October 22, 2021 (Revised)

SBI Funds Management Private Limited: [ICRA]AAAmfs assigned to SBI Floating Rate Debt Fund

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
SBI Floating Rate Debt Fund	-	-	[ICRA]AAAmfs; assigned
SBI Banking and PSU Fund	-	-	[ICRA]AAAmfs; outstanding
SBI Short Term Debt Fund	-	-	[ICRA]AAAmfs; outstanding
SBI Corporate Bond Fund	-	-	[ICRA]AAAmfs; outstanding
SBI Magnum Low Duration Fund	-	-	[ICRA]AAAmfs; outstanding
SBI Magnum Ultra Short Duration Fund	-	-	[ICRA]AAAmfs; outstanding
SBI Dynamic Bond Fund	-	-	[ICRA]AAAmfs; outstanding
SBI Liquid Fund	-	-	[ICRA]A1+mfs; outstanding
SBI Overnight Fund	-	-	[ICRA]A1+mfs; outstanding
SBI Savings Fund	-	-	[ICRA]A1+mfs; outstanding
SBI Capital Protection Oriented Fund Series A Plan 7	-	-	[ICRA]AAA(SO); outstanding
SBI Capital Protection Oriented Fund Series A Plan 8	-	-	[ICRA]AAA(SO); outstanding
Total	**-**	**-**	

**Instrument details are provided in Annexure-1*

Rationale and key rating drivers

ICRA has assigned a credit risk rating of [ICRA]AAAmfs (pronounced as ICRA triple A m f s) to SBI Floating Rate Debt Fund of SBI Funds Management Private Limited. The rating is based on the portfolio of the scheme with the credit score of the portfolio being comfortable at the assigned rating level.

Mutual fund ratings incorporate ICRA's assessment of the creditworthiness of a debt mutual fund scheme's investment portfolio. These ratings are a symbolic representation of the credit risk in the underlying investments or the degree of safety regarding the timely receipt of payments from the investments made by the mutual fund schemes. The ratings do not indicate the asset management company's (AMC) and/or any of its scheme's willingness and/or ability to make timely redemptions to its investors. The ratings do not address the market risks and hence should not be construed as an indication of the expected returns, the prospective performance of the mutual fund scheme, and the ability to redeem the investments at the reported net asset value (NAV) or the volatility in its past returns as all these are influenced by market risks.

ICRA's assessment of debt mutual fund schemes is guided by the credit ratings of the individual investments, the relative share of the investments in the overall assets under management (AUM) of the scheme and the maturity schedule of such investments. The credit matrix is a tool used by ICRA for analysing the investment portfolio of the debt mutual fund schemes by assessing the portfolio's aggregate credit quality while reviewing the credit quality of each underlying debt security. The portfolio's weighted average credit quality is then measured against the appropriate benchmark credit score in the credit matrix.

Once a mutual fund scheme is rated and the rating is accepted, ICRA reviews the underlying investment portfolios for the credit scores on an ongoing basis. If the portfolio credit score meets the benchmark of the existing rating, the rating is retained. If the portfolio credit score breaches the benchmark credit matrix score for the current rating, ICRA communicates the same to the fund manager/product manager or other officials of the concerned AMC and may provide a month's time to bring the portfolio credit score within the benchmark credit score for the current rating level. If the investment composition of the fund is realigned to bring the portfolio credit score within the benchmark credit score, the rating is retained.

However, if the portfolio continues to breach the benchmark credit score for the existing rating level, the rating is revised to reflect the change in the portfolio's credit quality. In case of sharp breaches of the benchmark credit score (for instance due to a multi-notch downgrade in the underlying investment) and/or if ICRA believes that the breach may not get rectified within a month of the ongoing review, the rating is generally corrected immediately without giving a month's time for rebalancing the portfolio.

Liquidity position: Not applicable

Rating sensitivities

Positive factors – NA

Negative factors – ICRA could downgrade the ratings of the schemes if the credit quality of the underlying investment deteriorates or if there is an increase in the share of lower rated investments on account of a decline in the AUM or otherwise, leading to a breach in the threshold for the rating level.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA - Mutual Fund Credit Risk Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	NA

About the company

SBI Funds Management Private Limited (SBIFM), the AMC for SBI Mutual Fund (SBI MF), was established in February 1992. It is a joint venture between SBI (rated [ICRA]AAA (Stable) on Tier II bonds) and Amundi, with 63% and 37% stakes, respectively, as on March 31, 2021. The AMC's quarterly average AUM for the quarter ended September 30, 2021 was Rs. 5,78,166 crore[1].

