EAAA India Alternatives Limited

Sector: Alternative Asset Management

Sensex	73,607
Nifty	22,753

Particulars	Detail
Company & sector	EAAA India Alternatives Limited (formerly Edelweiss Alternative Asset Advisors Limited; incorporated 14 May 2008). India-focused alternative asset manager across **Real Assets** and **Private Credit**; part of the Edelweiss group.
Issue size & offer structure	➢ **100% Offer for Sale (OFS)** of up to **₹12,000mn**; no fresh issue. Equity shares of FV ₹5: ➢ **Selling shareholder:** Edelweiss Securities and Investments Private Limited (ESIPL, Promoter). ➢ **Book-built (Reg 6(1) SEBI ICDR):** QIB ≤50% (anchor up to 60% of QIB), NII ≥15%, Retail ≥35%. Minimum bid 9 shares and multiples of 9.
Price band / MCap	➢ ₹1,585–₹1,665 per share. ➢ Post-offer market cap ₹102,478.56mn (floor) to ₹107,650.98mn (cap).
Lead managers & registrar	➢ **BRLMs:** Axis Capital, Jefferies India, Motilal Oswal Investment Advisors, Nuvama Wealth Management. ➢ **Registrar:** MUFG Intime India Pvt Ltd (formerly Link Intime India).
Objects of the issue	➢ Carry out the OFS by the Promoter Selling Shareholder and achieve the benefits of listing (visibility, brand image, liquidity/public market). ➢ EAAA **receives no proceeds**; all proceeds go to ESIPL

Key Dates	
Anchor	Fri 23 Oct 2026
Bid/Offer opens:	Mon 26 Oct
Closes	Wed 28 Oct 2026
Basis of allotment	~Thu 29 Oct
Refunds / demat credit	~Fri 30 Oct
Listing on BSE & NSE	~Mon 2 Nov 2026

Dhananjay Kansara

dhananjay.k@way2wealth.com

Ph: 91-22-6903 2992

1. IPO Snapshot

Pre and post-issue shareholding

Shareholder	Pre-offer shares	Pre %	Post @ floor	%	Post @ cap	%
ESIPL (Promoter; selling shareholder)	57,916,502	89.58	50,345,525	77.87	50,709,295	78.43
Promoter group (Edelweiss Rural & Corporate Services 4.97%; Edelweiss Investment Adviser 0.48%)	3,523,744	5.45	3,523,744	5.45	3,523,744	5.45
Top-10 public shareholders (each ≤0.46%)	2,580,000	4.01	2,580,000	4.01	2,580,000	4.01
Other public shareholders (incl. Offer shares)	635,000	0.96	8,205,977	12.69	7,842,207	12.13
Total	**64,655,246**	**100.00**	**64,655,246**	**100.00**	**64,655,246**	**100.00**

Source: RHP, Way2Wealth Research

2. Business Overview

EAAA is one of India's leading alternative asset management platforms, with over 17 years of experience managing long-term capital across diversified alternative investment strategies. The company operates a multi-strategy platform spanning real assets, private credit, and related alternative investment solutions, serving a broad investor base that includes domestic and international institutions, pension funds, insurance companies, banks, family offices, and high-net-worth individuals.

As of June 30, 2026, the company managed assets under management (AUM) of approximately ₹953.4 billion, making it one of the largest alternatives-focused asset managers in India. Its investment strategies provide exposure to sectors such as infrastructure, renewable energy, transportation, real estate, and private credit, enabling investors to participate in opportunities arising from India's expanding economy and growing demand for long-term capital.

The company's operating capabilities are further strengthened by its wholly owned subsidiary, which provides asset management and operational support services, including monitoring, maintenance, efficiency enhancement, and turnaround management of portfolio assets. This integrated approach supports value creation across investments and enhances portfolio oversight.

