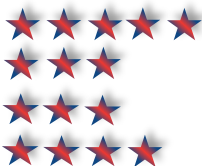


IPO Report



Rating

Business
Financials
Valuation
Management



Ranking 1 to 5, denoting lowest to highest

Date: 16 December, 2025



FIN2RESEARCH
Investment Advisor Pvt. Ltd.



ICICI Prudential Asset Management Company Limited

IPO: ICICI Prudential Asset Management Company Limited | Sector: Financial Services | Expected Listing Returns: Upto 20%

Stock Info	
Issue Size	Rs 10,602.65 Cr
Lot Size	6 Shares
Face Value (per sh.)	Rs 1
Min. Investment	Rs 12.990
Issue Price Band	Rs 2061 to Rs 2165
Listing At	NSE, BSE
QIB	47.50%
HNI	14.25%
Retail	33.25%
Sales Type	Offer for sale
Offer For Sale	Rs 10,602.65 Cr
Issue Type	Bookbuilding IPO
BRLM	Citigroup Global Markets India, ICICI Securities, Morgan Stanley India, Goldman Sachs (India) Securities
Registrar	KFin Technologies

IPO Timeline	
Opening Date	Fri, 12 December, 2025
Closing Date	Tue, 16 December, 2025
Allotment	Wed, 17 December, 2025
Initiation of Refund	Thu, 18 December, 2025
Credit of shares	Thu, 18 December, 2025
Listing Date	Fri, 19 December, 2025

Shareholding Pattern (Promoters)	
ICICI Bank Limited	51.00%
Prudential Corporation Holdings Limited	49.00%

Objective of Issue

- The Offer is an Offer for Sale, with all proceeds accruing to the Promoter Selling Shareholder, the Company will not receive any proceeds from the Offer.

ICICI Prudential AMC is a leading Indian asset manager with over 30 years of history, managing ₹10.15 trillion in mutual fund QAAUM (~13.3% market share) as of September 30, 2025. It holds leadership positions in equity-oriented and hybrid schemes and leads the industry in individual investor assets with ₹6.61 trillion MAAUM. A growing alternates platform and superior scale enabled it to be the most profitable AMC in FY25.

Key Highlights:

- One of India's Largest and Most Profitable AMCs:** ICICI Prudential AMC is among the top two asset management companies in India by mutual fund AUM, with ~13% market share as of September 2025. It is also India's most profitable AMC, commanding ~20% share of industry profits in FY25. Its scale provides strong operating leverage, allowing the company to generate industry-leading margins and superior return ratios compared to peers.
- Strong Parentage with ICICI Bank & Prudential plc:** The company is promoted by ICICI Bank Limited (51%) and Prudential Corporation Holdings Limited (49%), two globally reputed financial institutions. ICICI Bank provides extensive domestic distribution reach and brand trust, while Prudential contributes global asset management and insurance expertise. This dual-parent structure significantly enhances credibility, governance standards, and long-term business stability.
- Diversified Product Portfolio Across Asset Classes:** The company manages 140+ mutual fund schemes, the highest in the industry, spanning equity, debt, hybrid, ETFs, index funds, sectoral/thematic funds, PMS, and AIFs. This diversification allows ICICI Prudential AMC to capture flows across market cycles and reduces dependence on any single asset class or product category.
- Strong Distribution Network & Digital Capabilities:** ICICI Prudential AMC leverages ICICI Bank's extensive pan-India branch network along with independent distributors, IFAs, and digital platforms. Over 95% of transactions are digital, reflecting strong technology adoption. Its proprietary digital platforms and large social media presence support cost-efficient customer acquisition and engagement.
- Capital-Light, Cash-Generating Business Model:** Asset management is inherently capital-light, requiring minimal balance sheet deployment. ICICI Prudential AMC generates strong operating cash flows and requires limited reinvestment, enabling high dividend potential and strong free cash generation. This makes earnings quality superior and balance sheet risk negligible compared to other financial services businesses.

