Retail Research	IPO Note
Sector: Capital Markets - AMC	Price Band (Rs): 152 – 160
17th August 2026	Recommendation: SUBSCRIBE for Long Term

Gaja Alternative Asset Management Ltd.

Company Overview:

Gaja Alternative Asset Management Ltd. (GAJA) is an alternative asset manager with over two decades of experience in managing India-focused funds, comprising category I and II alternative investment funds (AIFs), as well as offshore funds investing in India. The company primarily invests in sectors including education, energy and environment (EEE), financial services, consumer and digital technology, with a differentiated investment approach focused on the mid-market segment. The mid-market category comprises deal size of Rs 50-250 cr. The LPs (Limited Partners) of Gaja Capital Funds are spread across 20+ countries including India, the US, Europe and the Middle East. As of Mar'26, total income-generating capital stood at ~Rs 3,162 cr across Gaja Capital Fund II, III and IV. GAJA derives its income primarily from three income streams (i) management fee; (ii) carried interest; and (iii) income from sponsor commitment. The company has committed ~Rs 274 cr as sponsor commitment, representing ~6.4% of the total size of the Gaja Capital Funds as of Mar'26.

Key Highlights:

1. Strong track-record: As of Mar'26, the Gaja Capital Funds had completed 28 investments across core sectors of EEE, financial services and consumer. All prior investments (deals between 2005-07 aggregating to ~Rs 21 cr) have been fully realized with an MOIC (Multiple on Invested Capital) of ~5.6x. Fund II has fully realized its investment from 5 out of its 8 portfolio companies (with partial realization from the other three portfolio companies) with an MOIC of ~3.8x. Fund III, formed in 2015 and deployed by 2020 has 10 investments and is in its exit phase with two partial realizations as of Mar'26. GAJA has raised Fund IV in 2021 with additional focus on the technology sector. As of Mar'26, GAJA has made 6 investments from Fund IV, deploying ~62% of the total fund capital.

2. Hands-on investment approach: GAJA follows an invest-and-collaborate approach with a key focus on value addition in the portfolio companies of the Gaja Capital Funds. The strategy incorporates an active engagement model and focuses on value addition through active participation in boards, governance, fund raising and strategic or financial sale. Post Gaja Capital Funds' investment in a portfolio company, the operating team, comprising four professionals, works alongside the management team of the portfolio companies to executes a scale and transformation plan across four key support areas: (i) product, (ii) sales, (iii) human resources, and (iv) financial management.

3. Long-standing and well-established industry relationships: The company has access to a diversified global investor base including fund of funds managers, alternative asset managers, HNI, UHNIs, sovereign wealth funds, pension funds, insurance companies and family offices. The wide investor base helps raise multiple funds with a consistent increase in the size of the Gaja Capital Funds. ~63.4% of total capital commitments have been raised from outside India. These relationships provide GAJA with a competitive advantage in identifying transactions, securing investment opportunities and generating returns in an industry with significant barriers to entry.

Valuation: GAJA is a homegrown alternative investment manager with experience in mid-market private equity investments across sectors including education, energy and environment (EEE), financial services, consumer and digital technology. Between FY24-FY26 Revenue/PAT/Core PAT have grown at CAGR of ~19%/~35%/~27%, respectively. We believe the Indian Alternative Investment industry is at a nascent stage with long runway for growth, underpinned by positive stance from the regulators and increased alternatives adoption among domestic institutional, HNI and UHNI investors. GAJA earns higher management fees (190 bps in FY26) than MF players (52-37 bps), showcasing superior unit economics of the business model, which successfully monetizes alternative strategies and long-term capital commitments. At the upper price band, GAJA is valued at FY26 P/E multiple of 22.0x and P/B multiple of 3.0x. We believe GAJA is attractively priced for the underlying business model and industry tailwinds. We recommend investors to SUBSCRIBE to the issue for long-term investment horizon.