Business Model

EAAA's model revolves around managing and advising alternative investment funds, generating revenue through three primary streams:

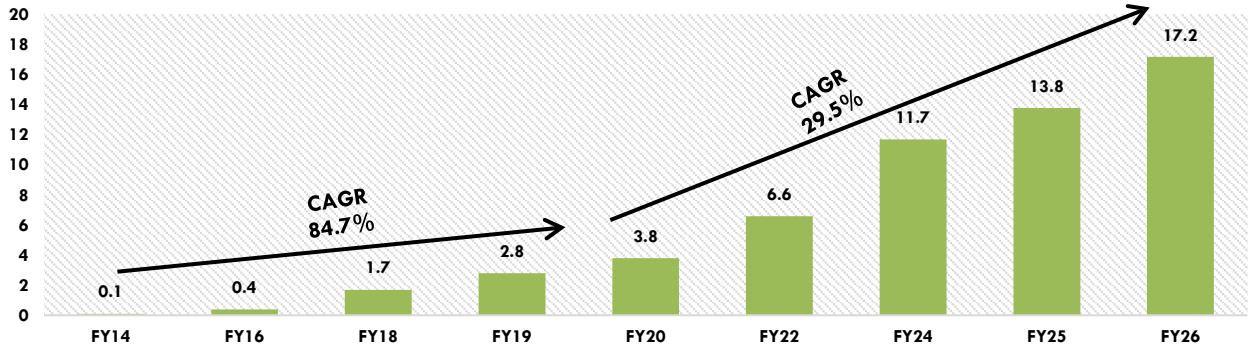
- **Management and Advisory Fees:** This is a notably stable revenue stream largely stemming from multi-year contractual agreements. The fees are charged for providing management and advisory services and are generally calculated as a percentage of capital committed, capital invested, net asset value (NAV), or gross block.
- **VAR (Variable Additional Return):** This represents performance-based income, generated as an additional variable return on sponsor or general partner commitments once a fund achieves a specified hurdle rate of return for its investors (e.g., at least 1.25 times the hurdle rate). This stream is contingent upon fund performance and realisation events.
- **GP (General Partner) Income:** This is the income earned on the company's own investments in the funds it manages or from co-investing in portfolio companies on the same terms as the primary fund. Using their own capital to invest alongside clients helps align the company's interests with those of its investors.

Key strengths / competitive moat

- **Scale and franchise:** As per CARE, EAAA is the largest Indian alternatives manager by AUM (US$10.1bn) and the second-largest fund-raiser over ten years (US$9.1bn). The top three managers account for ~75% of capital raised by large managers.
- **Multi-strategy yield focus:** One of a handful of managers present across both real assets and private credit; flagship funds in third/fourth vintages constitute >64% of AUM, evidencing re-up across series.
- **Sticky client base:** 77% of AUM comes from repeat clients; institutions are 49.32% of AUM; 8,800 clients added since 1 Apr 2023.
- **Operating platform (Sekura):** Hands-on asset management of 4,586 lane-km of roads, 1,835 circuit-km of transmission lines, 1.73 GW of solar and 3.10mn sq ft of office space; ISO-accredited processes.
- The **moat is relationship**- and track-record-based rather than structural; it depends on continued fund performance and key investment professionals.

Market opportunity & growth drivers

Exhibit 1 – Indian SEBI Registered Alternates Have Grown Rapidly (₹ tn)



Source: RHP, Way2Wealth Research

SEBI-registered alternates (AIFs, REITs and InvITs, with AIFs the bulk) are still relatively underdeveloped in India, which CARE attributes to high minimum investment sizes and attractive returns from traditional asset classes. Capital raised (AIF commitments plus REIT and InvIT funds raised) grew at a 84.7% CAGR over FY14–FY19 on a very low base, and at a 29.5% CAGR over FY19–FY26. Category II AIFs have been the largest source of commitments. CARE expects growth to continue but at a slower pace, with yield and income strategies (private credit and real assets) projected at 16–18% over CY25–CY30 versus 6–8% for private equity.

