SBI FUNDS
MANAGEMENT LIMITED

SBI FUNDS MANAGEMENT LTD

Price Band	Issue Opens
₹545 to ₹574	14 Jul to 16 Jul, 2026

Face Value	Issue Size	Lot Size	Listing At
₹1	₹9,813 Cr	26 Shares	NSE, BSE

SBI Funds Management Ltd Info

Issue Size	17,09,56,631 shares / ₹9,813 Cr
Fresh Issue	N/A
Offer for Sale	17,09,56,631 shares of ₹1 / ₹9,813 Cr
Retail Quota	Not less than 35% of the Net Issue
Retail Min/Max	₹14,924 / ₹1,94,012

SBI Funds Management ltd Timeline

Tentative Allotment	Fri, Jul 17, 2026
Initiation of Refunds	Mon, Jul 20, 2026
Credit of Shares to Demat	Mon, Jul 20, 2026
"SBI Funds Management ltd" Listing Day	Tue, Jul 21, 2026

Objects of The Offer

The IPO is entirely an Offer for Sale (OFS) comprising up to 203.71 million equity shares by the Promoter Selling Shareholders. Accordingly, the **Company will not receive any proceeds from the Offer**, and all net proceeds will be received by the selling shareholders after deducting applicable taxes and offer-related expenses.

The primary objectives of the Offer are:

- To facilitate the Offer for Sale of equity shares by the Promoter Selling Shareholders.
- To list the Company's Equity Shares on the stock exchanges, providing a transparent and liquid trading platform for investors.
- To enhance the Company's visibility, brand recognition, and corporate profile, while creating a public market for its equity shares in India.

Since **the issue is a 100% Offer for Sale**, it will not result in any fresh capital infusion into the Company. Consequently, the IPO proceeds will not be utilized for business expansion, capital expenditure, debt repayment, working capital requirements, or any other corporate purposes.

About The Company and Business Overview

SBI Funds Management Limited is the l**argest asset management company (AMC) in India based** on quarterly average assets under management (QAAUM), with a **15.3% market share** as of March 31, 2026. The Company operates under a unique partnership model, combining the extensive domestic reach of the **State Bank of India (SBI)**, India's largest banking institution, with the global investment expertise of **Amundi**, Europe's largest asset manager. This strategic collaboration provides the Company with a strong competitive advantage in terms of distribution, investment capabilities, and brand credibility.

As of March 31, 2026, SBI Funds Management managed **₹29,461.05 billio**n in QAAUM and served approximately **18.00 million unique individual and institutional investors,** making it one of the most diversified and trusted investment managers in the country.

Source: RHP

Diversified Investment Solutions:
The Company offers a comprehensive range of investment products catering to the varying financial goals and risk appetites of retail, institutional, and corporate investors.

Its mutual fund portfolio comprises **128 schemes** across multiple asset classes, including:
- Equity and equity-oriented funds
- Debt funds
- Hybrid funds
- Arbitrage funds
- Liquid and overnight funds
- International fund-of-funds

Beyond traditional mutual funds, SBI Funds Management has established a strong presence in passive investing and alternative asset management. It is India's largest passive asset manager, commanding a 27.9% market share in Exchange Traded Funds (ETFs) and index funds.

The Company also provides advanced investment solutions through:
- Portfolio Management Services **(PMS)**
- Alternative Investment Funds **(AIFs)**
- Specialised Investment Funds **(SIFs)**

It holds a **39.7% market share** in the PMS segment and a **28.2% market share** in the Specialised Investment Fund category through its flagship **Magnum SIF** platform, making it one of the country's leading institutional asset managers.

Leadership in Systematic Investment Plans (SIPs)
SBI Funds Management is one of India's leading players in the Systematic Investment Plan (SIP) ecosystem. As of March 31, 2026, it managed approximately **16.21 million live SIP accounts**, representing **11.4% of industry SIP inflows.**

The Company has significantly expanded mutual fund penetration beyond metropolitan cities, with **65.16% of its SIP accounts originating from Beyond Top 30 (B-30) cities,** highlighting its strong presence in Tier-II and Tier-III markets.

To further promote financial inclusion and make investing accessible to a wider population, the Company introduced the "Jan Nivesh SIP", allowing investors to start investing with as little as ₹250 per day**.**

Extensive Distribution Network and Digital Ecosystem
The Company's business model is supported by one of the largest distribution networks in the Indian mutual fund industry, combining a widespread physical presence with advanced digital capabilities.

