Retail Research – IPO Note	07th October 2025
Sector: Asset Management Company	Price Band (Rs): 253 – 266

Canara Robeco Asset Management Co. Ltd.

Company Overview:

Canara Robeco Asset Management Co. Ltd (CRAMC) is India's second-oldest asset management company, engaged in managing mutual funds and offering investment advisory services on Indian equities to Robeco Hong Kong Ltd, a part of its promoter group. As of Jun'25, CRAMC managed 26 schemes across categories — 12 equity, 10 debt, and 4 hybrid schemes — with a quarterly average asset under management (QAAUM) of Rs 1,110.5 billion. The AMC held the highest retail AUM share among the top 10 asset management companies in India as of Jun'25, highlighting its strong retail franchise and investor trust.

Key Highlights:

1. **Strong Parentage and Strategic Support**: Established in 1993, CRAMC is a joint venture between Canara Bank and ORIX Corporation Europe (OCE) — with Canara Bank holding a 51% stake and OCE owning the remaining 49%. The AMC has effectively utilized Canara Bank's strong brand equity and extensive branch network to drive product distribution and deepen customer reach. As of June 2025, total Monthly Average AUM (MAAUM) mobilised through Canara Bank branches stood at Rs 93.2 billion, accounting for 8% of CRAMC's overall MAAUM. Furthermore, the company benefits from OCE's international expertise in investment management, product innovation, and risk governance, strengthening its operational capabilities.

2. **Expanding Equity Orientation:** As of June 2025, CRAMC managed 15 equity-oriented schemes (comprising 12 equity and 3 hybrid funds). The AMC held the highest proportion of equity AUM among the top 20 domestic AMCs, underscoring its strong focus on equity-led growth. The share of equity-oriented QAAUM in total QAAUM increased from 88.4% in FY23 to 91.7% in FY25, reflecting its rising dominance in the equity segment. The equity-oriented AUM grew at an impressive CAGR of 31% between FY23 and FY25, indicating strong investor confidence and efficient fund performance.

3. **Pan-India distribution network:** The AMC has established a robust pan-India multi-channel distribution network, encompassing 52,343 distribution partners across the country. This includes Canara Bank (8.0% of total MAAUM), 44 other banks (4.2%), 548 National Distributors (27.7%), and 51,750 Mutual Fund Distributors (MFDs) contributing 33.5% of total MAAUM as of Jun'25. The AMC's wide distribution base reflects strong institutional linkages and accessibility to investors across regions.

4. **Increasing share of AUM contributed by individual investors and SIP:** The AMC's strategic focus on retail and HNI customer acquisition has significantly increased participation through Systematic Investment Plans (SIPs) and direct retail investments. The MAAUM from individual investors grew from Rs 545.5 billion in FY23 to Rs 887.6 billion in FY25, registering a CAGR of 27.6%. As of Jun'25, MAAUM from individual retail and HNI investors reached Rs 1,011.7 billion, accounting for 86.9% of total MAAUM. The AMC managed 5.1 million customer folios, including 5 million individual accounts, representing 99% of total investors. Such robust retail participation underscores strong investor confidence, recurring revenue visibility through SIPs, and enhanced stability of AUM flows.

Valuation: CRAMC's well-established brand, robust parental support, and leadership in retail and equity-oriented AUM position it favourably in the growing Indian mutual fund industry. Its collaboration with Canara Bank grants access to an extensive and cost-effective distribution network, while OCE's expertise enhances risk management and incorporates global best practices. During the FY23-FY25 period, CRAMC has reported revenue/PAT/QAAUM CAGR of 40.5%/55.4%/28.6% respectively. At the upper price band, CRAMC is valued at 1QFY26 annualized P/E multiple of 21.7x. Furthermore, the Mutual Fund AUM in India is expected to grow at a CAGR of ~16%-18% between the forecast period of FY25 to FY30P, reaching Rs 147 tn – Rs 155 tn by FY30P. The company is expected to be a beneficiary of the sector tailwind.