Market opportunity

- **Market size:** India alternatives AUM was about US$151.9bn in CY25. Private equity was US$101.3bn, real assets US$28.9bn and private credit US$21.8bn.
- **Faster-growing segment:** Yield and income strategies (private credit plus real assets) are projected to grow from US$50.6bn in CY25 to US$112.9bn by CY30F, a 16–18% CAGR. Growth strategies (private equity) are projected at 6–8%. The yield and income share of the market rises from 33% to 42%.
- **Low penetration:** Private credit AUM is about 0.6% of GDP in India against 4–4.5% in developed markets. CARE projects US$26.7bn in CY26F rising to US$56–65bn by CY30F, or roughly 1–1.1% of GDP.
- **Caveat on private credit:** CARE shows India private credit AUM fell from US$24.2bn in CY24 to US$21.8bn in CY25 (−9.9%, D). It attributes this to repayments, exits and changes in deal activity and pricing.
- **Industry depth:** SEBI-registered AIF commitments reached ₹16.9 trn at FY26, about 129x FY14 (~50% CAGR).
- **EAAA's position:** EAAA is the largest Indian alternatives manager by AUM (US$10.1bn). The top three large managers account for about 75% of capital raised.

Growth drivers

- **Infrastructure push:** The Union Budget 2026-27 allocates ₹12.2 trn to infrastructure capex, and infrastructure allocation grew about 21% a year over FY22–FY27. This supports the infrastructure yield funds and the energy transition vertical launched in FY26.
- **Commercial real estate:** The office market is projected to grow from ₹10,707bn in 2025 to ₹21,349bn in 2030, a 13–15% CAGR. This is relevant to the commercial real estate yield funds.
- **Macro backdrop:** CARE projects India GDP growth at a 9.5% CAGR over CY25–CY30.

- **Domestic institutional access:** Regulators are gradually easing allocation limits for domestic institutions. The company calls this unmet demand in the Indian market.
- **Global capital:** EAAA's international clients have committed about US$4.96bn. The company expects US rate cuts to draw more global capital into Indian income and yield strategies.
- **Product expansion:** The company plans to extend income and yield products, including energy transition, and to deepen its client base across geographies.
- **Funding gap:** CARE cites tighter traditional lending standards creating a credit gap for private credit providers.
- **Company traction:** FPAUM grew at 23.43% CAGR over three years, and 77% of AUM comes from repeat clients.

Exhibit 2 – Revenue split & key customer segments

₹ mn	FY24	% of Income	FY25	% of Income	FY26	% of Income	Q1 FY27	% of Income
Management & advisory fees	3,980	68%	4,795	61%	5,791	60%	1,666	50%
Variable Additional Return (accrued)	946	16%	1,907	24%	2,905	30%	1,090	32%
GP income	787	13%	1,021	13%	800	8%	552	16%
Miscellaneous income	130	2%	141	2%	143	1%	54	2%
Total income	5,843	100%	7,865	100%	9,638	100%	3,361	100%
FPAUM (period end)	3,03,980	-	3,38,333	-	4,47,104	-	4,86,232	-
Management fee yield on avg FPAUM	1%	-	1%	-	1%	-	1%	-

Source: RHP, Way2Wealth Research

- **Clients:** 49.32% of AUM institutional (pension funds, insurers, banks) and 50.68% non-institutional (UHNIs/HNIs, family offices, corporates). India clients are 66.20% of AUM at Jun-26 (45.80% at Mar-24); foreign clients 33.80%.
- **Distribution:** 51 distributors/channel partners/offshore RMs at FY26; 80.79% of FY26 funds raised came through distributors (33.75% in Q1 FY27, when InvIT raises via public offer/direct investors dominated). Distributor payouts were ₹2,428.38mn in FY26.

3. Financial Highlights (Restated Consolidated)

Exhibit 3 – Financial Highlights (Restated Consolidated)