Its nationwide distribution platform includes:
- **277 branches**
- **132,519 mutual fund distributors**
- Partnerships with **95 banking institutions**
- Independent Financial Advisors (IFAs) and national distributors

On the digital front, SBI Funds Management has built an integrated investment ecosystem that enables seamless customer onboarding and servicing.

Its digital platforms include:
- Integration with **SBI's YONO** digital banking platform
- InvesTap, the Company's retail investment application with approximately 3.97 million registered users
- Partner and Mitra, digital platforms developed to enhance distributor engagement and operational efficiency

As a result of its strong digital transformation initiatives, 94.25% of the Company's total transactions were conducted through digital channels during Fiscal 2026, demonstrating high customer adoption of its technology-driven investment platform.

International Asset Management Business
SBI Funds Management also maintains a growing international presence by facilitating both inbound and outbound capital flows.

For international investors, the Company manages India-focused investment funds through subsidiaries located in Mauritius and GIFT City (Gujarat), attracting institutional investments from regions including Japan, Australia, South Korea, Europe, and the Middle East.

For domestic investors, the Company offers international diversification opportunities through overseas investment products such as the SBI International Access – US Equity Fund of Funds, enabling Indian investors to gain exposure to global equity markets.

Source : RHP

Asset-Light and Fee-Based Business Model
SBI Funds Management operates an **asset-light, capital-efficient, and highly cash-generative business model.** The Company's primary source of revenue is the management and advisory fees earned as a percentage of assets under management across its mutual funds, portfolio management services, and alternative investment products.

As the Company's assets under management continue to grow, its fee-based revenue model provides strong operating leverage, recurring income, and scalability without requiring significant capital expenditure, supporting consistent profitability and long-term business growth.

FINANCIAL RATIOS:

Financial Ratios	ROCE	ROE	P/E	INDUSTRY P/E	EV / EBITDA
ICICI Prudential Asset Management Company Limited	115.00	85.40	47.50	41.64	34.60
HDFC Asset Management Company Limited	42.90	32.90	40.30	41.64	30.40
Nippon Life India Asset Management Limited	43.80	34.50	50.60	41.64	38.20
Aditya Birla Sun Life Asset Management Company Limited	32.20	25.20	34.10	41.64	25.20
UTI Asset Management Company Limited	15.60	10.30	28.20	41.64	15.70
SBI Funds Monogement ltd	***38.55***	***43.02***	***38.06***	***41.64***	***N/A***

Source : RHP

Brief profile of the Directors

- **Challa Sreenivasulu Setty** is serving as the Chairman and Non-Executive Director of the Company. A bachelor's degree in Science (Agriculture) from Andhra Pradesh Agricultural University was obtained by him. He is an Associate of the Indian Institute of Bankers and has over 37 years of experience in the banking sector.
- **Ashwini Kumar Tewari** is serving as a Non-Executive Director of the Company. A bachelor's degree in Electrical and Electronics Engineering from Birla Institute of Technology and a Post Graduate Certificate in Business Management from XLRI Xavier School of Management were obtained by him. He has also completed the Leading Change and Organizational Renewal programme from Harvard Business School. He has over 34 years of experience in the banking sector.
- **Debasish Mishra** is serving as the Managing Director and Chief Executive Officer of the Company. A bachelor's degree in Agricultural Engineering from Orissa University of Agriculture and Technology, a Post Graduate Diploma in Forestry Management from the Indian Institute of Forest Management, Bhopal, and a Post Graduate Diploma in Financial Advising from the Indian Institute of Banking and Finance were obtained by him. He is also a Certified Financial Planner and has over 30 years of experience in the banking and financial services sector.
- **Olivier Philippe Mariée** is serving as a Non-Executive Director of the Company. A state-approved diploma from the Institut Supérieur de Gestion – Higher Institute of Management, France, was obtained by him. He has over 34 years of experience in the asset management and financial services sector.
- **Denys Charles Jean Marie Fougeroux De Campigneulles** is serving as the Executive Director and Deputy Chief Executive Officer of the Company. An Investment Management Certificate from the Institute of Investment Management and Research, London, was obtained by him. He has over 32 years of experience in the asset management sector.
- **Moiz Mohsin Miyajiwala** is serving as an Independent Director of the Company. Bachelor's degrees in Law and Arts from the University of Bombay were obtained by him. He is also a member of the Institute of Chartered Accountants of India and has over 33 years of experience in finance.
- **Sudha Krishnan** is serving as an Independent Director of the Company. A bachelor's degree (Honours) in Arts and a master's degree in Arts from the University of Delhi, along with a master's degree in Public Administration from George Mason University, Virginia, were obtained by her. She has over 41 years of experience in finance and public administration.
- **Shekhar Bhatnagar** is serving as an Independent Director of the Company. A bachelor's degree in Science from the University of Lucknow, a Master of Business Administration degree from the University of Delhi, and a master's degree in Arts from Lucknow University were obtained by him. He is a Junior Associate of the Indian Institute of Bankers and has over 34 years of experience in banking and financial services.
- **Hemant Ratnakar Adarkar** is serving as an Independent Director of the Company. A Doctor of Philosophy (Ph.D.) degree in Physics from the University of Bombay was obtained by him. He has over 13 years of experience in technology, digital transformation and financial services.
- **Sanjay Prakash** is serving as an Independent Director of the Company. A bachelor's degree in Arts (Economics Honours) from Jadavpur University and the Advanced Management Program from Harvard Business School, USA, were completed by him. He has over 40 years of experience in financial services.

