BUY

SBI Funds Management

The asset manager to every Indian; initiate with BUY

Emkay
Your success is our success

BFSI - Capital Markets ▸ Initiating Coverage ▸ **July 21, 2026**

CMP (Rs): 574 | TP (Rs): 750

We initiate coverage on SBI AMC with BUY and Jun-27E TP of Rs750, implying 31% upside from the IPO allotment price of Rs574, and valuing the stock at an FY28E PER of 39x. Our positive view rests on three pillars: 1) SBI's brand and distribution, coupled with significant under-penetration of SBI MF within the SBI Bank channel (~5.5mn customers vs 21mn salary package accounts), position SBI AMC to benefit from India's long-term mutual fund growth story, particularly in Bharat (B-30 towns and villages); 2) the sustained shift in asset mix toward higher-yielding assets such as Equity and Alternate Investments (AIF/PMS) is likely to support revenue yields; and 3) economies-of-scale-led operating leverage is expected to drive ~17% EBITDA CAGR over FY26-29E. As the savings and investment needs of Indians evolve, the middle class is increasingly embracing mutual funds as its core investment vehicle, and SBI AMC has all the ingredients to become "the asset manager to every Indian," just as its parent has become "the banker to every Indian".

A play on brand, distribution, and under-penetration

Powered by SBI's unparalleled brand and distribution reach, especially in Bharat (B-30 cities and rural India), and the under-penetration of MF among its customers, SBI AMC is among the best positioned to ride the structural, long-term growth story of MF investments in India. This strength is already on display, with SBI AMC having achieved market leadership across product segments. Despite impressive MF AUM growth over the past decade (10Y CAGR to Mar-26: 20%), with MF AUM at 31% of bank deposits (vs 216% for the US and 48% for the UK) and the share of MFs in HH savings at ~12%, MF investment remains a long-term structural growth story, backed by India's economic growth and under-penetration. SBI has ~21mn salary accounts (with ~350mn savings accounts excluding PMJDY and BSBD), while unique SBI AMC investors in the SBI channel stand at just ~5.5mn indicating: 1) deep under-penetration among potential customers (~26% of salary accounts) and 2) a long runway to penetrate the 350mn accounts as rising affluence shifts investment preference toward MFs and equities.

Multiple levers to ensure healthy AUM, revenue, and profitability growth

SBI AMC's market leadership across segments and distinct leadership in B-30 markets, coupled with a strong brand, an extensive parent-led distribution, and improving performance, are likely to drive healthy AUM growth of ~17% over FY26-29E. While we expect yields to be broadly stable, revenue is expected to clock 16% CAGR, translating to ~17% EBITDA CAGR as margins expand to ~81% by FY29E.

Initiate at BUY with Jun-27E TP of Rs750

We initiate coverage on SBI AMC with BUY and Jun-27E TP of Rs750, implying 31% upside from the IPO allotment price and valuing the company at an FY28E PER of 39x. Our target multiple is broadly in line with large peers such as ICICIAMC and NAM. SBI's brand, distribution, and under-penetration among SBI Bank customers present SBI AMC with a runway that supports higher growth over a longer period, hence commanding a premium valuation. Key risks: 1) loss of counter share in SBI; 2) sustained underperformance of schemes; 3) prolonged bearish equity markets; and 4) regulatory shocks.

SBI Funds Management: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	35,978	43,895	51,106	59,765	69,102
EBITDA	27,745	34,718	40,716	47,984	55,854
Adj. PAT	25,402	30,674	33,698	39,582	46,038
Adj. EPS (Rs)	12.5	15.0	16.5	19.4	22.6
Core PAT	20,609	26,202	29,983	35,383	41,208
EBITDA margin (%)	77.1	79.1	79.7	80.3	80.8
EBITDA growth (%)	39.9	25.1	17.3	17.9	16.4
Adj. EPS growth (%)	22.2	20.3	9.9	17.5	16.3
RoE (%)	33.8	43.0	52.1	52.3	52.0
P/E (x)	45.8	38.1	34.7	29.5	25.4
EV/EBITDA (x)	39.0	32.0	27.0	22.7	19.3
P/B (x)	14.1	19.6	16.8	14.3	12.3
FCFF yield (%)	1.7	2.2	2.6	3.1	3.7

Source: Company, Emkay Research

Target Price – 12M	Jun-27
Change in TP (%)	**NA**
Current Reco.	BUY
Previous Reco.	NA
Upside/(Downside) (%)	30.7

Stock Data	**SBIFUNDS IN**
52-week High (Rs)	0
52-week Low (Rs)	0
Shares outstanding (mn)	2,036.8
Market-cap (Rs bn)	1,169
Market-cap (USD mn)	12,122
Net-debt, FY27E (Rs mn)	(68,045.6)
ADTV-3M (mn shares)	0.0
ADTV-3M (Rs mn)	0.0
ADTV-3M (USD mn)	0.0
Free float (%)	24.8
Nifty-50	24,238.5
INR/USD	96.5

Price Performance

(%)	1M	3M	12M
Absolute	0.0	0.0	0.0
Rel. to Nifty	0.0	0.0	0.0

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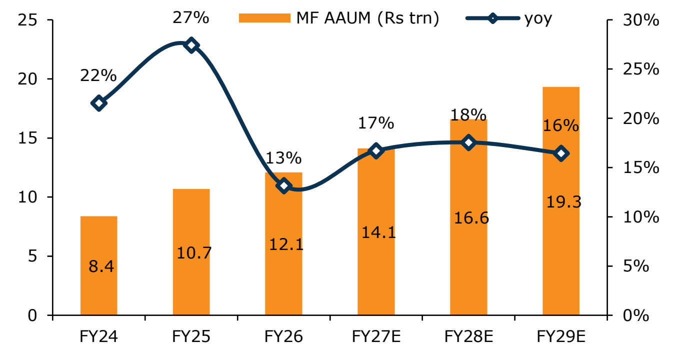
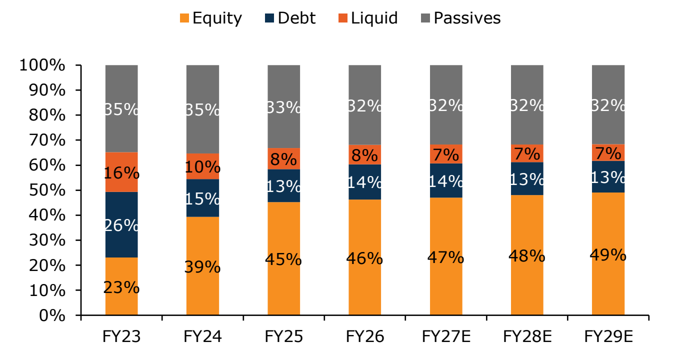
Story in charts

Exhibit 1: We expect MF AAUM to deliver ~17% CAGR over FY26-29E



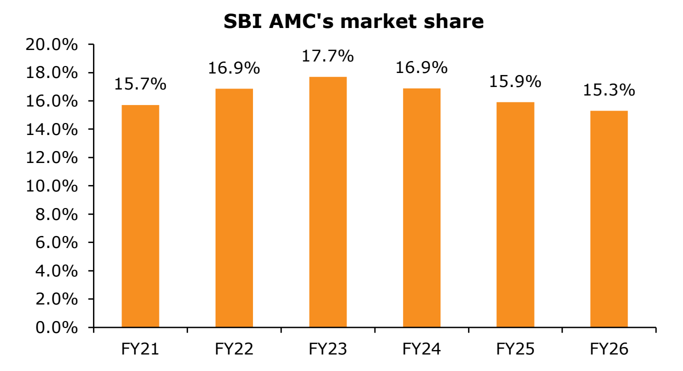
Source: Company, Emkay Research

Exhibit 2: Share of equity in AUM mix is expected to rise going forward



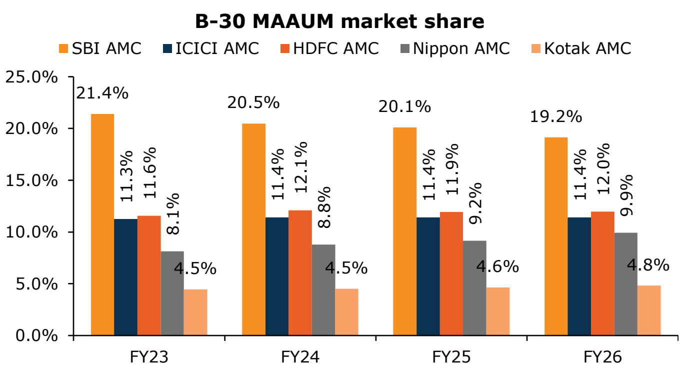
Source: Company, Emkay Research

Exhibit 3: SBI AMC commands a leadership position by overall MF QAAUM



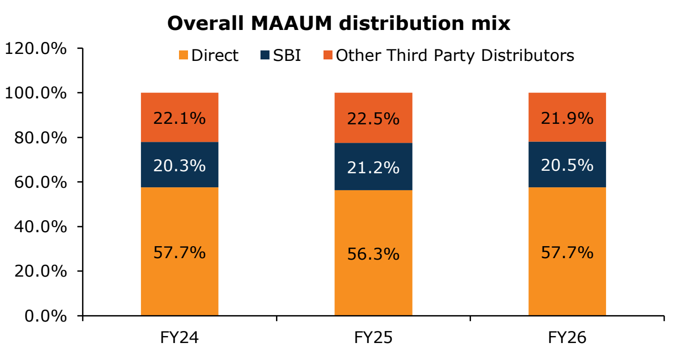
Source: Company, Emkay Research

Exhibit 4: SBI AMC has maintained market leadership in B-30 cities



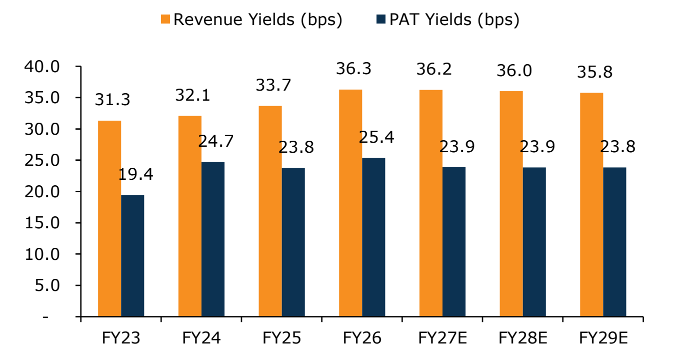
Source: Company, Emkay Research

Exhibit 5: SBI Channel contributes to ~21% of SBI AMC's overall distribution mix



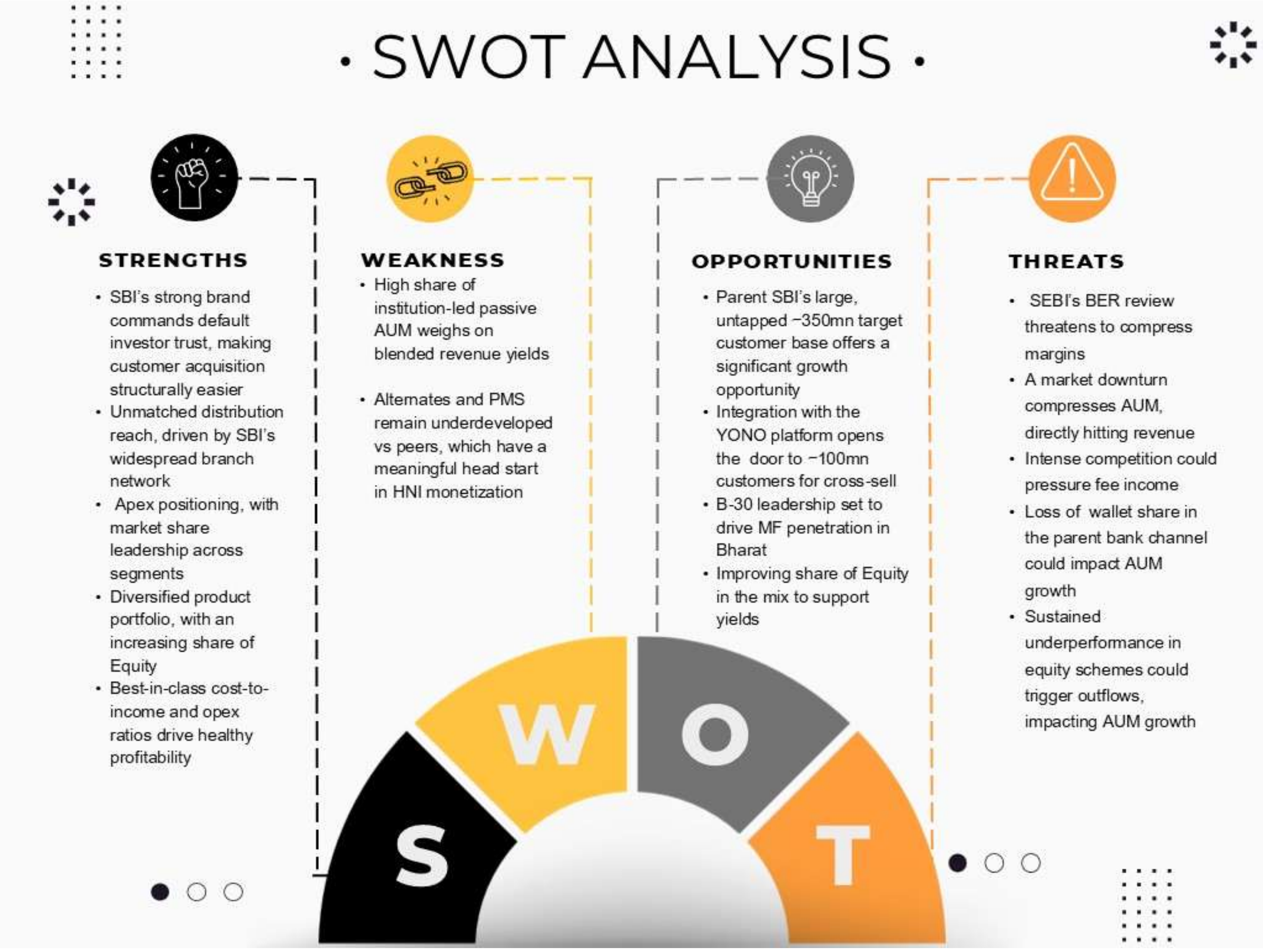
Source: Company, Emkay Research

Exhibit 6: We expect revenue and PAT yields to be broadly stable



Source: Company, Emkay Research

Exhibit 7: SWOT Analysis



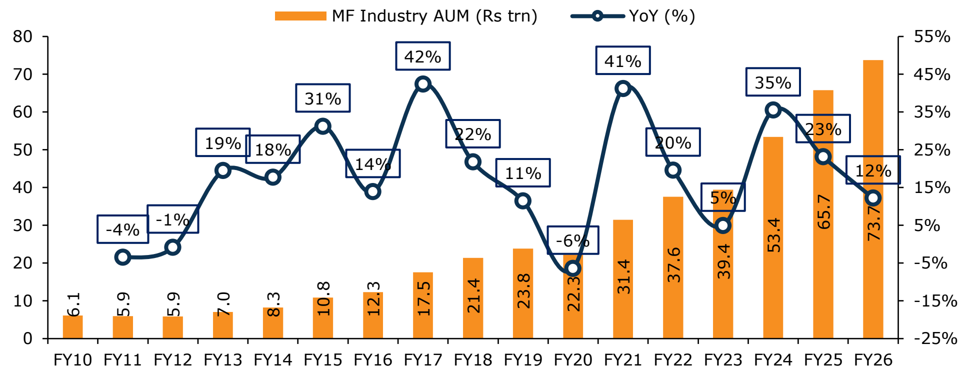
Source: Company, Emkay Research

Investment thesis

Financialization of savings: Structural headroom and under-penetration

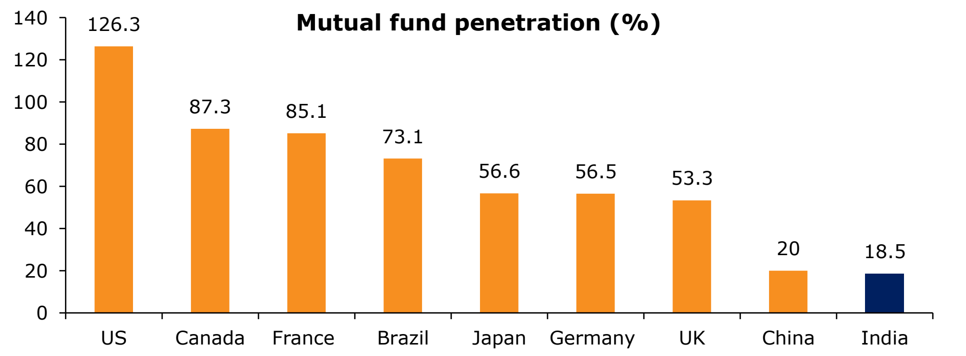
In our recently published report on the Asset Management sector (read: From savers to allocators – The multi-decade runway), we argued that the secular migration of Indian household allocations from traditional physical assets and low-yielding bank deposits toward capital market remains a powerful multi-decade growth tailwind. While mutual fund industry AUM expanded at a robust ~20% CAGR over the past decade to reach Rs73.7trn by Mar-26, deep under-penetration persists in the industry. India's mutual fund-to-GDP ratio stands at a mere 18.5%—significantly lower than in other developed countries—with overall assets accounting for less than a third of bank deposits. Driven by rising per-capita incomes, favorable demographics, and expanding financial awareness, the household savings wallet share toward mutual funds has increased from ~6% in FY22 to ~13% in FY25. This shift is structurally anchored by an automated, highly granular SIP engine that generated annual flows of ~Rs3.5trn in FY26. As an undisputed leader, SBI AMC is positioned to be a beneficiary of the long-term structural megatrend of financialization of savings.

