



## SUMMER INTERNSHIP REPORT

# POSITION OF SBI WEALTH VIS-À-VIS OTHER BANKS, NBFC'S & FINTECH COMPANIES AND STRATEGIES & WAY FORWARD TO IMPROVE THE WEALTH BUSINESS

Report submitted in partial fulfilment of the requirements for the Certification of

Internship Project

at

**SBI WEALTH**

by

**Saunak Rath**

Under the Supervision of

**Mr. Vishwa Deepak Chaudhary**

**(AGM WEALTH)**

**(Duration: 6<sup>th</sup> May 2025 to 30<sup>th</sup> June 2025)**





## Letter of Transmittal

Mr. Vishwa Deepak Chaudhary

NSIC Okhla, Noida

Dear Sir,

Re: Summer Internship Report

Attached herewith is a copy of my summer-project report "**Position of SBI Wealth vis-à-vis other Banks, NBFC's & Fintech companies and strategies & way forward to improve the wealth business**" which I am submitting to mark the completion of my 8 weeks summer internship at SBI (State Bank of India). This report was prepared by me using the best of practices and summarizes the work performed on the project and is being submitted in partial fulfilment of the requirements for the Post Graduate Diploma in Management programme.

I would like to mention that the overall experience with SBI was very good, and helped me to know how work is carried out in real practice with the help of SBI Wealth. I feel honoured that I got an opportunity to work with State Bank of India, a company of great repute.

I hope I did justice to the project and added some value to the organization.

Your suggestions would be appreciated.

Yours truly,

Saunak Rath

Summer Intern at SBI



## **Letter of Authorization**

I, Saunak Rath, summer intern at State Bank of India under Wealth Management Dept. (SBI Wealth), hereby declare that I have worked on a project titled "**Position of SBI Wealth vis-à-vis other Banks, NBFC's & Fintech companies and Strategies & way forward to improve the wealth business**" during my summer internship at "State Bank of India", in partial fulfilment of the requirement for the Post Graduate Diploma in Management programme.

**I guarantee my research work to be authentic and original to the best of my knowledge in all respects of the process carried out during the project tenure.**

My learning experience at State Bank of India, under the guidance of Mr. Vishwa Deepak Chaudhary, (AGM Wealth), has been truly enriching.

Date: 30<sup>th</sup> June, 2025

Saunak Rath



## Acknowledgement

I would like to gratefully acknowledge the contribution of all the people who took active part and provided valuable support to me during this project. To begin with, I would like to offer my sincere thanks to "**Mr Vishwa Deepak Chaudhary, AGM Wealth**", for giving me the opportunity to do my summer training at "**SBI Wealth**". Without his guidance, support and valuable suggestions during the research, the project would not have been accomplished.

My heartfelt gratitude also goes to the **entire "RCWM(Wealth Management Dept.)" team (RMTL's , VP Wealth's , RM's )** for their co-operation and willingness for sharing their experiences, answer all my queries, and provide valuable time & assistance during the course of my project.

Last, but not least, I would like to thank all SBI Wealth Customers/other Banks, NBFC's wealth employees for sharing their experience and giving their valuable time to me during the course of my project.

Saunak Rath



## Executive Summary

This report is focused on the strategic analysis of SBI Wealth as compared to the private banks (HDFC, ICICI), NBFCs (360 ONE WAM) and fintech companies (INDmoney, Groww). The study was conducted to evaluate the market position of SBI Wealth, identify the gaps in offerings and recommend implementable strategies towards enhancing the value proposition of SBI Wealth in India's competitive wealth management landscape.

[View Large](#) The study employed the following tools; the Strength, Weaknesses, Opportunities, Threat (SWOT) analysis, Porter's Five Forces, SPSS, and benchmark comparisons of the RMs clients and Competitors (Table 1).

The key findings suggest that SBI Wealth is well positioned on strong brand trust, a pan-India network and cross-sell, but lacks product variety, tech enablement and client-centric innovation. More customers are interested in personalized, digital-first and low-fee advisory models now, and that is ground where SBI must make up.

The report suggests six strategic pillars: digital transformation, product diversification, RM training, Tier 2/3 penetration, and competitor benchmarking. As demand continues to grow for hybrid advice and the mass affluent segment, SBI wealth is well positioned for growth – if it can innovate quickly and adapt to the new expectations of investors.

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# **Chapter 1**

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## **Introduction**

About SBI & Financials

SBI Wealth & Benefits

Mutual Funds

## About State Bank of India

State Bank of India (SBI) is an Indian multinational public sector Bank and financial service company headquartered in Mumbai.



**It is also the tenth largest employer in India with nearly 250,000 employees.**

**As of 2025, SBI has over 50 crore customers.**

**Primary role:** To take in funds called Deposits, from those who have money, pool them, and lend them to those who need funds, both transactions with interest.

**It has ventured into Life Insurance, General Insurance, Mutual Funds, Cards, and securities activities through subsidiaries.**

**17 Circles cater to banking activities all over the country.** Foreign Branches, joint ventures cater to abroad banking activities.

**Vision:** Be the Bank of choice for a transforming India.

**Mission:** Committed to providing simple, responsive, and innovative financial solutions.

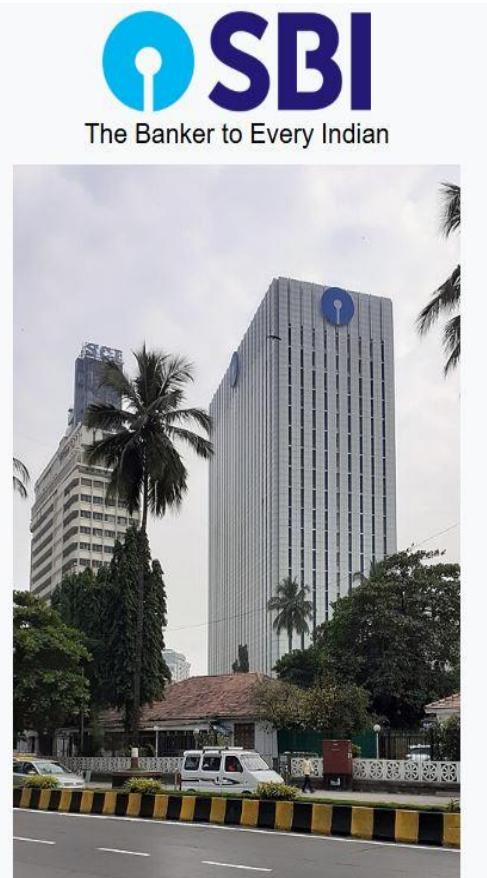
**Values: Follows STEPS Framework:** Service, Transparency, Ethics, Politeness, Sustainability.