Source : RHP

Profit and loss Statement

Particulars	FY2026	FY2025	FY2024
Asset Management Fees	43,894.88	35,977.57	26,905.58
Revenue from Operations	43,894.88	35,977.57	26,905.58
Other Income	5,866.18	6,383.94	7,355.21
Total Income	**49,761.06**	**42,361.51**	**34,260.79**
Finance Cost	91.17	86.03	77.11
Scheme Expenses	717.12	644.57	488.35
Employee Benefits Expenses	4,410.10	4,210.84	3,683.89
Depreciation and Amortisation	438.37	400.01	374.90
Other Expenses	4,049.40	3,376.68	2,900.32
Total Expenses	**9,706.16**	**8,718.13**	**7,524.57**
Profit Before Tax	**40,054.90**	**33,643.38**	**26,736.22**
Share of Profit / (Loss) of Associate	143.21	146.21	124.85
Current Tax	9,846.60	7,704.94	5,507.41
Deferred Tax Charge / (Credit)	(322.25)	683.11	625.81
Total Tax Expense	**9,524.35**	**8,388.05**	**6,133.22**
Profit After Tax	**30,673.76**	**25,401.54**	**20,727.85**
Remeasurements of Defined Benefit Plans	0.21	(125.02)	(8.11)
Income Tax Relating to OCI	(0.05)	31.47	2.04
Items Not Reclassified to Profit or Loss (Net)	0.16	(93.55)	(6.07)
Foreign Currency Translation	20.27	6.36	0.34
Other Comprehensive Income	20.43	(87.19)	(5.73)
Total Comprehensive Income	**30,694.19**	**25,314.35**	**20,722.12**
Basic EPS (₹)	**15.08**	**12.53**	**10.29**
Diluted EPS (₹)	**15.04**	**12.50**	**10.23**

Source : RHP

Strengths

- **Largest Asset Management Company in India:** SBI Funds Management is the largest asset management company in India by quarterly average assets under management (QAAUM), with a 15.3% market share as of March 31, 2026. Its large scale provides significant operating leverage, enabling cost efficiencies, strong research capabilities, and one of the lowest operating expense ratios among the leading AMCs.
- **Leadership Across Multiple Investment Segments:** The company has established leadership not only in mutual funds but also in Portfolio Management Services (PMS), passive investing, and Specialized Investment Funds (SIFs). It is India's largest PMS provider and one of the leading managers of ETFs, index funds, and alternative investment products, providing a diversified and scalable revenue base.
- **Strong SIP Franchise and Large Retail Investor Base:** SBI Funds Management is one of India's leading SIP managers with over 16 million live SIP accounts and a large share of industry SIP inflows. Its strong customer retention, recurring inflows, and high SIP persistency provide stable, long-term assets under management and predictable fee income.
- **Strong Parentage with SBI and Amundi:** The company benefits from the extensive domestic distribution network and trusted brand of the State Bank of India, combined with the global investment expertise of Amundi, Europe's largest asset manager. This dual-parent model strengthens product development, investment capabilities, international reach, and customer acquisition.

