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WISDOM TO PROSPERITY

CANARA ROBECO Mutual Fund

# Canara Robeco Asset Management Co. Limited

*7th October, 2025*

## IPO Details

| | |
|---|---|
| IPO Date | October 9, 2025 to October 13, 2025 |
| Face Value | ₹10 per share |
| Price Band | ₹253 to ₹266 per share |
| Lot Size | 56 Shares |
| Sale Type | Offer For Sale |
| Total Issue Size | 4,98,54,357 shares (aggregating up to ₹1,326.13 Cr) |
| Issue Type | Book building IPO |
| Listing At | BSE, NSE |
| QIB Shares Offered | Not more than 50% of the Net Offer |
| Retail Shares Offered | Not less than 35% of the Net Offer |
| NII (HNI) Shares Offered | Not less than 15% of the Net Offer |
| Retail (Min & Max ) shares | 56 Shares & 728 shares |
| Retail (Min & Max ) application amount | ₹14,896 & ₹1,93,648 |
| S-HNI (Min shares & application amount) | 784 shares & ₹2,08,544 |
| S-HNI (Max shares & application amount) | 3,752 shares & ₹9,98,032 |
| B-HNI (Min shares & application amount) | 3,808 shares & ₹10,12,928 |
| Basis of Allotment | Tue, Oct 14, 2025 |
| Initiation of Refunds | Wed, Oct 15, 2025 |
| Credit of Shares to Demat | Wed, Oct 15, 2025 |
| Listing Date | Thu, Oct 16, 2025 |
| Cut-off time for UPI mandate confirmation | 5 PM on Mon, Oct 13, 2025 |
| Promoters | Canara Bank and ORIX Corporation Europe N.V |
| Registrar | MUFG Intime India Pvt.Ltd. |

Note 1: Application made using third party UPI or ASBA A/C is liable to be rejected. For apply please click on the Link https://ipo.adroitfinancial.com/ for any kind of assistance please contact to their helpdesk team at 0120-6826800 or mail us on ipo@adroitfinancial.com

## Company Profile

Canara Robeco Asset Management Company Limited is India's second oldest asset management company (AMC). The company's primary activities include managing mutual funds and providing investment advice on Indian equities to Robeco Hong Kong Limited, a member of the Promoter Group. As of June 30, 2025, they 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.

The company was incorporated in 1993 as Canbank Investment Management Services Limited to manage the assets of Canbank Mutual Fund, wholly owned by Canara Bank. In 2007, it became Canara Robeco Asset Management Company Limited, a joint venture between Canara Bank and ORIX Corporation Europe(OCE) N.V. (formerly Robeco Group N.V.). ORIX acquired a 49% stake, while Canara Bank retained 51% ownership.

The Revenue of the Company increased by 14.11% and Profit after Tax rose by 45.79% from FY24 to FY25.

## Objects of the Issue

- Offer for sale - ₹1,326.13 crore

## Financial Details

| Particulars (Amount in Crores) | 31-Mar-25 | 31-Mar-24 | 31-Mar-23 |
|---|---|---|---|
| **Revenue from Operations** | | | |
| Asset Management Services | 364.5 | 269.9 | 190.7 |
| Net Gain on Fair Value Changes | 39.15 | 48.2 | 13.9 |
| **Total Revenue from Operations** | **403.7** | **318.1** | **204.6** |
| Other income | 0.3 | 0.7 | 0.2 |
| **Total Income** | **404.0** | **318.8** | **204.8** |
| **Expenses** | | | |
| - Employee Benefit Expenses | 88.5 | 75.8 | 59.6 |
| - Other expenses | 51.1 | 41.1 | 32.1 |
| **Total expenses** | **139.6** | **116.9** | **91.7** |
| **EBITDA** | **264.1** | **201.2** | **112.9** |
| **EBITDA Margin (%)** | **65.42%** | **63.24%** | **55.18%** |
| - Finance Cost | 1.71 | 1.87 | 1.92 |
| - Depreciation | 5.02 | 4.78 | 4.15 |
| **Profit/(Loss) before tax** | **257.7** | **195.2** | **107.0** |
| Tax expense/(credit) | 66.9 | 44.2 | 28.0 |
| **Profit/(Loss) After Tax** | **190.7** | **151.0** | **79.0** |
| **PAT Margin (%)** | **47.21%** | **47.37%** | **38.58%** |
| **Basic EPS (in Rs.)** | **9.56** | **7.57** | **3.96** |

| Key Metrics | Mar-25 | Mar-24 | Mar-23 |
|---|---|---|---|
| EBITDA Margin | 65.42 | 63.24 | 55.18 |
| SIP Month end AUM | 33504 | 26673 | 15378 |
| Number of Distributors/ Distribution Partners | 50935 | 43666 | 36574 |

## Competitive Strengths

- **Heritage of Excellence with Reputed Parentage** – The company is a joint venture company with a shareholding structure where Canara Bank owns 51% and OCE holds 49%. With more than three decades of operational experience, they were incorporated in 1993 and are the second-oldest asset management company in India. Under a distribution agreement with Canara Bank, they sell their products through its branches. As of June 30, 2025, the total monthly average asset under management (MAAUM) generated through Canara Bank branches was ₹93.22 billion, which represents 8.00% of the company's total MAAUM.

- **Professional Leadership & Strong Governance** – The company is professionally managed by a management team with extensive experience in overseeing operations and driving business growth. Their strategic guidance underpins the company's success and resilience in a competitive market landscape. The experience of their senior management enables them to navigate challenges and leverage opportunities for sustainable growth.