According to S&P Global Market Intelligence report of the 100 largest banks in India, SBI is the **47th largest bank in the world by total assets** and ranked 178th in the **Fortune Global 500** list of the world's biggest corporations of 2024, being the only Indian bank on the list.

SBI was 55th on the 2024 Forbes Global 2000 list. The bank has been created through more than 20 mergers and acquisitions over its 200-year history.

**Market Share: Deposits: 22.54% (53 lakh Cr) and Advances: 19.36% (42 lakh Cr).**

No. of CSPs (Customer Service Points): 77251



State Bank Bhavan, [Nariman Point, Mumbai](#)

**With a net income of \$9.2 billion (₹77,561 crore) in FY25, the nation's biggest lender has broken into the ranks of the most profitable companies globally, including global giants including the likes of Alphabet, Apple, NVIDIA, and JPMorgan Chase, as per data compiled by Bloomberg.**

**Govt. Business:** Accredited to 26 major Central Govt. ministries/ Departments with **63% market share in Govt. Business.**

**Personal Banking:** - SBI provides wide range of loan products (Home Loan, Car Loan, Auto Loan, Personal Loan, Education Loan, Gold Loan and other products, Savings Accounts, Current Accounts, Salary Packages, Digital Loan offerings, HNIs & NRI Business and Wealth Management services.

#### **Business Banking System:**

Rural Banking: Lending under Agriculture & Allied activities & SHGs.

SME (Small & Medium enterprises) Banking.

Corporate Banking: Cater to big Corporates and Navaratna PSUs.

**International Banking: 241 overseas Branches across 29 countries.**

#### **Digital Banking Services:**

YONO encompasses Banking, Investment, Insurance and Shopping needs of customers as well as enables to complete banking transactions with simple, minimum click journeys like Opening a Savings Bank Account (with video KYC), Transfer of funds, Apply for Personal loan, Car loan, etc. digitally with the convenience of operating from anywhere, 24/7.

Daily average digital Transactions.: 8.8 lakh

Transactions per day: 1.2 Cr (93% automated)

No. of a/cs: +50 crore (Total YONO users: 8.77 Cr)

64% of Savings a/c through YONO in FY25.

More than 98% transactions through alternate channels.

**Customer satisfaction:** Doorstep Banking, Town hall meeting with customers, Online a/c (SB & CA) opening with Video KYC in Yono and Online SBI.

## State Bank of India

### Financial Analysis

- **Net Revenue:** Rs. 462489.35 crores
- **Market Share: Deposits: 22.54% (53 lakh Cr) and Advances: 19.36% (42 lakh Cr)**
- **Market Share: Debit Card spends: 24.84% and ATMs: 29.07%**
- No. of Mobile Banking Transactions: 26.94%
- Mobile Banking Transactions value: 23.31%
- **Market Capitalisation: Rs. 7,13,970 Cr (as on 2<sup>nd</sup> May 2025)**
- Dividend per Share: Rs.15.90
- Earnings Per Share (EPS): Rs.79.44
- Book Value Per Share (BVPS): Rs. 435.95
- **Return on Assets (ROA): - 1.1%**
- **Return on Equity (ROE): - 19.87%**
- No. of a/cs: +52 crore (Total YONO users: 8.77 Cr)
- No. of CSPs (Customer Service Points): 77251
- Operating Profit crossed Rs. 1 lakh Cr
- **FY25 Net Profit: - \$9.2 billion (₹77,561 crore)**
- **Gross NPA (Non-Performing Assets): 2.24%,**
- **Net NPA: 0.57%**
- **Net NPA: Rs. 19,447 Cr**
- **Whole Bank NIM (Net Interest Margin): 3.09%**
- **Domestic NIM (Net Interest Margin): 3.22%**
- **CASA (Current Account Savings Account) Ratio: - 42%**
- Credit to Deposit Ratio: - 69.71%
- **63% market share in Govt. Business.**
- **B/L Sheet Size: - +Rs. 66 trillion**
- Retail Internet Banking Platform users: - +13.9 Cr
- **Domestic Deposits: 51,66,863**
  - CASA: 20,65,161
    - CA (Current a/c) Deposits: 3,64,593
    - SA (Savings a/c) Deposits: 17,00,568
  - Term Deposits (TD): 31,01,702

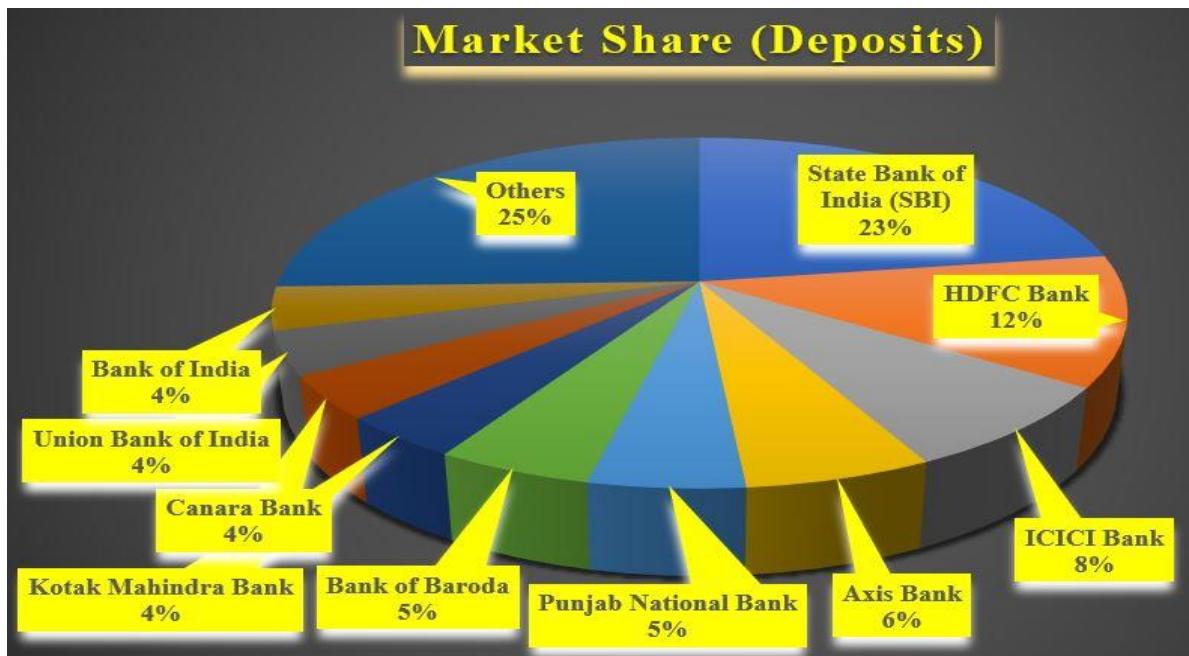
➤ Share of Domestic Deposits: -

- CASA: 39.97%
- CA (Current a/c): - 7.06%
- SA (Savings a/c): - 32.91%
- TD (Term Deposit): - 60.03%