Issue Details	
Date of Opening	09th October 2025
Date of Closing	13th October 2025
Price Band (Rs)	253 – 266
Offer for sale (Rs cr)	1,326 @upper price band
Fresh Issue (Rs cr)	-
Issue Size (Rs cr)	1,326 @upper price band
Issue Size (No. of shares)	4,98,54,357
Face Value (Rs)	10.0
Post Issue Market Cap (Rs cr)	5,045 – 5,305
BRLMs	SBI Capital Markets Ltd, Axis Capital Ltd, JM Financial Ltd
Registrar	MUFG Intime India Pvt Ltd.
Bid Lot	56 shares and in multiples thereof
QIB shares	50%
Retail shares	35%
NIB shares	15%

Shareholding Pattern		
Pre-Issue	**No. of Shares**	**%**
Promoter & Promoter Group	19,94,17,428	100.0
Public & Others	-	-
Total	**19,94,17,428**	**100.0**

Post Issue @ Upper Price Band	No. of Shares	%
Promoter & Promoter Group	14,95,63,071	75.0
Public & Others	4,98,54,357	25.0
Total	**19,94,17,428**	**100.0**

Selling Shareholding	No. of Shares
Canara Bank	2,59,24,266
ORIX Corporation Europe N.V.	2,39,30,091
Total	**4,98,54,357**

Source: RHP, SSL Research

Note: *SBI Capital Markets Ltd. is the BRLM to the issue and hence as per compliance led restrictions, SBI Securities Ltd. cannot assign any rating to the issue. IPO note can be used to understand the business model and decode the key operational and financial metrics*

Key Financials

Particulars (Rs cr)	FY23	FY24	FY25	1QFY26
Revenue from Operations	204.6	318.1	403.7	121.1
Operating Income	106.8	194.5	257.3	79.6
PAT	79.0	151.0	190.7	61.0
EPS (Rs)	4.0	7.6	9.6	3.1
P/E (x)*	67.1	35.1	27.8	21.7^
P/B (x)*	16.1	11.7	8.8	8.0
RoE (%)	24.0	38.6	36.2	38.7^

Source: RHP, SSL Research
****Pre-issue based on upper price band***
^Annualized

Risk Factors

- **Underperformance risk:** The performance of schemes is critical to retaining existing customers and attracting new customers, which is an important factor in AUM growth. The AMC's investment strategies can perform poorly for several reasons, including general market conditions, competition, product offerings, investment decisions and the performance of the companies in which it invests on behalf of schemes. As revenue is largely dependent on the value and composition of AUM, any decrease in those aspects of AUM will likely result in a decline in revenue.
- **Market fluctuations:** CRAMC's business is heavily influenced by market fluctuations and overall economic conditions. Unfavourable market changes and economic downturns may result in customer withdrawals or a decrease in customer transactions, resulting in a decline in AUM and management fees, which could significantly and negatively influence revenue, business prospects and financial conditions.
- **Dependency on distributors:** The AMC is dependent on third-party distributor partners for a majority of its MAAUM, and generated 73.4% of its MAAUM through third-party distributors, as of Jun'25. Thus, if the AMC is unable to maintain its existing relationship with third-party distributors or attract new distributors, there may be an adverse impact on its business.
- **Failure to retain key personnel:** The business is highly dependent on existing Key Managerial Personnel (KMP), Senior Management and the investment team for their ability to provide strategic direction and to manage operations and meet future business challenges. The inability of CRAMC to attract or retain such persons could adversely affect its business.
- **Regulatory Risk:** The company operates under a stringent regulatory regime, and any inability to comply with legal and regulatory obligations may expose it to regulatory proceedings and legal actions by the Securities and Exchange Board of India (SEBI).

Growth Strategy

- Grow distribution and geographical presence.
- Focus on delivering sustained investment performance.
- Focus on diversifying AUM across asset classes and product offerings.
- Focus on leveraging technology to improve operational efficiency.
- Enhance employee value proposition to attract and retain high-quality talent

Management Fee - % of Total Revenue and Avg. AUM

Particulars (Rs cr)	FY23	FY24	FY25	1QFY26
Total Closing AUM	62,544	88,764	1,03,277	1,17,513
Average AUM	56,859	77,221	1,03,309	1,11,052
Management Fee	185	261	348	93
Total Revenue (TR)	205	318	404	121
Management Fee as % of TR	90.2%	82.1%	86.2%	76.6%
Management Fee as % of Avg. AUM	0.3%	0.3%	0.3%	0.1%

Source: RHP, SSL Research

SIP Count

Particulars	FY23	FY24	FY25	1QFY26
Total SIP count (in million)	2.3	2.3	2.4	2.1
Total SIP folio count (in million)	1.1	1.5	1.7	1.8
SIP monthly contribution (Rs cr)	813	764	751	747
SIP unique PAN count (in million)	1.1	1.4	1.6	1.7

