January 22, 2021

SBI Funds Management Private Limited: Rating withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund-based bank lines	20,000.00	20,000.00	[ICRA]AAA(Stable); withdrawn
Total	**20,000.00**	**20,000.00**	

**Instrument details are provided in Annexure-1*

Rationale

The rating is being withdrawn at the request of the company and on the basis of the receipt of a no objection certificate from the bankers, in accordance with ICRA's policy on the withdrawal and suspension of ratings for bank facilities.

ICRA is withdrawing the rating and it does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The key rating drivers, liquidity position and rating sensitivities have not been captured as the rating of the rated instrument is being withdrawn.

The previous detailed rating rationale is available on the following link – Click here

Key rating drivers and their description

Not captured as the rating is being withdrawn

Liquidity position

Not captured as the rating is being withdrawn

Rating sensitivities

Not captured as the rating is being withdrawn

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA Mutual Fund Credit Risk Rating Methodology ICRA Policy on Withdrawal of Credit Ratings
Parent/Group Support	Not Applicable
Consolidation/Standalone	Not Applicable

About the company

SBI Funds Management Private Limited (SBIFM), the asset management company for SBI Mutual Fund (SBI MF), was established in February 1992. It is a joint venture between State Bank of India (SBI) and Amundi, with 63% and 37% stakes, respectively, as on March 31, 2020. SBIFM's average assets under management stood at Rs. 4,56,498 crore as on December 31, 2020. As on March 31, 2020, it operated through 222 branches across India and had one overseas point of presence.

SBIFM has a fully-owned foreign subsidiary, SBI Funds Management (International) Private Limited, which is based in Mauritius and manages an offshore fund. SBIFM also provides portfolio management services and alternative investment funds.

Key financial indicators

Particulars	FY2018	FY2019	FY2020
Total Income	1,272	1,558	1,317
Operating Profit	487	607	755
Profit before Tax	503	647	794
Profit after Tax (PAT)	331	429	606
Net Worth	1,019	1,374	1,985
Total Assets	1,291	1,631	2,156
PAT/Average Total Assets	29.1%	29.4%	30.6%
PAT/Net Worth	37.0%	35.9%	36.1%

Source SBI Funds Management & ICRA research; Amount in Rs. crore

Note: Standalone financials; All ratios are as per ICRA calculations

Status of non-cooperation with previous CRA: Not applicable

Any other Information: Not Applicable

Rating history for last three years

	Instrument	Current Rating (FY2021)				Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding	Rating Jan-22-2021	FY2020 Oct-31-2019	FY2019 Jul-05-2018	Jun-14-2019	FY2018 Apr-12-2017
1	Fund-based Bank Lines	Long Term	20,000.00	-	[ICRA] AAA (Stable) withdrawn	[ICRA] AAA (Stable)	[ICRA] AAA (Stable)	[ICRA] AAA (Stable)	[ICRA] AAA (Stable)

Source: ICRA; Amount in Rs. crore

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN	Instrument	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated	Current Rating and Outlook
NA	Fund-based Bank Lines	NA	-	NA	20,000.00	[ICRA]AAA(Stable); withdrawn

Source: SBI Funds Management; Amount in Rs. Crore

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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