

SBI Funds Management Limited

October 26, 2022

Rating

Scheme Name	Scheme Type	Rating ¹	Rating Action
SBI Overnight Fund	Open-ended debt scheme	CARE A1+mfs (A One Plus mfs)	Assigned

Details of instruments/facilities in Annexure-1.

Detailed rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has assigned the credit quality rating of 'CARE A1+mfs' (A One Plus mfs) to the SBI Overnight Fund. This fund is managed by SBI Funds Management Limited.

The schemes rated 'CARE A1+mfs' are considered to have very strong degree of safety regarding timely receipt of payments from the investments that they have made.

CARE Ratings' fund credit quality ratings are opinions on the overall credit quality of the specific debt mutual fund scheme. CARE Ratings' fund credit quality rating is not a recommendation to purchase, sell, or hold a security or fund. It neither comments on the current market price, suitability for a particular investor nor on the prospective performance of the fund with respect to appreciation, volatility of net asset value (NAV), or yield of the fund. The ratings do not address the fund's ability to meet the payment obligations to the investors.

The fund ratings capture the fund's overall exposure to default risk. CARE Ratings' fund credit quality ratings are based on the evaluation of the fund's investment strategy and portfolio credit risk. It also involves the evaluation of the credit quality of individual assets as well as the diversification of the portfolio. CARE Ratings uses the concept of credit scores, assigned to individual securities, as per the credit scoring matrix developed by CARE Ratings.

CARE Ratings reviews the rated mutual fund scheme on an ongoing basis to support its published rating opinions. As such, the monthly reports of the fund are examined. While the fund has to maintain the fund credit score within the benchmark fund scores, in a particular month, if the fund credit score breaches the benchmark, CARE Ratings generally provides one month to the asset management company (AMC) to realign the score. The credit score of the SBI Overnight Fund scheme is on the basis of a review of the last three months' portfolio performance (including September 2022), which is within the benchmark set by CARE Ratings.

Analytical approach

Assessment of underlying credit quality of the debt schemes.

Applicable criteria

[CARE Ratings' fund credit quality rating criteria](#)

About the fund

SBI Overnight Fund:

SBI Overnight Fund is an open-ended debt scheme launched in October 2002. The objective of the Scheme is to provide the investors an opportunity to invest in overnight securities maturing on the next business day. However, there is no guarantee or assurance that the investment objective of the scheme will be achieved. The scheme doesn't assure or guarantee any returns. As a part of the investment philosophy, the fund will majorly invest in TREPS. The fund's assets under management (AUM) stood at ₹24,709.24 crore, as on September 30, 2022.

About the company

SBI FML, the investment manager of SBI Mutual Fund, is a joint venture between the State Bank of India (SBI), India's largest bank, and Amundi India Holding (AMUNDI), a leading European asset management company. SBI currently holds 63% stake in SBI FMPL and the 37% stake is held by AMUNDI through Amundi India Holding. SBI Mutual Fund also benefits from the brand equity of its sponsors, the SBI and AMUNDI. The AMC reported average assets under management (AAUM) at ₹682,607 crore (excluding domestic Fund of Funds) for the quarter ended September 30, 2022.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd's publications

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of the various instruments rated for this company: Annexure-4

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
SBI Overnight Fund	-	-	-	-	-	CARE A1+mfs (A One Plus mfs)

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1.	SBI Banking and PSU Fund	Open-Ended Debt Scheme	-	CARE AAA mfs	1) CARE AAA mfs (May 27, 2022)	1) CARE AAA mfs (June 02, 2021)	1) CARE AAA mfs (June 23, 2020)	1) CARE AAA mfs (July 04, 2019)
2.	SBI Corporate Bond Fund	Open-Ended Debt Scheme	-	CARE AAA mfs	1) CARE AAA mfs (May 27, 2022)	1) CARE AAA mfs (June 02, 2021)	1) CARE AAA mfs (June 23, 2020)	1) Provisional CARE AAA mfs (February 01, 2019) 2) CARE AAA mfs (June 07, 2019) 3) CARE AAA mfs (July 04, 2019)
3.	SBI Liquid Fund	Open-Ended Liquid Scheme	-	CARE AAA mfs	1) CARE AAA mfs (May 27, 2022)	1) CARE AAA mfs (June 02, 2021)	1) CARE AAA mfs (June 23, 2020)	1) CARE AAA mfs (July 04, 2019)
4.	SBI Magnum Ultra Short Duration Fund	Open-Ended Debt Scheme	-	CARE AAA mfs	1) CARE AAA mfs (May 27, 2022)	1) CARE AAA mfs (June 02, 2021)	1) CARE AAA mfs (June 23, 2020)	1) CARE AAA mfs (July 04, 2019)
5.	SBI Short-term Debt Fund	Open-Ended Debt Scheme	-	CARE AAA mfs	1) CARE AAA mfs (May 27, 2022)	1) CARE AAA mfs (June 02, 2021)	1) CARE AAA mfs (June 23, 2020)	1) CARE AAA mfs (July 04, 2019)
6.	SBI Dynamic Bond Fund	Open-Ended Dynamic Debt Scheme	-	CARE AAA mfs	1) CARE AAA mfs (May 27, 2022)	1) CARE AAA mfs (June 02, 2021)	1) CARE AAA mfs (November 26, 2020)	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
7.	SBI Magnum Low Duration Fund	Open-Ended Low Duration Debt Scheme	-	CARE AAA mfs	1) CARE AAA mfs (May 27, 2022)	1) CARE AAA mfs (June 02, 2021)	1) CARE AAA mfs (November 26, 2020)	-
8.	SBI Floating Rate Debt Fund	Open-Ended Debt Scheme	-	CARE AAA mfs	1) CARE AAA mfs (May 27, 2022)	1) CARE AAA mfs (November 01, 2021)	-	-
9.	SBI Savings Fund	Open-Ended Debt Scheme	-	CARE AAA mfs	1) CARE AAA mfs (May 27, 2022)	1) CARE AAA mfs (November 01, 2021)	-	-
10.	SBI Overnight Fund	Open-Ended Debt Scheme	-	CARE A1+mfs	-	-	-	-

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities

Not applicable

Annexure-4: Complexity level of the various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Credit Quality Rating-Overnight Fund (short term)	Simple

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

Media contact

Name: Mradul Mishra

Phone: +91-22-6754 3573

E-mail: mradul.mishra@careedge.in

Analyst Contact

Name: Geeta Chainani

Phone: +91-22-6754 3447

E-mail: geeta.chainani@careedge.in

Relationship Contact

Name: Saikat Roy

Phone: +91-22-6754 3495

E-mail: saikat.roy@careedge.in

About us:

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Disclaimer:

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