Source: RHP, SSL Research

SIP AUM Market Share

SIP AUM (Rs cr)	FY23	FY24	FY25	1QFY26
Canara Robeco AMC	15,378	26,673	33,504	38,625
Industry	6,80,000	10,71,000	13,35,000	15,30,000
Co's market share	2.3%	2.5%	2.5%	2.5%

Source: RHP, SSL Research

Quarterly Avg. AUM Spilt – by Asset Class

Asset Class	FY23		FY24		FY25		1QFY26	
	Rs cr	% of total QAAUM	Rs cr	% of total QAAUM	Rs cr	% of total QAAUM	Rs cr	% of total QAAUM
Equity-Oriented	55,253	88.4%	79,811	91.7%	94,757	91.7%	1,01,251	91.2%
Debt-Oriented	7,232	11.6%	7,259	8.3%	8,587	8.3%	9,801	8.8%
Total	**62,485**	**100.0%**	**87,070**	**100.0%**	**1,03,344**	**100.0%**	**1,11,052**	**100.0%**

Source: RHP, SSL Research

Folios Split – Individual vs Institutional

Particulars (in million)	FY23	FY24	FY25	1QFY26
Individual Customer Folios	4.26	4.66	4.97	5.00
Institutional Folios	0.05	0.05	0.05	0.05
Total Folios	**4.31**	**4.71**	**5.02**	**5.05**

Source: RHP, SSL Research

Monthly Avg. AUM Split – Distribution Network

Distributor	FY23		FY24		FY25		1QFY26	
	Rs cr	% of total MAAUM	Rs cr	% of total MAAUM	Rs cr	% of total MAAUM	Rs cr	% of Total MAAUM
Distribution Partners (i.e. regular plans)	**48,458**	**78.0%**	**67,151**	**76.2%**	**75,025**	**73.6%**	**85,534**	**73.4%**
Canara Bank	5,568	9.0%	7,083	8.0%	8,036	7.9%	9,322	8.0%
Other Banks	3,774	6.1%	4,738	5.4%	4,448	4.4%	4,860	4.2%
National Distributors	17,484	28.2%	24,357	27.7%	28,118	27.6%	32,291	27.7%
Mutual Fund Distributors	21,632	34.8%	30,973	35.2%	34,423	33.8%	39,061	33.5%
Direct	**13,639**	**22.0%**	**20,927**	**23.8%**	**26,870**	**26.4%**	**30,921**	**26.6%**
Total	**62,097**	**100.0%**	**88,078**	**100.0%**	**1,01,895**	**100.0%**	**1,16,455**	**100.0%**

