



## SMC Ranking

★ ★ ★ ☆ ☆ (2.5/5)

### Issue Highlights

Industry	Mutual fund
Offer for sale (Shares)	48,972,994
<b>Net Offer to the Public</b>	<b>48,972,994</b>
Issue Size (Rs. Cr.)	10093-10603
Price Band (Rs.)	2061-2165
Offer Date	12-Dec-25
Close Date	16-Dec-25
Face Value	1
Lot Size	6

### Issue Composition

	In shares
Total Issue for Sale	48,972,994
QIB	24,486,497
NIB	7,345,949
Retail	17,140,548

### Shareholding Pattern (%)

Particulars	Pre-issue	Post-issue
Promoters & promoters group	100.00%	90.09%
QIB	0.00%	4.95%
NIB	0.00%	1.49%
Retail	0.00%	3.47%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

\*calculated on the upper price band

### Objects of the Issue

The objects of the Offer are to

- Carry out the Offer for Sale of up to 48,972,994 Equity Shares of face value of ₹ 1 each by the Promoter Selling Shareholder
- Achieve the benefits of listing the Equity Shares on the Stock Exchanges.

### Book Running Lead Manager

- ICITgroup Global Markets India Private Limited
- Morgan Stanley India Company Private Limited
- BofA Securities India Limited
- Axis Capital Limited
- CLSA India Private Limited
- IIFL Capital Services Limited
- Kotak Mahindra Capital Company Limited
- Nomura Financial Advisory and Securities (India) Private Limited
- SBI Capital Markets Limited

### Name of the registrar

- KFin Technologies Limited

### About the company

ICICI Prudential AMC, incorporated in 1993, is a leading asset management company with a risk-first investment philosophy aimed at delivering long-term returns. As of September 30, 2025, it recorded a quarterly average AUM of Rs. 10,147.6 crore and manages the largest number of mutual fund schemes in the industry, including 143 offerings across equity, debt, passive, liquid, overnight and arbitrage categories. The company also provides Portfolio Management Services, Alternative Investment Funds under SEBI Category II and III, and offshore advisory services. Supported by a strong nationwide presence with 272 offices across 23 states and 4 union territories, its PMS franchise offers multiple strategies such as Contra, PIPE, Growth Leaders, Value, Large Cap and ACE. With 3,541 full-time employees, ICICI Prudential AMC serves a diverse investor base through mutual funds, ETFs, PMS and AIF platforms.

### Strength

**Market Leadership in Active Mutual Funds and Equity AUM:** The company is India's largest asset manager in active mutual fund QAAUM with a 13.3% market share as of September 30, 2025, and the second-largest in overall QAAUM at 13.2%. It leads the equity segment with the highest market share in Equity and Equity-Oriented QAAUM (13.6%) and Equity-Oriented Hybrid QAAUM (25.8%). Strong CAGRs of 40.0% and 37.6% in these categories (FY 2023–2025) reflect consistent outperformance. Its Alternates business (PMS, AIFs, offshore advisory) further strengthens diversification with a QAAUM of Rs. 729.3 billion.

**Largest Individual Investor Franchise in India:** The company holds the highest Individual Investor MAAUM at Rs. 6,610.3 billion (13.7% share), with individuals contributing 61.1% of total mutual fund MAAUM and 85.7% of equity and equity-oriented MAAUM. Long-tenure SIP and STP flows (92.5% above five years) support a stable asset base. Monthly systematic flows rose to Rs. 48.0 billion in September 2025, backed by a large 15.5 million Individual Investor base.

**Well-Diversified Product Portfolio Across Asset Classes:** With 143 mutual fund schemes—the largest in India—the company serves diverse investor needs and maintains low scheme concentration (no scheme exceeds 7.1% of QAAUM). Mutual Fund QAAUM stood at Rs. 10,147.6 billion, led by Rs. 5,666.3 billion in equity and Rs. 1,991.4 billion in debt schemes. The Alternates business adds Rs. 729.3 billion across PMS, AIFs, and offshore advisory. It also manages Rs. 329.1 billion of Eastspring-advised assets in Asia.

**Pan-India, Multi-Channel, Highly Diversified Distribution Network:** A strong physical and digital presence includes 272 offices across 23 states, 110,719 MFDs, 213 national distributors, and 67 banks, including ICICI Bank's extensive 7,246-branch network. Digital strength is reflected in 95.3% of purchases occurring online (11.0 million transactions in H1 FY 2026). Digital campaigns, YouTube outreach (4+ million subscribers), and seamless onboarding drove 1.2 million digital customer additions.

**Strong Investment Performance Backed by Robust Research and Risk Framework:** Its investment philosophy emphasizes balanced, diversified portfolios and risk-adjusted outperformance. A rigorous research framework blends qualitative and quantitative insights, supported by strict fixed-income credit and duration controls. A formal three-line-

of-control model and independent risk team ensure disciplined risk oversight. This framework underpins its leadership position and consistent benchmark-beating performance.