Issue Details	
Date of Opening	19th August 2026
Date of Closing	21st August 2026
Price Band (Rs)	152 – 160
Issue Size (Rs cr)	550
Fresh Issue (Rs cr)	450
Offer for sale (Rs cr)	100
Issue Size (No. of shares)	3,43,75,000
Face Value (Rs)	5.0
Post Issue Market Cap (Rs cr)	2,166 – 2,256
BRLMs	JM Financial Ltd., IIFL Capital Services Ltd.
Registrar	MUFG Intime India Pvt. Ltd.
Bid Lot	93 shares and in multiples thereof
QIB shares	50%
Retail shares	35%
NIB shares	15%

Objects of Issue

Particulars (Rs cr)	Estimated utilization from net proceeds
Investing towards the sponsor commitments to certain existing and new funds and for repayment of the Bridge Loan Amount	372.0
General corporate purposes*	-
Net proceeds from fresh issue*	-

Shareholding Pattern

Pre-Issue	No. of Shares	%
Promoter & Promoter Group	8,01,79,559	71.0
Public & Others	3,27,05,671	29.0
Total	**11,28,85,230**	**100.0**

Post Issue @ Upper Price Band	No. of Shares	%
Promoter & Promoter Group	7,64,70,184	54.2
Public & Others	6,45,40,046	45.8
Total	**14,10,10,230**	**100.0**

Selling Shareholders (OFS)	Classification	Rs cr.
Ranjit Jayant Shah jointly held with Mona Ranjit Shah	Promoter	29.4
Imran Jafar	Promoter	20.0
Sudesh Jain jointly held with Gopal Jain	Promoter	10.0
Sanjay Hiralal Patel	Public	18.8
Anshuman Goyal	Public	9.4
Abhinav Jain	Public	5.0
Sushane Chopra	Public	5.0
Suparna Kumar	Public	2.5
Total		**100**

Source: RHP, SBICAP Securities Research

Key Financials

Particulars (Rs cr)	FY24	FY25	FY26
Revenue from Operations	96	122	136
Core Operating Income	49	61	72
PAT	45	62	82
Income Generating Capital	3,266	3,238	3,162
Management Fee Yield (bps)	232	178	190
Carried Interest Yield (bps)	56	199	239
Revenue Yield (bps)	293	377	429
Operating Yield (bps)	151	188	228
PAT Yield (bps)	137	191	259
Core PAT Yield (bps)	116	187	193
RoE (%)	15.6	17.2	16.5
P/E (x)*	40.4	29.2	22.0
P/BV (x)*	5.4	4.6	3.0

Source: RHP, SBICAP Securities Research
****Pre-issue based on upper price band***
Note: Yields are calculated on Income-generating Capital

