



IPO NOTE

SBI FUNDS MANAGEMENT



Rating:

SUBSCRIBE



ISSUE OFFER

Issue Opens on	JULY 14, 2026
Issue Close on	JULY 16, 2026
Total IPO size (cr)	₹ 11693
Fresh issue (cr)	-
Offer For Sale (cr)	₹ 11693
Price Band (INR)	₹ 545-574
Market Lot	26 SHARES
Face Value (INR)	₹ 1
Listing At	BSE, NSE
Market Cap (Pre IPO)	₹ 1,16,913.9 CR.

ISSUE BREAK-UP (%)

QIB Portion	<div style="width: 50%;"></div>	50%
NII Portion	<div style="width: 15%;"></div>	15%
Retail Portion	<div style="width: 35%;"></div>	35%

INDICATIVE TIMETABLE

Basis of Allotment	17-07-2026
Refunds/Unblocking ASBA Fund	20-07-2026
Credit of Share to Demat A/c	20-07-2026
Listing Date	21-07-2026

SBI Funds Management Ltd was established in 1992 and The company manages the well-known SBI Mutual Fund. It is a joint venture between State Bank of India and Amundi.

Offers a diversified portfolio of mutual funds, ETFs, and Portfolio Management Services (PMS).

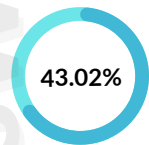
OBJECTS OF THE ISSUE

- As the SBI Funds Management IPO is entirely an offer for sale, SBI Funds Management will not receive any proceeds from the issue.

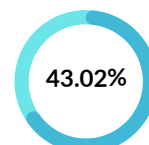
FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (IN CRORE)	FY 2026	FY 2025	FY 2024
Equity Share Capital	203.68	50.79	50.58
Net Worth	5,963.06	8,297.53	6,747.75
Total Income	4,976.11	4,236.15	3,426.08
EBITDA Margin%	81.56	80.57	79.36
Net Profit/Loss of the year	3,067.38	2,540.15	2,540.15

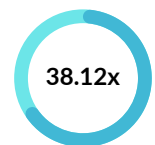
FINANCIAL RATIOS OF FY26



RONW



ROE



P/E (Pre IPO)

OUTLOOK & VALUATION

- India's largest AMC with ₹12.5 lakh crore QAAUM, a strong SIP franchise, and a robust SBI-Amundi distribution network.
- Valued at 38.12x FY26 EPS, below the industry average of 41.64x, offering reasonable valuations.
- Strong RoNW of 43.02% with 81.56% EBITDA margin, reflecting a highly profitable asset-light business.
- A 100% Offer for Sale (OFS) with no fresh capital infusion; earnings remain linked to AUM growth and market performance.
- Subscribe for long-term investors on scale, margins, and relative valuation comfort.



COMPANY PROFILE

- SBI Funds Management Limited is an asset management company engaged in managing mutual fund schemes of SBI Mutual Fund.
- It also provides portfolio management services (PMS), advisory services, and manages alternative investment funds (AIFs).
- The company primarily earns revenue through management fees received for managing these investment products, with its mutual fund business contributing the majority of its income.
- In addition to its core investment management activities, it has developed digital platforms to support investors, distributors and sales teams, helping with investment transactions and customer engagement.
- The company also operates international businesses through its subsidiaries and offers offshore investment products and services.
- Its operations are largely focused on asset management, with no separate reportable business segments.



COMPETITIVE STRATEGIES

- Expand retail reach in Tier-2, Tier-3, and rural India through SIPs and a strong banking network.
- Enhance digital platforms with AI tools, seamless onboarding, and better distributor analytics.
- Grow passive and alternative products including ETFs, PMS, AIFs, and Specialised Investment Funds (SIFs).
- Increase institutional business by targeting pension funds, insurers, and corporate clients.
- Strengthen global presence through GIFT City, NRI-focused products, and international investment offerings



KEY CONCERNS

- Earnings are highly dependent on QAAUM, making them sensitive to market volatility and redemptions.
- Faces strong competition from other AMCs and alternative investment products.
- High dependence on SBI Mutual Fund for revenue creates concentration risk.
- Regulatory changes may impact business operations and profitability.
- Weak fund performance could reduce inflows and increase redemptions.



KEY STRENGTHS

- Largest asset management company in India by mutual fund QAAUM, benefiting from scale and operating leverage.
- Strong SIP franchise with high investor retention and a large base of long-term systematic investors.
- Backed by SBI's distribution network and Amundi's global asset management expertise.
- Wide pan-India distribution network covering most PIN codes through multiple channels.
- Robust technology platform supports large transaction volumes and strong digital investor engagement.

COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	EPS (₹ Basic)	P/E	NAV	Revenue (cr.)	RoNW%
SBI Funds Management	15.08	38.12	29.28	4,976.11	43.02
Peer Group					
ICICI Prudential Asset Management Company	66.73	49.38	84.39	5,764.63	85.80
HDFC Asset Management Company	66.77	41.71	215.42	4,122.16	32.90
Nippon Life India Asset Management	24.05	51.10	73.01	2,708.74	34.50
Aditya Birla Sun Life Asset Management Company	33.76	34.46	139.94	1,845.03	25.53
UTI Asset Management Company	31.51	31.57	350.50	1,698.05	11.22



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CORPORATE & ADMINISTRATIVE OFFICE - 48, Jaora Compound, M.Y.H. Road, Indore - 452 001 | Phone 0731 - 6644000

Compliance Officer: Ms. Sheetal Duraphe Email: compliance@swastika.co.in Phone: (0731) 6644 241

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