India's SBI Funds Management draws $31 billion in country's fourth-most-bid IPO

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A man walks past the logo of SBI Funds Management Ltd. ahead of a press conference announcing the company's initial public offering (IPO) in Mumbai, India, July 9, 2026.

July 16 (Reuters) - India's SBI Funds Management drew bids worth 3 trillion Indian rupees ($31.14 billion), making the asset manager's $1.03 billion initial public offering (IPO) the country's fourth-most-subscribed issue.

The subscription numbers include $278.5 million raised from anchor investors, including BlackRock and sovereign wealth funds from Singapore, Abu Dhabi and Norway.

The IPO, which closed on Thursday, marked a strong comeback for India's primary market after a subdued first half of the year.

The IPO offer price was set at 574 Indian rupees ($5.96) per share, State Bank of India said in a statement.

India is set for a busy pipeline of public offerings in the second half of the year, with mega listings from Reliance Jio and National Stock Exchange expected before the end of 2026.

SBI Funds Management, a joint venture between the country's largest lender State Bank of India (SBI)and Europe's biggest asset manager Amundi, is India's largest asset manager, overseeing funds worth 12.5 trillion rupees ($131 billion) as of March 2026.

The demand for the offering was led by institutional investors, who bid for $25 billion worth of shares, 140 times the number of shares on offer for them, exchange data showed.

The portion set aside for retail investors and SBI's shareholders was subscribed 3.6 times and 9.5 times, respectively.

The stock is expected to begin trading on July 21.
SBI Funds' IPO stands behind the public offerings of Reliance Power, LG Electronics India and Bajaj Housing Finance in terms of quantum of bids received, data from PRIME Database showed.

The asset manager is well placed to capitalise on its market leadership, strong distribution network and robust profitability, analysts at Aditya Birla Money said in a note dated July 14.
So far this year, India has seen IPOs worth nearly $4 billion, sharply below last year's $21.8 billion. However, the activity is expected to pick up in the second half of 2026, with 251 companies planning to raise 4.93 trillion rupees ($51.7 billion) in the pipeline, as per PRIME Database.

"Heavy bidding (for SBI Funds IPO) signals that investors are willing to commit fresh capital to quality franchises, which can help revive sentiment for the upcoming (IPO) pipeline," said Dhiraj Relli, managing director and chief executive officer at HDFC Securities.

($1 = 96.3450 Indian rupees)