Exhibit 8: The Indian mutual fund industry clocked a strong ~20% CAGR over FY16-26



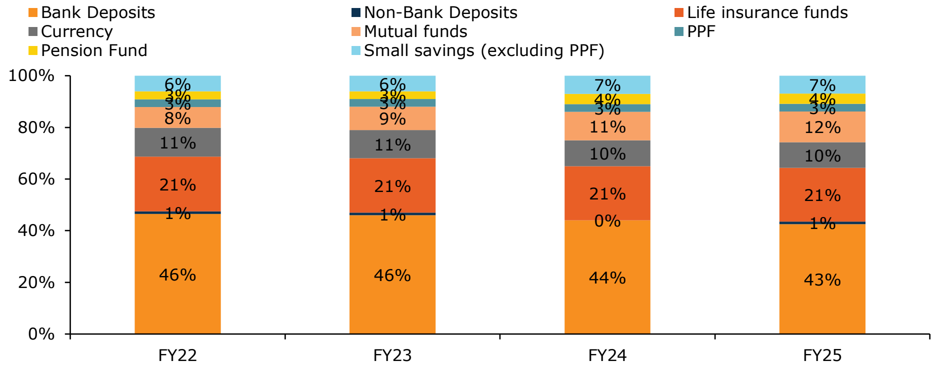
Source: AMFI, Emkay Research

Exhibit 9: While India's MF AUM has grown at a rapid pace, its AUM-to-GDP ratio remains significanlty lower vs developed countries



Source: IMF, IIFA, RBI, AMFI, Emkay Research

Exhibit 10: The share of mutual funds in household financial assets increased to ~12% in FY25



Source: RBI, Emkay Research

Exhibit 11: Instrument-wise flow of household financial savings

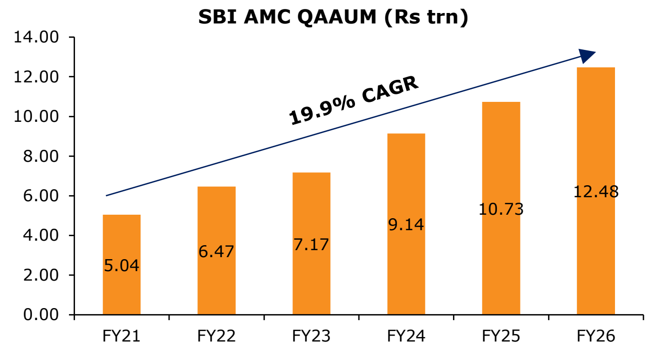
Flow of household financial assets (in Rs trn)	FY22	FY23	FY24	FY25
Deposit (bank and non-bank)	8.4	11.1	13.8	12.5
Life insurance funds	4.9	5.5	6.5	5.3
Provident and pension funds (including PPF)	5.5	6.2	7.2	7.9
Currency	2.7	2.4	1.2	2.1
Mutual funds	1.6	1.8	2.4	4.7
Equities	0.5	0.2	0.3	0.7
Small savings (excluding PPF)	2.4	2	3.1	2.3
Total household financial assets	26.1	29.3	34.7	35.6

Source: RBI, Emkay Research

Market leadership and scale dominance across segments

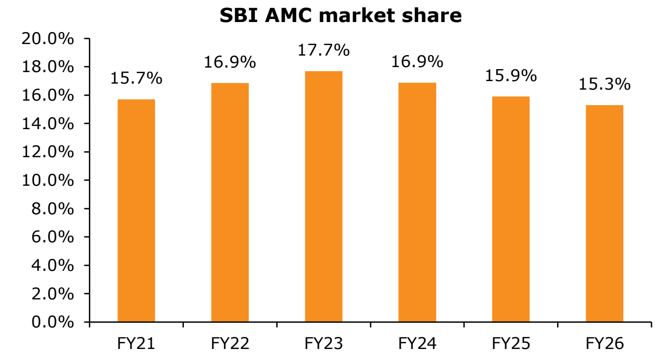
SBI AMC maintains a distinct leadership position in the domestic asset management space, commanding the highest QAAUM market share at 15.3%, with an asset base of Rs12.5trn as of FY26. The company's QAAUM expanded at ~20% CAGR over FY21-26, closely tracking the industry growth, driven by a structural shift in its asset mix toward Equity (including Hybrid) strategies, which recorded ~34% CAGR during the same period and now contribute ~46% of QAAUM. Anchored by large-scale domestic institutional mandates (especially from EPFO), the company commands a dominant ~28% market share in the Passive QAAUM segment. Complementing its passive engine, the company has sustained its position as the second-largest active manager, commanding a 12.6% market share with an active asset base of Rs8.4trn in FY26. Additionally, led by its extensive and deep distribution network, SBI AMC has maintained its position as the largest player in the B-30 market with ~19% market share overall and ~15.8% in Equity-oriented B-30 MAAUM as of FY26. SBI AMC's market share dominance across segment makes it well placed to capture the large, untapped opportunity in the under-penetrated MF market, driving AUM growth.

Exhibit 12: SBI AMC has clocked healthy ~20% QAAUM CAGR over FY21-26...



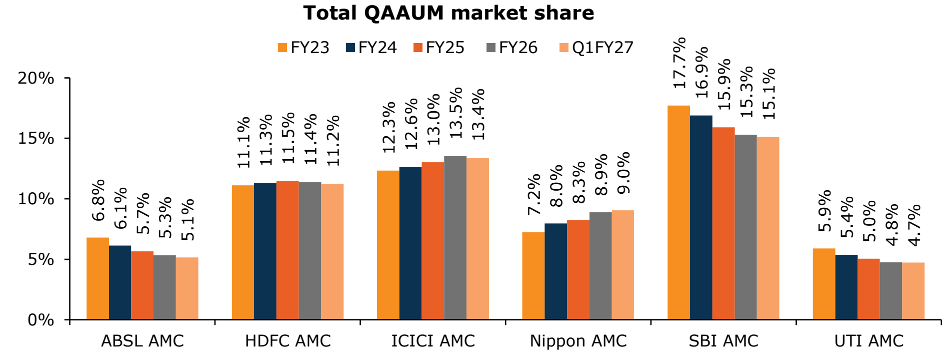
Source: Company, Emkay Research

Exhibit 13: ...while maintaining its leadership position commanding ~15% market share



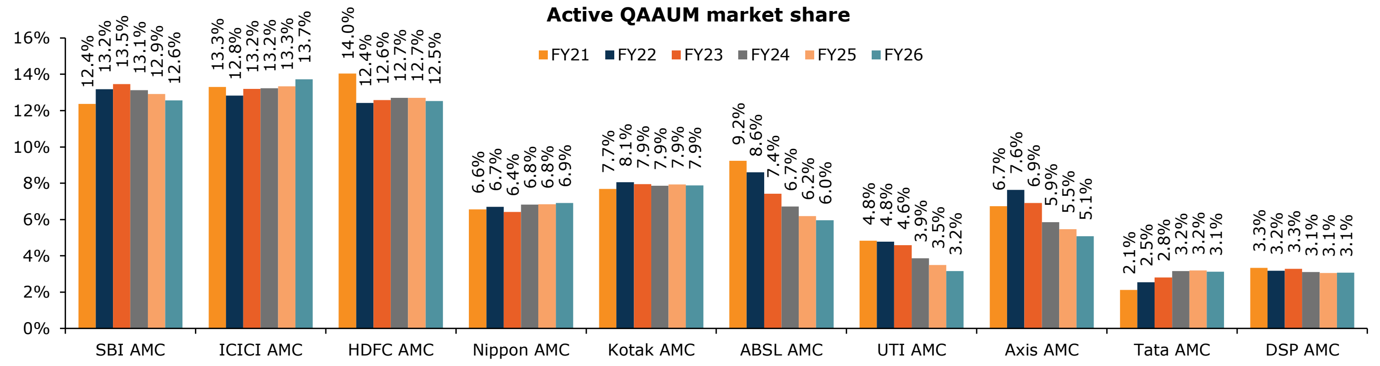
Source: Company, Emkay Research

Exhibit 14: SBI AMC has consistently maintained its leadership position in the MF industry



Source: Company, Emkay Research

Exhibit 15: SBI AMC has maintained its position as the second-largest asset manager in Active QAAUM

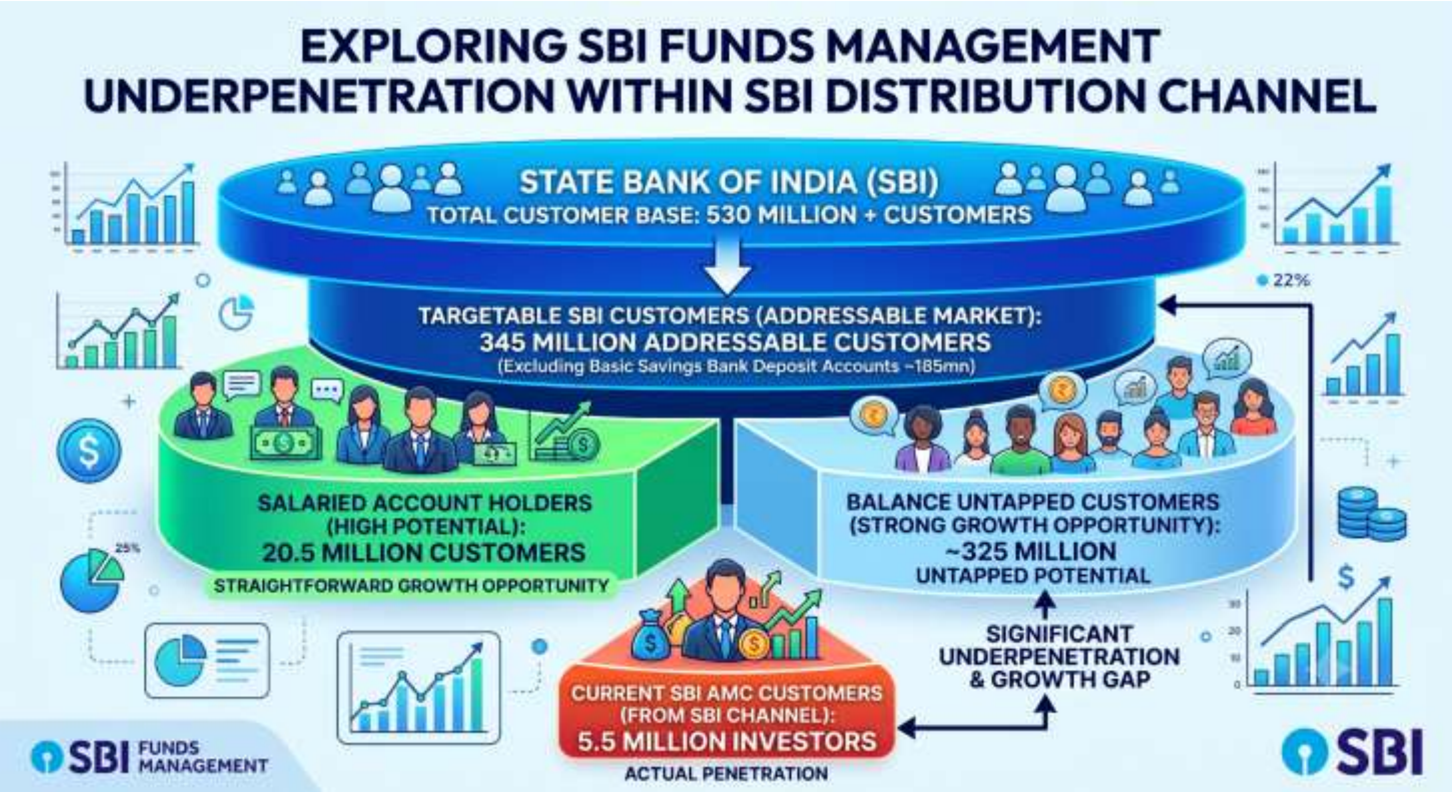


Source: Company, Emkay Research

Unrivalled distribution moat via parent network and digital integration

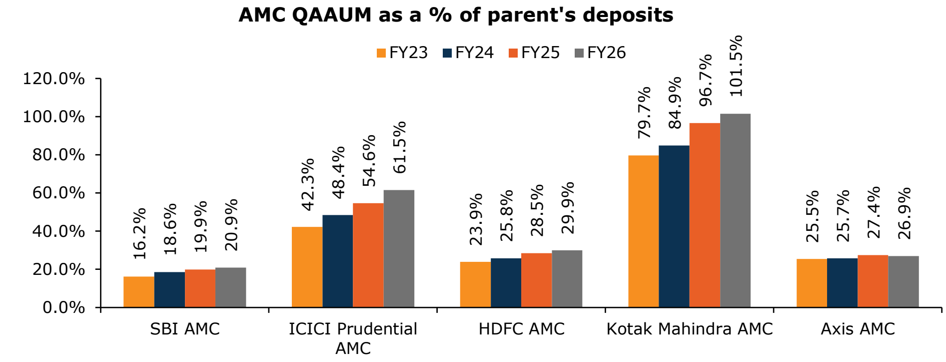
The company's primary operational moat lies in its access to the unparalleled distribution network of its parent, the State Bank of India, which operates over 23,000 branches and services more than 530mn customers. As domestic household savings transition from physical assets and traditional bank deposits to market-linked portfolios, this proprietary ecosystem provides a highly efficient customer acquisition engine, particularly in underpenetrated B-30 markets, where brand trust is a critical catalyst for first-time investors. Importantly, with current penetration at a mere ~5.5mn unique customers sourced from the parent bank, SBI AMC has captured only a fraction of its addressable market, which stands at ~345mn customers (adjusting for BSBD and PMJDY accounts). This target pool includes a high-visibility, near-term cross-sell funnel of 20.4mn salaried accounts, presenting a strong growth runway with a large, untapped opportunity in the SBI channel. Additionally, through its integration with the SBI YONO platform, SBI AMC is positioned to benefit from YONO's large, ~100mn untapped customer base. Supported by seamless digital onboarding, this entrenched distribution architecture uniquely positions SBI AMC to convert traditional banking relationships into mutual fund AUM, driving sustainable scale. Just as the parent has spent decades solidifying its position as the 'Bank to Every Indian,' SBI AMC leverages this foundational trust and unmatched reach to effectively emerge as the 'Asset Manager to Every Indian.'

Exhibit 16: SBI's customer base presents a large, untapped growth opportunity for SBI AMC



Source: Company, Emkay Research

Exhibit 17: SBI's ratio is the lowest among peers, presenting a long growth runway

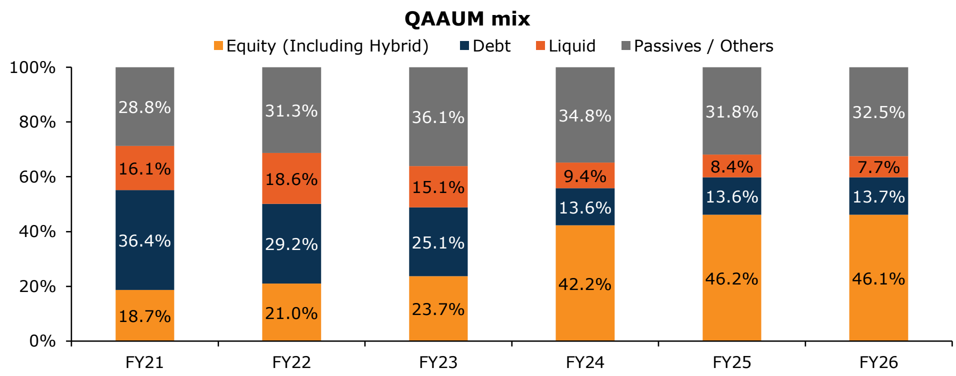


Source: Company, Emkay Research

Shift in asset mix to support revenue yields

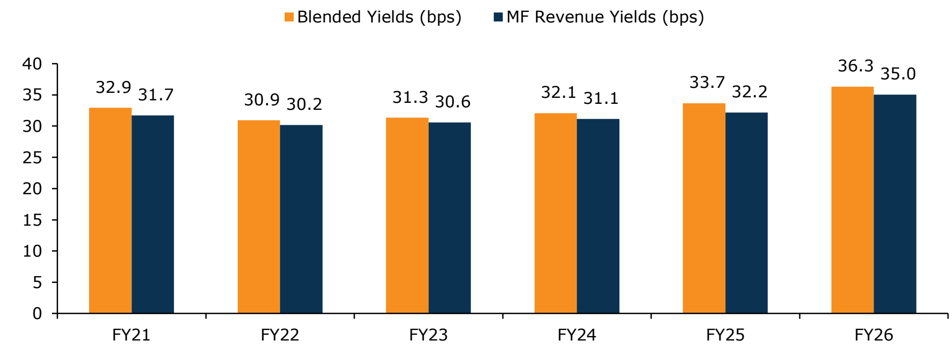
Despite ongoing pressure from telescopic pricing, SBI AMC's revenue yields improved to 36.3bps in FY26 from 31.3bps in FY23. This improvement was driven by a shift in asset mix toward Equity (including Hybrid) assets. The share of Equity AUM in its QAAUM mix has increased from 23.7% in FY23 to 46.1% in FY26. Further, SBI AMC's blended Equity + Hybrid Commission rates have reduced over recent years supporting yields. The company's strategic focus toward high-yielding alternate assets, including AIF and offshore funds, is likely to support yields going forward. We build in broadly flat yields over FY26-29E, led by the increasing share of Equity AUM in the product mix. Consequently, while we expect MF AAAUM to expand at a ~17% CAGR over FY26-29E, revenue is estimated to clock ~16% CAGR.

Exhibit 18: The company has witnessed a shift in asset mix toward equity



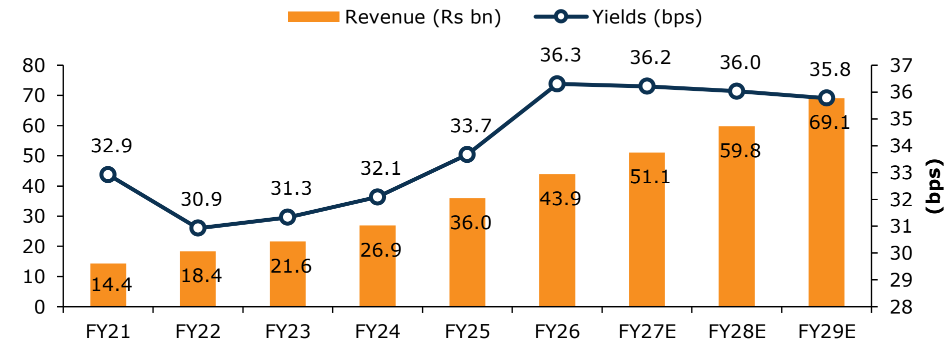
Source: Company, Emkay Research

Exhibit 19: Blended yields have increased in recent years



Source: Company, Emkay Research

Exhibit 20: We expect revenue yields to be broadly stable, driving revenue CAGR of 16% over FY26-29E

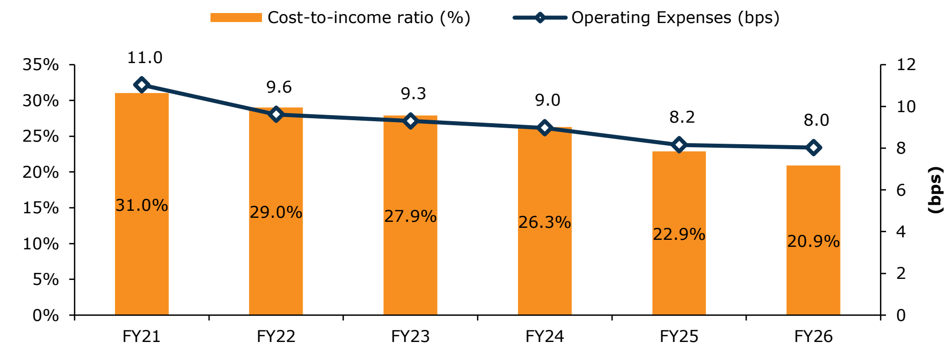


Source: Company, Emkay Research

Scale-driven operating leverage to drive healthy profitability

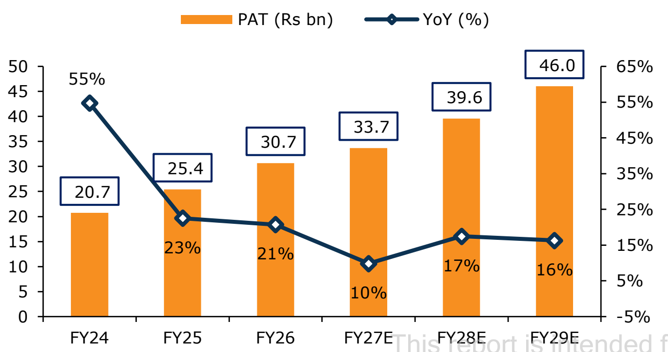
SBI AMC's financial superiority is defined by its highly efficient cost metrics. Led by massive scale-driven operating leverage and cost optimization, the company's cost-to-income ratio has improved to 20.9%, among the best in the industry, while its open as a % of AUM, at 8bps, remains the lowest among peers. The cost efficiency allows maximum revenue to flow through the bottom line. EBITDA margin is expected to expand from ~79% in FY26 to ~81% in FY29E. Supported by broadly stable yields, driven by the shift in asset mix, and the best-in-class cost efficiency, EBITDA is expected to clock ~17% CAGR over FY26-29E. However, given the high dividend payout in FY26, modest growth in other income is likely to drive a slightly lower PAT CAGR of ~14% over FY26-29E. Consequently, ROE is likely to remain rangebound at ~52% over FY26-29E, after a material increase in FY26.

