

**9<sup>th</sup> December 2025**

## SCALED, PROFITABLE FRANCHISE WITH DEEP EQUITY EXPERTISE AND DIVERSIFIED GROWTH ENGINES

**ICICI Prudential Asset Management Company Ltd. (IPAMC)**, incorporated in 1993, is one of India's most established and trusted asset managers, jointly promoted by ICICI Bank and Prudential Corporation Holdings. Over three decades, it has evolved into a diversified investment platform managing mutual funds, portfolio management services (PMS), alternative investment funds (AIFs), and offshore advisory mandates. Today, IPAMC is the largest AMC by active mutual fund QAAUM with a 13.3% market share, supported by a ₹10,148 bn mutual fund QAAUM. With leadership in equity and hybrid segments, industry-leading profitability (ROE consistently above 80%) and a reputation anchored in the ICICI brand, IPAMC combines scale, diversification and governance to remain a dominant force in India's asset management industry.

### Financialization and retail surge powering long-term expansion amid emerging risks

The Indian asset management industry has grown strongly, supported by financialization of savings and rising retail participation. Mutual fund penetration remains low versus global peers, with India's AUM-to-GDP ratio improving from 12.6% in FY19 to 19.9% in FY25, compared to ~124% in the US, signaling long-term headroom. Retail engagement is evident from demat accounts surging from 23.3mn in FY15 to 192.4mn in FY25 (23% CAGR), while individual investors now contribute 60.9% of mutual fund AUM. PMS assets have scaled to ₹40.3tn as of September 2025, growing at 15.4% CAGR over nine years and AIFs continue to attract HNI capital. Sectoral tailwinds include economic growth, rising disposable incomes and a shift from physical to financial assets while headwinds include market volatility, global macro shocks, regulatory changes like expense ratio caps and intensifying competition from fintech platforms. However, structural drivers overall underpin a positive long-term outlook.

### Commanding market leadership backed by equity strength and pan-India reach

IPAMC combines scale, equity leadership and diversified reach to maintain its dominant position in India's asset management industry. It is the largest AMC by active mutual fund QAAUM with a 13.3% market share and ranks second overall at 13.2%. In equity and equity-oriented schemes, it leads with a 13.6% share, growing to ₹4,877bn as of FY25, translating into a 40% CAGR vis-à-vis industry CAGR of 36.2%. In equity-oriented hybrid schemes, its market share is 25.8%, with QAAUM of ₹1,653bn, growing 37.6% CAGR compared to 29.5% for the industry. This equity-heavy mix supports higher fee yields and profitability, reflected in industry-leading ROE of 82.8% in FY25. Beyond mutual funds, its alternates business adds ₹729bn in QAAUM. Its product shelf spans 143 schemes across equity, debt, hybrid, passive and thematic categories, complemented by a strong retail franchise with 15.5mn customers, a pan-India distribution network comprising 272 offices, and a robust digital ecosystem handling over 95% of transactions online. Furthermore, its investment performance is anchored in a disciplined investment philosophy, rigorous research and multi-layered risk management, ensuring consistency across market cycles and reinforcing investor trust.

**Risks-** 1) Competition from existing and new market participants offering investment products, including fintech platforms and alternate savings options, could erode market share and pressure fees. 2) Adverse market or economic conditions reducing AUM and management fees, as revenue is highly linked to equity market performance and investor confidence. 3) Regulatory changes such as caps on total expense ratios or stricter compliance norms, which may compress margins and increase operational costs. 4) Underperformance of investment products versus benchmarks, which can trigger investor redemptions, reduce inflows and impact profitability.

**Opinion-** The issue is entirely an OFS of ₹10,603cr. The company enjoys a strong and trusted brand, which it is well positioned to leverage in a rapidly expanding industry. With consistent fund performance and steady AUM growth over the years, it has firmly established itself as one of the leading players in India's asset-management landscape. **At the upper price-band, the issue is valued at 38x P/E on TTM basis.** We recommend "SUBSCRIBE" to the issue.

Rating	Subscribe	
Issue Details		
Issue Opens	12-Dec-25	
Issue Closes	16-Dec-25	
Face Value (₹)	1	
Price Band (₹)	2,061-2,165	
Bid Lot	6	
Issue Size at higher price band (₹ Cr)	10,603	
Market cap. @ upper price band (₹ Cr)	107,007	
Listing	NSE/BSE	
BRLMs	Citigroup, ICICI Securities, Morgan Stanley, Goldman Sachs, BofA Securities, Avendus Capital, Axis Capital, BNP Paribas, CLSA India, HDFC Bank, IIFL Capital, JM Financial, Kotak Mahindra Capital, Motilal Oswal, Nomura Financial, Nuvama Wealth, SBI Capital, UBS Securities	
Registrar	Kfin Technologies Ltd.	
Shareholding Pattern (%)		
	Pre-Issue	Post Issue
Promoter	100.00	90.09
Others	0.00	9.91
Issue Structure (In cr. no. of shares)		
Issue size		4.89
Break-up of net issue to public (%):		
QIB's portion		50%
Non-Institutional portion		15%
Retail Portion		35%

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### Registered Office:

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Veraval, Gujarat - 362 266

**Financials-**

Particulars	FY23	FY24	FY25	H1FY25	H1FY26
<b>Revenue from operations</b>	<b>2,837</b>	<b>3,758</b>	<b>4,977</b>	<b>2,458</b>	<b>2,949</b>
Operating Revenue	2,689	3,376	4,683	2,187	2,733
Operating Margin (%)	0.36%	0.36%	0.36%	0.35%	0.37%
<b>EBITDA</b>	<b>2,073</b>	<b>2,780</b>	<b>3,637</b>	<b>1,838</b>	<b>2,210</b>
<b>Net Profit</b>	<b>1,516</b>	<b>2,050</b>	<b>2,651</b>	<b>1,327</b>	<b>1,618</b>
Net Worth	2,313	2,883	3,517	3,272	3,922
RoE (%)	70.0%	78.9%	82.8%	86.0%	86.8%
<b>EPS - Basic and Diluted</b>	<b>30.7</b>	<b>41.5</b>	<b>53.6</b>	<b>26.9</b>	<b>32.7</b>

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