

Fund houses pour ₹13Kcr into this year's IPOs as institutional concentration deepens

SHILPA RANGARAJAN

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India's mutual fund industry deployed ₹12,944 crore across mainboard initial public offerings (IPOs) in 2026 (until August 31), marked by sharp institutional concentration among a few dominant asset managers. Three fund houses — ICICI Prudential, SBI Mutual Fund, and Nippon India Mutual Fund — captured over 52 per cent of total institutional allocations, committing ₹6,770 crore to public issues.

ICICI Prudential Mutual Fund emerged as the largest overall institutional buyer by absolute value, deploying capital across 13 distinct mainboard listings.

However, SBI Mutual Fund established the highest market-cap-weighted ownership position at 3.8 per cent, despite participating in only six companies. By consolidating significant capital into a select group of offerings, SBI Mutual Fund demonstrated a targeted strategy that maximised portfolio exposure relative to issuer size.

The concentrated backing of major fund houses closely aligned with the market's strongest primary performances. Top performing listings of the year, including Shadowfax, Amagi, Omnitech, and Sedemac Mechatronics, were heavily anchored by these leading institutional buyers. Large fund houses effectively acted as key valuation anchors, providing crucial liquidity and institutional validation during market

The biggest buyers

Fund house	Companies held	Value invested (₹cr)	Mkt-cap weighted stake (%)
ICICI Prudential	13	2,450	1.9
SBI	6	2,294	3.8
Nippon India	10	2,026	2.4
HDFC	7	674	1.0
Aditya Birla Sun Life	2	553	2.2
Bandhan	10	545	0.7
Sundaram	3	469	1.5
Motilal Oswal	5	435	0.7
Kotak Mahindra	5	423	1.4
Baroda BNP Paribas	4	294	0.6

Note: CY26 data until Aug 31 Source: Prime database

price discovery.

The broader institutional landscape revealed an asymmetric appetite for new paper. While smaller asset managers scattered capital across smaller tickets, dominant fund managers leveraged robust liquidity to secure substantial anchor portions. As primary issuance momentum continues through 2026, asset size and concentrated stock selection remain the primary drivers shaping institutional ownership across India's equity capital markets.