Exhibit 21: A large scale and operating leverage have driven improving cost ratios



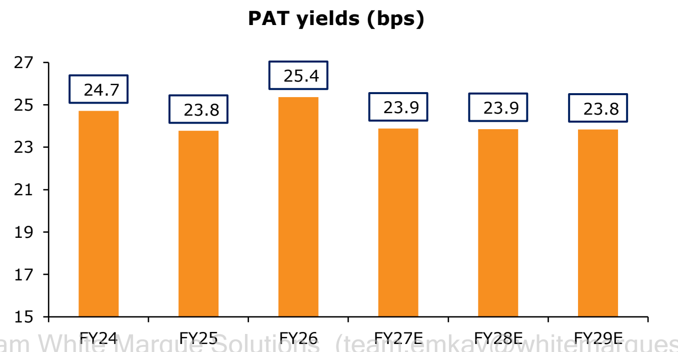
Source: Company, Emkay Research

Exhibit 22: We expect PAT to deliver ~14% CAGR over FY26-29E



Source: Company, Emkay Research

Exhibit 23: We expect PAT yields to be broadly stable



Source: Company, Emkay Research

Solid parent-led distribution opportunity and healthy profitability drive premium valuations

The IPO price (at the upper band) of Rs574/sh implies that SBI AMC currently trade at ~30x FY28E PER. Its premium valuation is underpinned by a strong brand, trust, increasing focus on retail participation, an improving asset mix, and healthy profitability driven by a best-in-class cost-to-income ratio. Its parent SBI's extensive distribution network and large, untapped customer base provide SBI AMC a formidable growth opportunity, as the average Indian transitions from physical and traditional bank-deposit-led savings to capital market instruments, including mutual funds. We estimate AUM to clock ~17% CAGR over FY26-29E and, with yields broadly stable, revenue to expand at a ~16% CAGR. While we expect EBITDA margin to improve to ~81%, driving ~17% EBITDA growth over FY26-29E, PAT CAGR is expected to remain slightly modest at ~14%. With its strong parent distribution-led presence, B-30 market leadership, and increased focus on retail participation, SBI AMC is well positioned to capture the long-term megatrend of financialization of savings, driving AUM growth with profitability. We initiate coverage on SBI AMC with BUY, valuing the company on a DCF-based methodology to arrive at a Jun-27E TP of Rs750, implying an FY28E PER of ~39x.

Exhibit 24: DCF-based valuation for SBI AMC

Cost of equity (%)	12%
Terminal growth (%)	5%
Sum of discounted cashflows (Rs mn)	788,411
Terminal value (Rs mn)	676,059
Fair value (Rs mn)	1,464,470
Number of shares (mn)	2,036.83
Mar-27 fair value (Rs)	719
Jun-27E target price (Rs)	750
CMP (Rs)	574
Upside (%)	31%

Source: Company, Emkay Research

Exhibit 25: Implied valuation multiples for SBI AMC

Valuation at target price	**750**
FY28E P/E	39
FY28E P/B	19
FY28E P/AAUM	9%
Valuation at current price	**574**
FY28E P/E	30
FY28E P/B	14
FY28E P/ AAUM	7%

Source: Company, Emkay Research

Key risks

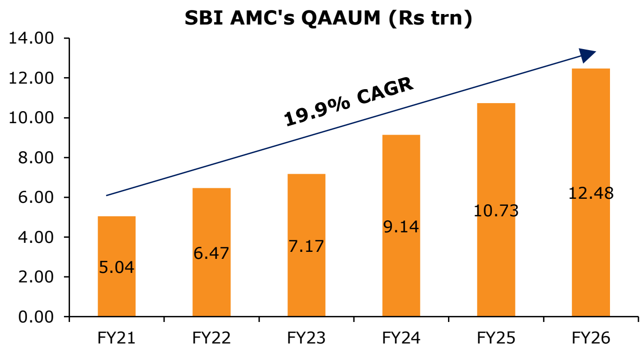
- **Loss of wallet share in the parent bank's channel:** Any operational disruption or change in cross-selling focus at the State Bank of India counter would directly hurt retail asset gathering, given that the firm currently commands an undisputed ~96% wallet share there.
- **Sustained underperformance of active equity schemes:** Prolonged weakness in fund performance rankings would impair alpha generation, triggering retail redemptions and impacting flows.
- **Prolonged bearish equity markets:** A downturn in capital markets would cause sharp mark-to-market hits to the asset base, directly eroding revenue.
- **Adverse regulatory interventions from SEBI:** Unexpected regulatory shocks, such as a mandatory downward revision of the Base Expense Ratio limits or tighter unbundling rules, would compress profit pools across larger flagship schemes.
- **Execution risk in high-yield alternate products:** A delay in scaling the AIF and other new business platforms would impact the company's blended yields and profitability.

Market leadership across segments

Leading the MF industry AUM; poised to capture industry tailwinds

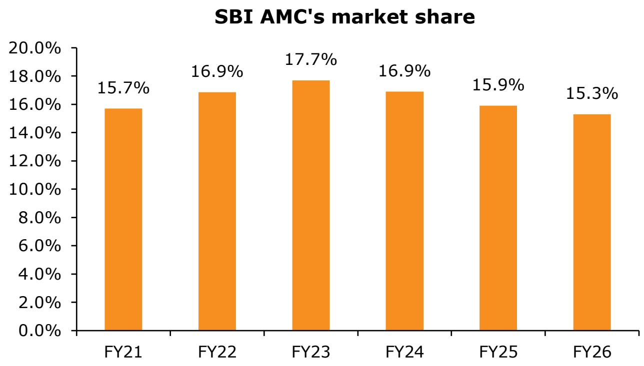
Supported by formidable brand equity, an unparalleled parent-led distribution network, and a solid institutional base, SBI AMC maintains its undisputed leadership position in the Indian mutual fund industry. The company commands an industry-leading MF QAAUM market share of 15.3%, anchored by an asset base of Rs12.5trn as of FY26. Its MF QAAUM expanded at a robust 19.9% CAGR over FY21-26, closely tracking the broader industry's growth of 20.5%. This expansion was fueled by an improving asset mix, led by strong growth in Equity (including Hybrid) AUM at 34% during the same period. As the sector continues to benefit from the structural financialization of household savings, SBI AMC is uniquely positioned to capture these tailwinds. A key catalyst for sustained growth lies in leveraging its parent's massive network. Currently, SBI AMC's MF AUM makes up 20.9% of SBI's total bank deposits as of FY26. Although this ratio is the lowest among bank-backed competitors such as ICICI AMC and HDFC AMC, due to the large size of SBI's deposit base, it reveals a huge, untapped pool of potential customers. Greater penetration of this existing deposit base offers SBI AMC a clear path to drive sustained asset growth.

Exhibit 26: SBI AMC has clocked healthy ~20% QAAUM CAGR over FY21-26…



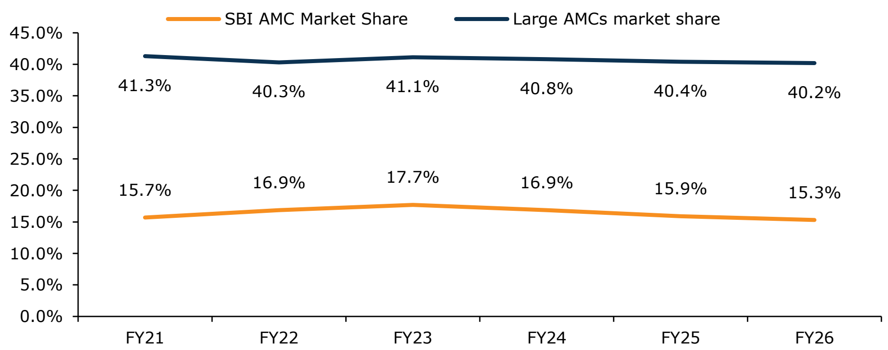
Source: Company, Emkay Research

Exhibit 27: …while maintaining its leadership position commanding ~15% market share



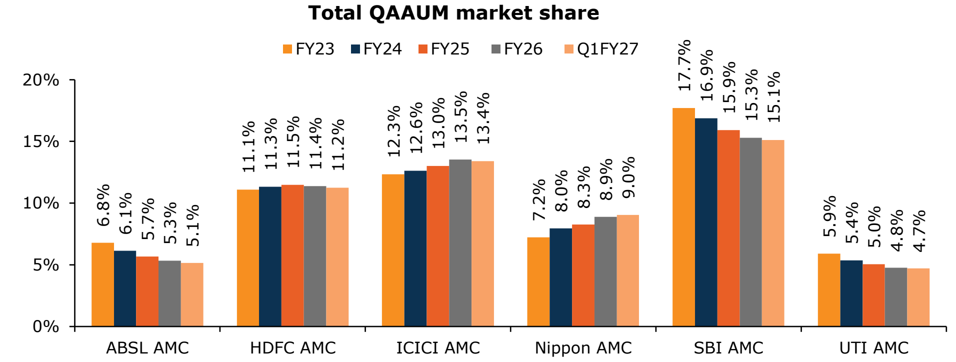
Source: Company, Emkay Research

Exhibit 28: While large AMCs have seen a modest decline in market share, SBI AMC has broadly mirrored the industry trend



Source: Company, Emkay Research

Exhibit 29: SBI AMC has consistently maintained its leadership position in the MF industry

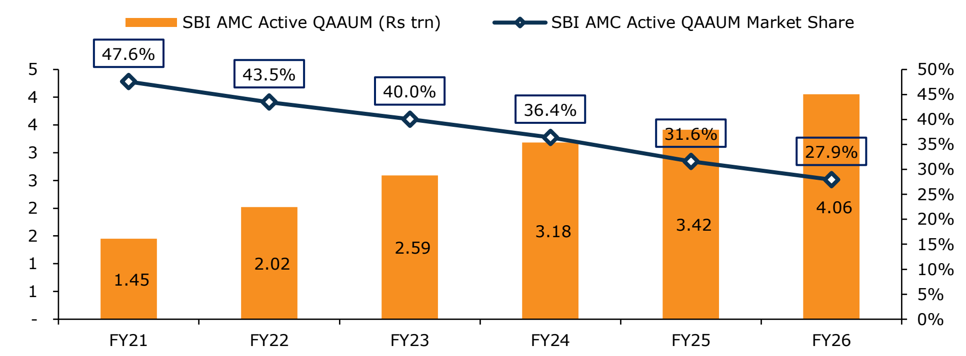


Source: Company, Emkay Research

Dominance in Passives alongside second-highest Active market share

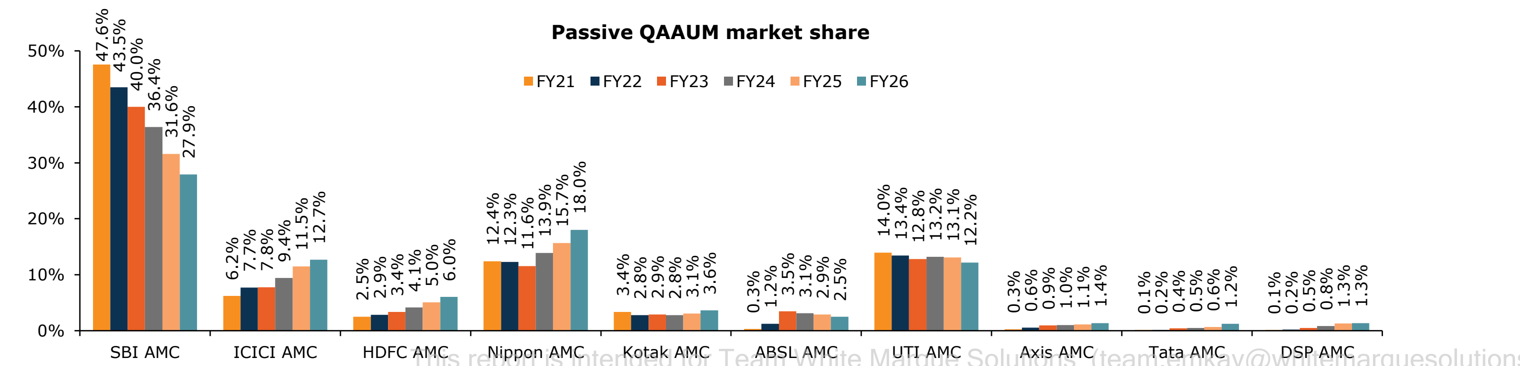
Driven by large institutional mandates (primarily from EPFO), SBI AMC commands a lion's share of Passives QAAUM at ~28%. Its passive assets have expanded at a robust ~23% CAGR, scaling from Rs1.5trn in FY21 to Rs4trn in FY26, with Equity-oriented ETFs accounting for ~84% of the total passive asset base. Complementing this dominance, the company has maintained its position as the second-largest player in Active QAAUM. As of FY26, its active QAAUM stood at Rs8.4trn, translating to a 12.6% market share, trailing only ICICI AMC at 13.7%. Supported by a resilient investment franchise, a diversified product suite, and unmatched distribution reach, SBI AMC's Active QAAUM delivered an 18.6% CAGR over FY21–26, outpacing the broader industry's 18.2%. Notably, among the top 3 players, SBI AMC emerged as the second-fastest growing AMC, closely following ICICIAMC at 18.9% CAGR.

Exhibit 30: SBI AMC's Passive QAAUM stood at Rs4trn, translating to ~28% market share in FY26



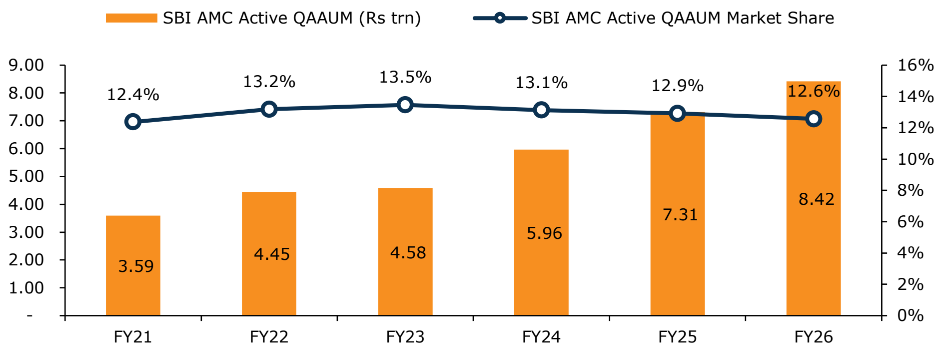
Source: Company, Emkay Research

Exhibit 31: SBI AMC's Passive AUM delivered ~23% CAGR over FY21-26 and maintains a dominant position in the Passive QAAUM segment



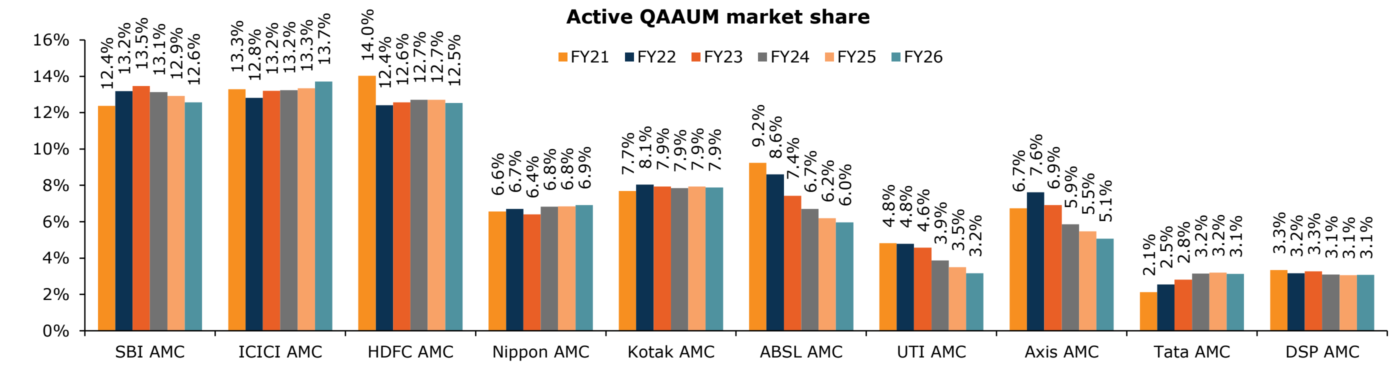
Source: Company, Emkay Research

Exhibit 32: Active QAAUM at Rs8.42trn clocked a ~19% CAGR over FY21-26 while broadly maintaining its market share



Source: Company, Emkay Research

Exhibit 33: SBI AMC has maintained its position as the second-largest asset manager in Active QAAUM



Source: Company, Emkay Research

Improving asset mix toward equity to support yields

SBI AMC has historically been a passive-led player, supported by its dominant position in passive AUM. In recent years, however, the company has executed a highly accelerated pivot toward equity and equity-oriented funds, with Equity AUM now contributing ~46% of the QAAUM mix. Backed by strong distribution capabilities, rising retail participation, and a sharper focus on equity, Equity AUM (including Arbitrage Funds), increased to Rs5.76trn in FY26 from Rs0.9trn in FY21, implying a robust 44% CAGR over FY21-26. SBI AMC remains focused on active equity, a key driver of revenue growth and profitability. This segment's importance is evident in its disproportionate contribution to the top line, with equity strategies accounting for ~75% of total management fees. Individual investors, who typically prefer equity-oriented funds for long-term wealth creation, have been a significant driver of equity AUM growth. Given the large, untapped opportunity, particularly in B30 markets, we expect SBI AMC's Equity AUM mix to continue trending upward.

Exhibit 34: 1Y and 3Y performance of SBI AMC's Equity and Hybrid funds

Schemes	Jun-26 AUM (Rs bn)	1-year CAGR (%)	Quartile rank as per 1 year	3-year CAGR (%)	Quartile rank as per 3 years
SBI Equity Hybrid Fund (G)	856	1.68	Q3	12.94	Q1
SBI Large Cap Fund (G)	551	-0.5	Q3	10.27	Q4
SBI Contra Fund (G)	474	-4.26	Q4	13.29	Q3
SBI Focused Fund (G)	473	7.64	Q1	15.75	Q2
SBI Arbitrage Opportunities Fund (G)	459	5.85	Q1	6.85	Q4
SBI Balanced Advantage Fund (G)	415	1.74	Q3	10.66	Q2
SBI Large & Midcap Fund (G)	408	2.78	Q2	14.25	Q3
SBI Small Cap Fund (G)	402	2.42	Q2	13.39	Q3
SBI ELSS Tax Saver Fund (G)	318	-2.01	Q3	17.45	Q2
SBI Midcap Fund (G)	241	0.16	Q3	12.61	Q3
SBI Multicap Fund (G)	237	-1.9	Q3	14.08	Q3
SBI Flexi Cap Fund (G)	227	-2.55	Q3	9	Q4
SBI Multi Asset Allocation Fund (G)	194	11.24	Q1	16.2	Q1
SBI Banking & Financial Services Fund (G)	108	1.56	Q2	16.3	Q2
SBI Conservative Hybrid Fund - (G)	101	4.98	Q2	8.89	Q2
SBI Energy Opportunities Fund - Regular (G)	87	3.16	Q2		
SBI Dividend Yield Fund - Regular (G)	85	0.64	Q2	11.29	Q4
SBI PSU Fund (G)	67	6.21	Q1	27.54	Q1
SBI MNC Fund (G)	63	6.87	Q1	7.48	Q4
SBI Equity Savings Fund (G)	56	1.73	Q3	9	Q2
SBI Automotive Opportunities Fund - Regular (G)	54	23.98	Q1		
SBI ESG Exclusionary Strategy Fund (G)	53	-2.89	Q3	9.77	Q4
SBI Innovative Opportunities Fund - Regular (G)	52	-0.4	Q3		
SBI Healthcare Opportunities Fund (G)	50	13.97	Q1	24.11	Q1
SBI Infrastructure Fund (G)	49	0.62	Q2	17.81	Q2
SBI Technology Opportunities Fund (G)	40	-19.63	Q4	6.32	Q4
SBI Quant Fund - Regular (G)	30	-4.11	Q4		
SBI Consumption Opportunities Fund (G)	29	-9.55	Q4	7.44	Q4
SBI Quality Fund - Regular (G)	24				
SBI Comma Fund (G)	12	9.46	Q1	18.1	Q1
SBI Equity Minimum Variance - Regular (G)	2	-1.9	Q3	8.87	Q4
Total Equity + Hybrid AUM	6,216				
% of AUM in the Top 2 Quartiles (1Y Performance)	42.2%				
% of AUM in the Top 2 Quartiles (3Y Performance)	45.2%				

Source: NAV India, Emkay Research

Exhibit 35: Rankings of SBI AMC's top Equity (including Hybrid) Funds based on 1Y performance

