

Quote by Shravan Shetty, Managing Director, Primus Partners

Published in Money Control
October 09, 2025 | 05:26 PM IST

Canara Robeco AMC IPO subscribed 23% on Day 1, GMP declines: Should you apply?



Authored by Debaroti Adhikary

Read on: <https://www.moneycontrol.com/news/business/ipo/canara-robeco-amc-ipo-subscribed-12-on-day-1-so-far-gmp-declines-should-you-apply-13606453.html>

Article Content:

The initial public offering of Canara Robeco Asset Management Company opened for public bidding today, October 9. The IPO has been subscribed 23 percent on Day 1.

The maiden public issue of the company received bids for nearly 79.38 lakh shares, as against the offer size of 3.49 crore shares, according to data on NSE. Retail investors booked 36 percent of their reserved portion, while Non Institutional Investors (NII) subscribed 23 percent of the portion kept for them. Qualified Institutional Buyers (QIB) are yet to make any substantial bid for the IPO.

Canara Robeco AMC IPO GMP:

Ahead of listing, the unlisted shares of the company were trading with nearly 8 percent grey market premium (GMP) over the IPO price, according to data on Investorgain. The GMP has decreased from the 13 percent quoted by the site earlier yesterday.

According to IPO Watch, the unlisted shares of the company were trading with a little more than 14 percent GMP.

Key things to know about Canara Robeco AMC IPO:

Canara Robeco AMC launched its initial public offering to raise Rs 1,326 crore entirely through an offer for sale (OFS) of nearly 5 crore shares, with no fresh issue component. This means that none of the IPO proceeds will go to the company as they will be received by the selling promoters. Currently, Canara Bank owns 51 percent stake in Canara Robeco while Orix Corporation holding has the remaining stake in the AMC.

The company has set a price band of Rs 253-266 apiece for the IPO, which will remain open for public bidding between October 9 and October 13. Investors can bid for a minimum of 56 shares, requiring an investment of Rs 14,896, and in multiples thereafter.

The allotments will likely be finalized by October 14, and the shares are likely to debut on stock

exchanges BSE and NSE on October 16.

Canara Robeco AMC IPO Anchor Book:

A day before the IPO opened for public bidding, Canara Robeco AMC announced that it has raised Rs 397.8 crore from 25 anchor investors on October 8. Domestic mutual funds picked 76.73 percent portion (1.14 crore shares) through their 18 schemes including SBI Mutual Fund, ICICI Prudential MF, Nippon Life India, Kotak Mahindra AMC, Axis MF, DSP MF, Mirae Asset, HSBC, Motilal Oswal AMC, and Franklin India.

Other investors like Pinebridge Global Funds, IIFL Asset Management, Bajaj Allianz Life Insurance, Aditya Birla Sun Life Insurance, Kotak Mahindra Life, and Steinberg India Emerging Opportunities Fund also participated in the anchor book.

Should you apply for Canara Robeco AMC IPO?

Anand Rathi advised investors to subscribe to the issue for the long term. "At the upper price band company is valuing at P/E of 27.8x to its FY25 earnings and market cap of Rs 53,045 million post issue of equity shares. We believe that the IPO is fully priced," it said.

Ajcon Global also advised investors to subscribe to the issue. "At the upper price band of Rs 266, the issue is valued at a P/E multiple of ~27.82x on its FY25 EPS of Rs 9.56 post IPO," it said.

"Canara Robeco Asset Management has been priced attractively, generating a GMP (grey market premium) in the early teens as the premium is modest even at current price. This is due to the competitive space its playing in with larger conglomerates dominating this market," said Shravan Shetty, Managing Director, Primus Partners.

"With a focus on equity-oriented mutual funds and growing reach in smaller cities, the firm has positioned itself for steady long-term growth. Investors should note that consistent performance, improving cost efficiency, and a strong brand presence in the asset management space are likely to support listing momentum. Early market signals and positive sentiment around the IPO indicate potential for a favourable debut, reflecting optimism about its ability to capture market share and expand its investor base," said Kalp Jain, Research Analyst, INVasset PMS.

"The IPO indicates high demand for wealth management channels and provides investors with a chance to benefit from exposure to India's growing financial services universe and capital markets, which are directly associated with mobilising funds for large-scale projects," said Siddharth Maurya, Founder & Managing Director, Vibhavangal Anukulakara.