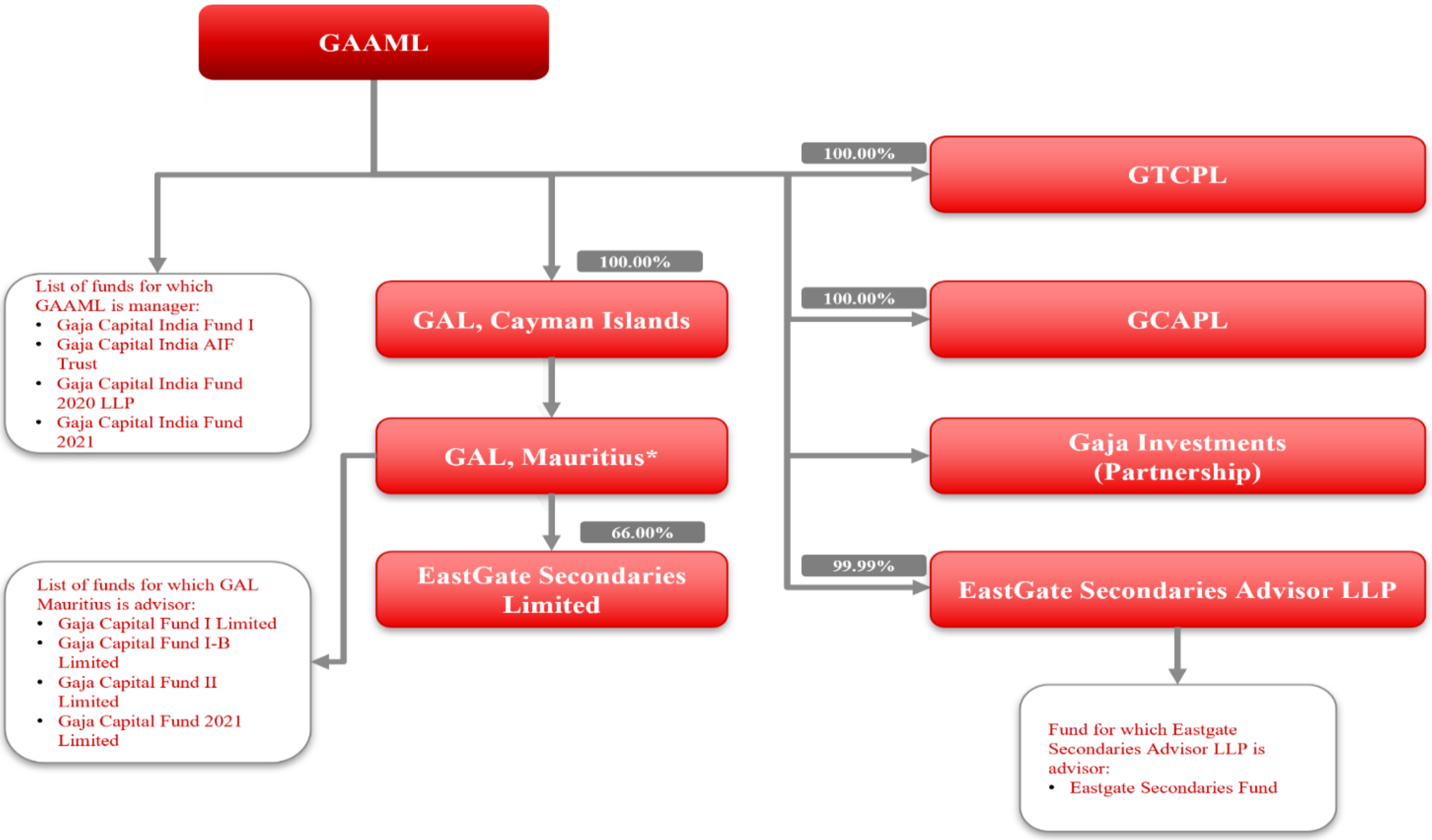
Risk Factors

- **Underperformance risk:** The performance of funds is critical to retaining existing capital commitments and attracting new capital commitment which is an important factor in revenue growth. As revenue is largely dependent on the value and composition of AUM, any decrease in those aspects of AUM will likely result in a decline in revenue.
- **Illiquidity risk:** Since the company primarily invests in illiquid early-stage companies, any market downturn may lead to a protracted fund realization. This may significantly impact carried interest realization. Further, the pace of distributions from a particular fund also affects revenue growth.
- **Failure to retain key personnel:** The business is highly dependent on existing Key Managerial Personnel (KMP), Senior Management and the investment team for their ability to provide strategic direction and to manage operations and meet future business challenges. The inability of GAJA to attract or retain such persons could adversely affect its business.
- **Regulatory risk:** The company operates under a stringent regulatory regime, and any inability to comply with legal and regulatory obligations may expose it to regulatory proceedings and legal actions by the Securities and Exchange Board of India (SEBI), the MCA, the RBI, etc. Also, the company has operations in foreign countries through its subsidiaries in Cayman Islands and Mauritius, which exposes GAJA to risks inherent to operations in foreign jurisdictions.
- **Minority ownership risk:** The funds managed and advised by GAJA typically make minority investments which leads it to invest in portfolio companies that they do not control. Any adverse business decisions by the management of such portfolio companies may lead to a fund's underperformance and consequently lower returns resulting in lower carried interest and income from sponsor commitment.

Growth Strategy

- Drive enterprise value growth by leveraging its business model and delivering on key value drivers such as fund size, return generated, fund performance, etc.
- Capitalize on the growth of the AIF segment and deepen focus on high-growth sectors in the mid-market segment.
- Strengthen its employee value proposition to continue to attract and retain talent.
- Enhance investor reach in India and globally and strengthen industry relationships.

