

IPO Analysis

Friday, 12 December 2025



Sector	Financial Services
Price Band	₹2061.00-2165.00 Per Share
Issue Opening Date	12th Dec 2025
Issue Closing Date	16th Oct 2025
Bid Lot	6 Equity Shares and in multiples thereafter
Recommendation	Subscribe

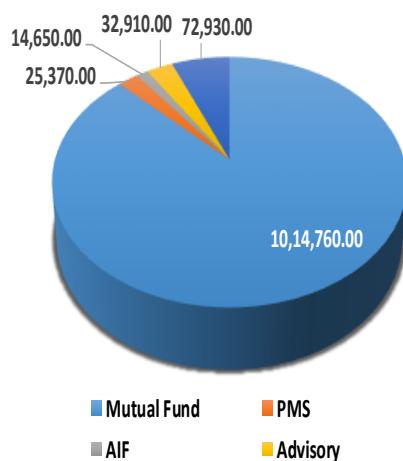
Industry: Capital Market

Price Band: ₹2061- 2165 Per Share

Rating: Subscribe

IPO Details	
Issuer	ICICI Prudential Asset Management Co. Ltd.
Issue Openging Date	12th Dec 2025
Issue Closing Date	16th Oct 2025
Issue Price	₹2061.00-2165.00 Per Share
IPO Listing At	BSE, NSE
Retail Quota	Not less than 35% of the Net Offer
ICICI Bank shareholder reservation	0.5% of total issue size
Issue Type:	Book Build Issue
Issue Size:	₹10602.65 Cr
Offer for Sale	₹10602.65 Cr
Fresh Issue:	-
Face Value	₹1 Per Equity Share
Promoter Holding Pre IPO	100.00%
Promoter Holding Post IPO	90.09%

**Segment Wise Quarterly Average AUM Cr.
as of H1 (FY25-26)**



Company Overview

ICICI Prudential Asset Management Company is India's largest asset manager by active mutual fund QAAUM, holding a 13.3% market share with ₹10,147.6 billion in assets as of September 30, 2025. It also leads the industry in Equity and Equity-Oriented QAAUM with a 13.6% share, and continues to dominate the Equity-Oriented Hybrid category with a 25.8% market share, a position it has consistently held in recent years. The company manages the industry's highest individual investor MAAUM at ₹6,610.3 billion, representing a 13.7% share. With a legacy of over 30 years, ICICI Prudential AMC focuses on a risk-first investment philosophy aimed at long-term returns while maintaining a strong reputation for trust. It ranks as the second-largest AMC by overall QAAUM with a 13.2% share and serves 15.5 million customers across diverse financial goals. Beyond mutual funds, it has a fast-expanding Alternates business that includes PMS, AIFs, and offshore advisory services. Its Alternates portfolio spans equity-focused PMS and AIFs, private credit, long-short strategies, and office yield funds, with ₹400.2 billion in QAAUM as of September 30, 2025. The company also provides advisory services to East Spring Investments, supporting the distribution of select equity and debt products across Japan, Taiwan, Hong Kong, and Singapore.

Objective of the Issue

Not applicable, as the entire issue is an offer for sale, and all proceeds will go to the promoters.

Key Highlights and Investment Rationale

India's largest AMC with strong Equity QAAUM leadership: The company is the largest asset manager by active mutual fund QAAUM with a 13.3% market share and ranks second by overall QAAUM at 13.2% as of September 30, 2025. It also leads in Equity and Equity-Oriented QAAUM with a 13.6% share, supported by rapid growth in equity AUM at a 40% CAGR (FY23–FY25), outpacing the industry. Its Alternates business (PMS, AIFs, offshore advisory) is also expanding, with QAAUM of ₹729.3 billion.

Strong retail investor base supporting stable AUM: The company has the highest industry MAAUM from individual investors at ₹6,610.3 billion (13.7% share), who contribute 61.1% of total MAAUM and nearly 85.7% of equity AUM. With 15.5 million retail investors and their preference for higher-fee equity products and longer holding periods, this segment provides stability and supports revenue visibility.

Extensive and diversified product suite: With 143 mutual fund schemes — the highest among Indian AMCs — the company caters to a wide range of investor objectives and risk profiles. No scheme contributes more than 7.1% to total QAAUM, reducing concentration risk. Its focus on product innovation and differentiated offerings positions it well across varying market cycles.

Wide Pan-India distribution backed by strong digital adoption: The company has a robust network of 272 offices across 23 states and four union territories, supported by 1,10,719 distributors, 213 national distributors, and 67 banks including ICICI Bank. It has rapidly scaled digital penetration, with 95.3% of purchases executed online and digital transactions rising sharply from 10.1 million in FY23 to 20.9 million in FY25 and 11 million in 1HFY26.