Scheme	AUM as of Jun-26 (Rs bn)	Rankings								
		Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Apr-26	May-26	Jun-26
SBI Equity Hybrid Fund (G)	856	22	5	1	1	2	8	7	6	8
SBI Large Cap Fund (G)	551	25	6	10	10	3	13	10	3	4
SBI Contra Fund (G)	474	3	3	3	3	2	2	2	2	3
SBI Focused Fund (G)	473	16	7	6	2	1	3	2	1	2
SBI Arbitrage Opportunities Fund (G)	459	9	7	4	2	4	4	5	8	9
SBI Balanced Advantage Fund (G)	415	13	16	13	6	3	5	8	8	12
SBI Large & Midcap Fund (G)	409	20	9	8	6	2	4	8	6	10
SBI Small Cap Fund (G)	402	17	17	23	18	19	25	28	26	23
SBI ELSS Tax Saver Fund (G)	318	5	10	19	21	12	17	18	18	19
SBI Midcap Fund (G)	241	26	18	23	28	21	28	26	26	25
SBI Multicap Fund (G)	237	9	1	3	3	15	26	27	23	27
SBI Flexi Cap Fund (G)	227	34	29	29	21	14	24	31	17	28
SBI Multi Asset Allocation Fund (G)	194	13	9	10	8	12	9	9	9	11
SBI Banking & Financial Services Fund (G)	108	85	9	12	7	9	54	99	103	114
SBI Conservative Hybrid Fund - (G)	101	6	7	11	8	7	5	2	2	3

Source: NAV India, Emkay Research

Exhibit 36: Weighted performance of Equity Funds vs benchmark

	Mar-23	Mar-23	Mar-24	Mar-24	Mar-25	Mar-25	Mar-26	Mar-26	Jun-26	Jun-26
	1yr	3yr	1yr	3yr	1yr	3yr	1yr	3yr	1yr	3yr
Aditya Birla Sun Life Mutual Fund	-2.0	-3.4	-3.3	-2.8	0.7	-1.3	0.4	-0.3	1.6	0.2
HDFC Mutual Fund	9.2	2.5	0.5	4.4	2.6	4.8	0.4	1.6	0.1	0.5
ICICI Prudential Mutual Fund	5.1	4.3	2.4	4.5	1.9	3.8	1.6	2.2	1.1	2.2
Nippon India Mutual Fund	5.3	3.3	0.7	4.4	1.2	3.1	1.3	1.3	1.8	0.9
SBI Mutual Fund	1.9	-0.7	-5.4	-0.1	2.1	0.7	0.0	-0.5	1.5	-0.5
UTI Mutual Fund	-4.2	-3.7	-10.8	-5.8	3.0	-2.8	-3.3	-3.0	-3.1	-3.2

Source: Company, Emkay Research

Exhibit 37: Weighted performance of Hybrid Funds vs benchmark

	Mar-23	Mar-23	Mar-24	Mar-24	Mar-25	Mar-25	Mar-26	Mar-26	Jun-26	Jun-26
	1yr	3yr	1yr	3yr	1yr	3yr	1yr	3yr	1yr	3yr
Aditya Birla Sun Life Mutual Fund	-2.5	1.0	-0.4	-0.6	0.8	-0.5	1.0	2.0	1.1	2.1
HDFC Mutual Fund	7.5	8.7	12.6	8.4	0.3	6.9	-1.0	3.9	-0.5	4.0
ICICI Prudential Mutual Fund	4.7	8.9	10.4	8.6	4.1	6.8	3.1	7.1	2.8	7.1
Nippon India Mutual Fund	1.1	0.8	3.7	2.0	-0.2	0.7	-0.5	-0.2	-2.9	-0.1
SBI Mutual Fund	-1.5	-0.9	2.0	0.5	1.6	0.8	1.1	2.8	0.7	3.1
UTI Mutual Fund	-0.4	0.4	1.4	0.6	1.2	1.3	-0.3	3.6	-0.3	3.4

Source: Company, Emkay Research

A process-centric approach – key person risk mitigation

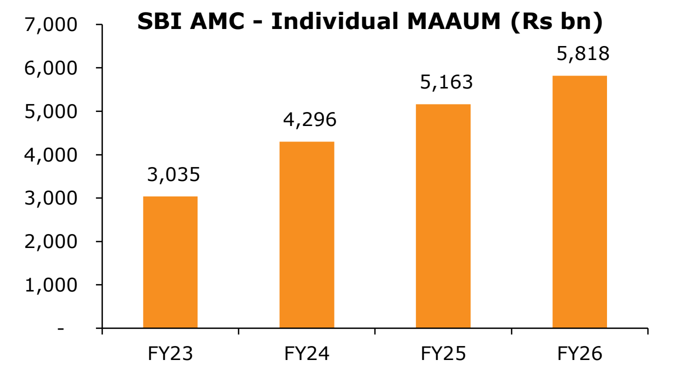
A continuing vulnerability in the active asset management industry is "key person risk"—over-reliance on a single star fund manager whose sudden departure could trigger outflows. SBI AMC has neutralized its AUM concentration under any single fund manager through an institutionalized, team-based approach, prioritizing institutional processes over individual personalities. The company's dual parentage plays a pivotal role here, with the integration of Amundi's global risk management best practices, including six embedded Amundi experts within SBI AMC's investment, risk, and technology functions. This robust governance architecture insulates the firm from the sudden absence of any single fund manager, assuring institutional and retail clients of continuity.

Deepening retail penetration and geographic diversification

Gradual shift toward individual assets, anchored by a solid SIP franchise

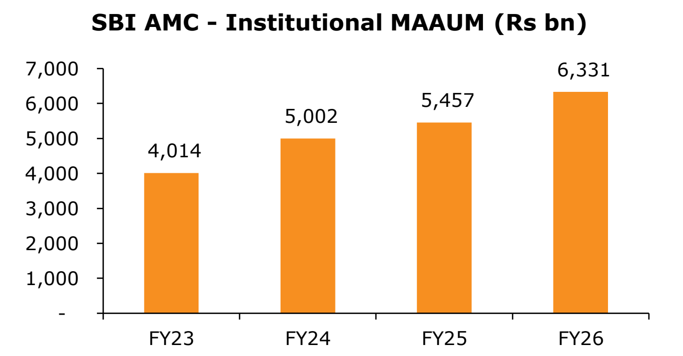
SBI AMC maintains a balanced and granular asset mix, with Individual MAAUM contributing ~48% of its total MAAUM. This segment scaled from Rs3.03trn in FY23 to Rs5.82trn in FY26, clocking a healthy ~24% CAGR. The company has the third-largest individual asset base, commanding a ~12% market share as of FY26, trailing ICICI AMC and HDFC AMC. This accelerated retail penetration is underpinned by a deeply ingrained SIP culture. The company has built a market-leading SIP franchise, capturing ~11% of the industry's SIP flows and holding an impressive 15.5% market share by SIP count. Further, increased retention among SIP holders underscores a structural shift toward behavioral maturity, as retail investors transition from short-term market timing to disciplined, long-term wealth accumulation.

Exhibit 38: While SBI AMC's Individual MAAUM clocked a ~24% CAGR over FY21-26…



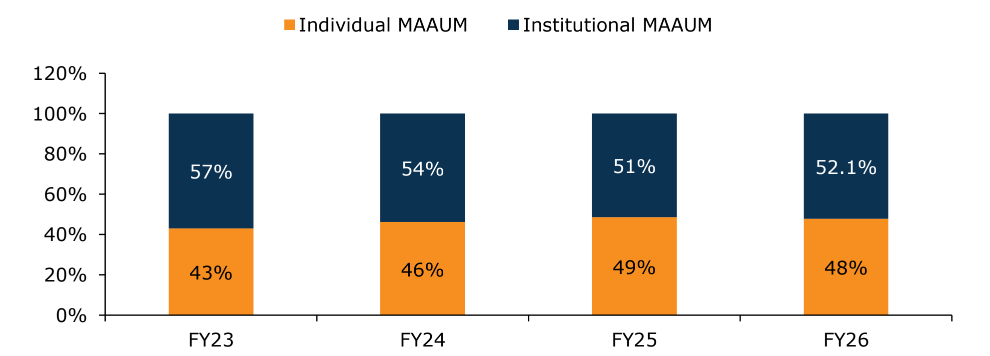
Source: Company, Emkay Research

Exhibit 39: …Institutional MAAUM delivered a modest ~16% CAGR, as against total MAAUM CAGR of ~20%



Source: Company, Emkay Research

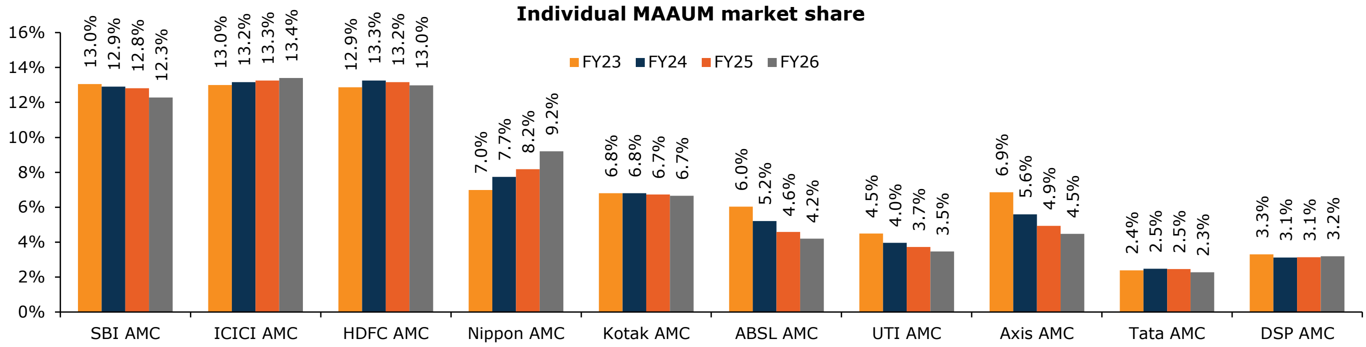
Exhibit 40: SBI AMC's Individual MAAUM mix has improved to 48% in FY26



Source: Company, Emkay Research

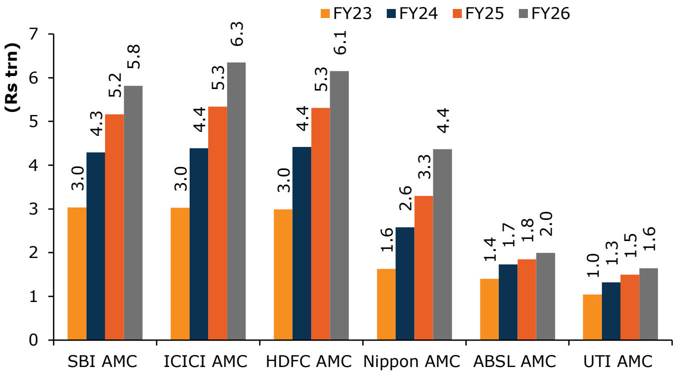
With increasing retail participation, the share of Individual MAAUM has inched up from ~43% in FY23 to ~48% in FY26. The company's strategic focus on increasing retail participation, with the large, untapped opportunity in the Tier 2 and Tier 3 markets, makes a strong case for a gradual uptick in the share of Individual MAAUM over the next few years.

Exhibit 41: SBI AMC commands a healthy ~12% market share in Individual MAAUM



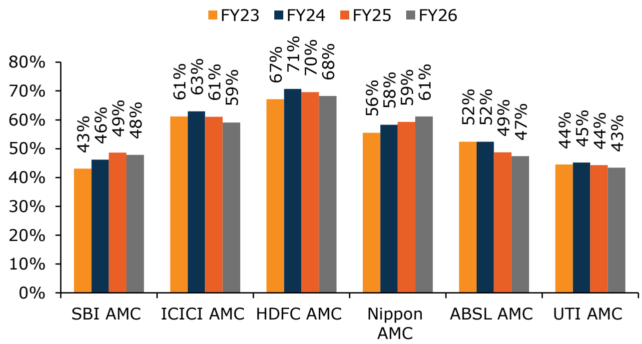
Source: Company, Emkay Research

Exhibit 42: SBI AMC has the third-largest share of Individual MAAUM assets



Source: Company, Emkay Research

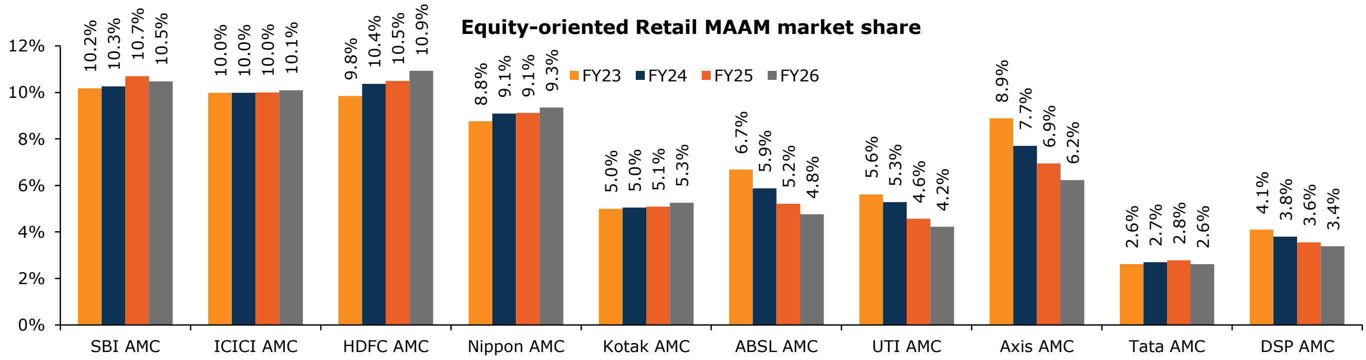
Exhibit 43: The share of Individual MAAUM assets remains lower than peers for SBI AMC



Source: Company, Emkay Research

SBI AMC commands the second-highest market share in Equity-oriented Retail MAAUM at 10.5%, with its assets growing from Rs0.88trn in FY23 to Rs1.97trn in FY26. Its Equity-oriented Retail MAAUM expanded at a strong 30.5% CAGR over FY23-26, outpacing the industry's 29.2%. SBI AMC's deep retail franchise, widespread distribution network, and focus on increasing retail participation are expected to drive continued growth in equity-oriented retail assets.

Exhibit 44: SBI AMC has the second-highest market share in equity-oriented retail MAAUM at 10.5%

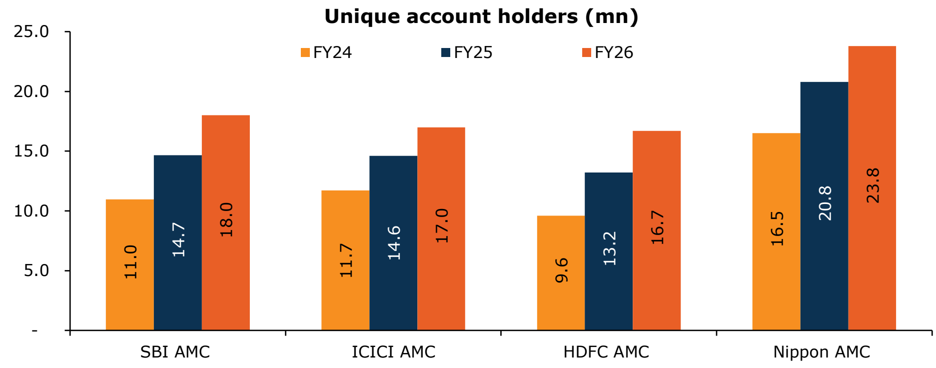


Source: Company, Emkay Research

Market leadership in unique investors

The company's extensive distribution network—led by parent SBI's widespread branch network and large customer base—has enabled it to scale retail participation. With market leadership in 30 MAAUM, the company remains among the top players by unique investor count. Over the last two years, SBI AMC's unique investor count has increased rapidly, from 11mn in FY24 to 18mn in FY26, expanding at a ~29% CAGR. This rapid expansion has lifted the company's unique investor market share from 25% in FY24 to 29% in FY26. Further, as the company focuses on retail participation, and with the rollout of universal KYC, the count of unique investors is expected to inch up further as investor onboarding becomes seamless, especially on the SBI YONO platform.

Exhibit 45: SBI AMC's unique investor market share has expanded to 29% in FY26

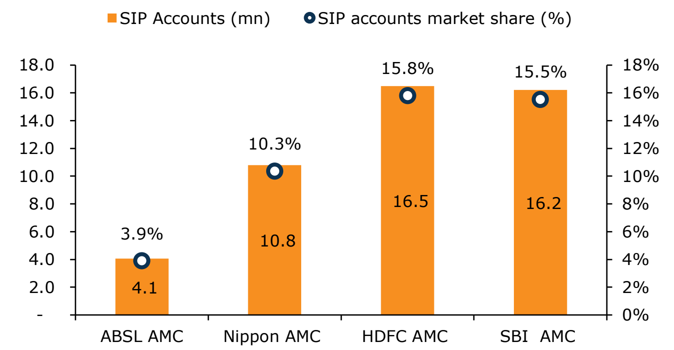


Source: Company, Emkay Research

Strong SIP franchise; capturing the structural shift toward financialization

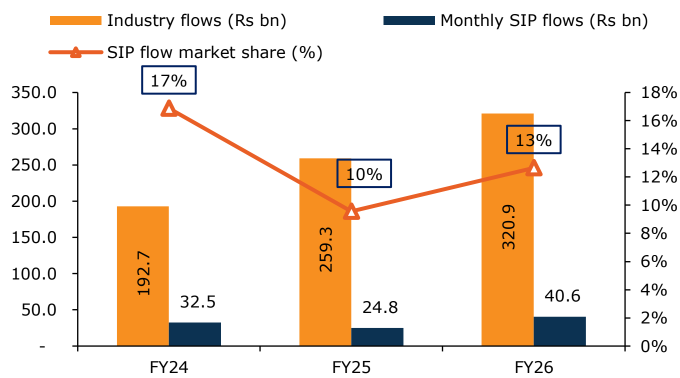
Strong retail participation and its leadership in unique investors have helped SBI AMC build a sizable SIP franchise. As of FY26, the company had 16.21mn live SIP accounts, giving it a 15.5% industry share by account count. This strength is supported by SBI's strong brand recall and extensive pan-India distribution network, which give SBI AMC a clear edge in underpenetrated B30 markets. These markets now account for nearly 65% of the company's SIP account base. As household savings continue to move from traditional recurring deposits toward SIPs, SBI AMC is well placed to benefit from this shift. Its large and sticky retail base should support steady inflows, sustained AUM growth, and long-term profitability.

Exhibit 46: While SBI AMC commands a leading market share by SIP accounts…



Source: Company, Emkay Research

Exhibit 47: …its SIP flow market remains healthy



Source: Company, Emkay Research

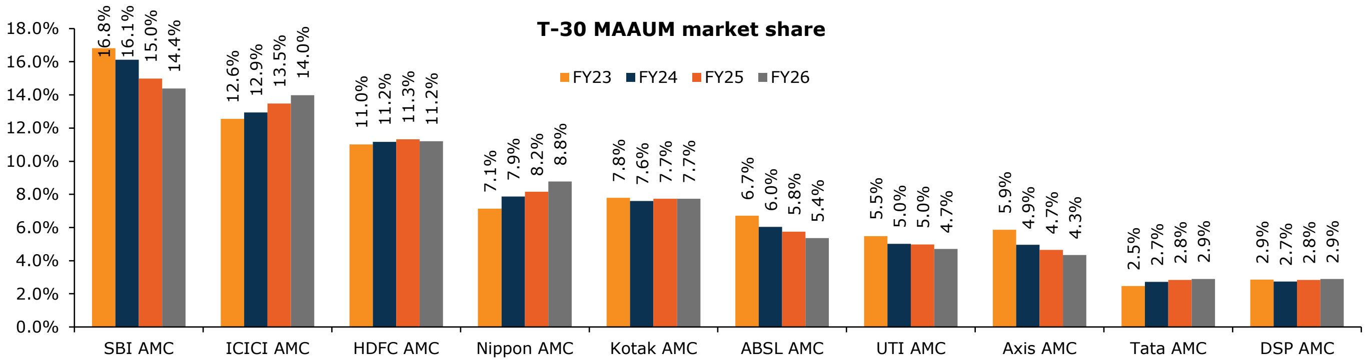
SBI AMC's B-30 leadership positions it well to capture the Tier2/3 markets

The Indian mutual fund industry exhibits severe geographic concentration with the T-30 cities historically holding the majority of industry assets. However, increased awareness, expansion of distribution channels, the rise of fintech players, and increased digitalization are driving growth in B-30 assets. Against this backdrop, SBI AMC has engineered a distinct structural advantage by aggressively penetrating the B-30 market.