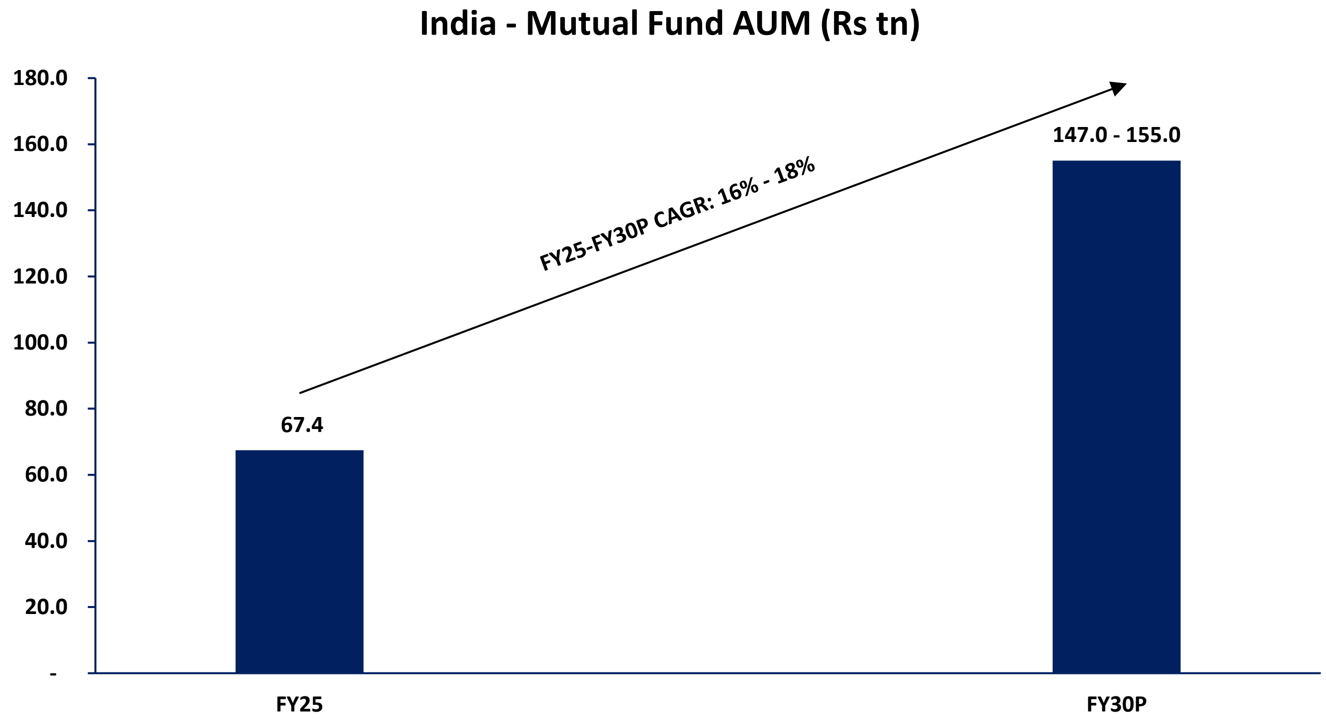
Source: RHP, SSL Research

Human Capital

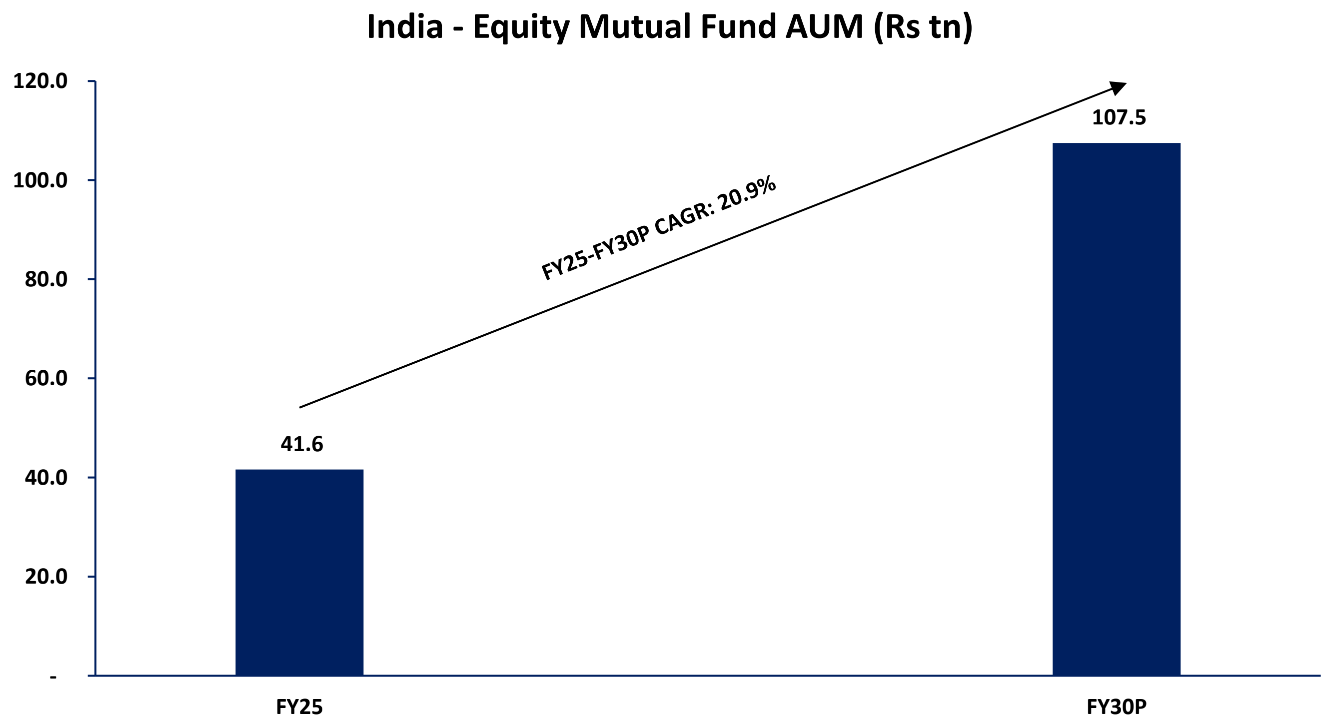
Particulars	FY23	FY24	FY25	1QFY26
No. of employees	250	267	305	325
No. of KMPs	3	3	3	3
No. of SMPs	4	5	5	5
No. of investment team personnel	24	24	25	26
Employee attrition rate	17.4%	8.5%	10.2%	1.2%
KMP's attrition rate	-	-	-	-
SMPs attrition rate	20.0%	-	-	-
Fund managers' attrition rate	-	8.3%	-	-
Investment team attrition rate	7.7%	7.7%	7.4%	3.7%

