



IPO DETAILS

#IPOlogy

Prudent Corporate Advisory Services Limited



Issue Opens

10th May 22, Tue

Issue Closes

12th May 22, Thu

Min. Lot Size

23 Shares

Issue Price Band

₹595 - ₹630

Industry

Financial Services

Issue size

Fresh Issue:
NIL

OFS:

8.55 Mn Equity Shares
(₹5,386.08 Mn)

Face Value

₹5

Listing at

NSE, BSE

Objectives of the Issue

To carry out the offer for sale

To achieve the benefits of listing the equity shares on the stock exchanges

Rating

AVOID

APPLY NOW



Prudent Corporate Advisory Services Limited

Company Overview

Prudent Corporate Advisory Services Limited is an independent retail wealth management services group in India and is amongst the top mutual fund distributors in terms of average assets under management and commission received.

Company's Offerings

23,262

MFDs on business-to-business-to-consumer platform through which the company provides wealth management services to 13,51,274 unique retail investors.

74,037

Policies distributed across life and non-life insurance segments, with an aggregate premium of ₹1612.03 million through its wholly owned subsidiary, Gennext.

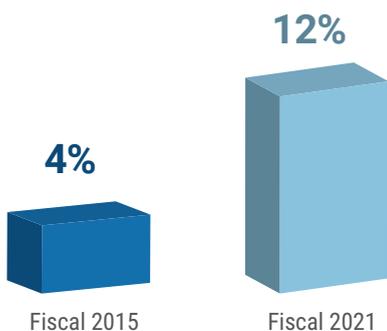
₹484,115 Million

Company's assets under management from the mutual fund distribution business stood at with 92.14% of the total AUM being equity oriented.

As of December 31, 2021

Company's Market Share

(Commission Received Basis)



Among national distributors, the market share of the company on commission received basis has increased from around 4% in Fiscal 2015 to around 12% in Fiscal 2021. The equity **AUM of ₹446,059.12 million** as on December 31, 2021, represented **2.39% of total equity AUM of mutual fund industry.**



Omnichannel Distribution

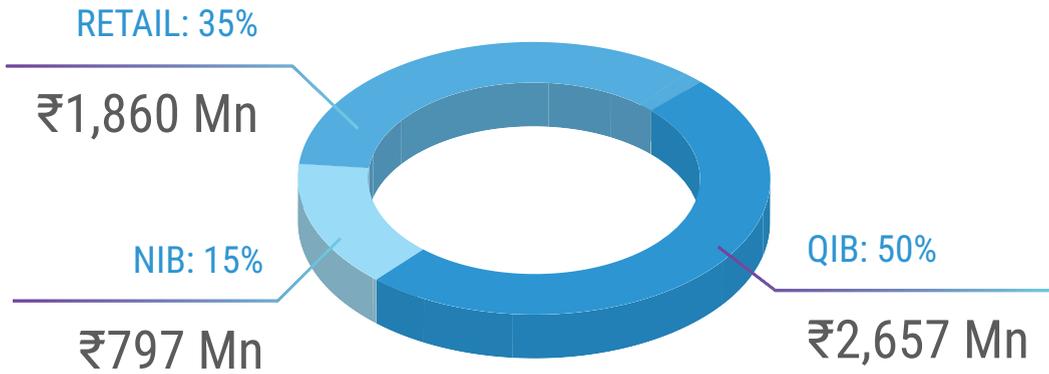
The company offers a technology-enabled, comprehensive investment, and financial services platform with end-to-end solutions critical for financial products distribution and presence across both online and offline channels.



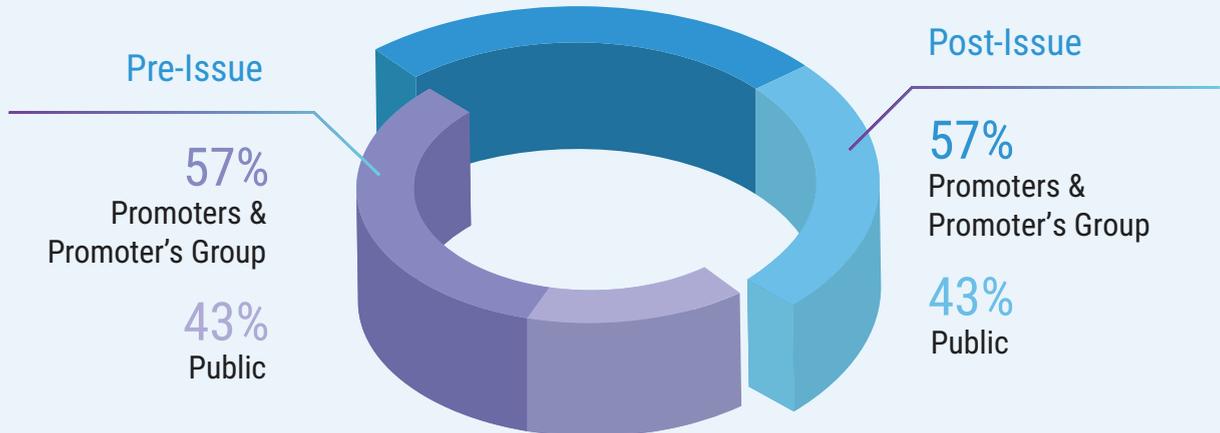
Prudent Corporate Advisory Services Limited