In the T-30 markets—traditionally the urban strongholds—SBI AMC maintains a sizeable presence, with its T-30 MAAUM at Rs9.4trn as of FY26 capturing a 14.4% market share of the urban and metro asset pool. This T-30 franchise has expanded at a healthy 18.7% CAGR over FY23-26, driven by a combination of established corporate treasuries, retail participation, HNIs, family offices, and institutional flows. Despite this absolute scale, SBI AMC's T-30 assets contribute 77.2% of its total MAAUM, against the industry's 81.8%.

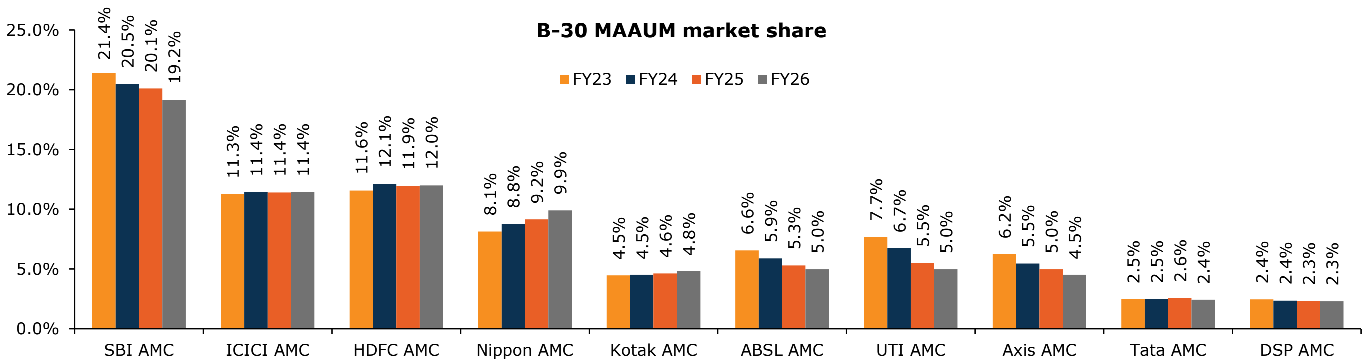
The real geographic moat for SBI AMC lies in its absolute dominance in B-30 markets. Its B-30 MAAUM stood at ~Rs2.8trn as of FY26, compounding at a strong ~24% CAGR over FY23-26. With this large B-30 asset base, SBI AMC commands a distinct leadership with a 19.2% market share as of FY26. Additionally, the company's B-30 assets constitute 22.8% of its overall MAAUM, higher than the industry's 18.2%.

Exhibit 48: SBI AMC commands leadership position in T-30 MAAUM



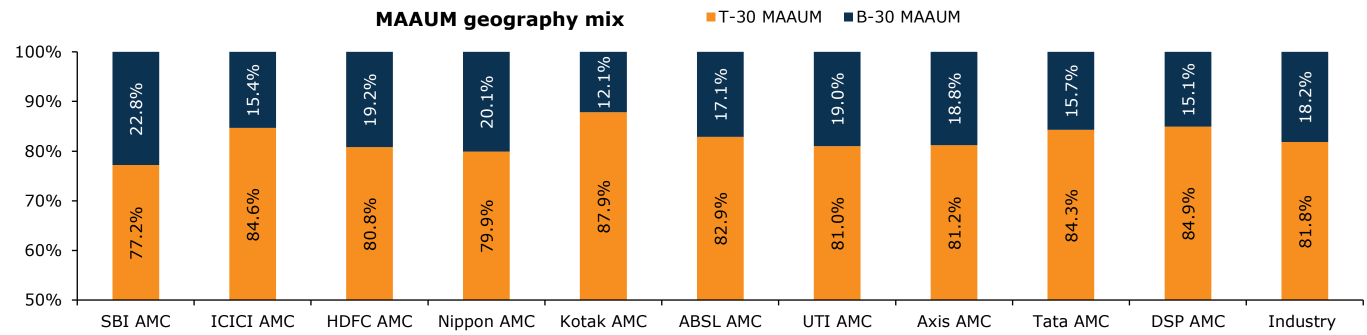
Source: Company, Emkay Research

Exhibit 49: With ~19.2% B-30 MAAUM market share, SBI AMC commands a distinct leadership in the B-30 market



Source: Company, Emkay Research

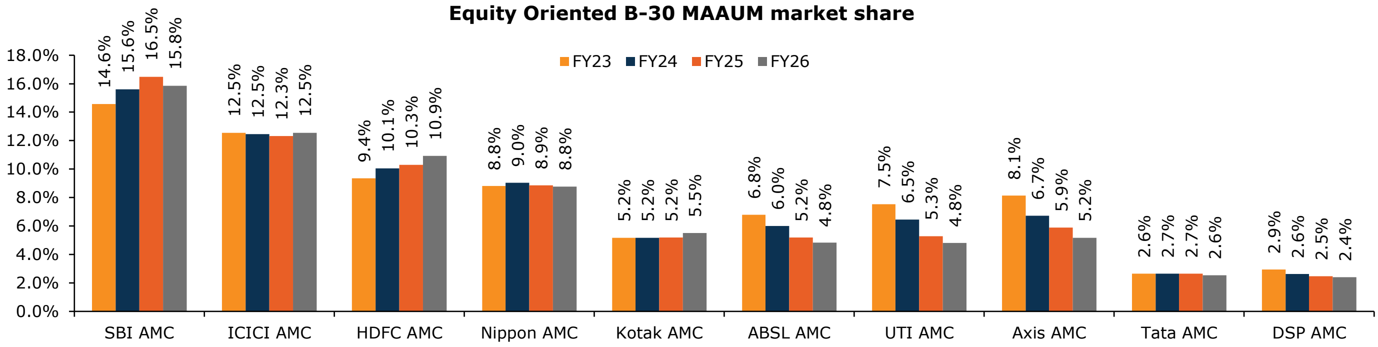
Exhibit 50: SBI AMC has the highest share of B-30 MAAUM as a % of total MAAUM



Source: Company, Emkay Research

SBI AMC's leadership in B30 markets is important not just for AUM growth, but also for the quality of flows it brings. Assets from Tier 2, Tier 3, and rural markets tend to be stickier and are less exposed to the sharp redemption pressures often seen in metro markets during periods of volatility. These flows are also largely retail-led and equity-oriented, aligning well with SBI AMC's margin expansion strategy. The company holds the highest market share in equity-oriented B30 MAAUM at 15.8%, giving it a strong base of high-yielding assets. In addition, 65.16% of its live SIP accounts come from B30 locations, providing a steady and recurring source of inflows from these markets.

Exhibit 51: SBI AMC's market leadership in Equity-oriented B-30 MAAUM presents the net leg of its retail growth



Source: Company, Emkay Research

B30 markets offer a significant long-term growth opportunity and are likely to become the next major growth frontier for India's asset management industry. Financial awareness in these regions is steadily improving, with investors gradually moving beyond traditional physical assets. At the same time, digital onboarding, e-KYC, and UPI have reduced the friction of account opening and made investing far more accessible. As savings in these underserved markets shift from physical assets and bank deposits toward financial products, SBI AMC is well placed to benefit, supported by its strong branch-led presence and trusted brand. Its focus on deploying dedicated mutual fund specialists and using local SBI branches in high-potential markets should help the company sustain and deepen its B30 leadership over the coming decade.

Extensive distribution – capturing the shift in household savings

Capturing the shift in household saving – from passbooks to portfolios

While an asset manager's competitive advantage is judged by its investment performance, which builds credibility, long-term sustainable scale is built on the bedrock of distribution. SBI AMC's distribution ecosystem is arguably the widest and deepest in the Indian financial sector, positioning it well to capture the untapped growth opportunity in the B-30 market.

India's financial sector is going through a clear cultural shift, as household savings gradually move from traditional deposits and physical assets toward capital markets. For generations, the average Indian household's financial life was closely linked to a physical passbook. SBI was often the main, and in many cases the only, institution trusted with family savings. The passbook represented discipline, safety, and capital preservation. Against this backdrop, equity markets were long viewed with caution, seen as suitable only for affluent, financially aware, or higher risk-taking investors.

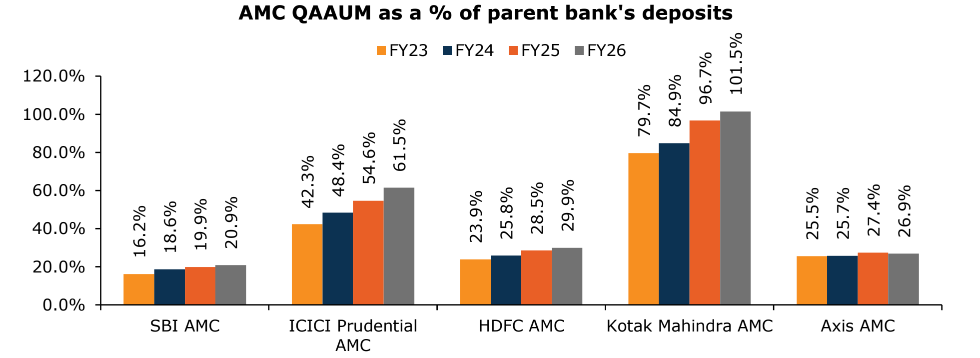
Today, this narrative is changing rapidly. The combined impact of Aadhaar, affordable mobile data, and UPI has made financial transactions simpler and more accessible. As a result, millions of households are gradually moving savings from low-yield, guaranteed-return products into market-linked investments. SIPs are increasingly replacing recurring deposits for long-term financial planning, marking a shift in mindset from simply preserving capital to creating wealth. This transition is being supported by paperless transactions, easier onboarding, and sustained investor education. SBI AMC is well placed to benefit from this migration, as savings move from traditional SBI bank accounts into SBI mutual fund portfolios.

Leveraging the SBI distribution and customer base

SBI's parentage gives SBI AMC access to a customer base that few peers can match. With more than 23,000 branches and over 530mn customers, SBI AMC sits at the center of India's shift from traditional savings to financial products. As the AMC aggressively targets the next wave of growth, SBI's brand trust acts as a vital competitive moat, providing the credibility and reassurance necessary to convert first-time mutual fund investors across Tier 2, Tier 3, and rural markets. Current penetration remains modest, with about 5.5mn unique investors sourced from the bank's customer base, leaving a sizeable runway for growth.

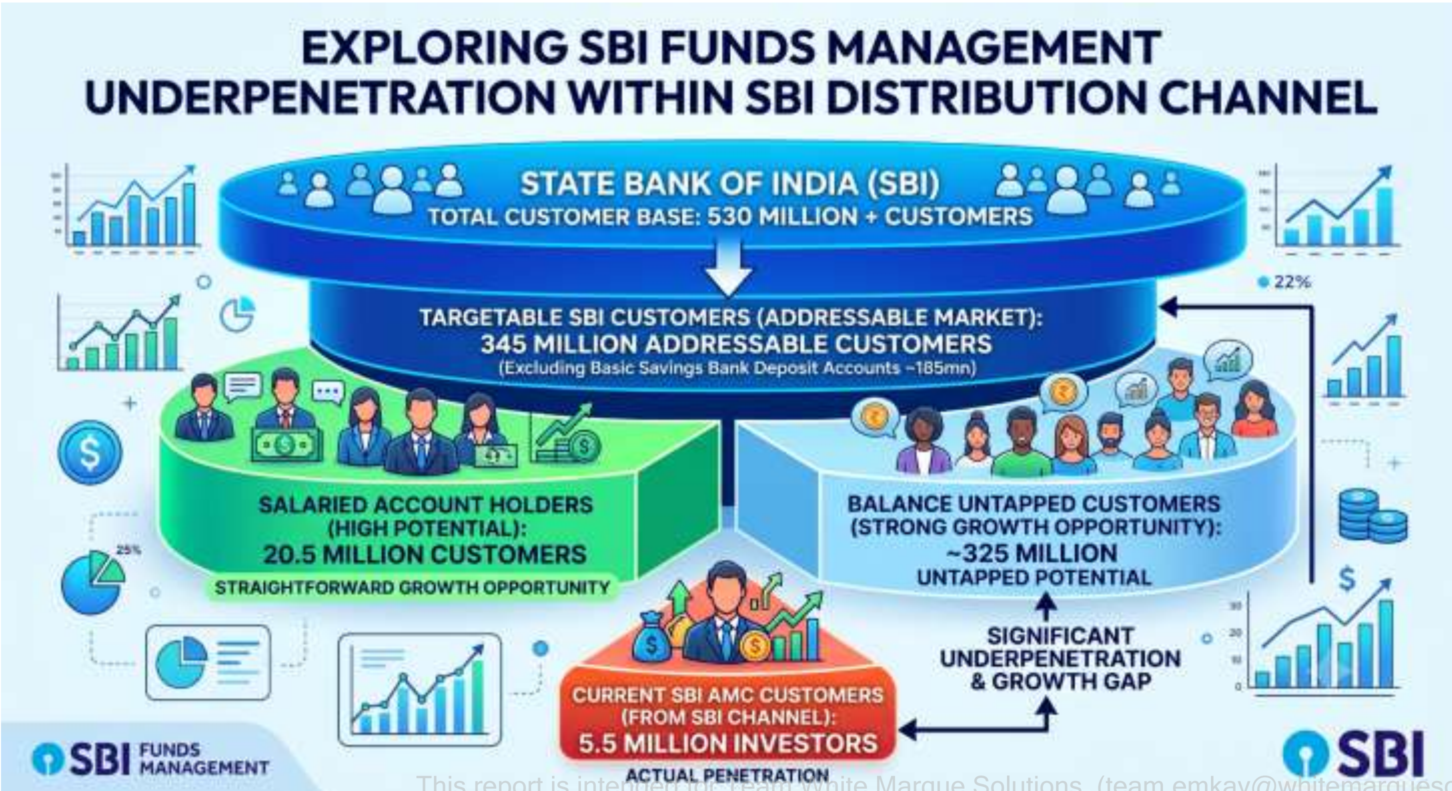
The opportunity looks even more attractive when the addressable base is refined. Excluding roughly 185mn Basic Savings Bank Deposit Accounts, including PMJDY accounts, SBI still has a core target pool of about 345mn customers. Within this, the 20.4mn salary package accounts offer a clear near-term cross-sell opportunity, while the remaining 325mn customers represent a large, underpenetrated base for long-term wealth products. By converting existing banking relationships into mutual fund relationships, SBI AMC is well poised to use this structural advantage to support its next phase of growth.

Exhibit 52: SBI's ratio is the lowest among peers, presenting a long growth runway



Source: Company, Emkay Research

Exhibit 53: SBI's customer base presents a large, untapped growth opportunity for SBI AMC



Source: Company, Emkay Research

The YONO channel: transforming digital distribution

Technology acts as the ultimate multiplier for SBI AMC's distribution moat. The company has embraced a hybrid distribution model, combining the capabilities of a digital platform with a physical branch presence, blending the personal relationship touch with the convenience of digital execution. The integration of SBI AMC's investment capabilities into YONO—SBI's digital banking platform—is likely to create a frictionless pipeline for wealth transfer.

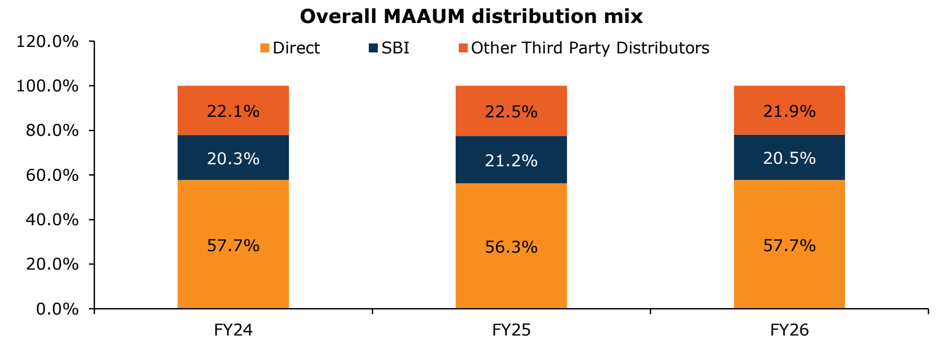
YONO has over 100mn users, providing a seamless digital journey for banking customers. By integrating its digital platform with YONO, SBI AMC has the opportunity to tap into these 100mn customers, providing a huge growth runway. While investing in mutual funds on the YONO app requires an additional KYC procedure, causing friction, the rollout of universal KYC is expected to make investing in mutual funds through YONO seamless—as simple as opening a fixed deposit. Further, the Jan Nivesh SIP initiative, designed for SBI's mass-market customers, has mobilized over 46,928 SIP accounts, of which 43,593 were sourced through YONO, as of 31-March-26.

Alongside YONO, SBI AMC's proprietary direct-to-customer digital channel is the InvesTap mobile app. As of Mar-26, InvesTap had 5.8mn downloads, comprising 3.97mn registered users and 3.39mn active users, amounting to a remarkable activation rate of 57.17%. In addition, the firm has developed advanced B2B apps ("Partner" and "Mitra") that give its over 130,000 distributors access to portfolio analytics, SIP analytics, and customer management. Today, almost 94% of total customer dealings at SBI AMC are handled through digital channels, clearly showing how scalable and future-ready its operations are, combining the generation-old reliability of a bank with modern-day fintech.

Largest and most diversified distribution network

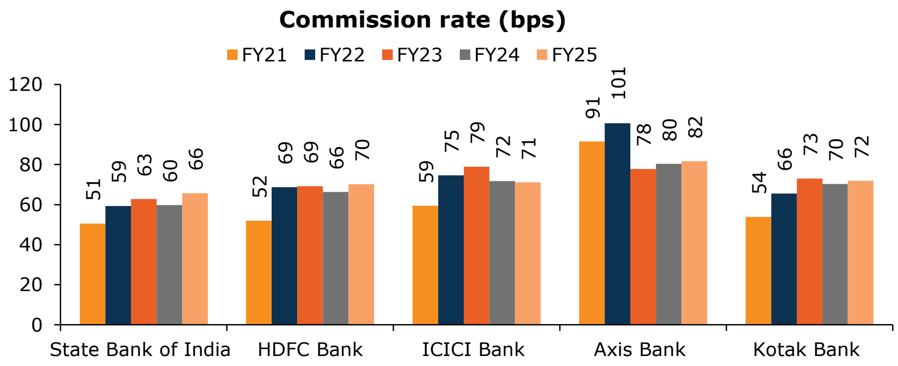
While SBI's distribution network remains the ultimate distribution moat for SBI AMC, the company has proactively built a diversified multi-channel distribution architecture, adapting to evolving investor preferences. It has 132,519 institutional and individual MFDs, including 122,460 IFAs and 9,964 national distributors. SBI AMC has also expanded its banking relationships to 95 banks, including SBI. While the SBI channel contributes 20.28% of total MAAUM, assets distributed directly contribute 57.68%. The balance 21.9% comes from other third-party distributors, including MFDs and banks. SBI AMC had the highest market share of MAAUM distributed directly at 17.9%, with the direct channel at 57.68% of the distribution mix. The predominant driver of this large share is the high contribution of institutional MAAUM at 52.1% as of FY26.