₹ mn	FY24	FY25	FY26	Q1 FY26	Q1 FY27
Revenue from operations	4,925.79	6,702.59	8,695.40	1,908.07	2,755.29
Other income	916.73	1,162.84	942.19	208.42	606.01
Total income	**5,842.52**	**7,865.43**	**9,637.59**	**2,116.49**	**3,361.30**
YoY growth	–	34.6%	22.5%	–	58.8%
Employee benefits expense	2,167.20	3,021.13	3,816.46	699.69	1,371.20
of which VAR-related bonus	841.62	1,311.31	1,610.87	131.52	825.03
Total income net of VAR-related bonus	5,000.90	6,554.12	8,026.72	1,984.97	2,536.27
Margin on total income	85.6%	83.3%	83.3%	93.8%	75.5%
EBITDA	2,545.25	3,446.58	4,174.89	959.04	1,200.40
EBITDA margin on total income	43.6%	43.8%	43.3%	45.3%	35.7%
Profit before tax (pre-exceptional)	2,126.90	2,843.07	3,485.16	776.06	1,057.98
PAT	**1,751.60**	**2,297.79**	**2,651.97**	**556.76**	**807.06**
PAT growth	–	31.2%	15.4%	–	45.0%
PAT margin	29.98%	29.21%	27.52%	26.31%	24.01%
Cost-to-income ratio (RHP KPI)	**63.60%**	**63.85%**	**63.84%**	**63.33%**	**68.52%**
Diluted EPS (₹)	27.25	35.75	40.36	8.66	12.29
RoE / RoNW (RHP; Q1 annualised)	27.30%	27.10%	25.97%	22.20%	28.96%

Source: RHP, Way2Wealth Research

Exhibit 4 – Balance Sheet and Cash Flow

₹ mn	Mar-24	Mar-25	Mar-26	Jun-26
Net worth	7,294.81	9,664.52	10,755.36	11,603.84
Total borrowings	4,448.29	5,074.90	4,410.27	3,991.97
Debt-to-equity (x)	0.61	0.53	0.41	0.34
Cash & bank balances	1,883.40	1,743.68	1,880.87	2,473.22
Net debt	2,564.89	3,331.22	2,529.40	1,518.75
Investments – current + non-current	10,384.60	12,253.87	10,819.67	9,277.73
Trade receivables / trade payables	823.34 / 1,883.86	1,201.72 / 1,416.05	1,669.00 / 1,149.90	1,544.56 / 1,177.11
Other non-current assets (all prepaid expenses)	3,293.30	4,030.19	5,298.72	5,648.98
Total assets	17,696.59	20,850.71	21,702.77	21,018.39
Net cash from operations (FY / Q1FY27)	(132.70)	(1,201.69)	2,352.44	1,303.84

Source: RHP, Way2Wealth Research

- **Growth:** total income rose 34.6% in FY25 and 22.5% in FY26 (D); PAT +31.2% and +15.4% (D). FPAUM grew 32.1% in FY26 (D) and 27.4% YoY at Jun-26 (D); the RHP cites a 3-year FPAUM CAGR of 23.43%. Q1 FY27 total income was +58.8% YoY (D), driven by VAR (+86.9%) and GP income (₹552.29mn vs ₹163.69mn).
- **Margins:** PAT margin has compressed from 29.98% (FY24) to 27.52% (FY26) and 24.01% in Q1 FY27 (–5.97 pp over the period, D). Q1 FY27 employee cost nearly doubled YoY (+96.0%, D) on a VAR-related bonus of ₹825.03mn (₹131.52mn in Q1 FY26).
- **Returns and leverage:** RoE is steady at 26–29%; D/E has fallen from 0.61x to 0.34x. Credit ratings are A+ (CRISIL/Acuité/Brickworks) for NCDs/MLDs and bank facilities.
- **Capital return:** FY26 interim dividends of ₹32.00 per share (₹2,056.97mn; ~77.6% of FY26 PAT, D) and ₹9.50 per share (₹610.66mn) declared in July 2026; the RHP states the FY26 quantum is not indicative of policy.

4. Strengths & Positives

- **Scale leader in a niche growing faster than the market:** AUM ₹953.4bn / FPAUM ₹486.2bn; largest Indian alternatives manager by AUM per CARE, operating in yield & income strategies projected to grow at a 16–18% CAGR.
- **Annuity-like fee base:** Management and advisory fees (49.6%–68.1% of income) come from multi-year contracts, with yield stable at 1.43%–1.49% and fee income up ~20.5%/20.8% in FY25/FY26 (D).
- **Re-up across fund series:** Flagship funds in third/fourth vintages are >64% of AUM; 77% of AUM is from repeat clients; 31 clients have committed >₹5,000mn each.
- **Realisation record:** ₹312,329.40mn realised against ₹382,293.99mn deployed over the last three FYs plus Q1 FY27; 140 completed private-credit exits.
- **High returns on modest capital:** RoE 25.97%–28.96%, D/E 0.34x, net debt ₹1,518.75mn (D) against net worth of ₹11,603.84mn; A+ ratings.
- **Prudent VAR recognition policy:** Recognised only after three years and at ≥1.25x hurdle; the company has not reported fund-level losses in the review period.
- **Integrated operating capability (Sekura)** differentiates real-assets execution and supports exits and turnarounds.