Peers	Revenue from op. FY25 (Rs cr)	Total MF QAAUM FY25 (Rs cr)	Profit After Tax FY25 (Rs cr)	ROE (%)	FY25 PE (x)
ICICI Prudential AMC	4,977.33	8,79,410	2,650.66	82.8%	40.4
HDFC AMC	3,498.44	7,74,000	2,461.05	32.4%	45.2
Nippon Life India	2,230.69	5,57,200	1,252.23	32.0%	41.0
UTI AMC	1,851.09	3,39,750	653.52	17.5%	19.8
Aditya Birla Sun Life AMC	1,684.78	3,81,720	924.72	27.0%	22.5

Valuation & Investment Recommendation

ICICI Prudential Asset Management Company Limited is being offered at a valuation that reflects its market leadership, superior profitability, and long-term structural growth prospects within the Indian asset management industry. At the upper end of the IPO price band, the company is valued at an implied market capitalisation of approximately ₹1.05–1.10 lakh crore. Based on FY25 earnings, this translates into a P/E multiple of ~40x, positioning the stock broadly in line with premium listed peers such as HDFC AMC and Nippon Life India AMC, and at a meaningful premium to UTI AMC.

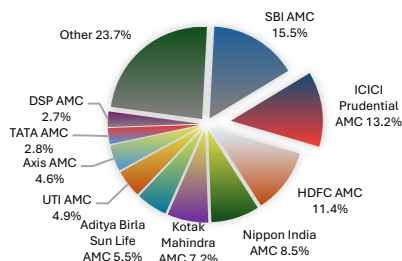
IPO: ICICI Prudential AMC Limited
Expected Listing Returns: Upto 20%

Capturing India's Structural Shift Toward Financial Assets

S
T
R
E
N
G
T
H
S

Market leadership and brand

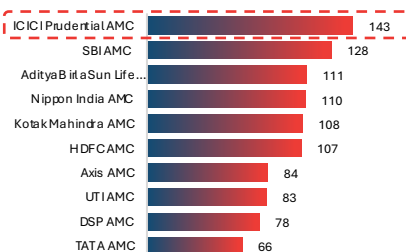
Among India's largest AMCs by AUM, with a 13.2% mutual fund market share and a 13.7% share of retail investor AUM. Strong ICICI-Prudential brand backing supports client trust.



Source: RHP

Diversified product suite

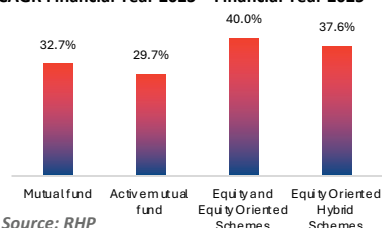
Manages 143 schemes (most of any AMC) across equity, debt, hybrid, ETFs, sector/thematic funds, plus leading discretionary PMS and AIF lines. Broad offerings mitigate concentration risk.



Source: RHP

Superior CAGR Growth in Core Products

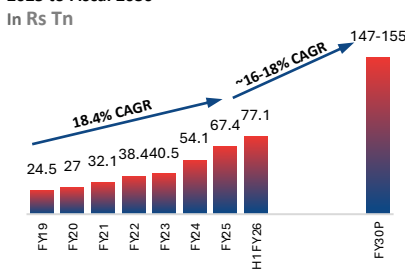
Equity and equity-oriented QAAUM grew at a ~40% CAGR (FY23-FY25) versus ~36% for the industry, while equity-oriented hybrid QAAUM expanded at a ~37.6% CAGR compared with ~29.5% industry growth, underscoring strong product performance and faster AUM scaling.

CAGR Financial Year 2023 – Financial Year 2025


Source: RHP

Continued industry growth

The mutual fund sector is projected to expand rapidly (AMFI/CRISIL estimate ~16–18% CAGR FY25–30) on the back of rising household savings and SIP trends. With only ~4% population currently in MFs, penetration can still climb sharply, especially in smaller cities and among younger investors. ICICI Prudential AMC can tap this growing market.