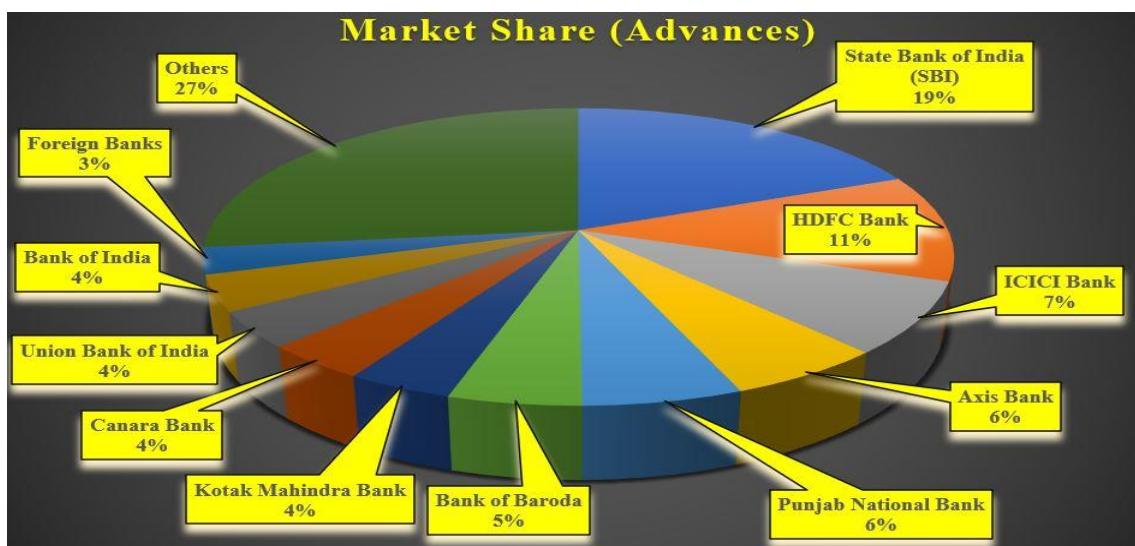
➤ No. of Savings a/c opened daily: - ~63,800

➤ Mutual Fund Sales: Rs. 2,660 Cr

## Deposits Analysis



## Advances Analysis



# **Position Of SBI Wealth vis-à-vis other Banks, NBFC's & Fintech companies, and strategies & way forward to improve the wealth business**

## **About SBI Wealth**

### **(Create Wealth, Grow Wealth, Preserve Wealth for Generations)**

It is a program by SBI to provide wealth business services toHNIs (High Net Worth Individuals) and UHNIs (Ultra High Net Worth Individuals) with TRV (Total Relationship Value) with categories

- I) **50 lakhs – 1 crore TRV:** - Attended by Internal Officers i.e. RMWS (Relationship Manager Wealth Services).
- II) **Above 1 crore TRV:** - Attended by Lateral Offices (VP (Vice-President) Wealth, AVP (Assistant Vice-President) Wealth, RMs (Relationship Managers) leaded by several RMTLs (Relationship Manager Team Lead).

To show gratitude to the above customers who invested in SBI Mutual Funds, PMS (Portfolio Management System), AIF (Alternate Investment Funds), Stocks, Life and General Insurance etc. by providing benefits & other facilities in the form of their Portfolio Management and Portfolio Mapping.

#### **Eligibility Criteria for Onboarding as a Wealth Client (Individual Clients)**

<b>Existing To Bank (ETB) Client</b>	<b>New To Bank (NTB) Client</b>
Total Relationship Value (TRV) of INR 50 Lacs for RM Wealth and INR 1CR for VP Wealth (TRV includes Total Deposits, Mutual Fund acquired through SBI, Bonds, PMS/AIF, Demat balance with SBI, SBI Life premium paid)	Initial Deposit/Investment of INR 15.00 Lakhs. TRV of clients onboarded by RM Wealth to be increased to min INR 50 Lakhs and clients onboarded by VP Wealth and AVP Wealth to be increased to min INR 1 Crore, within 1 year of onboarding

Net monthly Salary Credit of INR 2.00 Lakhs and above credited to SBI Account	Opening a Salary Account with SBI with Net monthly Salary Credit of INR 2.00 lakhs & above
SBI Home Loan of INR 2 Cr to less than 3 Cr for RM Wealth. SBI Home Loan of INR 3 Cr & above for VP Wealth	Newly sourced Home Loan of INR 2 Cr to less than 3 Cr for RM Wealth and 3 Cr & above for VP Wealth (sanctioned within one month of onboarding)
SBI Auto Loan of INR 30 Lacs & above	Newly sourced Auto Loan of INR 30 Lacs (sanctioned within one month of account opening and onboarding)
SBI Education Loan of INR 30 Lacs & above	Newly sourced Education Loan of INR 30 Lacs (sanctioned within one month of account opening and onboarding)
For Retired SBI Staff, minimum TRV to be INR 1 CR & above.	

#### **Eligibility Criteria for Onboarding as a Wealth Client (Family Clients)**

Existing To Bank (ETB) Client	New To Bank (NTB) Client
Aggregate Family TRV of INR 50 Lacs to less than 1 CR for RM Wealth	Aggregate Family TRV of INR 50 Lacs to less than 1 CR for RM Wealth
Aggregate Family TRV of INR 1 CR & above for VP Wealth	Aggregate Family TRV of INR 1 CR & above for VP Wealth

#### **For SBI Employee Pensioners:**

SBI employee pensioners can also qualify for SBI Wealth if they satisfy the general eligibility criteria, which are basically pension income-based, and have investments/deposits with SBI. It is indeed a plus because they then avail the best of services tailored to their financial requirements in retirement.