5. Risks & Concerns

- **Earnings quality / VAR dependence:** VAR is 30.14% of FY26 income and its cash timing is unpredictable; reversal of accrued VAR would hit profit. VAR-related bonus absorbs 55.5% of FY26 VAR and 75.7% of Q1 FY27 VAR (D).
- **Cash-flow volatility:** Negative operating cash flow in FY24–FY25 (funding GP commitments and distributor payouts); borrowings of ₹3,991.97mn, ₹4,969.96mn of uncalled fund commitments and sponsor commitments of 0.93%–4.61% of fund sizes increase exposure to fund performance.
- **Fund performance and key-person risk:** Underperformance cuts fees, GP income and VAR; Edelweiss Stressed and Troubled Assets Revival Fund-1 (₹2,135.50mn) earned a 10.71% pre-tax IRR against a 12% hurdle and paid no VAR. The top-three funds per vertical are 54.08% of FPAUM.
- **Cyclical / lumpy growth:** Q1FY27 fund raise was dominated by Real Assets (₹124,390.50mn of ₹199,840.50mn, 62.2%, D) via InvITs; CARE shows India private credit AUM fell 9.9% in CY25 (D). Historical growth may not repeat.
- **Distribution dependence and cost:** 80.79% of FY26 funds raised via distributors; payouts of ₹2,428.38mn equal 41.9% of FY26 management fees, pressuring margins.
- **Regulatory and litigation:** AIF regulation and group/promoter exposure to SEBI, RBI and tax authorities. Against the Company: 1 criminal, 5 tax and 1 regulatory matter (₹450.81mn); against Promoters: 28 tax proceedings (₹1,591.64mn); against Directors: 4 criminal and 4 tax matters.
- **Exit-only OFS and overhang:** No money to the company; promoter group retains ~83% post-offer. Foreign clients (33.80% of AUM) add FX and cross-border regulatory risk.

6. Valuation

Exhibit 5 – Valuation And Market Cap

Metric	Floor ₹1,585	Cap ₹1,665	Basis
Market capitalisation (₹ cr)	10,248	10,765	6.4655 cr shares × price
P/E, FY26 actual	38.6x	40.6x	EPS ₹41.02 (PAT ₹265.2 cr)
P/E, Q1FY27 annualised	31.7x	33.3x	EPS ₹49.93; flattered by Q1 GP income and VAR
P/E, FY27E (our base case)	33.6x	35.3x	PAT ₹305 cr; EPS ₹47.2
P/B (Mar-26 NAV ₹163.69)	9.7x	10.2x	Jun-26 NAV ₹176.67: 9.0x / 9.4x
Market cap / AUM | / FPAUM	10.7% | 21.1%	11.3% | 22.1%	AUM ₹95,345 cr; FPAUM ₹48,623 cr (Jun-26)

Source: RHP, Way2Wealth Research

Exhibit 6 – Peer Comparison

Company	Mkt cap (₹ cr)	P/E FY26	P/E FY27E	RoE FY26	Recurring income mix
EAAA at Mcap	**10,765**	**40.6x**	**35.3x**	**26%**	**60% FY26; 50% Q1FY27**
360 ONE WAM	42,780	34.8x	32.2x	14%	~66% ARR
Nuvama Wealth	30,630	29.8x	23.6x	27%	~50% ARR
HDFC AMC	97,842	34.3x	30.6x	33%	Annuity (AUM-linked)
ICICI Pru AMC	1,34,638	40.8x	35.5x	86%	Annuity (AUM-linked)
Gaja Alternative Asset	1,746	27.8x		16%	44% annuity; 56% carry

Source: RHP, Bloomberg, Way2Wealth Research

EAAA's premium on FY26 (40.6x versus 34x) is about 19% on trailing numbers and about 15.7% on FY27E (35.3x versus 30.5x). With the annuity share now at ~50%, we do not think a larger premium is warranted until management fees recover to ~65% of income.

