

**Rating: Subscribe for long term**

### Issue Offer

Total issue size of INR 8402.5 mn. OFS of 29.7 mn shares aggregating upto INR 8402.5 mn.

### Issue Summary

Price Band (INR)	269 – 283
Face Value (INR)	2
Implied Market Cap (INR Bn)	20
Market Lot	53
Issue Opens on	December 19, 2024
Issue Close on	December 23, 2024
No. of share pre-issue	7,06,86,000
No. of share post issue	7,06,86,000
Listing	NSE , BSE

### Issue Break-up (%)

QIB Portion	≤50
NII Portion	≥15
Retail Portion	≥35

### Book Running Lead Managers

Nuvama Wealth Management Ltd

### Registrar

Link Intime India Pvt Ltd

### Shareholding Pattern

	Pre-Issue	Post-Issue
Promoters	45.88%	3.88%
Public & Others	54.12%	96.12%

### Objects of the issue

- The company will not receive any proceeds of the offer for sale by the selling shareholders.

DAM Capital Advisors Limited is an investment bank in India. The company offers a wide range of financial solutions in the areas of: (i) Investment banking comprising equity capital markets (ECM), mergers and acquisitions (M&A), private equity (PE), and structured finance advisory; and (ii) Institutional equities comprising broking and research. The company has successfully executed 72 ECM transactions comprising 27 IPOs, 16 qualified institutions placements, 6 offers for sale, 6 preferential issues, 4 rights issues, 8 buybacks, 4 open offers and 1 initial public offer of units by a real estate investment trust. DAM Capital Advisors Limited has also advised on 23 advisory transactions including M&A; A advisory, private equity advisory and structured finance advisory and has also executed block trades since the Acquisition. The company has provided services to 263 active clients including registered FPIs spread across geographies such as India, USA, UK, Europe, Hong Kong, Singapore, Australia, Taiwan, South Korea, Middle East and South Africa.

### Investment Rationale

#### Building complementary fee-based business:

As a part of their growth strategy, company intends to venture into complementary fee-based businesses to help improve risk-adjusted returns. They intend to venture into the retail broking and asset management business. The aggregate AUM of the Indian mutual fund industry has grown at a healthy pace over the past few years, against the backdrop of an expanding domestic economy, robust inflows, and rising investor participation, particularly from individual investors. With their existing customer base, they anticipate an efficient monetization of these new ventures by leveraging synergies, given the established relationships and trust with their clientele.

#### Potential strategic tie-up with a global merchant bank for cross-border transactions:

To enhance their cross-border transaction capabilities and expanding their global reach, company aims to explore a strategic partnership with a global merchant bank. They intend to tie-up with a partner bank which has global network, deep market insights, and specialized products in regions and sectors where company seeks to expand. Such partnership would focus on integrating resources, sharing knowledge, and enabling joint client coverage teams to offer our clients financial services across borders.

#### Strengthening competitive position in existing lines of business:

For merchant banking business, future growth might be an outcome of expanding products, our client base and average transaction value. Their competitive position is a consequence of focused effort to increase the number of transactions and target high value transactions. To achieve this, company intends to broaden their coverage through a focused, relationship-driven approach that deepens connections with key industry players and financial sponsors. For the institutional equities business, they will continue to focus on advising clients by showcasing attractive investment opportunities in emerging themes. Further, they aim to penetrate deeper with existing clients and grow market share among large investors by providing enhanced value through research, identifying and capturing white spaces in the coverage universe of our peers, and delivering tailored insights.

### Valuation and View:

DAM Capital Advisors Ltd is well – positioned to capitalize on the growing market opportunities in India. As a part of their growth strategy, company plans to venture into complementary fee-based businesses. This will help them to tap into the growing markets. Further, strategic tie-up with a global merchant bank will enhance their cross-border transaction capabilities and expand their global reach. At the upper band price of INR 283, the issue is valued at 10.15x P/Bv based on Q2FY25 net worth. We recommend “Subscribe for long term” to the issue.

**Arihant Research Desk**

Email: [instresearch@arihantcapital.com](mailto:instresearch@arihantcapital.com)

Tel. : 022-42254800

Head Office	Registered Office
#1011, Solitaire Corporate Park Building No. 10, 1 <sup>st</sup> Floor Andheri Ghatkopar Link Road Chakala, Andheri (E) Mumbai – 400093 Tel: (91-22) 42254800 Fax: (91-22) 42254880	Arihant House E-5 Ratlam Kothi Indore - 452003, (M.P.) Tel: (91-731) 3016100 Fax: (91-731) 3016199

Stock Rating Scale	Absolute Return
BUY	
ACCUMULATE	
HOLD	
NEUTRAL	
REDUCE	
SELL	

Research Analyst Registration No.	Contact	Website	Email Id
INH000002764	SMS: 'Arihant' to 56677	<a href="http://www.arihantcapital.com">www.arihantcapital.com</a>	<a href="mailto:instresearch@arihantcapital.com">instresearch@arihantcapital.com</a>

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Arihant Capital Markets Ltd.  
1011, Solitaire Corporate park, Building No. 10, 1st Floor,  
Andheri Ghatkopar Link Road, Chakala, Andheri (E)  
Tel. 022-42254800 Fax. 022-42254880