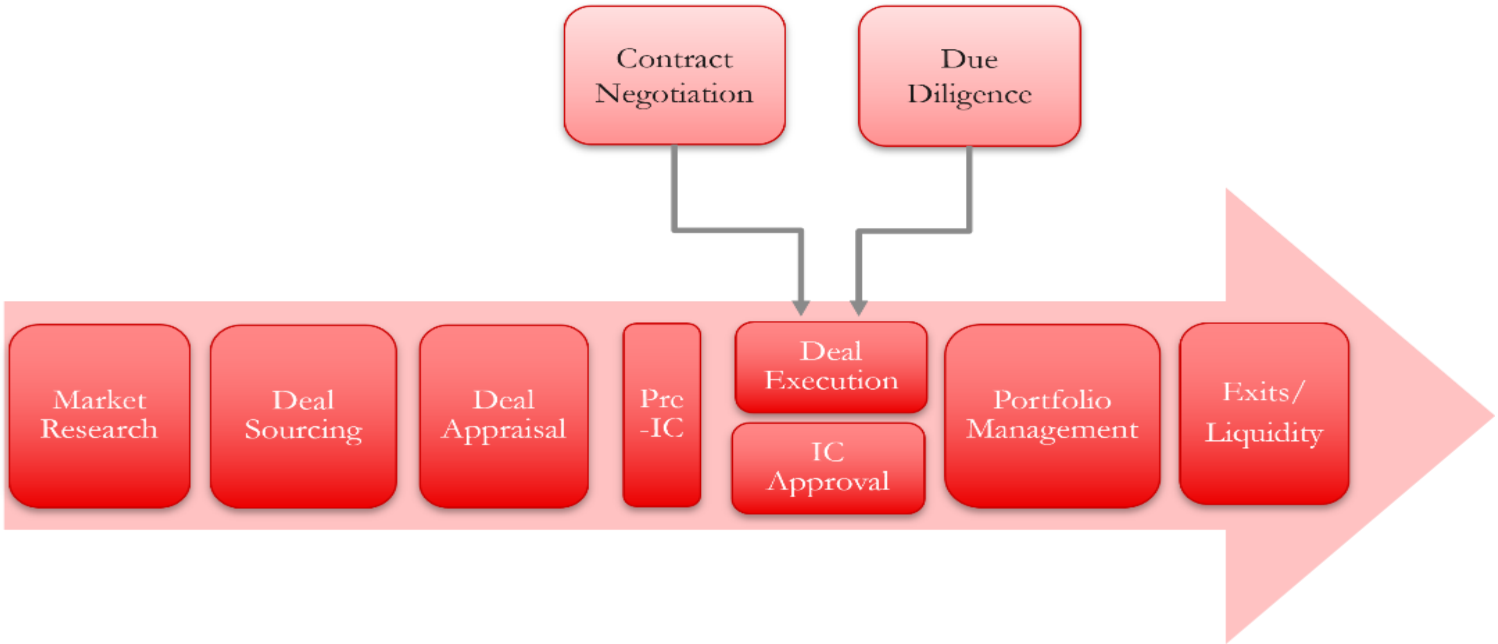
Corporate Structure



Note: GAAML: Gaja Alternative Asset Management Limited (Our company), GAL: Gaja Advisors Limited, GCAPL: Gaja Corporate Advisors Private Limited, GTCPL: Gaja Trustee Company Private Limited
**GAL, Cayman owns 100% of the management share (representing 100% voting rights) of GAL, Mauritius. Economic interest in each fund is represented through separate class of shares (non voting). GAL, Cayman owns 95.04%, 100% and 100% of Class A, Class B and Class B1 representing economic interest in Fund II, III and IV respectively.*