Mutual Fund QAAUM to grow at ~16-18% over Fiscal 2025 to Fiscal 2030


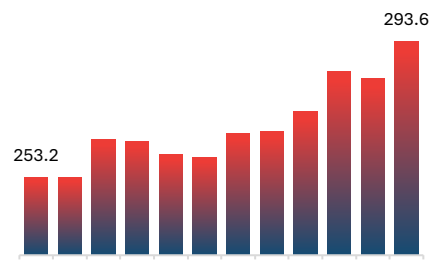
Source: RHP

Retail participation trends

Steady SIP inflows and rising financial literacy favor equity/hybrid funds. The firm's strong brand and product range position it to capture these flows.

Monthly SIP Contributions

In Rs Bn



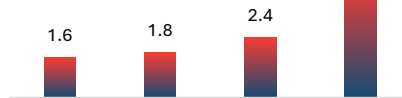
Source: RHP

Increasing Equity Orientation of Household Savings

Indian household financial assets are gradually tilting toward equities and equity-oriented mutual funds as awareness improves and equity returns outperform traditional instruments over long periods. Equity AUM commands higher fee yields compared to debt products. Given ICICI Prudential AMC's strong franchise in equity, hybrid, and solution-oriented funds, the company stands to benefit from margin expansion and superior profitability as the industry's asset mix becomes more equity-heavy.

Inflow of financial savings into Mutual Funds in fiscal 2025 increased by 95% from fiscal 2024

In Rs Tn



Source: RHP

O
P
P
O
R
T
U
N
I
T
I
E
S

THREATS

High Sensitivity of Earnings to Market Cycles: Revenues are directly linked to assets under management (AUM), which in turn depend on equity and debt market levels. During market corrections or prolonged bearish phases, equity valuations decline, investor risk appetite weakens, and net inflows may slow or turn negative. This can lead to sharp earnings volatility, despite the company's strong franchise, making the business inherently cyclical and less predictable in adverse market conditions.

Intense competition: The company faces pressure from other large AMCs (HDFC, SBI, Nippon, etc.), foreign fund houses, and agile fintech entrants. According to the RHP, competition is fierce: both domestic and foreign PMS/AIF managers may offer similar or better performance/fees. Alternatives like ULIPs, small saving schemes, or real estate/gold also vie for savings. Fee compression or loss of market share are real risks.

Market volatility: A sharp equity market correction or macroeconomic shock (inflation spike, interest rate hike, geopolitical turmoil) could trigger large redemptions. Asset managers are vulnerable in downturns: when asset values drop, revenues fall and new inflows slow.

Operational risks: Cybersecurity breaches, major system failures (especially given high digital transaction volume), or trading errors could undermine investor trust. Also, any substantial compliance lapse or legal issue (e.g. with fund accountant or custodian) could lead to fines/reputation damage.

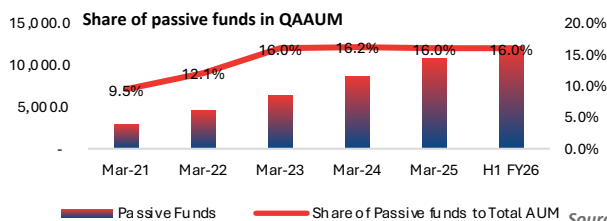
Macroeconomic factors: Broader issues like currency volatility or fiscal policy shifts can influence foreign investor sentiment and domestic investment; while India's growth outlook remains strong, global headwinds could spill over into the industry.

WEAKNESSES

Secondary Market Supply Risk: Prudential may be required to offload additional shares beyond the IPO size to comply with regulatory mandates, which could lead to excess supply and weigh on stock liquidity and pricing in the secondary market.

Key-person risk: Asset management is a people-driven business, and long-term performance is closely linked to the reputation and track record of senior leadership and key fund managers. ICICI Prudential AMC is particularly identified with senior leaders such as the CEO and CIO. Any unexpected departure, succession challenges, or prolonged underperformance by key investment teams could negatively affect investor confidence and AUM flows.

