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### IPO Report

09<sup>th</sup> Oct'25

#### Snapshot

Company is India's second oldest asset management company ("AMC"). Company's primary activities include managing mutual funds and providing investment advice on Indian equities to Robeco Hong Kong Limited ("Robeco HK"), a member of its Promoter Group. As of June 30, 2025, company managed 26 schemes comprising 12 equity schemes, 10 debt schemes and four (4) hybrid schemes with a quarterly average asset under management ("QAAUM") of ₹ 1,110.52 billion as of June 30, 2025.

#### VALUATION

Company is bringing the issue at price band of Rs 253-266 per share at pe multiple of approx. 22x on post issue FY25 basis. Company has recognized brand with legacy of operations and established parentage with Operations led by professional management team and established corporate governance standards. Company has well-diversified equity products mix backed by research-driven investment process with pan-India multi-channel sales and distribution network. Company has Expanding proportion of AUM contributed by individual investors and SIP contributions. Company has integrated technology-led operations with a well-established digital eco-system. Hence, we recommend "Subscribe" to the issue.

<b>Price Band (Rs./Share)</b>	<b>253-266</b>
<b>Opening date of the issue</b>	<b>09<sup>th</sup> Oct'2025</b>
<b>Closing Date of the issue</b>	<b>13<sup>th</sup> Oct '2025</b>
<b>No of shares pre issue</b>	19,94,17,428 Eq Shares
<b>Issue Size</b>	Rs 1261-1326 Cr
<b>Offer For Sale</b>	4,98,54,357 Eq Shares
<b>No of Shares</b>	4,98,54,357 Eq Shares
<b>Face Value (Rs/ share)</b>	Rs 10/share
<b>Bid Lot</b>	56

#### BIDDING DETAILS

<b>QIBs (Including Anchor)</b>	50% of the offer (Approx 2,49,27,178 Eq Shares)
<b>Non-Institutional</b>	15% of the offer (Approx 74,78154 Eq Shares)
<b>Retail</b>	35% of the offer (Approx 1,74,49,025 Eq Shares)
<b>Lead managers</b>	Axis Capital, SBI Capital Markets, JM Financial
<b>Registrar to the issue</b>	MUFG Intime India Pvt. Ltd

#### WHAT WE LIKE

##### *Recognized brand with legacy of operations and established parentage*

Canara Bank, a scheduled public sector commercial bank, was founded in the year 1906 as a private entity and became a nationalized bank in 1969. As on June 30, 2025, Canara Bank has a pan-India presence with 9,861 branches and 7,907 ATMs, spread across all the Indian states and union territories. Canara Bank operates four international branches in New York (United States of America), London (United Kingdom), Dubai (UAE) and International Business Unit in Gujarat International Finance Tec-City. Furthermore, Canara Bank also has a representative office at Sharjah, United Arab Emirates, and a wholly owned subsidiary

##### *Well-diversified equity products mix backed by research-driven investment process*

As of June 30, 2025, out of 15 equity-oriented schemes, company managed seven equity-oriented schemes that have been managed for more than 10 years. Company have witnessed a significant increase in its equity-oriented QAAUM which grew at a CAGR of 30.96% between March 31, 2023 and March 31, 2025. Company had the third highest share of equity (including equity-oriented hybrid) AUM as of June 30, 2025 amongst the top 20 AMCs in India and the highest share of equity-oriented AUM compared to top 10 AMCs.

##### *Pan-India multi-channel sales and distribution network*

Company have a multi-channel sales and distribution network that allows it to offer products and services to its customers. This network includes third-party distributors, sales through its branches, and digital platforms. As of June 30, 2025, company had 52,343 distribution partners across India, including Canara Bank, 44 other banks, 548 ND and 51,750 MFDs.



