

Ambit NextGen Summit 2025: Mid-Market Signals India's New Capital Formation Cycle, \$42 Billion Deployed in Five Years

Mumbai, November 28, 2025: Ambit Investment Banking (Ambit IB) unveiled the key insights emerging from the Ambit NextGen Summit 2025, asserting that India's mid-market segment has emerged as the new centre of gravity for value creation, founder-led innovation, and capital formation.

The Ambit NextGen Summit 2025 brought together over 350 industry leaders, including 125+ founders and 200+ capital providers - all focused on the mid-market segment. The event facilitated over 1,000 relevant, curated founder-investor meetings in the span of two days, effectively filling the gap between ideas and capital and reinforcing the depth of the Indian mid-market segment.

The core findings at the Summit, highlight that the mid-market segment (typically in the Series B to D and sub-\$100M done) has accounted for over 50% of private capital deployed and ~40% of deal volumes over the past five years, totaling \$42 billion. This mid-market stage is no longer a transitional phase but a self-contained ecosystem with diversified capital stacks and accelerated liquidity pathways.

Mid-Market Investment Reaches Inflection Point

The Summit's central conclusion is a structural shift in the market dynamic: "The Indian mid-market is no longer waiting for capital — capital is now competing for credible mid-market companies."

Key Structural Shifts in Capital Architecture

The Summit identified a maturation in fundraising behavior, driven by depth over hype:

- **Diversified Capital Pools:** The mid-market, once dominated by a few private equity categories, now sees an intersection of global growth funds, sovereign pools, corporate venture arms, family offices, and crossover investors.
- **Optimal Cheque Side:** The \$15 million to \$75 million cheque range is now the primary driver of activity, creating a critical pool of capital essential for scaling category creators - a side too large for seed processes and too small for mega funds.
- **Focus on Fundamentals:** Founders are prioritising governance, proof of profitability, and clarity of purpose over previous 'growth-at-any-cost' models, signaling a maturing capital formation stack.

Public Market Visibility Accelerates

A crucial trend powering mid-market confidence is the accelerated pathway to IPO, demonstrating that founders can access public markets earlier than ever before:

- Early Access IPOs: 55% of recent IPOs were sided below ₹3,000 crore, proving public market viability for earlier-stage, founder-led companies.
- Domestic Capital Dominance: Domestic capital has surpassed Foreign Institutional Investors (FIIs) to become the dominant force, now representing 21% of India's market capitalisation (up from less than 10% a decade ago).
- Capital Recycling: Nearly 80% of IPOs in the last three years included meaningful secondary components, showcasing the market's robust ability to recycle capital and provide earlier liquidity to existing investors and founders.

Ambit's Market Outlook: The Road to 2026

Looking ahead, Ambit Investment Banking outlines five trends that will dictate market structure:

- Structural Scale: Average equity volumes are now 3x of 2019 levels, signalling sustained liquidity depth across both institutional and retail participants.
- The SIP Moat: Retail flows through SIPs are expected to compound at 18–20% annually, providing long-term stability that is largely independent of global volatility.
- Sector Rotation: Incremental institutional capital is moving decisively toward manufacturing and energy transition sectors, which have seen 3–4x higher deal interest year-on-year.
- Alternative Structures: Founders are increasingly utilising structured products and privately placed ECM solutions to raise capital without immediate valuation pressure, diversifying capital formation beyond public issuance.
- Resilient Liquidity: The market has matured; every correction in the last 24 months was met with domestic buying support within 72 hours, reflecting confidence-led liquidity rather than panic-based reactions.

Leadership Perspective

Mr. Vikas Khattar, MD & Co-Head – Investment Banking & Head – ECM & FSG, Ambit, stated: *"We are at an inflection point where the mid-market is no longer a stepping stone—it is a destination in itself. Domestic liquidity, diversified capital pools, and a maturing IPO ecosystem have created a lifecycle where companies can capitalise, institutionalise, and list much earlier without compromising fundamentals. This is a new market design—one that rewards discipline, purpose, and proof, not noise."*

Mr. Rahul Mody, MD & Co-Head – Investment Banking, Ambit, added: *"The convergence of global and deep domestic pools has permanently altered mid-market capital formation. Ambit has successfully brought more than 15 new global investors into India in the last few years, alongside deep engagement with domestic family offices. For founders, this means access to capital is no longer linear—it is multi-directional. The ecosystem finally has the architecture it has always needed."*

About Ambit Group

Ambit is one of India's premier providers of financial advice and capital, known for its business acumen. Ambit comprises Investment Banking (Corporate Finance & Equity Capital Markets), Asset Management, Wealth Management, Institutional Equities (Research, Sales & Sales Trading), and a Non-Banking Finance Company (SME Lending). We are focused on delivering tailor-made financial solutions suitable to our client's needs. These are based on our deep understanding of the Indian economy and market forces, unmatched research, and a client-focused approach. Ambit is headquartered in Mumbai, with offices in key cities in India & Singapore. To learn more, check regulatory licences and further information, please visit www.ambit.co.

About Ambit Investment Banking

Ambit Investment Banking is a leading Indian financial institution providing bespoke advisory in Corporate Finance, Equity Capital Markets, and M&A. With a lifecycle-driven deep understanding of the Indian regulatory landscape, and a vast network of institutional relationships, Ambit partners with founders, funds, and corporates to unlock value through capital, strategy, and network orchestration, seamlessly guiding them from private to public markets. Ambit is recognised for its ability to spot market-defining trends early, for introducing new pools of global capital into India, and for its commitment to a long-term partnership philosophy.

Media contact

<u>Ambit Pvt. Ltd.</u>	<u>Ambit Pvt. Ltd.</u>	<u>Adfactors PR</u>
Neha Chandwani Director & Group Head - Brand & Corporate Communications +91-9819-073-603 neha.chandwani@ambit.co	Shivani Pal Manager - Brand & Corporate Communications +91-8898-614-722 shivani.pal@ambit.co	Darshana Purohit Senior Account Director +91 9920-231-233 darshana@adfactorspr.com