Exhibit 54: Direct channel dominates the overall distribution mix owing to higher Institutional MAAUM



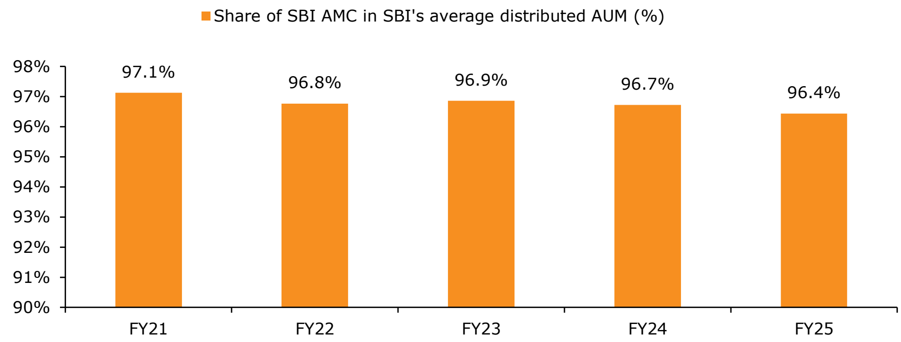
Source: Company, Emkay Research

Exhibit 55: SBI has the lowest blended commission rates vs other top tier banks



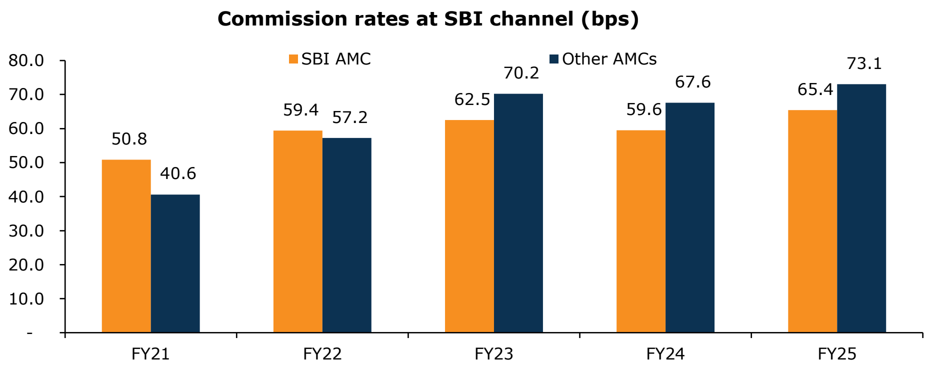
Source: AMFI, Emkay Research

Exhibit 56: SBI AMC has an undisputed ~96% wallet share at the SBI counter



Source: Company, Emkay Research

Exhibit 57: The blended commission rates at the SBI channel for SBI AMC are slightly lower than those for other AMCs



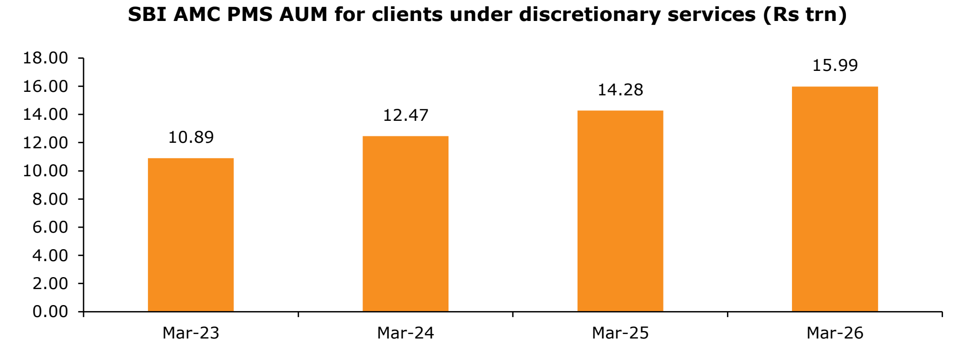
Source: Company, Emkay Research

Alternates – new opportunities for growth

PMS business: the institutional anchor and EPFO dominance

While SBI AMC remains the largest franchise in the mutual fund industry, led by its strong brand and distribution reach, the company also operates India's largest and most formidable institutional asset management platform through its PMS business. As of FY26, its PMS AUM stood at Rs16.5trn, securing market leadership with a 39.7% market share. SBI AMC's PMS AUM is structurally dominated by domestic institutional mandates, with EPFO emerging as the single largest capital pool at an AUM of Rs15.1trn, making up ~91% of SBI AMC's total PMS assets and translating to a ~49.9% market share—effectively controlling half of the entire EPFO-managed corpus within the PMS structure. While the EPFO mandate operates on highly compressed yields, which moderate the blended yields of the PMS business, it provides a sticky, long-duration, massive asset base, creating a classic scale-vs-yield dynamic that drives operating leverage. Beyond the EPFO mandate, the institutional PMS platform services a diverse and growing customer base, including insurance companies, pension funds, gratuity funds, endowment funds, and FPIs, ensuring that PMS revenue is broad-based.

Exhibit 58: SBI AMC's PMS discretionary AUM clocked ~13% CAGR over FY23-26



Source: Company, Emkay Research

New areas of growth: AIF and SIF expansion

To drive sustainable growth and margin expansion while maintaining market competitiveness, SBI AMC is actively diversifying its product portfolio toward high-yielding AIF, SIF, and offshore funds. This diversification is likely to support blended revenue yields, complementing the core mutual fund business. With demand for sophisticated, absolute-return strategies surging among accredited investors, HNIs, and family offices looking beyond traditional long-only equity funds, SBI AMC has rapidly expanded its AIF offerings, taking AIF QAAUM to Rs65.7bn as of FY26, at a 29% CAGR over FY24-26.

In 2025, SBI AMC launched its SIF platform with Magnum AIF. This newly created regulatory category permits broader investment flexibility, including higher exposures to unlisted securities, derivatives, and alternative assets compared with standard mutual funds. Within months of launch, Magnum SIF accumulated an AUM of Rs29.95bn, capturing an astounding 28.2% market share of the entire Indian SIF segment (which totals Rs106.2bn) as of FY26.

Capturing international opportunities

SBI AMC's international and offshore expansion is supported by the strength of its dual parentage. The company follows a two-pronged strategy: attracting global investors looking to participate in India's growth story, while helping domestic investors diversify into overseas markets. Its partnership with Amundi gives SBI AMC a meaningful international advantage. Through this relationship, SBI AMC manages and advises UCITS India-focused funds sponsored by Amundi, with assets of Rs107bn across Europe, the Middle East, South America, and Asia. It also advises Amundi's Global Emerging Markets mandates, which total Rs149.6bn. Overall, SBI AMC manages and advises Rs420bn in offshore assets, including Rs257bn linked to Amundi funds and mandates. This partnership allows the company to access Amundi's global institutional client base without building an expensive offshore distribution network from the ground up. On the outbound side, SBI AMC is also tapping the Liberalized Remittance Scheme opportunity through products such as the *SBI International Access – US Equity Fund of Funds*, which holds outbound investments of $0.99bn.

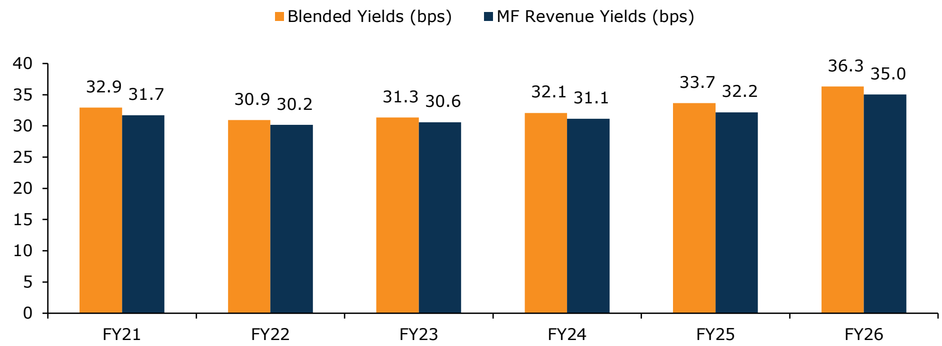
Improving yield profile; operating leverage drives low costs

Higher share of equity assets to support revenue yields

SBI AMC's blended revenue yield has increased to 36.3bps in FY26 from 31.3bps in FY23, despite ongoing telescopic pricing pressure. This yield expansion is attributable to a structural shift in product mix, characterized by a higher allocation toward active Equity (including Hybrid) funds. While the company's current distribution architecture is skewed toward the direct channel—benefiting from the scale of its institutional mandates—this mix is naturally evolving as the AMC pivots toward more granular, retail-focused AUM.

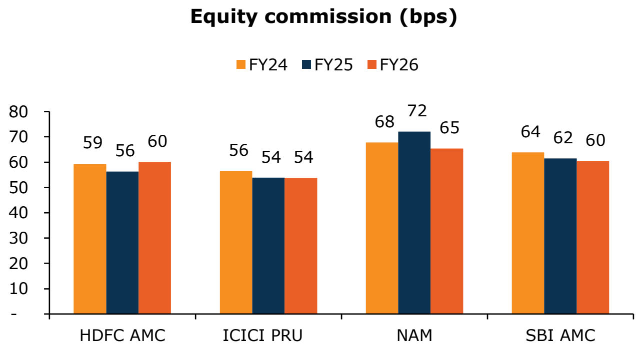
As the retail footprint grows, we anticipate a gradual uptick in blended commission costs, further influenced by the higher incentive structures inherent to equity-oriented products. That said, SBI AMC's commission rates remain highly competitive, aligning closely with industry peers in the Equity and Hybrid segments. Looking ahead, as retail AUM expands—led by the company's extensive distribution—the Equity AUM mix is expected to inch up further, supporting revenue yields. We expect revenue yields to be broadly stable going forward.

Exhibit 59: Blended yields have increased in recent years



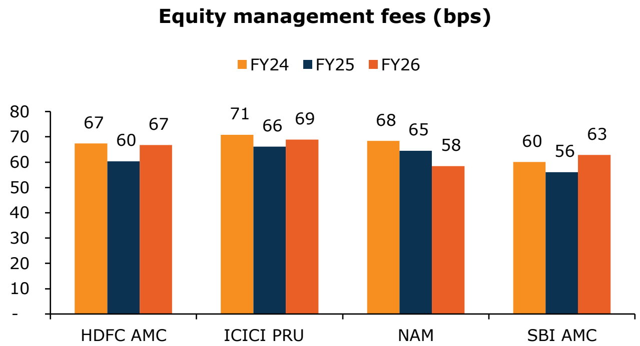
Source: Company, Emkay Research

Exhibit 60: While commissions for SBI AMC have declined over FY24-26…



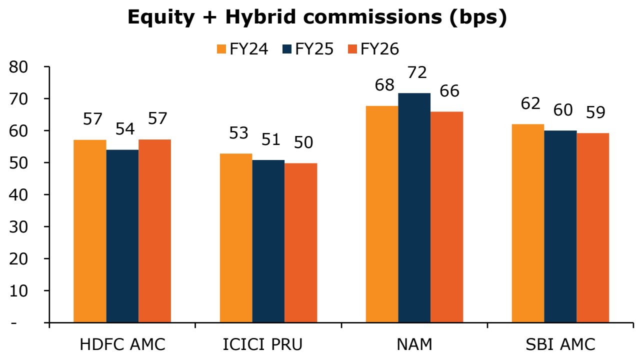
Source: Company, Emkay Research

Exhibit 61: …yields in Equity schemes have improved over the same period



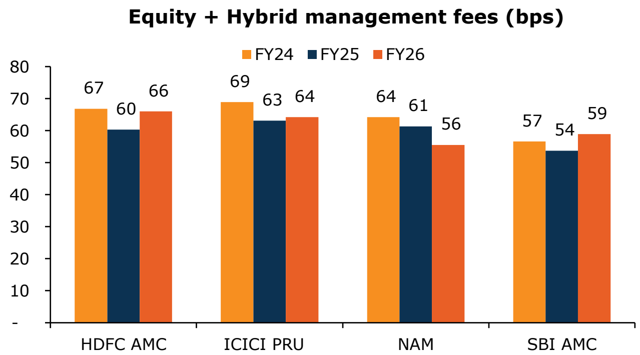
Source: Company, Emkay Research

Exhibit 62: Equity + Hybrid commissions for SBI AMC are higher than peers



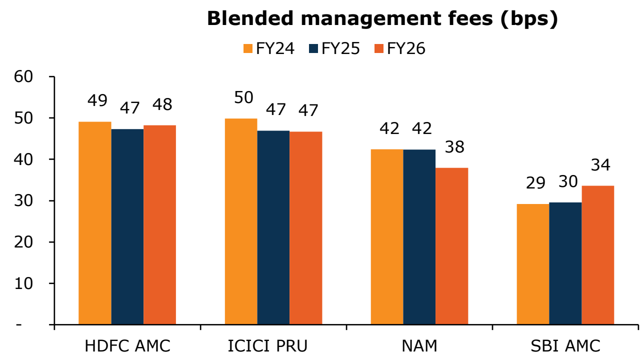
Source: Company, Emkay Research

Exhibit 63: Equity + Hybrid management fees are lower than peers, however, it has increased over FY24-26



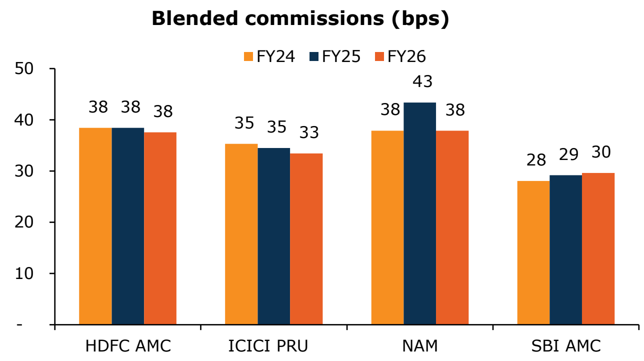
Source: Company, Emkay Research

Exhibit 64: Blended management fees for SBI AMC have increased over FY24-26 led by increase in equity mix…



Source: Company, Emkay Research

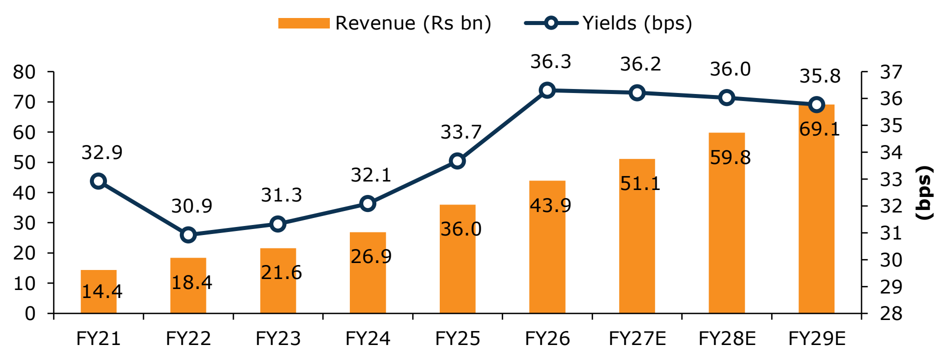
Exhibit 65: …despite slight increase in blended commissions



Source: Company, Emkay Research

While SBI AMC's MF AAAUM expanded at a ~23% CAGR over FY21-26 to Rs12.1trn, the company clocked a ~25% revenue CAGR to Rs43.9bn in FY26. This strong revenue growth was led by strong AUM growth and supported by an increase in yields. Further, as we expect AUM to expand at 17% CAGR over FY26-29E, with yields being broadly stable, we expect SBI AMC's revenue to grow at a ~16% CAGR over FY26-29E.

Exhibit 66: We expect revenue yields to be broadly stable, driving revenue CAGR of 16% over FY26-29E

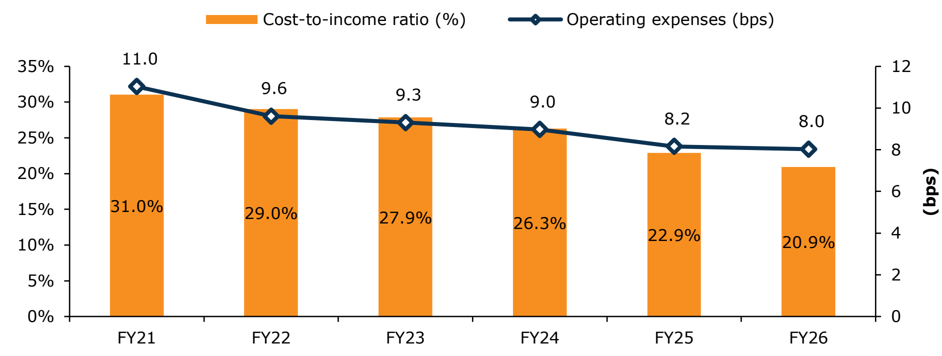


Source: Company, Emkay Research

Scale drives cost advantage; lowest cost-to-income ratio vs peers

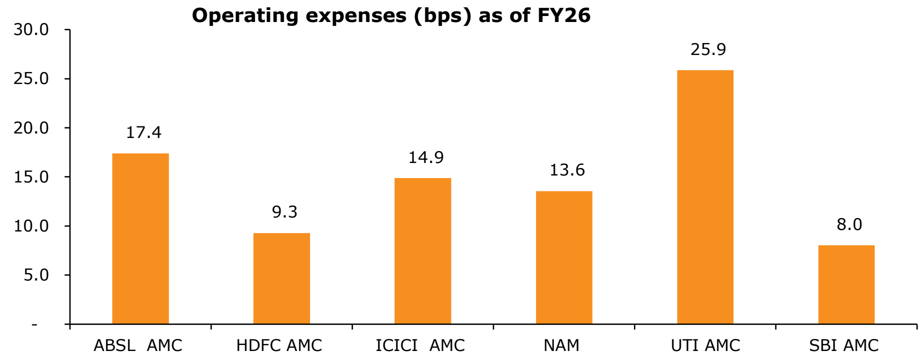
The defining characteristic of SBI AMC's financial superiority is its exceptional cost efficiency. Operating at an industry-leading scale allows the company to aggressively amortize its fixed costs over a massive asset base. SBI AMC has one of the best cost-to-income ratios among peers, at 20.9% as of FY26. Driven by its large scale, opex as a % of AUM stood at 8bps in FY26—the lowest among peers. This best-in-class opex ratio is the collective result of cost optimization and operating leverage driven by its massive scale. Further, the low cost-to-income ratio allows maximum revenue to flow through to the bottom line, driving healthy profitability. The company's EBITDA margin expanded from ~72% in FY23 to ~79% in FY26, driven by healthy revenue growth and controlled costs. Additionally, its massive scale enables the company to invest in new businesses and opportunities with minimal impact on profitability.