Source: RHP, SSL Research

Industry Overview



Source: RHP, SSL Research



Source: RHP, SSL Research

Financial Snapshot

INCOME STATEMENT				
Particulars (Rs cr)	**FY23**	**FY24**	**FY25**	**1QFY26**
Asset Management Services	190.7	269.9	364.5	97.0
Net Gain On Fair Value Changes	13.9	48.2	39.2	24.0
Total Income	**204.6**	**318.1**	**403.7**	**121.1**
Operating Expenditures	**97.8**	**123.6**	**146.4**	**41.5**
Employee Expense	59.6	75.8	88.5	24.9
Other Expense	32.1	41.1	51.1	14.4
Depreciation	4.2	4.8	5.0	1.7
Finance Cost	1.9	1.9	1.7	0.5
Operating Income	**106.8**	**194.5**	**257.3**	**79.6**
Other Income	0.20	0.69	0.30	0.27
Profit Before Tax	**107.02**	**195.18**	**257.64**	**79.88**
Provision for Tax	**28.0**	**44.2**	**66.9**	**18.9**
Current Tax	27.2	43.0	63.7	16.3
Provision related to earlier year	-	-	-	-
Deferred Tax	0.9	1.2	3.2	2.6
Profit After Tax	**79.0**	**151.0**	**190.7**	**61.0**

BALANCE SHEET				
Particulars (Rs cr)	**FY23**	**FY24**	**FY25**	**1QFY26**
Shareholders Fund	**328.5**	**454.5**	**600.1**	**660.6**
Share capital	49.9	49.9	199.4	199.4
Reserves and Surplus	278.7	404.6	400.6	461.2
Financial Liabilities	**20.7**	**21.0**	**20.9**	**25.5**
Borrowings				
Other Financial Liabilities	20.7	21.0	20.9	25.5
Non-Financial Liabilities	**28.7**	**41.3**	**53.1**	**49.0**
Provisions	0.9	1.2	1.6	8.8
Tax Liabilities	1.4	2.6	5.7	8.2
Other non-financial liabilities	26.4	37.5	45.8	32.0
Total Equity and Liabilities	**378.0**	**516.8**	**674.0**	**735.1**
Assets				
Financial Assets	**355.7**	**495.0**	**649.5**	**707.4**
Cash and Balances	1.4	1.8	0.3	11.6
Investments	329.6	456.9	604.1	649.4
Trade Receivables	23.4	34.7	41.6	36.7
Other Financial Asset	1.4	1.6	3.5	9.6
Non-financial Assets	**22.3**	**21.9**	**24.5**	**27.7**
Fixed Assets	17.1	16.3	15.3	18.3
Intangible Assets (incl. under development)	1.3	0.9	3.1	4.2
Other Non- financial Assets	3.8	4.7	6.1	5.2
Total Assets	**378.0**	**516.8**	**674.0**	**735.1**

RATIOS				
	FY23	FY24	FY25	1QFY26
Profitability				
Return on Assets	20.9	33.8	32.0	34.6^
Return on Equity	24.0	38.6	36.2	38.7^
Margin Analysis				
Net Profit Margin	38.6%	47.5%	47.2%	50.4%
Valuation Ratios*				
EPS (Rs)	4.0	7.6	9.6	12.2^
BVPS (Rs)	16.5	22.8	30.1	33.1
P/E (x)	67.1	35.1	27.8	21.7^
P/B (x)	16.1	11.7	8.8	8.0

^Annualized

Valuation ratios are based on pre-issue capital at the upper price band

Source: RHP, SSL Research

Peer Comparison (FY25)