Fair Value and Stance

- **At ₹1,665 (cap, ~35.3x): SUBSCRIBE for the long term,** with muted listing expectations; the cap leaves little margin of safety if VAR normalises.
- **What would change our view:** evidence that Q2FY27 management fees stall while VAR keeps rising.

Disclaimer

Analyst Certification: I, Dhananjay Kansara, the research analyst and author of this report, hereby certify that the views expressed in this research report accurately reflect our personal views about the subject securities, issuers, products, sectors or industries. It is also certified that no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The analyst(s), principally responsible for the preparation of this research report, receives compensation based on overall revenues of the company (Way2Wealth Brokers Private Limited, hereinafter referred to as Way2Wealth) and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

It is confirmed that Dhananjay Kansara, the author of this report has not received any compensation from the companies mentioned in the report in the preceding 12 months. Our research professionals are paid in part based on the profitability of Way2Wealth, which include earnings from other business. Neither Way2Wealth nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information contained in this report.

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. Way2Wealth is not soliciting any action based upon it. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. The contents of this material are general and are neither comprehensive nor appropriate for every individual and are solely for the informational purposes of the readers. This material does not take into account the specific objectives, financial situation or needs of an individual/s or a Corporate/s or any entity/s.

This research has been prepared for the general use of the clients of the Way2Wealth and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient, you must not use or disclose the information in this research in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Way2Wealth will not treat recipients as customers by virtue of their receiving this report. The distribution of this document in other jurisdictions may be restricted by the law applicable in the relevant jurisdictions and persons into whose possession this document comes should inform themselves about, and observe any such restrictions.

The report is based upon information obtained from sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up to date and it should not be relied upon as such. Way2Wealth or any of its affiliates or employees makes no warranties, either express or implied of any kind regarding any matter pertaining to this report, including, but not limited to warranties of suitability, fitness for a particular purpose, accuracy, timeliness, completeness or non-infringement. We accept no obligation to correct or update the information or opinions in it. Way2Wealth or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. The recipients of this report should rely on their own investigations. In no event shall Way2Wealth be liable for any damages of any kind, including, but not limited to, indirect, special, incidental, consequential, punitive, lost profits, or lost opportunity, whether or not Way2Wealth has advised of the possibility of such damages.

This material contains statements that are forward-looking; such statements are based upon the current beliefs and expectations and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. These uncertainties include but are not limited to: the risk of adverse movements or volatility in the securities markets or in interest or foreign exchange rates or indices; adverse impact from an economic slowdown; downturn in domestic or foreign securities and trading conditions or markets; increased competition; unfavorable political and diplomatic developments; change in the governmental or regulatory policies; failure of a corporate event and such others. This is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any particular trading strategy. No part of this material may be copied or duplicated in any form by any means or redistributed without the written consent of Way2Wealth. In no event shall any reader publish, retransmit, redistribute or otherwise reproduce any information provided by Way2Wealth in any format to anyone. Way2Wealth and its affiliates, officers, directors and employees including persons involved in the preparation or issuance of this report may from time to time have interest in securities / positions, financial or otherwise in the securities related to the information contained in this report.

To enhance transparency, Way2Wealth has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report.

Disclosure of Interest Statement: EAAA India Alternatives Limited as on 26 October 2026

Name of the Security	EAAA India Alternatives Limited
Name of the analyst	Dhananjay Kansara
Analysts' ownership of any stock related to the information contained Financial Interest Analyst : Analyst's Relative : Yes / No Analyst's Associate/Firm : Yes/No	NIL No No No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL

This information is subject to change without any prior notice. Way2Wealth reserves at its absolute discretion the right to make or refrain from making modifications and alterations to this statement from time to time. Nevertheless, Way2Wealth is committed to providing independent and transparent recommendations to its clients, and would be happy to provide information in response to specific client queries.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and Enlistment with RAASB/BSE and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.