Key Risks

Scheme concentration risk: A large share of AUM is concentrated in a few schemes, with the top five equity and equity-oriented schemes contributing 54–58.2% of revenue over recent periods; any underperformance in these schemes could significantly impact AUM and financial results. **Brand and reputation dependence:** The company's business is closely tied to the reputation of its promoter groups — ICICI Bank and Prudential; any damage to their brand could adversely affect operations, financial performance, and cash flows. **Talent retention challenges:** High employee attrition of 25–33% across recent years poses risks, as losing key managerial and senior personnel may hinder business continuity and operational efficiency.

Intense industry competition: Despite being the largest AMC with a 13.3% QAAUM share, the company faces strong competition from existing and new players, with rivalry driven by performance, fees, talent continuity, product quality, distributor relationships, and alternative investment options, all of which may pressure growth and profitability.

Key Ratios			
Particulars	FY23	FY24	FY25
Profitability			
Return on Assets	NA	64.5%	66.8%
Return on Equity	70.0%	78.9%	82.8%
Margin Analysis			
Revenue Yield (bps)	52	52	52
Operating Margin (bps)	36	36	36
PAT Yield (bps)	30	30	30
Core PAT Yield (bps)	28	26	28
EBITDA Margin (%)	72	71	71
Net Profit Margin (%)	56	61	57
Valuation Ratios*			
P/E (x)	71	52	40
P/B (x)	46	37	30
<p>*Valuation ratios are based on pre-issue capital at the upper price band Yields are calculated on QAAUM</p>			
Source: RHP			

Industry Overview

- **Strong AUM Growth:** The Indian mutual fund industry has posted robust expansion over the past five years, supported by healthy economic conditions, rising retail participation, and sustained inflows—pushing QAAUM to ₹77.1 trillion by September 2025.
- **Shift Toward Equity & SIP-Led Flows:** Equity-oriented schemes have gained significant traction as investors move away from traditional debt products. Monthly SIP inflows consistently above ₹250 billion underscore the stability and maturity of retail investing.
- **Increasing Retail Dominance:** Individual investors now account for over 60% of total industry AUM, driven by rising financial awareness, improved access to financial platforms, and broader adoption of technology across distribution channels.
- **Digitalization Accelerating Adoption:** Technology integration—digital on boarding, robo-advisory, and AI-driven analytics—has streamlined processes and enhanced investor experience, making mutual funds more accessible even in smaller towns.
- **Rise of B-30 Cities:** Contributions from beyond-top-30 (B-30) cities have surged at a 21% CAGR, reflecting deeper financial penetration and growing acceptance of mutual funds in smaller markets.
- **Growing Preference for Passive & ESG Products:** Passive investing via ETFs and index funds continues to scale, supported by institutional flows, while ESG-focused schemes are gradually gaining investor interest amid rising sustainability awareness.
- **Structural Growth Enablers in Place:** A young, tech-savvy demographic, increased financialization of household savings, supportive regulations, and under-penetration versus global peers position the mutual fund industry for sustained long-term growth.

Valuation & Outlook

ICICI Prudential Asset Management Company Ltd. (ICICIPru), backed by ICICI Bank and Prudential Corporation, is one of India's oldest AMCs and the largest in active mutual fund QAAUM, holding a 13.3% market share (13.6% in equity-oriented QAAUM) as of Sep'25. With total QAAUM of ₹10.1 trillion—second only to SBI MF—and ~56% contributed by equity and equity-oriented schemes, the company offers a diversified portfolio of 143 schemes across asset classes. Supported by strong industry tailwinds, including expected mutual fund AUM growth of 16–18% and SIP AUM growth of 25–27% between FY25–30, ICICIPru is well positioned to benefit from rising financialization and increasing retail participation. The company has delivered robust financial performance with operating revenue/PAT CAGR of 31.97%/32.68% during FY23–FY25. Between FY23-1HFY26 Total QAAUM/MF QAAUM/ Equity QAAUM have grown at CAGR of 33%/33%/39% respectively. **At the upper price band of ₹2,165, the valuation stands at 33.1x 1HFY26 annualized post-issue P/E, appearing fully priced but supported by its leadership position, strong parentage, and consistent performance. Investors may consider subscribing at the cut-off price with a medium-to-long-term perspective.**

Quarterly Average AUM

Particulars (in Rs cr)	FY23	FY24	FY25	1HFY26
Equity and Equity Oriented	2,48,700	3,73,910	4,87,650	5,66,630
Debt	1,26,770	1,49,860	1,72,120	1,99,140
Exchange traded funds and Index	50,380	82,260	1,24,180	1,51,190
Arbitrage	11,040	16,940	25,520	31,820
Liquid and Overnight Schemes	62,740	60,120	69,930	65,970
Mutual Fund QAAUM	4,99,630	6,83,100	8,79,410	10,14,760
PMS	4,470	13,220	21,180	25,370
AIF	8,400	8,350	11,560	14,650
Advisory	18,250	33,640	31,130	32,910
Alternates QAAUM	31,120	55,220	63,870	72,930
Total QAAUM	5,30,740	7,38,310	9,43,280	10,87,690