Source: RHP, SBICAP Securities Research

Investment Process

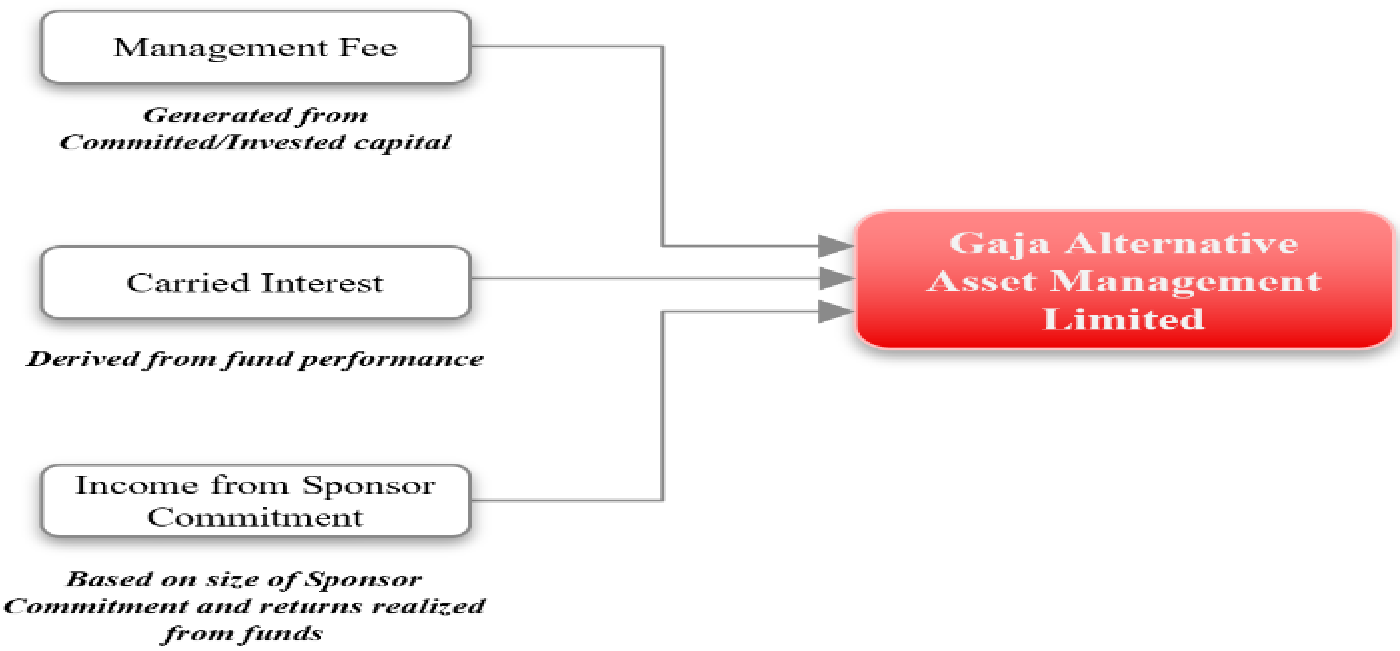


Source: RHP, SBICAP Securities Research

Global Investor Network

Source: RHP, SBICAP Securities Research

Revenue Streams



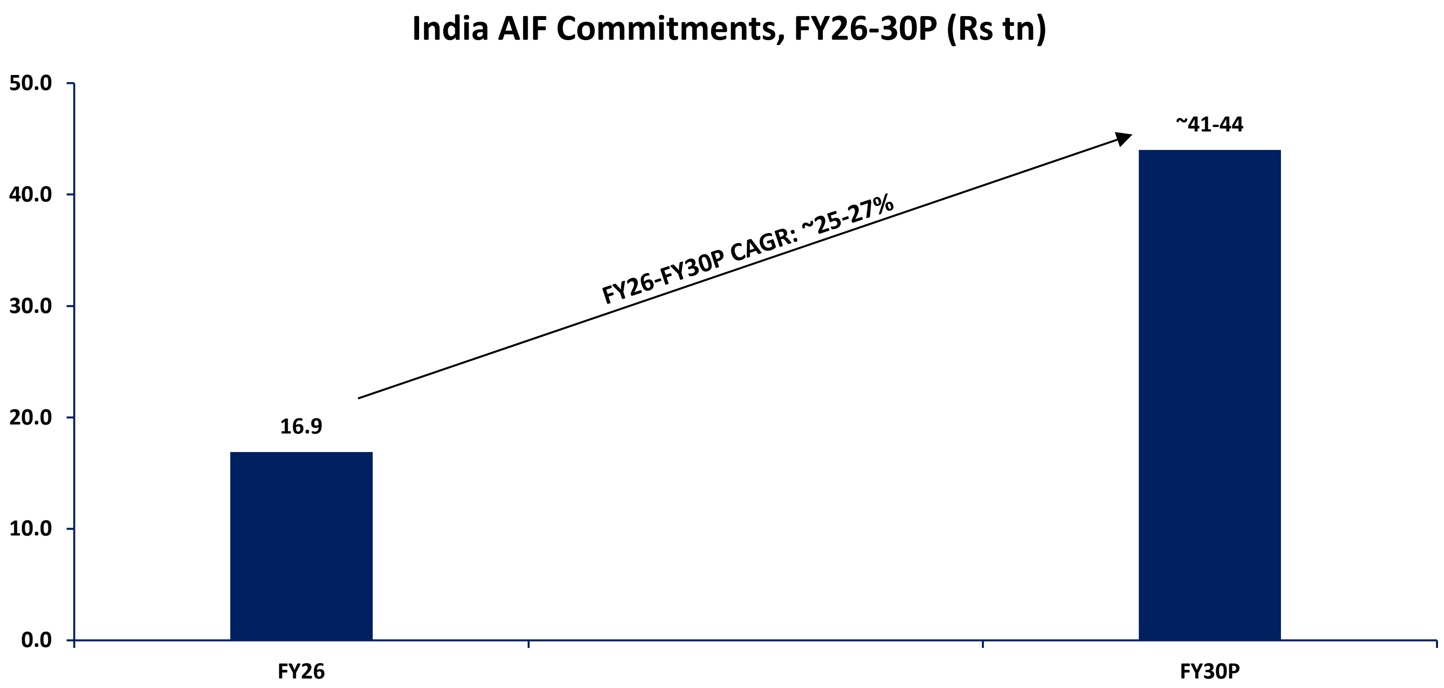
Source: RHP, SBICAP Securities Research

Gaja Capital Funds Overview

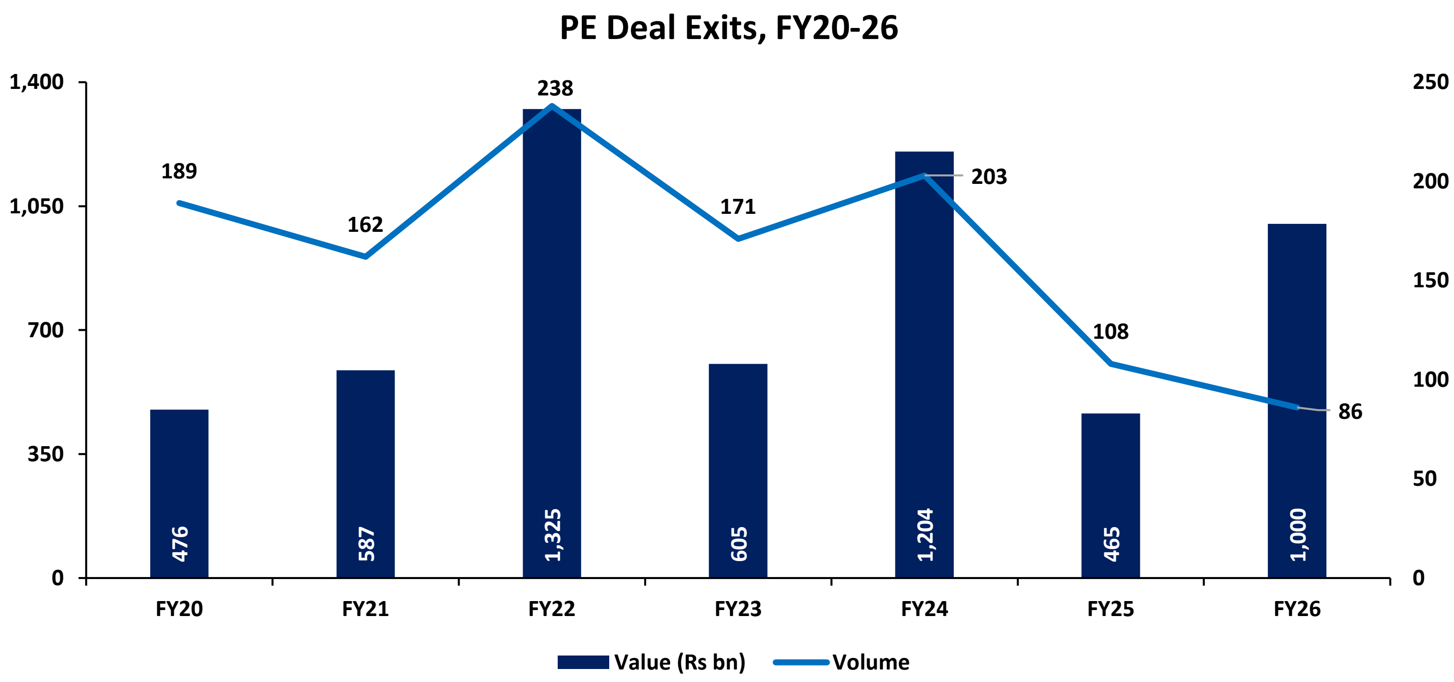
Fund Name (Vintage)	Fund Size (Rs cr.)	Sponsor Commitment (Rs cr.)	Current Status	MOIC (x)	IRR (%)
Prior Investments (2005)	NA	210.9	Deployed and fully realized	5.6	NA
Fund II (2007)	9,024	540.0	Deployed and largely realized	3.8	18.6
Fund III (2015)	15,984	700.0	Deployed and partially realized	1.9	9.4
Fund IV (2021)	17,750	1,500.0	Under deployment and unrealized	1.7	27.9

