India's SBI Funds ends 6.2% higher on debut as investors bet on industry growth

ETCFO

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By Vivek Kumar M

- SBI Funds Management ended 6.2% higher in its stock market debut on Tuesday, valuing the firm at nearly $13 billion, as investors bet on growth in the country's $853 billion asset management industry.

Shares of India's largest asset manager closed at 609.75 rupees, valuing the firm at 1.24 trillion rupees ($12.89 billion) and making it the country's second-most valuable listed fund manager.

Peers ICICI Prudential Asset Management Company and HDFC Asset Management Company were valued at 1.56 trillion rupees and 1.11 trillion rupees, respectively.

SBI Funds, a joint venture between State Bank of India, the country's largest lender, and Amundi, Europe's biggest asset manager, oversaw assets worth 12.5 trillion rupees as of March 2026.

SBI Funds' $1.03 billion IPO, India's biggest so far this year, attracted about $31 billion of bids last week, including $278.5 million from anchor investors such as BlackRock and sovereign wealth funds from Singapore, Abu Dhabi and Norway.

Amundi CEO Valerie Baudson said the European firm will remain a long-term shareholder of SBI Funds.

The listing marks the start of a busier second half for large IPOs in India's primary market after the activity slowed due to a surge in crude prices linked to the Iran conflict.

SBI Funds listed short of expectations as analysts had estimated debut gains of 12% to 13%.

India's Nifty 50 fell 0.2% on Tuesday, weighed down by firmer crude oil prices as the Gulf conflict escalated.

Analysts led by Emkay Global Financial Services' Avinash Singh said India's growing middle class was embracing mutual funds, positioning SBI AMC to expand its dominance in the sector.

India has seen IPOs worth about $5 billion so far in 2026, below a record $21.8 billion last year, LSEG-compiled data showed.

Some 251 companies, including Reliance Jio and the National Stock Exchange of India, are in the IPO pipeline, seeking to raise 4.93 trillion rupees, according to capital market data provider PRIME Database.

($1 = 96.2350 Indian rupees)

(Reporting by Vivek Kumar M, additional reporting by Mathieu Rosemain in Paris; Editing by Sherry Jacob-Phillips)

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