Peer Comparison – FY25

Particulars (Rs cr)	ICICI Prudential AMC Ltd.	HDFC AMC Ltd.	Nippon Life AMC Ltd.	Aditya Birla Sun Life AMC Ltd.	UTI AMC Ltd.	Canara Robeco AMC Ltd.
Financial						
CMP (Rs)	2,165	2,551	812	727	1,112	281
Revenue	4,683	3,498	2,065	1,659	1,445	365
Net Profit	2,651	2,461	1,286	931	732	191
Mkt Cap.	1,07,007	1,09,281	51721	20993	14272	5609
Net Profit Margin (%)	57	70	62	56	51	52
P/E (x)	40	44	40	23	20	29
Revenue Yield (bps)	52.0	45.0	37.0	43.0	43.0	35.0
RoE (%)	87.0	30.3	29.3	25.0	15.9	31.8
Operational Parameters[^]						
Mutual Fund QAAUM	10,14,760	8,81,400	6,56,500	4,25,170	3,78,410	1,19,700
Equity-oriented QAAUM	5,66,630	5,34,300	3,00,380	1,67,500	1,16,850	1,07,800
% of Equity-oriented QAAUM	55.8	60.6	45.8	39.4	30.9	90.1
No. of Distributors	1,10,719	1,03,000	1,19,200	92000.0	75000.0	53955.0

For ICICI Prudential AMC the Market Cap, P/E(x) are calculated on post-issue equity share capital based on the upper price band. RoE (%) is calculated on pre-issue capital CMP for peer companies is closing price as on 8th December, 2025 Source: RHP, Exchange Filings

INCOME STATEMENT				
Particulars (Rs cr)	FY23	FY24	FY25	1HFY26
Investment Management Fees	2,448.0	2,999.0	3,964.0	2,296.0
PMS and Advisory Fees	242.0	377.0	719.0	437.0
Revenue from Operations	2,689.0	3,376.0	4,683.0	2,733.0
Operating Expenditures	766.0	981.0	1,343.0	740.0
Fees and commission expense	96.0	153.0	319.0	199.0
Employee Expense	412.0	522.0	614.0	341.0
Other Expense	258.0	307.0	409.0	199.0
Core Operating Income	1,924.0	2,395.0	3,340.0	1,993.0
Other Income	149.0	385.0	297.0	217.0
Depreciation	51.0	66.0	85.0	52.0
Finance Cost	15.0	16.0	19.0	9.0
Profit Before Tax	2,007.0	2,698.0	3,533.0	2,149.0
Tax	491.0	648.0	882.0	532.0
Tax Rate (%)	24.0	24.0	25.0	25.0
Profit After Tax	1,516.0	2,050.0	2,651.0	1,618.0
Core PAT	1,403.0	1,757.0	2,428.0	1,455.0
Reported EPS (Rs)	30.7	41.5	53.6	32.7
BALANCE SHEET				
Particulars (Rs cr)	FY23	FY24	FY25	1QFY26
Shareholders Fund	2313	2883	3517	3922
Share capital	18.0	18.0	18.0	18.0
Reserves and Surplus	2,295.0	2,865.0	3,499.0	3,904.0
Financial Liabilities	376.0	497.0	637.0	617.0
Trade Payables	85.0	122.0	175.0	200.0
Other Financial Liabilities	292.0	376.0	462.0	417.0
Non-Financial Liabilities	115.0	174.0	230.0	289.0
Current tax liabilities (Net)	12.0	15.0	20.0	59.0
Provisions	14.0	19.0	24.0	24.0
Deferred tax liabilities	20.0	58.0	85.0	104.0
Other Non-financial liabilities	70.0	81.0	101.0	102.0
Total Equity and Liabilities	2,805.0	3,554.0	4,384.0	4,827.0
Assets				
Financial Assets	2,485.0	3,163.0	3,603.0	4,024.0
Cash and cash equivalents	31.0	23.0	15.0	7.0
Balances with Banks	-	11.0	13.0	13.0
Trade Receivables	112.0	196.0	237.0	172.0
Investments	2,287.0	2,883.0	3,285.0	3,794.0
Other Financial Asset	53.0	50.0	52.0	37.0
Non-financial Assets	320.0	391.0	781.0	804.0
Fixed Assets	137.0	175.0	553.0	584.0
Intangible Assets (incl. under	19.0	31.0	45.0	46.0
Other Non- financial Assets	163.0	185.0	183.0	174.0
Total Assets	2,805.0	3,554.0	4,384.0	4,827.0

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