Key financial indicators: Not applicable

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

[1] *Source: Association of Mutual Funds in India (https://amfiindia.com/)*

Rating history for past three years

	Name of Scheme	Current Rating (FY2022)					Chronology of Rating History for the Past 3 Years							
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of Oct 22, 2021 (Rs. crore)	Date & Rating in FY2022		Date & Rating in FY2021			Date & Rating in FY2020				Date & Rating in FY2019
					Oct 22, 2021	Sep 30, 2021	Feb 24, 2021	Dec 17, 2020	Oct 21, 2020	Aug 14, 2020	Mar 06, 2020	Sep 20, 2019	Aug 05, 2019	Feb 22, 2019
1	SBI Savings Fund	Short Term	-	-	**[ICRA]A1+mfs**	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	-	-	-	-	-	-
2	SBI Banking and PSU Fund	Long Term	-	-	**[ICRA]AAAmfs**	[ICRA]AAAmfs	[ICRA]AAAmfs	[ICRA]AAAmfs	[ICRA]AAA mfs	-	-	-	-	-
3	SBI Short Term Debt Fund	Long Term	-	-	**[ICRA]AAAmfs**	[ICRA]AAAmfs	[ICRA]AAAmfs	[ICRA]AAAmfs	[ICRA]AAA mfs	-	-	-	-	-
4	SBI Corporate Bond Fund	Long Term	-	-	**[ICRA]AAAmfs**	[ICRA]AAAmfs	[ICRA]AAAmfs	[ICRA]AAAmfs	[ICRA]AAA mfs	-	-	-	-	-
5	SBI Magnum Low Duration Fund	Long Term	-	-	**[ICRA]AAAmfs**	[ICRA]AAAmfs	[ICRA]AAAmfs	[ICRA]AAAmfs	[ICRA]AAA mfs	[ICRA]AAAm fs^	[ICRA]AAAm fs/[ICRA]A1+ mfs*	[ICRA]A1+mf s	[ICRA]A1+mf s	[ICRA]A1+ mfs
6	SBI Magnum Ultra Short Duration Fund	Long Term	-	-	**[ICRA]AAAmfs**	[ICRA]AAAmfs	[ICRA]AAAmfs	[ICRA]AAAmfs	[ICRA]AAA mfs	[ICRA]AAAm fs^	[ICRA]AAAm fs/[ICRA]A1+ mfs*	[ICRA]A1+mf s	[ICRA]A1+mf s	[ICRA]A1+ mfs
7	SBI Dynamic Bond Fund	Long Term	-	-	**[ICRA]AAAmfs**	[ICRA]AAAmfs	[ICRA]AAAmfs	[ICRA]AAAmfs	[ICRA]AAA mfs	[ICRA]AAAm fs	[ICRA]AAAm fs	[ICRA]AAAm fs	[ICRA]AAAm fs	[ICRA]AAA mfs
8	SBI Floating Rate Debt Fund	Long Term	-	-	**[ICRA]AAAmfs**	-	-	-	-	-	-	-	-	-
9	SBI Capital Protection Oriented Fund Series A Plan 7	Long Term	-	-	**[ICRA]AAA (SO)**	[ICRA]AAA (SO)	[ICRA]AAA (SO)	[ICRA]AAA (SO)	[ICRA]AAA (SO)	[ICRA]AAA (SO)	Provisional [ICRA]AAA (SO)	Provisional [ICRA]AAA (SO)	Provisional [ICRA]AAA (SO)	-
10	SBI Capital Protection Oriented Fund Series A Plan 8	Long Term	-	-	**[ICRA]AAA (SO)**	[ICRA]AAA (SO)	[ICRA]AAA (SO)	[ICRA]AAA (SO)	[ICRA]AAA (SO)	[ICRA]AAA (SO)	Provisional [ICRA]AAA (SO)	Provisional [ICRA]AAA (SO)	Provisional [ICRA]AAA (SO)	-
11	SBI Liquid Fund	Short Term	-	-	**[ICRA]A1+mfs**	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+ mfs	[ICRA]A1+mf s	[ICRA]A1+mf s	[ICRA]A1+mf s	[ICRA]A1+mf s	[ICRA]A1+ mfs
12	SBI Overnight Fund	Short Term	-	-	**[ICRA]A1+mfs**	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+ mfs	[ICRA]A1+mf s	[ICRA]A1+mf s	[ICRA]A1+mf s	-	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Mutual Fund	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	SBI Banking and PSU Fund	NA	NA	NA	NA	[ICRA]AAAmfs
NA	SBI Short Term Debt Fund	NA	NA	NA	NA	[ICRA]AAAmfs
NA	SBI Corporate Bond Fund	NA	NA	NA	NA	[ICRA]AAAmfs
NA	SBI Magnum Low Duration Fund	NA	NA	NA	NA	[ICRA]AAAmfs
NA	SBI Magnum Ultra Short Duration Fund	NA	NA	NA	NA	[ICRA]AAAmfs
NA	SBI Dynamic Bond Fund	NA	NA	NA	NA	[ICRA]AAAmfs
NA	SBI Floating Rate Debt Fund	NA	NA	NA	NA	[ICRA]AAAmfs
NA	SBI Liquid Fund	NA	NA	NA	NA	[ICRA]A1+mfs
NA	SBI Overnight Fund	NA	NA	NA	NA	[ICRA]A1+mfs
NA	SBI Savings Fund	NA	NA	NA	NA	[ICRA]A1+mfs
NA	SBI Capital Protection Oriented Fund Series A Plan 7	NA	NA	NA	NA	[ICRA]AAA(SO)
NA	SBI Capital Protection Oriented Fund Series A Plan 8	NA	NA	NA	NA	[ICRA]AAA(SO)