- **Diversified Product Mix**- As of June 2025, out of 15 equity-oriented schemes, the company managed seven equity-oriented schemes that have been managed for more than 10 years. They have witnessed a significant increase in their equity-oriented QAAUM which grew at a CAGR of 30.96% between Fiscal 2023 and Fiscal 2025. they 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.

- **Strong sales and distribution network** –The company has a multi-channel sales and distribution network that allows them to offer products and services to their customers. This network includes third-party distributors, sales through their branches, and digital platforms. As of June 30, 2025, they had 52,343 distribution partners across India, including Canara Bank, 44 other banks, 548 National Distributors and 51,750 Mutual Fund Distributors.

- **Growing Share from Individual Investors** – The company's growing emphasis on acquiring new customers has boosted the portion of their MAAUM from individual investors. Their MAAUM from individual retail and HNI investors increased from ₹ 545.51 billion as of March 31, 2023 to ₹ 887.57 billion as of March 31, 2025, reflecting a CAGR of 27.56%. Their MAAUM from individual retail and HNI investors as of June 30, 2025 and June 30, 2024 was ₹ 1,011.70 billion and ₹ 880.49 billion, contributing 86.87% and 88.90% of their total MAAUM, respectively.

## Key Risk Factors

- **Scheme Underperformance Risk –** The investment strategies of the company's schemes may lead them to underperform their relevant benchmarks, or similar investment products offered by the competitors. For instance, as of June 30, 2025, out of the 26 schemes that they managed, one of their equity schemes and nine of their debt schemes have underperformed relative to their respective benchmark indices over a one calendar year period ended June 30, 2025. If their investment schemes underperform, their AUM could decrease, negatively impacting the results of operations.

- **Market and Economic Risk –** Unfavorable market changes and economic downturns may result in customer withdrawals or a decrease in customer transactions, resulting in a decline in the company's assets under management and management fees, which could significantly and negatively influence their revenue from operations, business prospects, financial conditions, and results of operations.

- **Dependence on Equity Scheme Performance -** The performance of the company's equity-oriented schemes has a significant impact on their assets under management and consequently their revenue from operations. As of June 2025, June 2024, FY25, FY24, and FY23, 91.17%, 92.34%, 91.69%, 91.66% and 88.43% of their quarterly average assets under management (QAAUM) were from equity-oriented schemes. Underperformance by their equity-oriented schemes may have a disproportionate adverse impact on their business and revenue.

- **Reliance on Third-Party Distributors –** As of June 30, 2025 and June 30, 2024 and March 31, 2025, March 31, 2024, and March 31, 2023, 73.45%, 75.82%, 73.63%, 76.24% and 78.04% of the company's monthly average assets under management was generated from third-party distributors. If they are unable to maintain their existing relationship with their third-party distributors or attract new distributors, their business, competitiveness, results of operations and financial condition may be adversely impacted.

## Comparison with Listed Peers

| Name of the Companies | Market Price | Face Value (per Share) | P/E Ratio | EPS (Basic) | EPS (Diluted) | RoNW (%) | NAV (per Share) |
|---|---|---|---|---|---|---|---|
| Canara Robeco Asset Management Co. Ltd. | NA | 10.00 | 27.82* | 9.56** | 9.56** | 31.78% | 30.09 |
| **Peers:** | | | | | | | |
| HDFC Asset Management Company Limited | 5675 | 5.00 | 49.28 | 115.16 | 114.75 | 32.36% | 380.27 |
| Nippon Life Cycle Asset Management Limited | 873 | 10.00 | 42.92 | 20.34 | 20.03 | 31.38% | 66.38 |
| Aditya Birla Sun Life AMC Limited | 819 | 5.00 | 25.39 | 32.26 | 32.18 | 26.99% | 129.19 |
| UTI Asset Management Company Limited | 1310 | 10.00 | 22.84 | 57.35 | 57.11 | 16.04% | 403.22 |

*P/E calculated based on upper band price.

**EPS calculated including fresh issue shares.

## Summary

The asset management industry in India is a rapidly growing sector, valued at over $865 billion, with its growth fueled by rising individual wealth, increasing financial literacy, and robust economic expansion. As of July 2025, the mutual fund industry's Assets Under Management (AUM) reached ₹54 lakh crore. The market is expected to nearly double, with AUM projected to grow from $1.1 trillion in fiscal year 2024 to $2.3 trillion by fiscal year 2029.

Canara Robeco Asset Management Company Limited is an asset management firm in India, serving as the investment manager for Canara Robeco Mutual Fund. It operates as a joint venture between Canara Bank and Orix Corporation Europe N.V. (formerly Robeco Group N.V.). As of June 30, 2025, out of the 26 schemes that the company managed, 15 are equity-oriented schemes, while remaining 11 are debt-oriented schemes. The company has a nationwide presence, directly serving customers in over 23 cities across 14 states and 2 union territories through a network of 25 branches

The company is one of the fastest-growing AMCs in India, focusing only on mutual funds, the largest segment in the industry. About 90% of its AUM is in equity, and it plans to maintain this focus. The company’s AUM has grown strongly, with equity AUM increasing by 39%, driven by good fund performance and a strong research team. The company also holds a dominant position in B30 markets(Beyond 30 Cities), with over 24% of its AUM coming from these regions, compared to the industry average of 18%.

Therefore, it is recommended to **“Subscribe”** to the IPO for long-term investment, considering its growth potential and valuations.

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