## COMPANY BACKGROUND

Company was incorporated in 1993 as Canbank Investment Management Services Limited to manage the assets of Canbank Mutual Fund, with the entire equity share capital held by Canara Bank. Subsequently, in 2007, company became Canara Robeco Asset Management Company Limited, a joint venture, when Canara Bank entered into an agreement with ORIX Corporation Europe N.V. (previously known as Robeco Groep N.V. (“Robeco”)) (“OCE”), whereby Robeco acquired a 49% stake in company while the remaining 51% was retained by Canara Bank .

Company have a wide retail customer base and as of June 30, 2025, the total Monthly Average Assets Under Management (“MAAUM”) generated from retail investors (inclusive of retail and high-net worth individual investors) were ₹ 1,011.70 billion, accounting for 86.87% of its total MAAUM. Furthermore, as of June 30, 2025, the total folios invested in its schemes were 5.05 million out of which 5.00 million were individual customer folios, representing 99.01% of its total folios. As of June 30, 2025, company had the second highest share of retail AUM amongst the top 20 AMC’s in India and the highest share of retail AUM compared to top 10 AMC’s (basis AUM).

Company have a strategic investment process for its equity-oriented and debt-oriented schemes whereby in its equity-oriented schemes company focus on investing in companies with competent management, robust business fundamentals, growth-oriented businesses and reasonable valuations, while focusing on safety, liquidity and return, with an endeavour to deliver risk adjusted returns for its debt-oriented schemes. Company’s scheme performance track record has been acknowledged through several industry awards, including Best Fund House (Equity) at the Morningstar Fund Awards 2021.

Company’s portfolio of equity-oriented schemes includes a large and mid-cap fund, a large cap fund, a flexi cap fund, a small cap fund, an aggressive hybrid fund, an equity-linked saving scheme (ELSS) tax saver fund, a multi-cap fund, a mid-cap fund, a focused fund, three sectoral funds (which includes consumer trends, infrastructure and manufacturing funds); a balanced advantage, a multi asset allocation fund and value fund. As of June 30, 2025, seven out of company’s 15 equity-oriented schemes have been managed for more than 10 years .

Company’s debt portfolio amongst others includes an overnight fund, a banking and public sector undertaking debt fund, a corporate bond fund, a dynamic bond fund, a gilt fund, a medium to long duration fund, a low duration fund, a liquid fund, an ultra-short duration, a short- duration fund and a conservative hybrid fund.

## OBJECTS OF OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchanges and for the Offer for Sale of up to 49,854,357 Equity Shares of face value of ₹10 each by company’s Promoter Selling Shareholders,

## RISKS

One of company’s equity schemes and nine of its debt schemes have underperformed relative to their respective benchmark indices over a one calendar year ended June 30, 2025. If its investment schemes underperform, its AUM could decrease, negatively impacting its results of operations.

Source:RHP


**Consolidated Financials**

(Rs in Mn)

Financials	FY23	FY24	FY25	Q1FY26
Total Revenue (A)	2045.95	3180.90	4036.95	1210.69
Total Expenditure (B)	917.08	1169.48	1396.14	393
EBIDTA	1128.87	2011.42	2640.81	817.69
EBIDTA Margin	55.18	63.23	65.42	67.54
Other Income	2.04	6.94	3.00	2.70
Depreciation	41.50	47.80	50.25	16.98
EBIT	1089.41	1970.56	2593.56	803.41
Interest	19.23	18.72	17.13	4.64
PBT	1070.18	1951.84	2576.43	798.77
Share of profit in Asso	0.00	0.00	0.00	0.00
PBIT	1070.18	1951.84	2576.43	798.77
Exceptional	0.00	0.00	0.00	0.00
PBT	1070.18	1951.84	2576.43	798.77
Tax	280.17	441.89	669.39	189.00
PAT	790.01	1509.95	1907.04	609.77
NPM	38.61	47.47	47.24	50.37
ROE%	24.05	33.22	31.78	9.23
EPS	3.96	7.57	9.56	3.06
Eq Cap	498.54	498.54	1,994.17	1,994.17
Net Worth	3,285.49	4,544.89	6,000.56	6,606.04

(Source: RHP)



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