Exhibit 67: Large scale and operating leverage have driven improving cost ratios



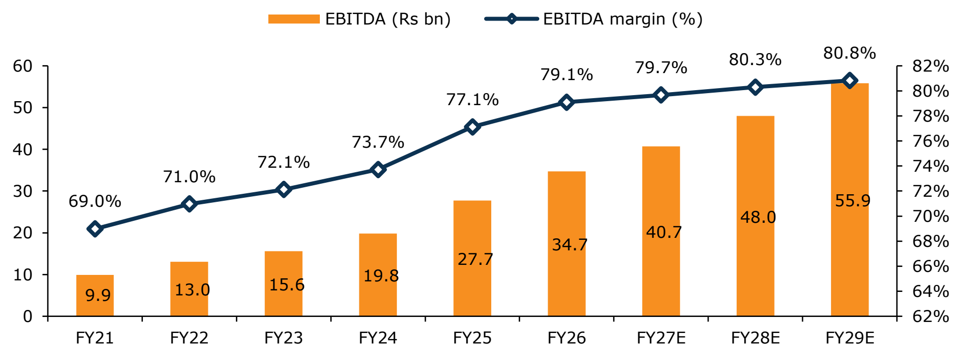
Source: Company, Emkay Research

Exhibit 68: SBI AMC has the lowest opex as a % of AAAUM ratio as of FY26



Source: Company, Emkay Research

Exhibit 69: We expect SBI AMC's EBITDA margins to improve to ~81% driven by scale

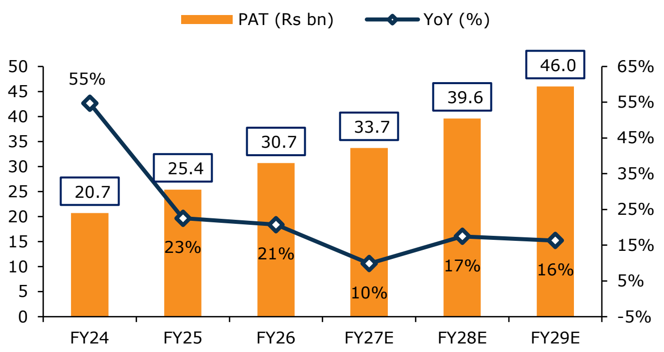


Source: Company, Emkay Research

Broadly flat yields and low-cost advantage to support profitability

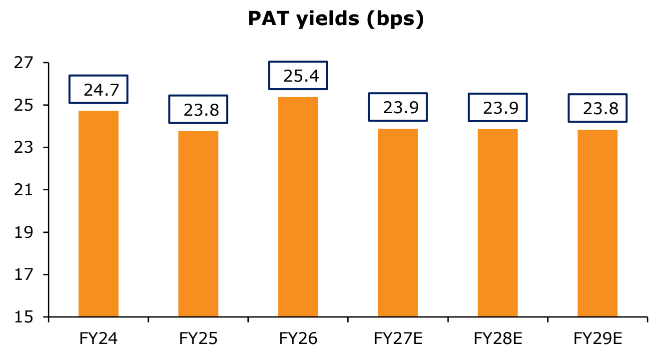
While SBI AMC has clocked a strong ~21% MF AAAUM CAGR over FY23-26, we expect the company to deliver ~17% AUM CAGR over FY26-29E, driven by strong growth in Equity MF AAAUM. While yields are likely to be largely stable, we expect SBI AMC to clock revenue growth of ~16% over FY26-29E. Further, led by its massive-scale-driven operating leverage and cost optimization, we expect the company's EBITDA margins to expand to 80.8% by FY29E from 79.1% in FY26. As a result, EBITDA is expected to expand at a ~17% CAGR over FY26-29E. We expect a PAT CAGR of ~14% over FY26-29, given modest growth in investment income owing to the higher dividend payout in FY26. Consequently, the company's core PAT is expected to expand at a 16% CAGR over FY26-29E.

Exhibit 70: We expect PAT to clock ~14% CAGR over FY26-29E



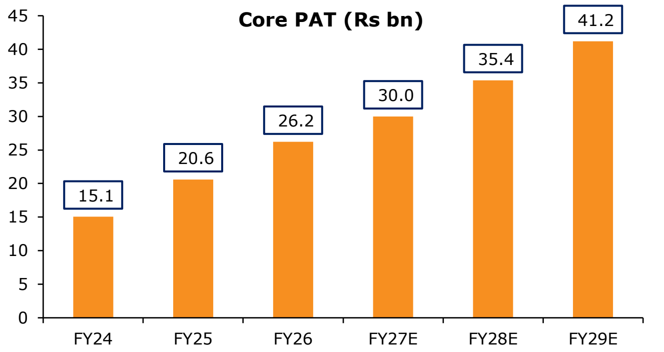
Source: Company, Emkay Research

Exhibit 71: We expect PAT yields to be broadly stable



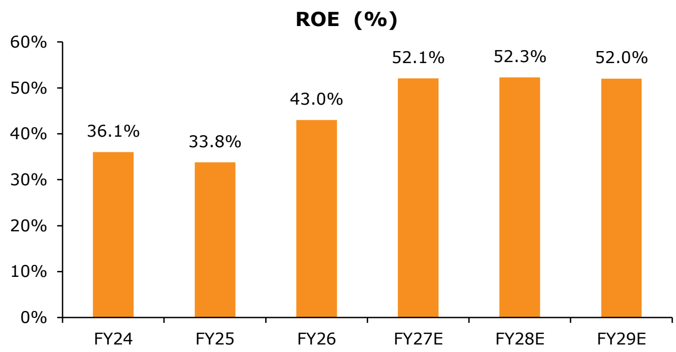
Source: Company, Emkay Research

Exhibit 72: Core PAT is expected to record ~16% CAGR over FY26-29E



Source: Company, Emkay Research

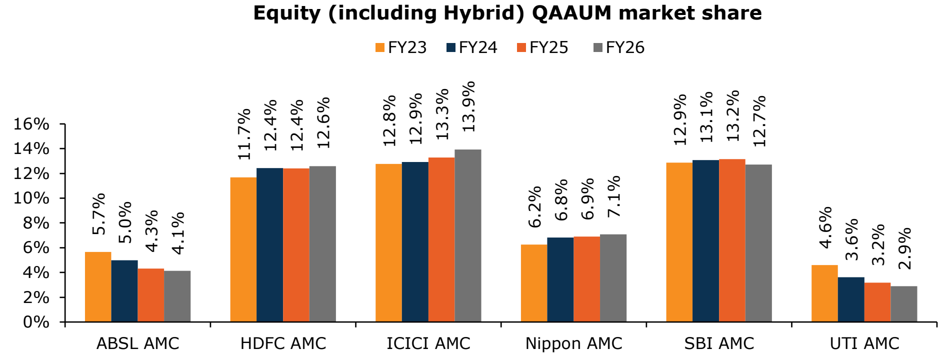
Exhibit 73: ROE is expected to increase in FY27E



Source: Company, Emkay Research

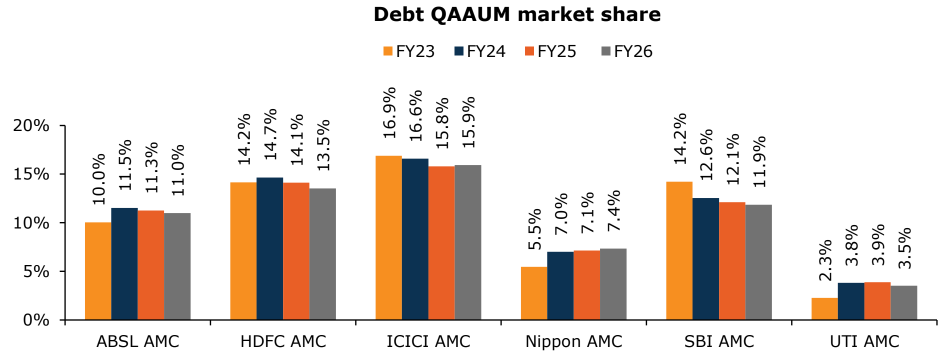
Peer comparison

Exhibit 74: SBI AMC remains the second-largest player in the Equity segment



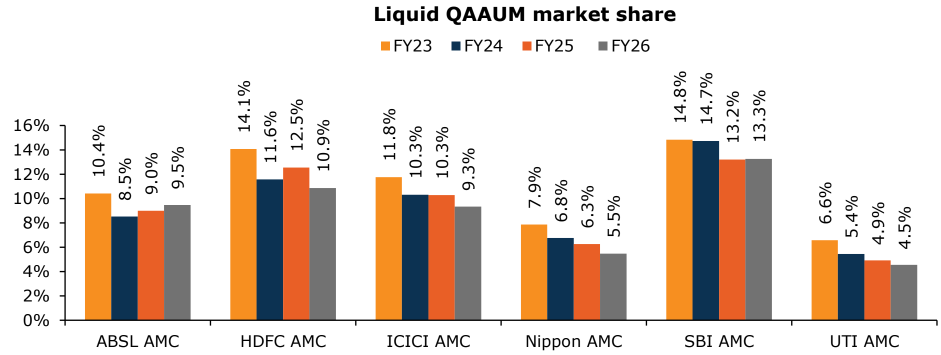
Source: Company, Emkay Research

Exhibit 75: SBI AMC's debt market share has trended downward



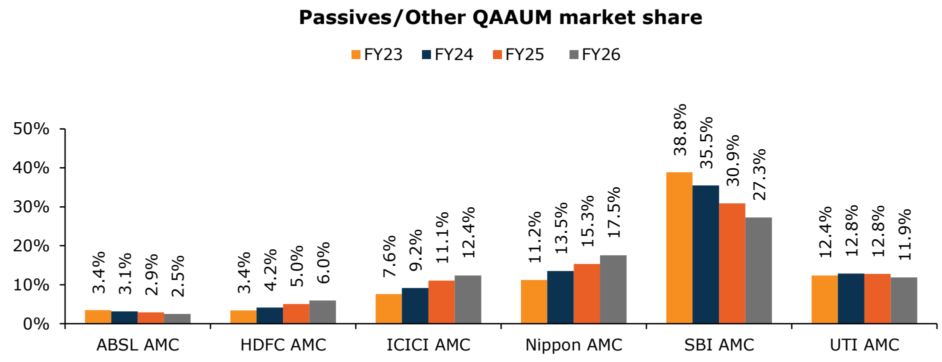
Source: Company, Emkay Research

Exhibit 76: SBI AMC has maintained market leadership in Liquid QAAUM



Source: Company, Emkay Research

Exhibit 77: SBI AMC dominates the Passive AUM segment with ~27% market share



Source: Company, Emkay Research

Exhibit 78: Peer Valuation

Company	Unit	ABSL AMC					HDFC AMC					ICICI Pru AMC					NIPPON LIFE AMC					UTI AMC					SBI AMC				
Bloomberg ticker		ABSLAMC IB					HDFCAMC IB					ICICIAMC IB					NAM IB					UTIAM IB					SBIFUNDS IB				
Current market price	Rs	1119					2645					3117					1183					933					574				
Market capitalization	Rs bn	333					1136					1573					759					121					1169				
Market capitalization	$ mn	3451					11784					16312					7865					1253					12123				
Target price	Rs	1250					3200					4000					1350					1200					750				
Rating		ADD					BUY					BUY					BUY					ADD					BUY				
Upside	(%)	12%					21%					28%					14%					29%					31%				
		ABSL AMC					HDFC AMC					ICICI Pru AMC					NIPPON LIFE AMC					UTI AMC					SBI AMC				
Key parameters		FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E
Operating revenue	(Rs bn)	16.8	18.5	20.3	22.6	24.9	35.0	41.2	47.4	53.9	60.7	46.8	58.5	67.9	78.2	89.2	22.3	27.1	31.8	36.5	41.5	14.5	15.4	16.8	18.7	20.6	36.0	43.9	51.1	59.8	69.1
EBITDA	(Rs bn)	9.9	11.0	12.0	13.4	14.7	27.9	33.0	38.0	43.4	49.1	33.4	43.1	49.9	57.6	66.0	14.4	17.9	21.3	24.5	27.9	7.0	6.5	7.7	9.1	10.5	27.7	34.7	40.7	48.0	55.9
EBITDA margin	(%)	59%	60%	59%	59%	59%	80%	80%	80%	80%	81%	71%	74%	73%	74%	74%	65%	66%	67%	67%	67%	48%	42%	46%	49%	51%	77%	79%	80%	80%	81%
PAT	(Rs bn)	9.3	9.75	11.39	12.4	13.5	24.6	28.58	32.84	37.10	43.1	26.5	33.13	38.74	44.86	51.5	12.9	15.28	18.16	20.87	23.7	8.1	4.7	8.0	9.1	10.2	25.4	30.7	33.7	39.6	46.0
PAT margin	(%)	55%	53%	56%	55%	54%	70%	69%	69%	69%	71%	57%	57%	57%	57%	58%	58%	56%	57%	57%	57%	56%	31%	48%	48%	49%	71%	70%	66%	66%	67%
MF AAUM	(Rs bn)	3,754	4,269	4,850	5,543	6,259	7,480	8,906	10,468	12,261	14,128	8,350	10,348	12,266	14,560	17,135	5,399	6,738	8,182	9,748	11,477	3,364	3,804	4,331	4,957	5,649	10,685	12,091	14,112	16,589	19,318
Net worth	(Rs bn)	37.3	40.4	44.4	47.8	51.3	81.3	92.3	102.0	112.8	126.3	35.2	41.7	48.2	55.7	64.3	42.1	46.6	49.1	52.1	55.8	46.0	45.0	47.3	49.4	51.8	83.0	59.6	69.7	81.6	95.4
RoE	(%)	27.0	25.1	26.8	27.0	27.3	32.4	32.9	33.8	34.5	36.1	82.8	86.2	86.2	86.4	85.8	31.4	34.5	38.0	41.2	44.0	16.3	8.9	16.0	17.4	18.9	33.8	43.0	52.1	52.3	52.0
Per share data		FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY28E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E
EPS	(Rs)	32.3	33.8	39.4	43.0	46.8	57.6	66.8	76.7	86.6	100.6	53.6	66.7	78.0	90.3	103.6	20.3	24.1	28.5	32.7	37.2	57.4	31.5	57.4	65.5	74.3	12.5	15.1	16.5	19.4	22.6
BVPS	(Rs)	129.2	139.9	153.9	165.4	177.7	190.1	215.5	238.2	263.5	294.8	71.2	84.4	97.5	112.6	130.0	66.4	73.0	77.0	81.7	87.4	359.4	350.5	367.9	384.6	403.2	40.8	29.3	34.2	40.1	46.9
DPS	(Rs)	24.0	25.5	31.5	34.4	37.4	45.0	54.0	61.4	69.3	80.5	52.5	65.8	76.8	88.9	102.0	18.0	21.5	26.0	29.5	34.0	48.0	40.0	48.8	55.7	63.1	5.5	27.1	11.6	13.6	15.8
MF AAUM	(Rs)	13,013	14,782	16,792	19,191	21,671	17,492	20,796	24,444	28,631	32,989	16,895	20,936	24,816	29,458	34,669	8,506	10,559	12,823	15,276	17,986	26,282	29,598	33,695	38,571	43,957	5,270	5,944	6,928	8,144	9,485
Shares o/s		288	289	289	289	289	428	428	428	428	428	494	494	494	494	494	635	638	638	638	638	128	129	129	129	129	2,027	2,034	2,037	2,037	2,037
Valuation multiples		FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY28E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E
P/E	(x)	34.7	33.1	28.4	26.0	23.9	45.9	39.6	34.5	30.5	26.3	58.1	46.7	40.0	34.5	30.1	58.2	49.2	41.5	36.2	31.8	16.3	29.6	16.3	14.2	12.6	45.8	38.1	34.7	29.5	25.4
P/B	(x)	8.7	8.0	7.3	6.8	6.3	13.9	12.3	11.1	10.0	9.0	43.8	36.9	32.0	27.7	24.0	17.8	16.2	15.4	14.5	13.5	2.6	2.7	2.5	2.4	2.3	14.1	19.6	16.8	14.3	12.3
P/MF AAUM	(%)	9%	8%	7%	6%	5%	15%	13%	11%	9%	8%	18%	15%	13%	11%	9%	14%	11%	9%	8%	7%	4%	3%	3%	2%	2%	11%	10%	8%	7%	6%
yoy growth (%)		FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY28E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E
Operating revenue		25%	10%	10%	11%	10%	35%	18%	15%	14%	13%	39%	25%	16%	15%	14%	36%	21%	17%	15%	14%	22%	6%	9%	11%	11%	34%	22%	16%	17%	16%
EBITDA		30%	11%	9%	11%	10%	43%	18%	15%	14%	13%	39%	29%	16%	15%	15%	45%	25%	19%	15%	14%	45%	-7%	19%	18%	15%	40%	25%	17%	18%	16%
PAT		19%	5%	17%	9%	9%	27%	16%	15%	13%	16%	29%	25%	17%	16%	15%	16%	19%	19%	15%	14%	1%	-42%	69%	13%	12%	23%	21%	10%	17%	16%
MF AAUM		20%	14%	14%	14%	13%	38%	19%	18%	17%	15%	39%	24%	19%	19%	18%	47%	25%	21%	19%	18%	25%	13%	14%	14%	14%	27%	13%	17%	18%	16%
Net worth		18%	8%	10%	7%	7%	15%	14%	11%	11%	12%	22%	19%	16%	16%	15%	6%	11%	5%	6%	7%	5%	-2%	5%	5%	5%	23%	-28%	17%	17%	17%
MF AAUM Split (%)		FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY28E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E
Equity		46%	45%	45%	46%	47%	65%	65%	66%	66%	67%	59%	59%	60%	61%	62%	50%	49%	49%	50%	50%	37%	35%	34%	33%	33%	45%	46%	47%	48%	49%
Debt		30%	32%	31%	30%	29%	21%	20%	19%	18%	17%	20%	19%	18%	17%	16%	15%	15%	14%	13%	13%	10%	10%	10%	10%	9%	13%	14%	14%	13%	13%
Liquid		16%	15%	15%	14%	14%	11%	9%	8%	7%	7%	8%	6%	6%	5%	4%	8%	6%	5%	5%	4%	12%	11%	10%	9%	9%	8%	8%	7%	7%	7%
Others		8%	8%	9%	9%	10%	4%	6%	7%	8%	9%	14%	16%	17%	17%	17%	27%	30%	32%	32%	33%	42%	44%	46%	48%	49%	33%	32%	32%	32%	32%
DuPont analysis	**(bps)**	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY28E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E
Operating revenue		44.9	43.2	41.8	40.7	39.8	46.8	46.3	45.3	43.9	42.9	56.1	56.5	55.4	53.7	52.1	41.3	40.2	38.9	37.4	36.2	47.7	42.9	41.3	40.2	38.9	33.7	36.3	36.2	36.0	35.8
Other income		8.0	5.0	7.5	6.7	6.3	7.5	5.6	6.3	5.9	5.7	3.6	2.3	2.4	2.4	2.4	5.4	3.3	4.1	3.9	3.6	13.7	4.9	9.0	8.2	7.5	6.0	4.9	3.5	3.4	3.4
Total revenue		52.9	48.2	49.3	47.5	46.0	54.3	51.9	51.6	49.8	48.6	59.6	58.8	57.8	56.2	54.5	46.7	43.5	43.0	41.3	39.8	61.4	47.8	50.3	48.4	46.5	39.6	41.2	39.7	39.4	39.1
Employee expenses		9.7	9.4	9.2	9.1	9.0	5.2	5.4	5.4	5.2	5.0	7.4	6.7	6.6	6.4	6.1	7.9	7.5	7.1	6.9	6.6	15.1	15.4	13.1	12.1	11.1	3.9	3.6	3.5	3.3	3.1
Depreciation		1.1	1.1	1.1	1.0	1.0	0.8	0.8	0.8	0.8	0.8	1.0	1.0	0.9	0.8	0.8	0.6	0.6	0.6	0.5	0.5	1.5	1.4	1.5	1.5	1.5	0.4	0.4	0.4	0.4	0.3
Other expenses		7.6	6.6	6.3	6.0	5.7	4.2	3.8	3.5	3.3	3.1	4.9	4.0	3.7	3.4	3.2	5.3	4.9	4.6	4.4	4.3	9.5	9.3	9.0	8.4	7.9	3.2	3.3	3.3	3.2	3.2
Total opex		19.7	18.6	18.2	17.7	17.4	10.4	10.3	10.0	9.5	9.1	17.3	16.1	15.7	15.1	14.4	15.3	14.3	13.5	12.9	12.4	26.7	26.6	24.1	22.4	20.9	8.2	8.0	7.8	7.5	7.3
PBT		33.2	29.6	31.2	29.8	28.7	43.9	41.6	41.6	40.3	39.5	42.3	42.8	42.1	41.1	40.0	31.4	29.3	29.4	28.4	27.4	0.0	0.0	0.0	0.0	0.0	31.5	33.1	31.9	31.9	31.9
Tax expense		8.4	6.8	7.7	7.4	7.1	11.0	9.6	10.2	10.1	9.0	10.6	10.8	10.5	10.3	10.0	7.6	6.6	7.2	7.0	6.7	34.7	18.2	26.2	26.0	25.6	7.9	7.9	8.1	8.1	8.1
PAT		24.8	22.8	23.5	22.4	21.6	32.9	32.1	31.4	30.3	30.5	31.7	32.0	31.6	30.8	30.0	23.8	22.7	22.2	21.4	20.7	7.9	5.0	6.6	6.5	6.4	23.8	25.4	23.9	23.9	23.8
PAT (Adj)		24.8	22.8	23.5	22.4	21.6	32.9	32.1	31.4	30.3	30.5	31.7	32.0	31.6	30.8	30.0	23.8	22.7	22.2	21.4	20.7	26.8	13.2	19.7	19.5	19.2	23.8	25.4	23.9	23.9	23.8
Other parameters		FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY28E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E	FY25	FY26	FY27E	FY28E	FY29E
EBITDA (bps)		26.3	25.8	24.8	24.2	23.5	37.3	37.0	36.3	35.4	34.7	40.0	41.7	40.7	39.6	38.5	26.7	26.6	26.0	25.1	24.3	20.7	17.1	17.9	18.4	18.6	26.0	28.7	28.9	28.9	28.9
Opex (bps)		18.5	17.4	17.0	16.6	16.3	9.4	9.3	9.0	8.6	8.2	16.1	14.9	14.7	14.1	13.5	14.6	13.6	12.9	12.3	11.9	27.0	25.9	23.4	21.8	20.3	7.7	7.6	7.4	7.1	6.9
Core PAT	(Rs bn)	7.1	8.1	8.6	9.6	10.6	20.4	24.7	27.9	31.7	36.9	24.3	31.4	36.5	42.2	48.4	10.7	13.5	15.6	18.0	20.6	4.9	3.5	5.3	6.2	7.2	20.6	26.2	30.0	35.4	41.2
Core PAT (bps)		18.8	19.0	17.8	17.4	16.9	27.3	27.8	26.6	25.8	26.1	29.1	30.3	29.8	29.0	28.2	19.7	20.1	19.1	18.5	17.9	14.6	9.1	12.1	12.5	12.7	19.3	21.7	21.2	21.3	21.3