#### **Specific Benefits for SBI Employee Pensioners as Wealth Customers:**

- Personalized Retirement Planning: RMs help pensioners optimize their pension income, manage investments, and plan for a comfortable retirement.

- Convenient Access to Funds: Easy access to pension funds and other accounts through dedicated channels and digital platforms.
- Financial Security: Access to a range of investment options to grow their wealth and ensure financial security in retirement.

### **SBI Wealth Onboarding Process**

#### **SBI Wealth Onboarding Process (Brief)**

Once all the documentation and system onboarding processes have been concluded, the RM must forward the CIF form of the client to the Manager at the Principal Wealth Hub of the Region (i.e. NSIC Okhla for Delhi - NCR) for the final approval & onboarding of clients having TRV of 1Cr & above and to provide ATM facilities & cards (VISA Signature, Rupay Card). If the respective Employee TRV is 50L to 1Cr, then the RM will forward the client onboarding form to the RM whose TRV is 1Cr+; this RM will give all necessary approvals for further process and send the CIF form of the client to the Manager at the Principal Wealth Hub (i.e. NSIC Okhla) for final approval and onboarding of the client with TRV between 50 Lac and 1Cr along with ATM facilities and card provision (i.e., VISA).

#### **Family Wealth Process**

Now, if the client has much more than 1Cr TRV, then he can add family members (i.e., spouse, children) to avail the wealth services. Here the client will be the head of a/c. They will generally be added under ETB customers. If, however, the spouse or children do not have any savings account or open one (within) one month, they will be onboarded under NTB clients.

#### **Criteria 1:**

- a) Saving a/c > 1 month: ETB
- b) Saving a/c < 1 month: NTB

#### **Criteria 2:**

If Quarterly Average Balance > 1Lac or falls in high TRV category: ETB

If Quarterly Average Balance < 1 Lac: NTB

## Wealth Savings Account Features & Benefits

Sr No.	Key Features		
	Debit Card Related Services		
	a) Type of Debit Card	VISA Signature Debit Card	RUPAY Select Debit Card
	b) Debit Card Charges: Issuance Charges/ Annual Charges	Nil	Nil
1	c) Features & Benefits of Debit Card	<ul style="list-style-type: none"> <li>• Daily cash withdrawal limit at ATMs `1,00,000</li> <li>• Daily Purchase Limit at PoS/ E-com - `3,00,000 (Contactless transaction limit as per extant RBI instructions)</li> <li>• 2 Complimentary Airport Lounge access at domestic airports every quarter</li> <li>• Other Privileges viz exciting discounts on Entertainment, Dining, Wellness, Travel, Hotels &amp; Shopping etc from time to time.</li> <li>• Personal Accident Insurance (Death) Cover up to 10 lacs</li> <li>• Air Accident Cover (Death only) up to INR 20 lakhs</li> <li>• Purchase Protection Cover up to INR 1 lakhs.</li> <li>• Available on Debit Cards used at least once for a financial</li> </ul>	<ul style="list-style-type: none"> <li>• Daily cash withdrawal limit at ATMs `2,00,000</li> <li>• Daily Purchase Limit at PoS/ E-com - `5,00,000 (Contactless transaction limit as per extant RBI instructions)</li> <li>• 4 Complimentary Domestic Airport Lounge access every quarter</li> <li>• 2 Complimentary International Airport Lounge access per annum</li> <li>• 2 Golf games per annum (Half-Yearly once)</li> <li>• Free 2 movie tickets per card per month on Book My Show upto INR500</li> <li>• Annual health check-up package once a year.</li> <li>• Amazon Prime Video for 12 months</li> <li>• Spa visit once per year on select spa centres.</li> </ul>

		<p>transaction on any channel, viz, ATM/POS/ ECom during the last 90 days from the date of accident.</p> <p>#Subject to condition that the air ticket should have been purchased using the said Debit Card.</p>	<ul style="list-style-type: none"> <li>• Personal Accident Insurance (Death) Cover up to 10 lacs</li> <li>• Air Accident Insurance cover sum assured up to 1 Cr.</li> <li>• Rupay Select debit card is provided by NPCI and is subject to T&amp;C of NPCI.</li> </ul>
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2	Free SBI Credit Card provided for 1 year	SBI Card- Elite/AURUM
3	Locker Charges (1 Locker per 1 Client)	50% Concession
4	Auto Sweep facility (on request) (Sweep-in & sweep-out)	Yes
5	CASA Sweep-in (on request)	Yes
6	Free Demat and Online Trading Account (Opening & 1st year AMC)	Yes
7	Minimum Balance Charges	Nil
8	SMS Alert Charges Waiver	Yes
9	Dedicated Toll-free No. for Wealth Clients	1800-8900
10	Relationship Manager	Yes
11	Distribution of Financial Products like MF, Insurance	Yes
12	No. of free transactions through Other Bank ATMs	Unlimited
13	Lifestyle Privileges	Host of Lifestyle Privileges from time to time
14	Newsletter	Through E-mail
15	Charges for Cheque Returns	Nil
16	DD issue and Cancellation Charges	Nil

17	NEFT/ RTGS/ IMPS Charges	Nil
18	Stop Payment Charges	Nil
19	Duplicate Passbook	Free

## **SBI Wealth Product Offerings**

### **Power of One SBI**

Curated benefits and preferential processing on other banking products offered by SBI and its subsidiaries.

#### **Loans**

- Special interest rate concessions on Housing Loans and Auto Loans
- Discounts on processing fees
- Loan against Mutual Fund Units at 10.05%\*

\*For a limited period

#### **Demat**

- First year AMC free
- 95% discount on joining fee
- Lifetime discount on brokerage (lowest brokerage rates at 0.2% on delivery)

#### **Insurance**

- Curated bouquet of insurance solutions by SBI Life and SBI General Insurance

#### **Curated Investment Offers**

Curated Investment Options backed by a strong research team

- **SBI AMC offers Mutual Funds across 23 Asset Management Companies (AMCs)**
- 12+ Portfolio Management Services (PMS) and Alternate Investment Funds (AIFs) from industry pioneers
- Extensive bond offerings: RBI bonds, 54 EC, SGBs, Corporate Bonds, G-secs etc

Monthly Research Report submitted by our research team to apprise clients of economic indicators

### **Priority Banking**

- Dedicated relationship manager backed by a team of experts to cater to all your financial needs
- Free-of-charge doorstep banking services via our customer relationship executives
- Priority banking without the hassle of standing in queues in all SBI branches
- **241 Wealth hubs across India**