Annexure-2: List of entities considered for consolidated analysis – Not applicable

Corrigendum

The rating for SBI Capital Protection Oriented Fund Series A Plan 7 and SBI Capital Protection Oriented Fund Series A Plan 8 has been corrected to '[ICRA]AAA(SO)' from '[ICRA]AAAmfs(SO)' in the 'Rating History for 3 years ' section.

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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.

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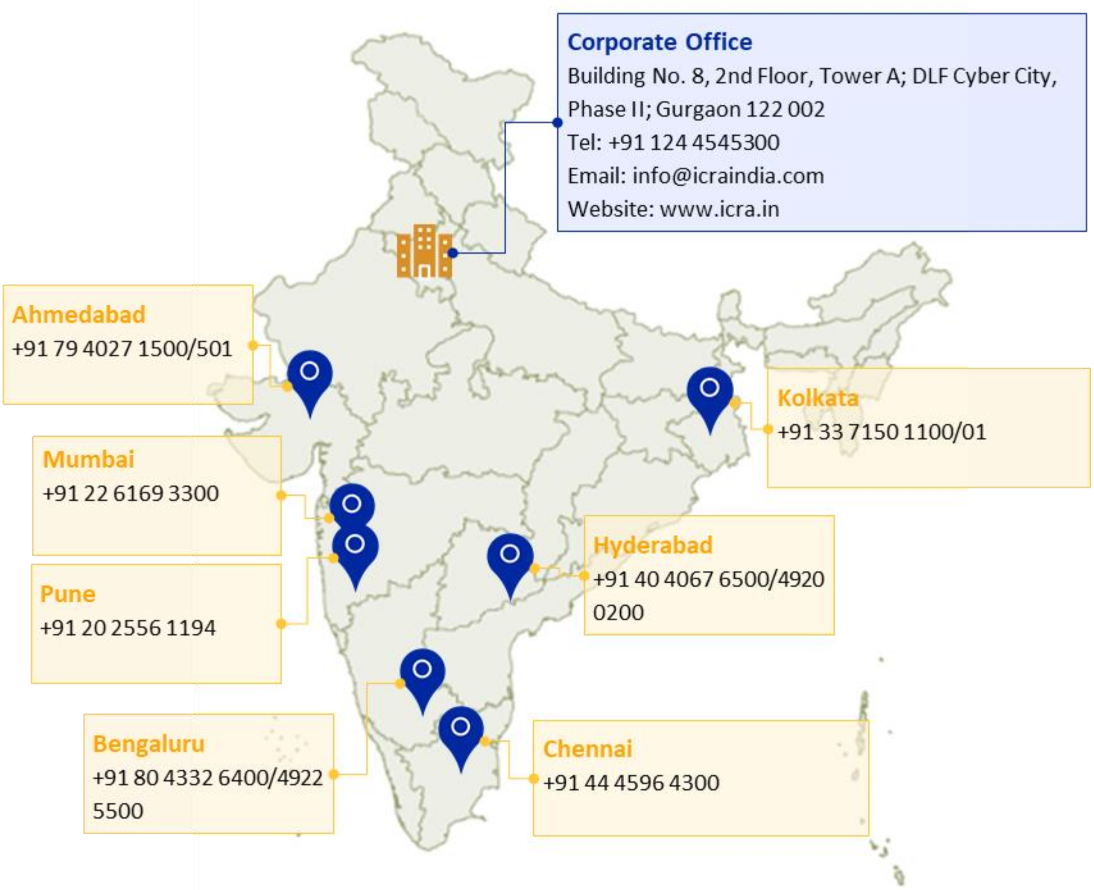

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