Issue Details

Issue Break-Up



Shareholding Pattern



Capital Structure (in ₹)



240 Mn

Authorised Equity
Share Capital



207 Mn

Paid-Up Capital
(Pre-Offer)



207 Mn

Paid-Up Capital
(Post-Offer)



Prudent Corporate Advisory Services Limited

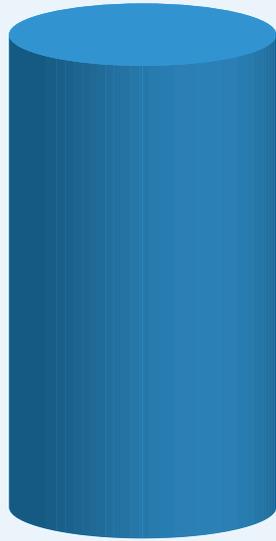
Valuations and Peer Comparison

Market Cap
₹26,086 Mn

Market Cap
₹150,210 Mn

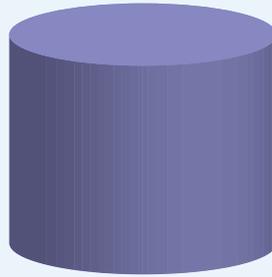
Market Cap
₹164,540 Mn

P/E Ratio
FY21/FY22 (Annualised)



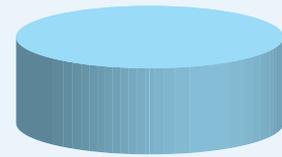
57.59x/33.95x

Prudent Corporate Advisory
Services Ltd.



27.3x

IIFL Wealth
Management Ltd.



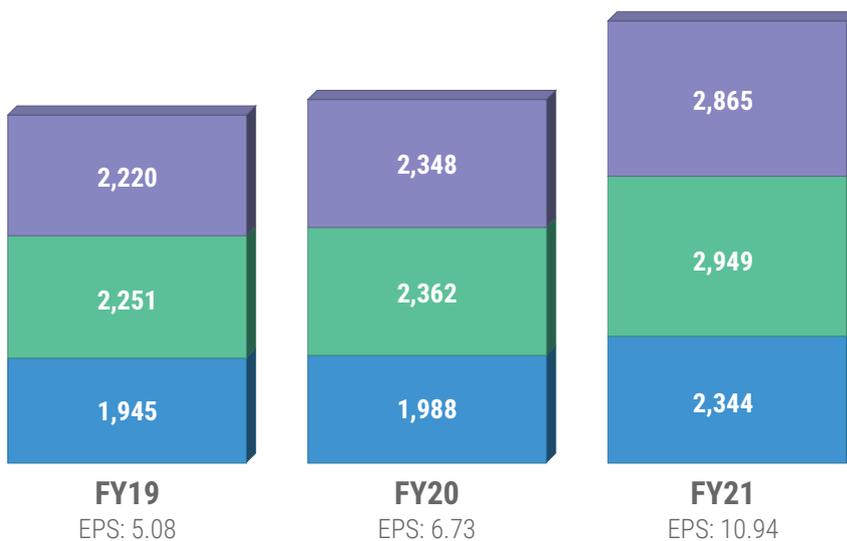
12.6x

ICICI Securities Ltd.

Market Cap data of listed securities as on May 06, 2022

Financial Snapshot (₹ in Mn)

- Revenue
- Total Income
- Total Expenses





Prudent Corporate Advisory Services Limited

Business Insights



Competitive Strengths

- The company operates in an underpenetrated Indian asset management industry that has grown at a CAGR of more than 20%
- A growing independent financial products distribution platform
- The company's value proposition has led to increased participation and long-standing relationship with MFDs
- A track record of innovation and use of technology to improve investor and partner experience
- A pan-India diversified distribution network with the ability to expand into underpenetrated B-30 markets
- A consistent track record of profitable growth due to a highly scalable, asset-light, and cash generative business model
- An experienced management team and backed by a global investor



Business Strategy

- Continue to focus on increasing geographic reach and strengthening relationships with MFDs
- Leverage existing MFD network to distribute products and services
- Continue innovating technology platforms to provide superior experience to MFDs and their clients
- Add new offerings to the existing portfolio



Risks

- The company operates in a highly regulated environment
- There is an outstanding criminal case in which the Economic Offences Wing has issued notices to Prudent Comder Private Limited (since it merged with its subsidiary, Prudent Broking Services Private Limited (PBSPL)), the company promoter, and a director of the subsidiary; and there is an outstanding SEBI matter against PBSPL, which if determined in an adverse manner, may result in a loss of the license of PBSPL and consequently may adversely impact future operations

Promoters and Management Details

Sanjay Shah - Chairman and Managing Director

Shirish Patel - Whole-time Director and Chief Executive Officer

Chirag Shah - Whole-time Director