### **Investment Services**

- Portfolio health check-up
- Risk profiling
- Suggested asset allocation depending upon one's financial goals
- Offerings of suitable investment options

### **Estate Planning Services**

- Will making and Power of Attorney
- Asset Protection and Trust creation
- Family Business Legacy planning

### **Family Offerings**

#### **Extend our Wealth offerings to your family members at no additional cost**

- For family accounts with combined TRV of more than ₹1 crore with SBI
- Dedicated relationship manager for all family members
- Uniform wealth benefits for all family members

## SBI WEALTH CLIENT ONBOARDING / SIGN UP FORMS

### a) Client Details & Upgradation

SBI Wealth		CLIENT DETAILS & UPGRADATION																																																																																																																											
<p>1. I/We authorize State Bank of India to upgrade my/our existing bank accounts and Services to SBI Wealth. My/Our bank details are as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">ACCOUNT NUMBER</td> <td style="width: 15%;">Single</td> <td style="width: 15%;">E or S</td> <td style="width: 15%;">F or S</td> <td colspan="2">Others (Specify)</td> </tr> <tr> <td colspan="6" style="text-align: center;">CIF</td> </tr> <tr> <td>PREFIX</td> <td colspan="5">FIRST NAME</td> </tr> <tr> <td>MIDDLE NAME</td> <td colspan="5">LAST NAME</td> </tr> <tr> <td colspan="2">Address Line 1</td> <td colspan="4"></td> </tr> <tr> <td colspan="2">Address Line 2</td> <td colspan="4"></td> </tr> <tr> <td colspan="2">CITY AND STATE</td> <td colspan="4"></td> </tr> <tr> <td>PIN</td> <td colspan="5">PAN</td> </tr> <tr> <td>Place of Birth</td> <td colspan="5">DOB- DD/MM/YYYY</td> </tr> <tr> <td>Mobile</td> <td colspan="5"><b>Politically exposed:</b> <input type="checkbox"/> Y/N</td> </tr> <tr> <td colspan="6">Email Id</td> </tr> <tr> <td colspan="6"> <b>Marital Status:</b> <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Others  <b>Annual Income (Lacs):</b> <input type="checkbox"/> Below 5 lacs <input type="checkbox"/> 5 to 10 lacs  <input type="checkbox"/> 10 to 25 lacs <input type="checkbox"/> 25 – 100 lacs <input type="checkbox"/> Above 100 lacs         </td> </tr> <tr> <td colspan="6"> <b>Source of funds:</b> <input type="checkbox"/> Salary <input type="checkbox"/> Business  <input type="checkbox"/> Agriculture <input type="checkbox"/> Investment <input type="checkbox"/> Specify if others         </td> </tr> <tr> <td colspan="6"> <b>Occupation:</b> <input type="checkbox"/> Salaried <input type="checkbox"/> Self Employed Professional  <input type="checkbox"/> Self Employed <input type="checkbox"/> Retired/Student/Housewife/Others         </td> </tr> <tr> <td colspan="6"> <b>If Professional:</b> <input type="checkbox"/> CA/CS/ICWA <input type="checkbox"/> Doctor <input type="checkbox"/> IT  <input type="checkbox"/> Lawyer <input type="checkbox"/> Architect <input type="checkbox"/> Specify if Others         </td> </tr> <tr> <td colspan="6">Net Worth (INR In Lacs) <input type="text"/></td> </tr> <tr> <td colspan="6">           2. I/We authorize the 1st a/c holder/sole holder to be upgraded to SBI Wealth.            3. I/We hereby request and authorize State Bank of India to use the above information for the purpose of providing/improving/facilitating/conducting the transactions/services, including but not limited to investment transactions pertaining to SBI Wealth accounts standing in my/our name.            4. The above information may also be used to update my records with the bank (subject to production of documentary proofs, where required by the Bank)            5. I/We confirm having read and understood the T&amp;C set out in Page I and hereby agree to be bound by the same together with any modifications made therein from time to time by SBI.         </td> </tr> <tr> <td colspan="3" style="text-align: center;">Signature</td> <td colspan="3" style="text-align: center;">Signature</td> </tr> <tr> <td colspan="3" style="text-align: center;">Name</td> <td colspan="3" style="text-align: center;">Name</td> </tr> <tr> <td colspan="3" style="text-align: center;">Place &amp; Date</td> <td colspan="3" style="text-align: center;">Place &amp; Date</td> </tr> </table>						ACCOUNT NUMBER	Single	E or S	F or S	Others (Specify)		CIF						PREFIX	FIRST NAME					MIDDLE NAME	LAST NAME					Address Line 1						Address Line 2						CITY AND STATE						PIN	PAN					Place of Birth	DOB- DD/MM/YYYY					Mobile	<b>Politically exposed:</b> <input type="checkbox"/> Y/N					Email Id						<b>Marital Status:</b> <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Others <b>Annual Income (Lacs):</b> <input type="checkbox"/> Below 5 lacs <input type="checkbox"/> 5 to 10 lacs <input type="checkbox"/> 10 to 25 lacs <input type="checkbox"/> 25 – 100 lacs <input type="checkbox"/> Above 100 lacs						<b>Source of funds:</b> <input type="checkbox"/> Salary <input type="checkbox"/> Business <input type="checkbox"/> Agriculture <input type="checkbox"/> Investment <input type="checkbox"/> Specify if others						<b>Occupation:</b> <input type="checkbox"/> Salaried <input type="checkbox"/> Self Employed Professional <input type="checkbox"/> Self Employed <input type="checkbox"/> Retired/Student/Housewife/Others						<b>If Professional:</b> <input type="checkbox"/> CA/CS/ICWA <input type="checkbox"/> Doctor <input type="checkbox"/> IT <input type="checkbox"/> Lawyer <input type="checkbox"/> Architect <input type="checkbox"/> Specify if Others						Net Worth (INR In Lacs) <input type="text"/>						2. 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<b>Marital Status:</b> <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Others <b>Annual Income (Lacs):</b> <input type="checkbox"/> Below 5 lacs <input type="checkbox"/> 5 to 10 lacs <input type="checkbox"/> 10 to 25 lacs <input type="checkbox"/> 25 – 100 lacs <input type="checkbox"/> Above 100 lacs																																																																																																																													
<b>Source of funds:</b> <input type="checkbox"/> Salary <input type="checkbox"/> Business <input type="checkbox"/> Agriculture <input type="checkbox"/> Investment <input type="checkbox"/> Specify if others																																																																																																																													
<b>Occupation:</b> <input type="checkbox"/> Salaried <input type="checkbox"/> Self Employed Professional <input type="checkbox"/> Self Employed <input type="checkbox"/> Retired/Student/Housewife/Others																																																																																																																													
<b>If Professional:</b> <input type="checkbox"/> CA/CS/ICWA <input type="checkbox"/> Doctor <input type="checkbox"/> IT <input type="checkbox"/> Lawyer <input type="checkbox"/> Architect <input type="checkbox"/> Specify if Others																																																																																																																													
Net Worth (INR In Lacs) <input type="text"/>																																																																																																																													
2. I/We authorize the 1st a/c holder/sole holder to be upgraded to SBI Wealth. 3. I/We hereby request and authorize State Bank of India to use the above information for the purpose of providing/improving/facilitating/conducting the transactions/services, including but not limited to investment transactions pertaining to SBI Wealth accounts standing in my/our name. 4. The above information may also be used to update my records with the bank (subject to production of documentary proofs, where required by the Bank) 5. I/We confirm having read and understood the T&C set out in Page I and hereby agree to be bound by the same together with any modifications made therein from time to time by SBI.																																																																																																																													
Signature			Signature																																																																																																																										
Name			Name																																																																																																																										
Place & Date			Place & Date																																																																																																																										