Key Risk Factors

- **High Dependence on Assets Under Management (AUM):** SBI Funds Management's revenue is directly linked to its assets under management. Any decline in market valuations, investor redemptions, or prolonged weakness in capital markets could reduce AUM, leading to lower management fees and profitability.
- **Pressure on Margins from Passive Investing:** The growing preference for low-cost passive investment products such as ETFs and index funds, along with regulatory limits on expense ratios, may reduce the company's average fee yield and put pressure on long-term profit margins.
- **Concentration in Key Mutual Fund Schemes:** A significant portion of the company's AUM is concentrated in a limited number of schemes. Any sustained underperformance, large-scale redemptions, or decline in investor confidence in these flagship funds could materially impact overall AUM and revenue.
- **Dependence on Key Distribution Channels:** The company relies heavily on a few large distributors and banking partners for mutual fund inflows. The loss of key distribution relationships or changes in distributor incentive structures could adversely affect customer acquisition and asset growth.
- **Investment Performance Risk:** Future business growth depends on the consistent performance of its investment schemes. Underperformance relative to benchmark indices or competing funds may result in investor redemptions, reduced inflows, and loss of market share.
- **Liquidity Risk in Debt Funds:** The company's debt and money market schemes are exposed to liquidity risks during periods of market stress. Large redemption requests may force the sale of portfolio securities at unfavorable prices, affecting fund performance and investor confidence.

Source: RHP

Valuation and Outlook

SBI Funds Management Limited IPO is expected to be priced between **₹545 to ₹574** per share. At this price, the Company's **Price-To-Earning-Ratio (P/E)** is **36.06x. Industry (P/E)** Price-To-Earning-Ratio is **41.64x**

Company	Financials	Revenue from Operations (₹ Million)	Face Value (₹)	P/E Ratio	Basic EPS (₹)	Diluted EPS (₹)	RoNW (%)	NAV (₹/Share)
SBI Funds Management ltd	Consolidated	43,894.88	1.00	NA	15.08	15.04	43.02	29.28
ICICI Prudential Asset Managemen	Consolidated	57,646.30	1.00	47.50	66.73	66.73	85.80	84.39
HDFC Asset Management Compan	Consolidated	41,221.60	5.00	40.30	66.77	66.50	32.90	215.42
Nippon Life India Asset Managem	Consolidated	27,087.40	10.00	50.60	24.05	23.63	34.50	73.01
Aditya Birla Sun Life Asset Manage	Consolidated	18,450.30	5.00	34.10	33.76	33.68	25.53	139.94
UTI Asset Management Company l	Consolidated	16,980.50	10.00	28.20	31.51	31.41	11.22	350.50

SBI Funds Management Limited is well positioned to benefit from the long-term structural growth of India's asset management industry, supported by rising financial savings, increasing mutual fund penetration, growing investor awareness, and continued expansion of systematic investment plans (SIPs). The shift from traditional savings instruments toward market-linked investment products is expected to provide sustained growth opportunities for the company.

As the largest asset management company in India, SBI Funds Management enjoys significant competitive advantages through its strong brand, extensive distribution network, leadership in passive investing and portfolio management services, and the combined strengths of SBI's domestic reach and Amundi's global investment expertise. Its diversified product portfolio, growing digital ecosystem, and expanding presence in Tier-II and Tier-III cities are expected to support long-term growth in assets under management.

The company's asset-light and fee-based business model generates recurring revenue with strong operating leverage, allowing profitability to improve as assets under management continue to grow. Increasing adoption of digital investment platforms, higher retail participation, and continued innovation in investment products are likely to further strengthen its market position.

However, future growth remains dependent on favorable capital market conditions, sustained net inflows, consistent investment performance, and the company's ability to manage regulatory changes, fee compression, and increasing competition from other asset managers and low-cost passive investment products. Market volatility and prolonged equity market corrections could also impact assets under management and fee income.

Overall, SBI Funds Management is well positioned to capitalize on the long-term growth potential of India's investment management industry, supported by its market leadership, strong distribution capabilities, diversified product offerings, and robust digital platform. Continued focus on investment performance, product innovation, customer acquisition, and operational efficiency is expected to support sustainable growth and long-term value creation.

"Call us on 8448899576" to find out whether or not you should apply.

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