Source: Company, Emkay Research

Exhibit 79: Financial Summary

Income statement (Y/E Mar, Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue from operations	35,978	43,895	51,106	59,765	69,102
Other income	6,384	5,866	4,986	5,634	6,480
Total revenue	**42,362**	**49,761**	**56,092**	**65,399**	**75,582**
Employee expenses	4,211	4,410	4,939	5,532	6,085
Depreciation and amortization	400	438	585	609	665
Other expenses	3,377	4,049	4,657	5,355	6,159
Total operating expenses	8,232	9,177	10,389	11,780	13,248
EBITDA	**27,745**	**34,718**	**40,716**	**47,984**	**55,854**
Total opex	**8,718**	**9,706**	**11,070**	**12,490**	**14,019**
Exceptional items					
PBT	**33,643**	**40,055**	**45,022**	**52,910**	**61,563**
Tax expense	8,388	9,524	11,474	13,477	15,675
PAT	**25,402**	**30,674**	**33,698**	**39,582**	**46,038**
PAT (Adj)	**25,402**	**30,674**	**33,698**	**39,582**	**46,038**
Core PAT	**20,609**	**26,202**	**29,983**	**35,383**	**41,208**
Balance sheet (Rs mn)	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Share capital	508	2,037	2,037	2,037	2,037
Reserves and surplus	82,467	57,594	67,703	79,578	93,389
Shareholders' equity	**82,975**	**59,631**	**69,740**	**81,615**	**95,426**
Payables	202	239	278	325	376
Other liabilities	4,541	4,335	4,804	5,424	6,113
Total equity and liabilities	**87,719**	**64,204**	**74,822**	**87,364**	**101,915**
Cash	155	197	474	836	1,498
Cash and bank balances	769	887	1,002	1,132	1,279
Investments	81,115	57,044	66,570	77,887	90,738
Receivables	1,229	882	1,203	1,400	1,637
Fixed assets	3,799	3,910	4,147	4,459	4,860
Other assets	653	1,285	1,426	1,649	1,903
Total assets	**87,719**	**64,204**	**74,822**	**87,364**	**101,915**

Source: Company, Emkay Research

Exhibit 80: AUM, DuPont analysis, and key ratios

Assets under management (Rs bn)	FY25	FY26	FY27E	FY28E	FY29E
AAAUM	**10,685**	**12,091**	**14,112**	**16,589**	**19,318**
Equity	4,829	5,597	6,632	7,967	9,470
Debt	1,415	1,701	1,941	2,194	2,464
Liquid	900	937	1,054	1,166	1,288
Other	3,540	3,856	4,485	5,262	6,096
AAAUM yoy	**27.4%**	**13.2%**	**16.7%**	**17.6%**	**16.5%**
Equity	46.4%	15.9%	18.5%	20.1%	18.9%
Debt	11.2%	20.2%	14.1%	13.0%	12.3%
Liquid	5.9%	4.2%	12.4%	10.6%	10.4%
Other	19.4%	8.9%	16.3%	17.3%	15.8%

AAAUM mix (%)					
Equity	45	46.3	47.0	48.0	49.0
Debt	13	14.1	13.8	13.2	12.8
Liquid	8	7.8	7.5	7.0	6.7
Other	33	31.9	31.8	31.7	31.6

DuPont analysis (bps of AAUM)	FY25	FY26	FY27E	FY28E	FY29E
Revenue from operations	33.7	36.3	36.2	36.0	35.8
Other income	6.0	4.9	3.5	3.4	3.4
Total revenue	39.6	41.2	39.7	39.4	39.1
Employee expenses	3.9	3.6	3.5	3.3	3.1
Depreciation and amortization	0.4	0.4	0.4	0.4	0.3
Other expenses	3.2	3.3	3.3	3.2	3.2
Total opex	**8.2**	**8.0**	**7.8**	**7.5**	**7.3**
Exceptional items	-	-	-	-	-
PBT	**31.5**	**33.1**	**31.9**	**31.9**	**31.9**
Tax expense	7.9	7.9	8.1	8.1	8.1
PAT	**23.8**	**25.4**	**23.9**	**23.9**	**23.8**
PAT (Adj)	**23.8**	**25.4**	**23.9**	**23.9**	**23.8**

yoy growth (%)	FY25	FY26	FY27E	FY28E	FY29E
AAAUM	**27.4**	**13.2**	**16.7**	**17.6**	**16.5**
Revenue	23.6	17.5	12.7	16.6	15.6
Expenses	15.9	11.3	14.1	12.8	12.2
PAT (Adj)	22.5	20.8	9.9	17.5	16.3
EPS (Adj)	36.0	26.7	14.3	18.0	16.5
BVPS	22.5	-28.3	17.0	17.0	16.9

Key ratios (%)	FY25	FY26	FY27E	FY28E	FY29E
Total revenue/AAUM (bps)	40	41	40	39	39
Cost-to-income ratio	22.9	20.9	20.3	19.7	19.2
Tax rate	24.9	23.8	25.5	25.5	25.5
Adj PAT/AAUM (bps)	24	25	24	24	24
ROE (Adj)	33.8	43.0	52.1	52.3	52.0
Dividend payout ratio (%)	44.0	179.9	70.0	70.0	70.0
Per share data (Rs)	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
EPS	12.53	15.08	16.54	19.43	22.60
Core EPS	10.17	12.88	14.72	17.37	20.23
BVPS	40.8	29.3	34.2	40.1	46.9
DPS	5.5	27.1	11.6	13.6	15.8

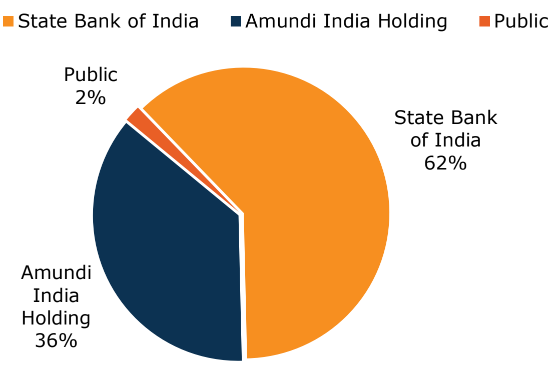
Source: Company, Emkay Research

Exhibit 81: Management profile

Name	Designation	Brief profile
Debasish Mishra	MD and CEO	Debasish Mishra took charge as MD and CEO effective 1-Jul-26, succeeding Nand Kishore. A career banker with over 25 years at State Bank of India, he rose to the Deputy Managing Director level, having earlier overseen a network of 1,700+ branches as Chief General Manager, where he also set up specialized start-up branches at IIT Madras and IIIT Hyderabad. His experience spans credit, operations, forex, IT, HR, and MSME banking, in India and overseas. He holds a B.Tech from CAET, Bhubaneswar, a PGDFM from IIFM, Bhopal, and a PGDFA from IIBF, Mumbai, and is a Certified Financial Planner, an IRM London-certified risk professional, and a Chevening Gurukul Scholar.
Denys de Campigneulles	ED and Deputy CEO	Denys de Campigneulles joined SBI Funds Management in Feb-20 and brings over 32 years of global asset management experience, largely with the Amundi group—including as Deputy CEO, Asia, at Amundi Hong Kong, Global Fixed Income Manager, Head of Fixed Income Business Development at Amundi Paris, and CIO at NH-CA Asset Management, Seoul, with earlier stints at LCL Bank, Banque Bruxelles Lambert, and Credit Lyonnais, France.
Devinder Pal Singh	Joint Chief Executive Officer)	Devinder Pal Singh joined SBIFM in Jan-06 and has over 20 years of professional experience, including a prior association with State Bank of India as a Senior Management Grade Scale-V Officer. He has spearheaded the sales and distribution function for over a decade and a half, driving the fund house's expansion across urban and rural India. He holds a bachelor's degree in Commerce from Multani Mal Modi Degree College, Patiala, a master's degree in Commerce from Government Bikram College of Commerce, Patiala, and a diploma in Personnel Management and Industrial Relations from Punjabi University.
Srinivas Jain	Chief of Strategy, Digital and Technology; Head of Investor Relations	Srinivas Jain is the Chief of Strategy, Digital and Technology, and Head of Investor Relations at SBIFM. He joined the fund house in May -01 and brings over 29 years of experience across asset management and broking, having earlier worked with Birla Capital International AMC, Investmart India (Deputy Manager), Kotak Securities (Sales and Distribution), and Alpha Financial Consultancy Services.
R Srinivasan	CIO - Equity	Srinivasan Iyer is the Chief Investment Officer - Equity of the company. He joined SBI AMC on 11-May-09. He has over 26 years of experience and was previously associated with Future Capital Holdings Limited as its head-portfolio management.
Rajeev Radhakrishnan	CIO - Fixed Income	Rajeev Radhakrishnan is the company’s Chief Investment Officer – Fixed Income. He joined SBI AMC on 9-June-08. He has over 24 years of experience and was previously associated with UTI Asset Management Company Limited as its co-fund manager (department of funds management – income).
Aparna Nirgude	Risk Officer	Aparna Nirgude is the company’s Chief Risk Officer. She joined the company on 2-Jun-93. She has over 32 years of experience and was previously associated with SBI Capital Markets Limited as a management trainee.
Ramakrishna Balasubramanian	Chief Operating Officer	Balasubramanian joined the company on 2-September-24. He has over 32 years of experience and was previously associated with Marico Industries Limited as its General Manager (corporate), ICICI Prudential Asset Management Limited as its Chief Financial Officer, and ITC Agro Tech Limited as its Commercial Manager.
Inderjeet Ghuliani	Chief Financial Officer	Inderjeet Ghuliani joined SBIFM in Jun-08 and brings over 36 years of experience across banking, financial services, and industry, with earlier stints at Bank of India, SIDBI, State Bank of Bikaner and Jaipur, UTI Bank, and Crompton Greaves, among others. A commerce graduate from Punjab University, he is a Chartered Accountant and Cost Accountant, a fellow of the Insurance Institute of India, and holds the CAIIB along with an advanced diploma in Management Accounting from CIMA
Vinaya Datar	Chief Compliance Officer, Company Secretary and Head Legal	Vinaya Datar joined SBIFM in Jan-09 and has over 27 years of professional experience. Her prior associations include Mirae Asset Global Investments (India) Pvt Ltd, UTI Infrastructure, and Services Ltd, Learnet India Ltd, Reliance Capital Asset Management Ltd, South India Stock Broking Services Ltd, and Infrastructure Leasing & Financial Services Ltd. She holds a bachelor's degree in science from the University of Bombay and a bachelor's degree in law from Government Law College, University of Mumbai. She is an associate member of the Institute of Company Secretaries of India (ICSI) and holds the NSE certification in financial markets (NCFM).

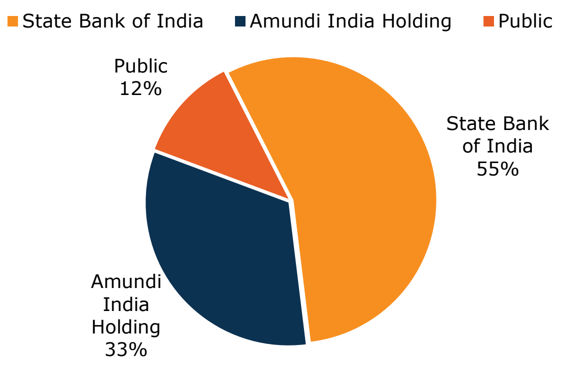
Source: Company, Emkay Research

Exhibit 82: Pre-IPO shareholding pattern



Source: Company, Emkay Research

Exhibit 83: Post-IPO shareholding pattern



Source: Company, Emkay Research

SBI Funds Management: Consolidated Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	**35,978**	**43,895**	**51,106**	**59,765**	**69,102**
Revenue growth (%)	33.7	22.0	16.4	16.9	15.6
EBITDA	**27,745**	**34,718**	**40,716**	**47,984**	**55,854**
EBITDA growth (%)	39.9	25.1	17.3	17.9	16.4
Depreciation & Amortization	400	438	585	609	665
EBIT	**27,345**	**34,280**	**40,131**	**47,376**	**55,189**
EBIT growth (%)	40.5	25.4	17.1	18.1	16.5
Other operating income	-	-	-	-	-
Other income	6,384	5,866	4,986	5,634	6,480
Financial expense	86	91	96	101	106
PBT	**33,643**	**40,055**	**45,022**	**52,910**	**61,563**
Extraordinary items	0	0	0	0	0
Taxes	8,388	9,524	11,474	13,477	15,675
Minority interest	-	-	-	-	-
Income from JV/Associates	146	143	150	150	150
Reported PAT	**25,402**	**30,674**	**33,698**	**39,582**	**46,038**
PAT growth (%)	22.5	20.8	9.9	17.5	16.3
Adjusted PAT	**25,402**	**30,674**	**33,698**	**39,582**	**46,038**
Diluted EPS (Rs)	**12.5**	**15.0**	**16.5**	**19.4**	**22.6**
Diluted EPS growth (%)	22.2	20.3	9.9	17.5	16.3
DPS (Rs)	**5.5**	**27.0**	**11.6**	**13.6**	**15.8**
Dividend payout (%)	**43.9**	**179.3**	**69.9**	**69.9**	**69.9**
EBITDA margin (%)	77.1	79.1	79.7	80.3	80.8
EBIT margin (%)	76.0	78.1	78.5	79.3	79.9
Effective tax rate (%)	24.9	23.8	25.5	25.5	25.5
NOPLAT (pre-IndAS)	**20,528**	**26,129**	**29,904**	**35,308**	**41,137**
Shares outstanding (mn)	2,032	2,039	2,039	2,039	2,039

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	508	2,037	2,037	2,037	2,037
Reserves & Surplus	82,467	57,594	67,703	79,578	93,389
Net worth	**82,975**	**59,631**	**69,740**	**81,615**	**95,426**
Minority interests	-	-	-	-	-
Non-current liab. & prov.	1,397	1,055	1,147	1,348	1,568
Total debt	**0**	**0**	**0**	**0**	**0**
Total liabilities & equity	**84,372**	**60,686**	**70,887**	**82,963**	**96,994**
Net tangible fixed assets	2,665	3,895	4,127	4,446	4,850
Net intangible assets	34	15	20	13	10
Net ROU assets	-	-	-	-	-
Capital WIP	1,100	0	0	0	0
Goodwill	-	-	-	-	-
Investments [JV/Associates]	-	-	-	-	-
Cash & equivalents	**82,038**	**58,128**	**68,046**	**79,855**	**93,516**
Current assets (ex-cash)	1,882	2,167	2,628	3,050	3,540
Current Liab. & Prov.	3,346	3,519	3,934	4,401	4,922
NWC (ex-cash)	**(1,464)**	**(1,352)**	**(1,306)**	**(1,352)**	**(1,382)**
Total assets	**84,373**	**60,686**	**70,887**	**82,963**	**96,994**
Net debt	(82,038)	(58,128)	(68,046)	(79,855)	(93,516)
Capital employed	84,372	60,686	70,887	82,963	96,994
Invested capital	**1,235**	**2,558**	**2,842**	**3,107**	**3,478**
BVPS (Rs)	40.8	29.2	34.2	40.0	46.8
Net Debt/Equity (x)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Net Debt/EBITDA (x)	(3.0)	(1.7)	(1.7)	(1.7)	(1.7)
Interest coverage (x)	392.1	440.3	471.3	527.4	584.3
RoCE (%)	**44.8**	**56.3**	**69.7**	**70.0**	**69.7**

Source: Company, Emkay Research

Cash flows

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	33,643	40,055	45,022	52,910	61,563
Others (non-cash items)	(6,051)	(5,584)	(4,836)	(5,484)	(6,330)
Taxes paid	(8,388)	(9,524)	(11,474)	(13,477)	(15,675)
Change in NWC	487	(572)	(69)	116	102
Operating cash flow	**19,924**	**24,876**	**29,323**	**34,774**	**40,431**
Capital expenditure	(1,198)	(281)	(822)	(920)	(1,065)
Acquisition of business	-	-	-	-	-
Interest & dividend income	1,441	1,777	4,986	5,634	6,480
Investing cash flow	**(9,376)**	**29,745**	**(5,363)**	**(6,603)**	**(7,437)**
Equity raised/(repaid)	-	-	-	-	-
Debt raised/(repaid)	-	-	-	-	-
Payment of lease liabilities	(244)	(268)	0	0	0
Interest paid	(86)	(91)	(96)	(101)	(106)
Dividend paid (incl tax)	(11,172)	(55,151)	(23,589)	(27,708)	(32,227)
Others	1,072	932	0	0	0
Financing cash flow	**(10,430)**	**(54,578)**	**(23,684)**	**(27,808)**	**(32,332)**
Net chg in Cash	118	43	276	363	662
OCF	19,924	24,876	29,323	34,774	40,431
Adj. OCF (w/o NWC chg.)	19,437	25,448	29,393	34,657	40,329
FCFF	18,726	24,595	28,501	33,853	39,366
FCFE	20,081	26,281	33,391	39,387	45,740
OCF/EBITDA (%)	71.8	71.7	72.0	72.5	72.4
FCFE/PAT (%)	79.1	85.7	99.1	99.5	99.4
FCFF/NOPLAT (%)	**91.2**	**94.1**	**95.3**	**95.9**	**95.7**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	45.8	38.1	34.7	29.5	25.4
EV/CE(x)	13.0	18.6	15.8	13.3	11.3
P/B (x)	14.1	19.6	16.8	14.3	12.3
EV/Sales (x)	30.1	25.3	21.5	18.2	15.6
EV/EBITDA (x)	39.0	32.0	27.0	22.7	19.3
EV/EBIT(x)	39.6	32.4	27.4	23.0	19.5
FCFF yield (%)	1.7	2.2	2.6	3.1	3.7
FCFE yield (%)	1.7	2.2	2.9	3.4	3.9
Dividend yield (%)	1.0	4.7	2.0	2.4	2.8
DuPont-RoE split					
Net profit margin (%)	70.6	69.9	65.9	66.2	66.6
Total asset turnover (x)	0.5	0.6	0.8	0.8	0.8
Assets/Equity (x)	1.0	1.0	1.0	1.0	1.0
RoE (%)	**33.8**	**43.0**	**52.1**	**52.3**	**52.0**
DuPont-RoIC					
NOPLAT margin (%)	57.1	59.5	58.5	59.1	59.5
IC turnover (x)	29.8	23.1	18.9	20.1	21.0
Operating metrics					
Core NWC days	(14.9)	(11.2)	(9.3)	(8.3)	(7.3)
Total NWC days	**(14.9)**	**(11.2)**	**(9.3)**	**(8.3)**	**(7.3)**
Fixed asset turnover	-	-	-	-	-
Opex-to-revenue (%)	22.9	20.9	20.3	19.7	19.2

Source: Company, Emkay Research

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ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

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