### b) Investment Services Account

INVESTMENT SERVICES ACCOUNT											
<p>I/We request you to open an Investment Services Account to transact in Mutual Funds and link the same to the existing/new bank account mentioned below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Bank Account No.</th> <th style="width: 33%;">IFSC</th> <th colspan="2" style="width: 34%;">Mode of Operation</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td colspan="2"> <input type="checkbox"/> Single <input type="checkbox"/> E or S <input type="checkbox"/> F or S <input type="checkbox"/> A or S         </td> </tr> </tbody> </table>				Bank Account No.	IFSC	Mode of Operation				<input type="checkbox"/> Single <input type="checkbox"/> E or S <input type="checkbox"/> F or S <input type="checkbox"/> A or S	
Bank Account No.	IFSC	Mode of Operation									
		<input type="checkbox"/> Single <input type="checkbox"/> E or S <input type="checkbox"/> F or S <input type="checkbox"/> A or S									
APPLICANT INFORMATION											
Name	1 <sup>st</sup> Holder	2 <sup>nd</sup> Holder	3 <sup>rd</sup> Holder								
CIF											
PAN											
Mobile											
<b>Mobile Belongs To:</b> <b>(Mention)</b>	Self/Spouse/Dependent Children (specify)/ Dependent Parent/ Dependent Siblings/ Guardian /PMS/Custodian/ POA: <input type="text"/>	Self/Spouse/Dependent Children (specify)/ Dependent Parent/ Dependent Siblings/ Guardian /PMS/Custodian/ POA: <input type="text"/>	Self/Spouse/Dependent Children (specify)/ Dependent Parent/ Dependent Siblings/ Guardian /PMS/Custodian/ POA: <input type="text"/>								
Email											
<b>Email Belongs To:</b> <b>(Mention)</b>	Self/Spouse/Dependent Children (specify)/ Dependent Parent/ Dependent Siblings/ Guardian /PMS/Custodian/ POA: <input type="text"/>	Self/Spouse/Dependent Children (specify)/ Dependent Parent/ Dependent Siblings/ Guardian /PMS/Custodian/ POA: <input type="text"/>	Self/Spouse/Dependent Children (specify)/ Dependent Parent/ Dependent Siblings/ Guardian /PMS/Custodian/ POA: <input type="text"/>								
FATCA	Multiple Tax Residency: <input type="checkbox"/> YES <input type="checkbox"/> NO	Multiple Tax Residency: <input type="checkbox"/> YES <input type="checkbox"/> NO	Multiple Tax Residency: <input type="checkbox"/> YES <input type="checkbox"/> NO								

## c) Nomination

### Form for Fresh Nomination

I/We hereby nominate the following individual(s) in respect of the units held by me/us.

1 <sup>st</sup> Nominee Name		Allocation %*	
Nominee Relationship*	Nominee PAN	Date of Birth**	____ / ____ / ____
Guardian Name**		Guardian PAN	
Guardian's Relationship with Nominee**	Mother <input type="checkbox"/>	Father <input type="checkbox"/>	Legal Guardian <input type="checkbox"/>
Proof of Relationship	Birth Certificate <input type="checkbox"/>	School Leaving Certificate <input type="checkbox"/>	Passport <input type="checkbox"/>
Address	Others <input type="checkbox"/>		

2 <sup>nd</sup> Nominee Name		Allocation %*	
Nominee Relationship*	Nominee PAN	Date of Birth**	____ / ____ / ____
Guardian Name**		Guardian PAN	
Guardian's Relationship with Nominee**	Mother <input type="checkbox"/>	Father <input type="checkbox"/>	Legal Guardian <input type="checkbox"/>
Proof of Relationship	Birth Certificate <input type="checkbox"/>	School Leaving Certificate <input type="checkbox"/>	Passport <input type="checkbox"/>
Address	Others <input type="checkbox"/>		

3 <sup>rd</sup> Nominee Name		Allocation %*	
Nominee Relationship*	Nominee PAN	Date of Birth**	____ / ____ / ____
Guardian Name**		Guardian PAN	
Guardian's Relationship with Nominee**	Mother <input type="checkbox"/>	Father <input type="checkbox"/>	Legal Guardian <input type="checkbox"/>
Proof of Relationship	Birth Certificate <input type="checkbox"/>	School Leaving Certificate <input type="checkbox"/>	Passport <input type="checkbox"/>
Address	Others <input type="checkbox"/>		

\*Mandatory Field      \*\*Mandatory & Applicable in case the Nominee is a minor

Signature of 1 <sup>st</sup> Holder	Signature of 2 <sup>nd</sup> Holder	Signature of 3 <sup>rd</sup> Holder
Name	Name	Name
Date & Place	Date & Place	Date & Place

### Declaration for Opting Out of Nomination

I/We hereby confirm that I/We do not wish to appoint any nominee(s) for my mutual fund units held in my/our mutual fund folio and understand the issues involved in non-appointment of nominee(s) and further are aware that in case of death of all the account holder(s), my/our legal heirs would need to submit all the requisite documents issued by Court or other such competent authority, based on the value of assets held in the mutual fund folio.

