advised by company, across the three income streams, is received in its entirety by company. Company's objective has been to capture the economic value generated by the funds managed and advised by company within Company, with the goal of enhancing its enterprise value and strengthening its balance sheet.

On the expenditure side, team compensation forms a substantial share of company's expenses and other major expenses include its fund-raise and business development costs. Company's business has demonstrated significant operating leverage and efficiency through consistent improvement in profit margins and between Fiscals 2024 to 2026, its PAT Margins have improved from 43.04% to 51.94%. Company's operating leverage comes from a calibrated growth in its employee base and management of expenses, while company's operating efficiency is a result of low cost of fund raising and leveraging equity ownership as a tool to compensate a majority of company's senior leadership..

OBJECTS OF OFFER

The Offer comprises the Fresh Issue of Equity Shares of face value ₹5 each, aggregating up to ₹4,500.00 million by Company and the Offer for Sale of Equity Shares of face value ₹5 each aggregating up to ₹1,000.00 million by the Selling Shareholders, cumulatively aggregating up to ₹5,500.00 million.

Objects of the Offer

Company proposes to utilize the Net Proceeds towards funding the following objects:

1. Investing towards company's Sponsor Commitments to certain existing and new funds and for repayment of the Bridge Loan Amount in the manner set forth below:

a) Investing towards company's balance Sponsor Commitment to the following constituent funds of Fund IV and for repayment of the Bridge Loan Amount:
i)Gaja Capital India Fund 2020 LLP;
ii)Gaja Capital India Fund 2021 *(formerly known as Gaja Capital India Fund 2020)*; and
iii) Bridge Loan Amount.

b) Investing towards company's Sponsor Commitment to the proposed Fund V; and
c) Investing towards company's Sponsor Commitment to the Secondaries Fund.

General corporate purposes.

RISKS

Company's total income is dependent on the performance of the funds managed and advised by company. Company derive its total income from Management Fee, Carried Interest and Income from Sponsor Commitment and its total income during Fiscals 2026, 2025, and 2024 included Management Fee from the funds managed and advised by company and was 38.07%, 46.65% and 72.96% of company's total income, respectively.

Source:RHP

Consolidated Financials

(Rs in Mn)

Financials	FY24	FY25	FY26
Total Revenue (A)	956.40	1219.99	1355.31
Total Expenditure (B)	463.87	611.9	634.79
EBIDTA	492.53	608.09	720.52
EBIDTA Margin	51.50	49.84	53.16
Other Income	83.20	13.08	222.66
Depreciation	14.42	23.85	28.97
EBIT	561.31	597.32	914.21
Interest	11.52	8.95	40.12
PBT	549.79	588.37	874.09
Share of profit in Asso	0.00	0.00	0.00
PBIT	549.79	588.37	874.09
Exceptional	0.00	0.00	0.00
PBT	549.79	588.37	874.09
Tax	102.37	-31.14	54.50
PAT	447.42	619.51	819.59
NPM	46.78	50.78	60.47
ROE%	13.40	15.31	13.13
EPS	7.17	5.71	4.28
Eq Cap	0.21	0.21	564.43
Net Worth	3,339.52	3,934.62	6,133.49

(Source: RHP)

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