Increasing Shift Toward Low-Fee Passive Products: The growing popularity of index funds and ETFs, while positive for AUM growth, carries structurally lower fee margins than active funds. As investor preference shifts toward low-cost passive investing, the company could face long-term margin dilution, particularly if pricing pressure intensifies or competition in passive products increases.



Source: RHP

Disclaimer

ANALYST CERTIFICATION :

I Shivmani Mishra, Research Analyst, author, and the name subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect my views about the subject issuer(s) or securities. I also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above-mentioned Analyst of this report has not received any compensation from the companies mentioned in the report in the preceding twelve months and does not serve as an officer, director, or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

Investments in the securities market are subject to market risks. Read all the related documents carefully before investing. Registration granted by Sebi and certification from NISM in no way guarantee the performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum, or risk-free return to the investors. Fin2research Investment Advisor Private Limited (FIA) is the source of information and opinions in this report, which may be subject to change at any time. Any and all content in this report is confidentially sourced only for that intended audience and may not be altered, transmitted (in whole or in part), copied into another medium, or reproduced elsewhere without the written permission of Fin2research Investment Advisor Private Limited (FIA). Although we will endeavor to update the information contained herein for reasonable reasons, Fin2research Investment Advisor Private Limited (FIA) has no obligation to update or keep this information current. Due to regulatory, compliance, or other reasons, Fin2research Investment Advisor Private Limited (FIA) may be unable to do so.

The accuracy of this report is not guaranteed and it relies on information from public sources that have not been independently verified. This report and the information contained in it are for informational purposes only and should not be used or considered as an offer document or as an invitation to buy, sell, or subscribe to securities or other financial instruments. Although it is distributed to all clients at the same time, not all clients can receive this report at the same time. Fin2research Investment Advisor Private Limited (FIA) will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting, or tax advice or a representation that any investment or strategy is or would be appropriate for your particular circumstances.

The securities mentioned and opinions expressed in this document might not be appropriate for all investors, who have to make their very own investment decisions, primarily based totally on their very own investment objectives, economic positions, and needs of the particular recipient. This may not be taken in substitution for the exercising of independent judgment through any recipient. The recipient must independently compare the investment risks. Any number of factors, including fluctuations in interest rates and foreign exchange rates, could affect the value and return on investment. Fin2research Investment Advisor Private Limited (FIA) disclaims all responsibility for any form of loss or damage resulting from using this material. Future performance is not always predicted by past performance.

The material contained in this study may not align with previous reports published by Fin2research Investment Advisor Private Limited (FIA) or reach a different conclusion. Fin2research Investment Advisor Private Limited (FIA) and its Research Analysts have not participated in any market-making activities on behalf of the firms listed in the report. We contend that no regulatory authority has taken any significant disciplinary action against Fin2research Investment Advisor Private Limited (FIA) that would have an impact on the company's ability to conduct equity research analysis.

The distribution, publication, availability, or use of this report by any person or entity that is a citizen or resident of, or located in, any locality, state, country, or other jurisdiction is not authorized or intended, as it may violate legal requirements or subject Fin2research Investment Advisor Private Limited (FIA) and affiliates to registration or licensing requirements in such jurisdictions. Certain groups of investors or all jurisdictions may not be able to purchase the securities covered here. It is expected of everyone who may come into possession of this material to become aware of and abide by these restrictions.

THANK YOU

Fin2Research Investment Advisor Pvt Ltd (FIA)

CIN: U70200DL2023PTC413207IA

Registration No: INA000018425

Registered Office: Plot No A 2nd Floor, Street New Bungalow Road, Malka Ganj, Delhi North Delhi, 110007 Delhi

Phone no: 9711885801

Email: customercare@fin2research.com

Website: www.fin2research.com

For Research Query: www.researchdesk@fin2research.com