Signature of 1 <sup>st</sup> Holder	Signature of 2 <sup>nd</sup> Holder	Signature of 3 <sup>rd</sup> Holder
Name	Name	Name
Date & Place	Date & Place	Date & Place

## d) Client Risk Profiling

### CLIENT RISK PROFILING

Name: \_\_\_\_\_

CIF: \_\_\_\_\_

#### A. Financial Profiling

1. Your Current Status is:

Self Employed  Salaried  Retired  Student  Homemaker

2. Your approximate investment portfolio's current valuation (excluding primary residence and business)

Less than INR 30 Lakhs  INR 30 Lakhs to INR 3 Crores  Above INR 3 Crores

3. Your current loan(s) outstanding (excluding business loans)

Less than INR 30 Lakhs  INR 30 Lakhs to INR 3 Crores  Above INR 3 Crores

#### B. Investment Knowledge Profiling

Knowledge of investing in the following products/asset classes

	Product/Asset Class	Self Knowledge		Information & Material Shared by RM	
		Yes	No	Yes	No
A	Fixed Deposits				
B	Gold				
C	Bonds/Fixed Income Funds				
D	Stocks/PMS/Equity Funds				
E	Structured Products				
F	Real Estate(RE)/High Yield RE Funds				
G	Alternate Assets/Private Equity Funds				

#### C. Risk Profiling

1. What is your age group?

	Age Group	Score
A	Up to 30 years	5
B	31 to 40 years	4
C	41 to 50 years	3
D	51 to 60 years	2
E	Above 61 years	1

2. Who are dependent on your income?

	Dependents	Score
A	Five and More Dependents	1
B	Three to Four Dependents	2
C	Two Dependents	3
D	One Dependent	4
E	No Dependents	5

3. How many years do you expect an ACTIVE flow of business/salary income?

	Business / Salary income	Score
A	No income	1
B	Retired	2
C	5 years to < 10 years	3
D	10 years to < 20 years	4
E	>20 years	5

4. What is your investment time horizon?

	Time Horizon	Score
A	<1 year	1
B	1 year to 3 years	2
C	>3 years to 5 years	3
D	>5 years to 10 years	4
E	>10 years	5

5. What % of income can you save and invest?

S.No	% of Income	Score
A	Nil	1
B	< 10%	2
C	10% to 20%	3
D	>20% to 40%	4
E	>40%	5

7. On your Investment Portfolio, given options on the possible Return and Losses (actual/mark to market), which of the following option would you choose?

	Investment Option	Possible Gain % p.a.	Possible Loss % p.a.	Score
A	Option A	7%	0%	1
B	Option B	10%	-10%	2
C	Option C	12%	-15%	3
D	Option D	15%	-20%	4
E	Option E	18%	-25%	5

9.What is the status of your current financial savings corpus to meet your various life financial goals like children's education, buying a home, retirement etc.

	Criteria	Score
A	Yet to start savings	1
B	Recently Started	2
C	Need to catch up	3
D	On track to meet most goals	4
E	Very well set	5

**Scoring of Risk Profiling Responses (RPR)**

RPR	1	2	3	4	5	6	7	8	9	Total
Score										

6. Your current loan repayment obligations (EMI) would account for what % of your income?

	Loan repayment obligations (%)	Score
A	Over 40%	1
B	>20% to 40%	2
C	10% to 20%	3
D	<10%	4
E	No loan repayment obligations	5

8. Given your choice in the question 7, how long are you willing to hold on to the investments to possibly recover the loss if any?

	Holding on to Investments	Score
A	Exit immediately	1
B	6 months to 1 year	2
C	>1 to 2 years	3
D	>2 to 3 years	4
E	Over 3 years	5

**Client Risk Profile Indicators**

Total Score	Risk Rating	Client Risk Profile
Up to 15	1	Very Conservative
16 to 22	2	Conservative
23 to 29	3	Moderate
30 to 34	4	Aggressive
35 & Above	5	Very Aggressive

**Client Risk Profile:**

## Fintech & Financial Market Disruptions in Potential in Wealth Business

One way to define this is a bundle of services offering technological start-ups to compete against the old banking and finance players. Fintech products and services currently available in the market include Distributed Ledger Technology (DLT), smart contracts on Blockchain, Robo advisors, E-aggregators, amongst others.

### Technologies and Benefits:

#### a) Distributed Ledger Technology (DLT):

**Client Onboarding & KYC:** Wealth services can maintain a DLT-based shared KYC platform across the group i.e., (SBI Mutual Fund, SBI Life, etc.).

**Benefit:** It avoids duplication, lowers costs, speeds up onboarding or mitigates counterparty risk; simplifies reporting, data collection, and system risk monitoring; and improves regulatory compliance.

**b) Smart Contracts in Blockchain:** Automated Fee Deduction & Mandate Execution: The smart contract can automatically deduct fees based on portfolio performance, and/or switch funds automatically under preset rules.

**Benefit:** Ensures transparency, builds trust with HNIs, increases efficiency, and reduces human errors.

**c) E-Aggregators:** Wealth services can use an e-aggregator to collect data from Subsidiaries Products (i.e. SBI Mutual Fund, SBI Life), and even third-party investments, into a single consolidated dashboard for 360-degree Financial View.

**Benefit:** Improves advisory quality; facilitates financial planning; standardises insurance and deposit account products; increases client stickiness.

**d) Robo-Advisors & AI-Based Prompt:** A Robo-advisor can be used for providing wealth services to clients, while AI-Based Prompt can be used by RMs for suggesting Product offerings in line with Client investment behaviour. Based on client data and algorithms, the system will automatically generate portfolio allocation and investment recommendations that are either more or less tailored to an individual client.

**Benefit:** Advisory service expansion at low cost with scalability, Enhanced productivity of RMs and client realization.

## Mutual Funds

In simple terms, mutual funds gather money from investors to invest in different markets and securities based on a shared investment goal agreed upon by both the investor and the mutual fund. With mutual funds, an investor gains access to stocks, bonds, money market instruments, and other securities. Additionally, they benefit from professional management provided by an asset management company.

### Role of Mutual Funds

- To help investors earn income or accumulate wealth
- To mobilize savings
- To facilitate investment in the economy
- Serve as Market Stabilizer

### Important Concepts in Mutual Funds

- Units: The investment made by an investor in a scheme is converted into a certain number of units in the scheme. Thus, an investor in a scheme is issued units of that scheme.