Particulars (Rs cr)	Canara Robeco AMC Ltd.	HDFC AMC Ltd.	Nippon Life Asset Management Ltd.	Aditya Birla Sun Life AMC Ltd.	UTI AMC Ltd.
Financials					
CMP*	266	5,675	873	819	1,310
Revenue	404	3,498	2,065	1,659	1,449
Net Profit	191	2,461	1,252	925	654
Mkt Cap.	5,305	1,21,447	55,573	23,629	16,793
Net Profit Margin (%)	47.2	70.4	60.6	55.8	45.1
P/E (x)	27.8	49.3	44.4	25.5	25.7
Annualized P/E (x)**	21.7	40.6	36.1	21.3	19.4
RoE (%)	36.2	32.4	32.0	27.0	17.5
Operational Parameters					
Mutual Fund QAAUM	1,03,344	7,73,998	5,57,199	3,81,724	3,39,750
Equity-oriented QAAUM	94,757	4,78,827	2,67,743	1,66,740	1,27,236
Equity-oriented QAAUM (%)	91.7	61.9	48.1	43.7	37.4
NAV per Equity Share (Rs)	30.1	380.3	66.4	129.2	403.2
No. of Distributors	50,935	95,000	1,11,400	89,000	73,900

For Canara Robeco Asset Management Co. Ltd., the Market cap, P/E(x) is calculated on post-issue equity share capital based on the upper price band.

****CMP is closing price as of 06th Oct'25.***

*****1QFY26 annualized P/E multiple.***

Source: RHP, SSL Research

SBICAP Securities Limited
(CIN): U65999MH2005PLC155485 I Research Analyst Registration No INH000000602
SEBI Registration No.: Stock Broker: INZ000200032 | CDSL: IN-DP-314-2017 | NSDL: IN-DP-NSDL-369-2014 | Research Analyst: INH000000602
IRDA/RW/IR2/2015/081 | IRDA/RW/IR1/2016/041 | IRDA: CA0103
Registered & Corporate Office: Marathon Futurex, A Wing, 12th Floor, N. M. Joshi Marg, Lower Parel, Mumbai-400013.

For any information contact us:

022-6854 5555

E-mail: helpdesk@sbicapsec.com I Web: www.sbisecurities.in

DISCLOSURES & DISCLAIMERS:

Analyst Certification: The views expressed in this research report ("Report") accurately reflect the personal views of the research analysts ("Analysts") employed by SBICAP Securities Limited (SSL) about any and all of the subject issuer(s) or company(ies) or securities. This report has been prepared based upon information available to the public and sources, believed to be reliable. I/We also certify that no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

The Analysts engaged in preparation of this Report or his/her relative:-

(a) do not have any financial interests in the subject company mentioned in this Report; (b) do not own 1 or more of the equity securities of the subject company mentioned in the report as of the last day of the month preceding the publication of the research report; (c) do not have any material conflict of interest at the time of publication of the Report.

The Analysts engaged in preparation of this Report:-

(a) have not received any compensation from the subject company in the past twelve months; (b) have not managed or co-managed public offering of securities for the subject company in the past twelve months; (c)have not received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months; (d) have not received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months; (e) has not received any compensation or other benefits from the subject company or third party in connection with the Report; (f) has not served as an officer, director or employee of the subject company; (g) is not engaged in market making activity for the subject company.

Name	Qualification	Designation
Sudeep Shah	MMS-Finance	VP- Technical & Derivative Research
Sunny Agrawal	B.E, MBA (Finance)	DVP - Fundamental Research
Rajesh Gupta	PGDBM (Finance), MA (Bus. Eco)	AVP - Fundamental Research
Monica Chauhan	C.A.	Research Analyst - Equity Fundamentals
Harsh Vasa	CA	Research Analyst - Equity Fundamentals
Sumeet Shah	B.E., CFA	Research Analyst - Equity Fundamentals
Sweta Padhi	MBA (Finance)	Research Analyst - Equity Fundamentals
Uday Chandgothia	B-Tech, MBA (Finance)	Research Associate - Equity Fundamentals
Arnav Sane	BMS (Finance)	Research Associate - Equity Fundamentals
Shubham Purohit	BMS (Finance)	Research Associate - Equity Fundamentals
Vinit Mishra	B.Com	Research Associate - Equity Fundamentals
Gautam Updhyaya	MBA (Finance)	Research Analyst - Equity Derivatives
Vinayak Gangule	BE (IT)	Research Analyst - Equity Technicals
Ashwin Ramani	B.Com	Research Analyst- Equity Technicals
Sagar Peswani	B.Tech (ECE)	Research Associate - Equity Technicals
Kalpesh Mangade	B.Com	MIS Analyst - Retail Research

For other Disclosures please visit: https://bit.ly/R_disclaimer02

Sudeep Shah
VP – Technical & Derivative Research

Sunny Agrawal
DVP – Fundamental Research