**Consistent and Industry-Leading Profitability:** The company is India's most profitable AMC by OPBT, with a 20.0% market share in FY 2025. Between FY 2023–2025, AAUM, revenue, and PAT grew at about 32% CAGR. A high-equity AUM mix supports strong yields—52 bps revenue yield and 37 bps operating margin (annualised for H1 FY 2026). ROE remains exceptional at 86.8% (82.8% in FY 2025), reflecting a capital-light model and superior operating leverage.

**Strong Brand, Trusted Parentage, and Robust Culture:** The company benefits from the reputational strength of ICICI Bank and Prudential Corporation Holdings. Support from Eastspring (a \$258 billion global asset manager) enhances fund management and advisory capabilities. A culture of innovation, governance, and customer-centricity supports long-term credibility and attracts top talent.

**Deeply Experienced Leadership and Investment Teams:** With over 30 years of operations, the company is led by seasoned executives such as MD & CEO Nimesh Shah and CIO Sankaran Naren. Its investment edge is driven by stable teams—50 mutual fund investment professionals, 29 Alternates specialists, and a 17-member research team, each averaging over 11 years of tenure. Low attrition and deep institutional memory strengthen performance consistency.

## Strategies

**Sustain Investment Outperformance with a Risk-Calibrated Framework:** The company aims to deliver consistent medium- to long-term outperformance through disciplined research, strong governance, and risk-focused portfolio construction. Its approach balances quantitative and qualitative insights, with prudent actions—such as suspending lump-sum flows in mid- and small-cap schemes in March 2024—to protect investors and maintain market discipline.

**Expand Customer Base and Deepen Market Penetration:** Growth will be driven through direct digital channels, enhanced distributor engagement, and broader presence across high-potential regions. The firm continues to scale its 'i-Invest' platform, deepen data-led customer acquisition, and leverage ICICI Bank's nationwide footprint. International expansion is underway through IFSC GIFT City and the planned DIFC presence to cater to global and NRI investors.

**Scale the Alternates Business:** The company plans to accelerate Alternates growth through differentiated strategies and acquisitions. The proposed acquisition of certain Category II AIF management rights from ICICI Venture (subject to regulatory approvals) strengthens its position in private credit and real estate. Focus will remain on building bespoke offerings for HNIs and expanding distribution within the affluent segment.

**Broaden and Diversify the Product Suite:** Product innovation remains a priority, with plans to launch new schemes across categories in line with investor needs and regulatory evolution. The recent launch of the 'ICICI Prudential Conglomerate Fund' reflects its focus on long-term wealth creation. The company will also intensify its emphasis on systematic transactions (SIPs/STPs) and targeted offerings for affluent and high-net-worth investors.

**Enhance Digital Capabilities to Drive Scale and Efficiency:** Ongoing investments in cloud adoption, core system upgrades, and digital personalization aim to deliver seamless onboarding, engagement, and servicing. Collaboration with fintechs and digital distributors will help reach younger customer cohorts. The company will expand platform integrations, use advanced analytics for customized engagement, and co-create solutions to enhance the investor experience.

## Risk Factor

- Adverse market or economic conditions may reduce AUM values, lower fee income across mutual funds, PMS, AIFs, and advisory services, and negatively impact financial performance.
- Underperformance of investment products may result in reduced AUM across mutual fund, PMS, AIF, and advisory portfolios, adversely affecting revenue and profitability.
- Past performance does not guarantee future growth; failure to manage expansion effectively or execute strategy may weaken operational and financial outcomes.
- Increasing competition from existing or new players may reduce market share or pressure fees, affecting profitability.
- The business relies significantly on the reputation of the ICICI and Prudential groups; any reputational harm to either may adversely affect operations.
- Investment and advisory agreements can be terminated by counterparties, creating uncertainty around future client relationships and revenue streams.
- New product offerings may not scale or deliver profitability, potentially impacting growth prospects and resource allocation.

## Peer Comparison

Co_Name	Total Income	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
HDFC AMC	4377.95	2745.80	64.11	40.20	14.26	180.74	5	2577.50	110396.51
Nippon Life Ind.	2640.20	1334.72	20.95	38.86	11.83	68.82	10	814.05	51854.40
Aditya AMC	2056.08	970.98	33.63	21.60	5.88	123.45	5	726.25	20967.49
UTI AMC	1766.41	588.01	45.82	24.48	3.28	341.78	10	1121.60	14392.04
ICICI PRUDENTIAL ASSET MANAGEMENT CO.	5468.51	2941.29	59.51	36.38	20.40	106.12	1	2165.00	107006.97

\*Peer companies financials are TTM based

\*\*\*ICICI PRUDENTIAL ASSET MANAGEMENT CO Financial are based on TTM

## Valuation

Considering the P/E valuation on the upper price band of Rs.2165, TTM EPS and P/E are Rs.59.51 and 36.38 multiple respectively and at a lower price band of Rs. 2061, P/E multiple is 34.63. Looking at the P/B ratio on the upper price band of Rs.2165, book value and P/B are Rs. 106.12 and 20.40 multiple respectively and at a lower price band of Rs. 2061 P/B multiple is 19.42. No change in pre and post issue EPS and Book Value as the company is not making fresh issue of capital.