Note: MOIC refers to gross Multiple on Invested Capital; Source: RHP, SBICAP Securities Research

Industry Overview



Source: RHP, SBICAP Securities Research



Source: RHP, SBICAP Securities Research

Peer Comparison (FY26)

Particulars (Rs cr)	Gaja Alternative Asset Management Ltd.	ICICI Prudential AMC Ltd.	HDFC AMC Ltd.	Nippon Life India Asset Management Ltd.	ABSL AMC Ltd.
CMP	160	3,100	2,491	1,176	1,010
Mkt Cap.	2,256	1,53,242	1,06,826	75,247	29,211
Revenue	136	5,765	4,122	2,709	1,845
PAT	82	3,298	2,859	1,528	975
PAT Margin (%)	60.5	57.2	69.4	56.4	52.8
Revenue Yield (bps)	429	52	44	37	42
P/E (x)	27.5	46.5	37.4	49.2	30.0
RoE (%)	16.5	79.1	31.0	32.8	24.1

For Gaja Alternative Asset Management Ltd., the Market cap, P/E(x) is calculated on post-issue equity share capital based on the upper price band.

****CMP is closing price as of 17th Aug’26.***

Source: RHP, SBICAP Securities Research

Financial Snapshot

INCOME STATEMENT			
Particulars (Rs cr)	**FY24**	**FY25**	**FY26**
Management Fees	76	58	60
Carried Interest	18	64	75
Other Core Revenue	1	0	0
Revenue from Operations	96	122	136
Operating Expenditures	46	61	63
Fees and commission expense	-	-	-
Employee Expense	22	29	35
Other Expense	25	33	28
Core Operating Income	49	61	72
Other Income	8	1	22
Depreciation	1	2	3
Finance Cost	1	1	4
Profit Before Tax	55	59	87
Tax	10	(3)	5
Tax Rate (%)	19	(5)	6
Profit After Tax	45	62	82
Core PAT	38	61	61
Reported EPS (Rs)	4.0	5.5	7.3

BALANCE SHEET			
Particulars (Rs cr)	**FY24**	**FY25**	**FY26**
Shareholders' Fund	**332**	**389**	**607**
Share capital	0	0	56
Reserves and Surplus	332	389	550
Non-controlling Interest	2	4	7
Non-current Liabilities	**39**	**37**	**44**
Financial Liabilities	6	8	16
Other Non-current Liabilities	33	29	28
Current Liabilities	**15**	**22**	**49**
Financial Liabilities	12	17	45
Other current liabilities	2	4	3
Provisions	1	1	1
Total Equity and Liabilities	**389**	**452**	**706**
Assets			
Non-Current Assets	**270**	**251**	**384**
Property, plant and equipment	2	1	2
Right of use assets	5	5	10
Intangible assets	0	0	0
Capital works-in-progress	-	-	4
Goodwill	0	0	0
Investments	251	238	360
Other financial assets	1	1	1
Non-current tax assets (net)	2	-	-
Other non-current assets	9	7	5
Crrent Assets	**118**	**200**	**323**
Financial assets	102	189	300
Other current assets	16	5	17
Current tax assets (net)	-	6	6
Total Assets	**389**	**452**	**706**

RATIOS			
Particulars	FY24	FY25	FY26
Profitability			
Return on Assets	13.2%	14.7%	14.2%
Return on Equity	15.6%	17.2%	16.5%
Margin Analysis			
Management Fee Yield (bps)	232	178	190
Carried Interest Yield (bps)	56	199	239
Revenue Yield (bps)	293	377	429
Operating Yield (bps)	151	188	228
PAT Yield (bps)	137	191	259
Core PAT Yield (bps)	116	187	193
EBITDA Margin (%)	51.5	49.8	53.2
Net Profit Margin (%)	46.8	50.8	60.5
Valuation Ratios*			
P/E (x)	40.4	29.2	22.0
P/B (x)	5.4	4.6	3.0

Valuation ratios are based on pre-issue capital at the upper price band

Note: Yields are calculated on Income-generating capital

Source: RHP, SBICAP Securities Research

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