## Industry Outlook

The industry outlook is strongly favorable, predicated on India's favorable demographics, featuring a median age of 28 years and the highest share of young working population among major economies in 2023, coupled with rapid urbanization and rising affluence, which are expected to propel economic growth and drive India to report the highest Nominal GDP per capita growth (10%) among peers in 2026. This growth is supported by a progression toward a formal economy, as evidenced by the rise in Income Tax Returns (76 million filed in FY 2024), and a high gross domestic savings rate. The market benefits from regulatory and policy support, including regulator-led financial education initiatives, the government's push for a new tax regime and a revised income tax exemption threshold, which are anticipated to boost disposable income and encourage higher savings and investments in capital markets. Within the mutual fund industry, Fiscal 2025 saw robust inflows across equity categories, a steady rise in the popularity of passive funds, with their QAAUM share reaching 16.0% as of September 2025, and a growing penetration into B30 cities, where individual investors contributed 28% to the individual mutual fund AUM.

## Outlook

The company is well-positioned for sustained growth, supported by strong market leadership, a diversified product suite, and a deep retail investor franchise. Continued focus on investment discipline, digital expansion, and scaling the Alternates business should strengthen competitiveness. However, AUM growth remains sensitive to market volatility, competitive pressures, product underperformance, and reputational risks. Effective execution of strategy and risk management will be critical to maintaining profitability and leadership.

## An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
BID/ISSUE OPENS ON	12-December-25
BID/ISSUE CLOSES ON	16-December-25
Finalisation of Basis of Allotment with the Designated Stock Exchange	17-December-25
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	18-December-25
Credit of Equity Shares to Demat Accounts of Allottees	18-December-25
Commencement of trading of the Equity Shares on the Stock Exchanges	19-December-25

## Annexure

### Consolidated Financials

#### Profit & Loss

Rs. in Cr.

Particulars	Period ended 30-Sep-25 (6 Months)	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)
Revenue from operations	2949.38	4977.33	3758.23
Total expenditure	739.51	1342.68	981.20
<b>Operating Profit</b>	<b>2209.87</b>	<b>3634.65</b>	<b>2777.03</b>
OPM%	74.93	73.02	73.89
Other Income	0.23	2.34	2.98
<b>Total Net Income</b>	<b>2210.10</b>	<b>3636.99</b>	<b>2780.01</b>
Interest	8.72	18.55	16.19
<b>PBDT</b>	<b>2201.38</b>	<b>3618.44</b>	<b>2763.82</b>
Depreciation	51.90	85.39	65.71
<b>Profit/ (loss) before tax</b>	<b>2149.48</b>	<b>3533.05</b>	<b>2698.11</b>
Tax	531.74	882.39	648.38
<b>Profit &amp; Loss</b>	<b>1617.74</b>	<b>2650.66</b>	<b>2049.73</b>

**Balance sheet is on next page**

## Balance Sheet

Rs. in Cr.

Particulars	As on 30-Sep-25	As on 31-Mar-25	As on 31-Mar-24
<b>Financial Assets</b>			
Cash and Cash Equivalents	7.25	15.44	23.11
Bank Balance other than (a) above	13.02	12.57	10.70
Receivables			
Trade receivables	171.82	237.19	195.82
Other receivables	0.26	0.30	0.15
Loans	0.22	0.24	0.26
Investments	3794.26	3285.19	2882.62
Other Financial Assets	36.68	52.08	50.19
<b>Non-Financial Assets</b>			
Current Tax Assets (Net)	7.60	6.83	4.93
Deferred tax assets	56.09	56.28	41.46
Property, Plant and Equipment	572.95	268.76	171.86
Capital work-in-progress	10.86	284.14	3.17
Intangible Assets under Development	4.09	4.56	3.33
Intangible assets	41.83	40.47	27.50
Other Non-financial assets	110.41	119.63	138.99
<b>Total Assets</b>	<b>4827.34</b>	<b>4383.68</b>	<b>3554.09</b>
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
<b>Payables</b>			
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	0.74	0.81	0.50
Total outstanding dues of creditors other than micro enterprises and small enterprises	199.47	174.54	121.07
Other financial liabilities	416.87	461.67	375.89
<b>Total Financial liabilities</b>	<b>617.08</b>	<b>637.02</b>	<b>497.46</b>
<b>Financial Liabilities</b>			
Current tax liabilities (Net)	58.91	19.79	15.25
Provisions	24.11	24.12	18.85
Deferred Tax Liabilities (Net)	103.50	84.98	58.26
Other Non-Financial Liabilities	102.18	100.83	81.43
<b>Total - Current Liabilities</b>	<b>288.70</b>	<b>229.72</b>	<b>173.79</b>
<b>Total Liabilities</b>	<b>905.78</b>	<b>866.74</b>	<b>671.25</b>
Net worth represented by:			
Equity share capital	17.65	17.65	17.65
Other equity	3903.91	3499.29	2865.19
<b>Total Equity</b>	<b>3921.56</b>	<b>3516.94</b>	<b>2882.84</b>

## RANKING METHODOLOGY

WEAK	★
NEUTRAL	★★
FAIR	★★★
GOOD	★★★★
EXCELLENT	★★★★★

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