- **Face Value:** Generally, every unit has a face value of Rs. 10. From an accounting point of view, the face value is relevant.
- **Unit Capital :**The variety of units issued by a scheme elevated by its face price (Rs. 10) gives the Capital of the Scheme—its Unit Capital.
- **Recurring expenses:** Fees paid for various mutual fund components or commission mutual funds come out of expenses. These are known as **recurring expenses**. These expenses are taken as a percentage of **assets under management (AUM)**. The cost expenses are cut when calculating the NAV (Net Asset Value).
- **Net Asset Value:** The mutual fund scheme's NAV, or Net Asset Value, is the true worth of investment for a unit. True worth of a unit rises where investment activity benefits, and where there is loss to investment activities, true worth of unit declines. NAV of Investor Transaction is dependent on cut-off time for scheme.

**NAV = (Current value of investments held + Income accrued + Current assets – Current liabilities –Accrued expenses) / No. of outstanding units**

For Equity & Balanced Funds, NAV can be calculated up to 2 decimal places.

For Liquid, Index & other Debt Funds, NAV can be calculated up to 4 decimal places.

#### **Later value of NAV (Net Asset Value):**

- a) NAV + Entry Load
- b) NAV – Exit Load

- **Assets under Management:** It refers to the scheme size, which is defined as the total sum from all investments contributed by investors into the mutual fund scheme.
- **Mark to Market:** It is the current market valuation of each security in an investment scheme portfolio and its contemporary price evaluation process defines it.

### **Types of Funds**

#### **On basis of Structure:**

- **Open Ended Funds:** -These funds are open for investors to enter or exit at any time, even after the NFO. Although some unit-holders may exit from the scheme, wholly or partly, the scheme continues operations with the remaining investors. The scheme does not have any kind of time frame in which it is to be closed.
- **Close ended Funds:** - These funds have a fixed maturity. Investors can buy units of a close-ended scheme, from the fund, only during its NFO. The fund decides for the units to be traded, post-NFO in a stock exchange.

- **Interval Funds:** - These funds merge aspects of both open-ended and closed-ended schemes. They are primarily closed-ended, yet turn open-ended at predetermined intervals. The times when an interval scheme turns into open-ended are referred to as ‘transaction periods’.

### **On basis of management style:**

- **Actively managed funds:** -These funds allow the fund manager to select the investment portfolio within the general guidelines of the scheme's investment objective. As this enhances the responsibilities of the fund manager, the costs associated with managing the fund tend to be greater. Investors anticipate that actively managed funds will outshine the market.
- **Passive funds:** -These funds invest according to a designated index, aiming to replicate its performance. Consequently, the performance of a passive fund generally reflects the relevant index. They aren't intended to surpass the market's performance.
- **Exchange Traded Funds (ETFs):** -These are passive funds that mirror the composition of an index or benchmark like a stock market index or a commodity index. The units are allocated to investors during a new fund offering (NFO). The ETF units are bought and sold at real-time prices that correspond to fluctuations in the underlying index.

<b>Equity</b>	<b>Fixed Income</b>
<ul style="list-style-type: none"> <li>• Bluechip Companies</li> <li>• Mid-sized companies</li> <li>• Small-sized companies</li> <li>• Unlisted Companies</li> <li>• Foreign Stocks</li> <li>• Equity Mutual Funds</li> <li>• Exchange Traded Funds</li> <li>• Index Funds</li> </ul>	<ul style="list-style-type: none"> <li>• Fixed deposit with a bank</li> <li>• Recurring deposit with a bank</li> <li>• Endowment Policies</li> <li>• Money back Policies</li> <li>• Public Provident Fund</li> <li>• Sukanya Samruddhi Yojana (SSY)</li> <li>• Senior Citizens' Savings Scheme (SCSS)</li> <li>• Post office Monthly Income Scheme</li> <li>• Recurring deposit with a post office</li> <li>• Company fixed deposit</li> <li>• Debentures/bonds</li> <li>• Debt Mutual Funds</li> </ul>
<b>Real Estate/Infrastructure</b>	<b>Commodities</b>
<b>Physical Asset</b> <ul style="list-style-type: none"> <li>• Residential/ Commercial</li> </ul> <b>Financial Asset</b> <ul style="list-style-type: none"> <li>• Real Estate Mutual Funds (REMF)</li> <li>• Real Estate Investment Trusts (ReIT)</li> <li>• Infrastructure Investment Trust (InvIT)</li> </ul>	<ul style="list-style-type: none"> <li>• Gold</li> <li>• Silver</li> <li>• Gold Funds</li> <li>• Commodity ETFs</li> </ul>
<b>Hybrid asset classes</b>	<b>Others</b>
<ul style="list-style-type: none"> <li>• Hybrid Mutual funds or Multi Asset Fund</li> </ul>	<ul style="list-style-type: none"> <li>• Rare coins</li> <li>• Art</li> <li>• Rare stamps</li> </ul>

## **Equity Schemes**

- **Multi Cap Fund:** An open-ended equity scheme that invests in large cap, mid cap, and small cap stocks. The least investment in equity must be 65% of the total assets.
- **Large Cap Fund:** An open-ended equity scheme primarily focusing on investments in large cap stocks. The minimum investment in equity of large-cap firms will be 80% of total assets.
- **Large and Mid-Cap Fund:** An open-ended stock scheme that invests in both large-cap and mid-cap equities. The least investment in mid cap equity stocks must be 35% of total assets.
- **Mid Cap Fund:** A flexible equity scheme mainly focusing on investments in mid cap shares. The minimum equity investment in mid-cap firms must be 65% of total assets.
- **Small cap Fund:** A flexible equity scheme primarily focusing on investments in small cap stocks. The minimum investment in small cap company equity must be 65% of total assets.
- **Dividend Yield Fund:** An open-ended equity scheme mainly investing in stocks that provide dividend yields. The scheme ought to focus primarily on stocks that pay dividends.
- **Value Fund or Contra Fund:** A value fund is an open-ended stock scheme that adheres to a value investment approach.
- **Equity Linked Savings Scheme (ELSS):** A flexible equity-linked saving program featuring a mandatory lock-in period of 3 years along with tax advantages.
- **Sectoral / Thematic:** An open-ended equity fund that invests in a particular sector like banking or power is considered a sectoral fund. An open-ended equity scheme that invests according to an investment theme. An infrastructure thematic fund may allocate capital to stocks of firms involved in infrastructure, construction, cement, steel, telecommunications, energy, and similar sectors.

## **Debt Schemes**

- **Liquid Fund:** An open-ended liquid scheme whose investment is into debt and money market securities with maturity of up to 91 days.
- **Money Market Fund:** An open-ended debt scheme investing in money market instruments having maturity up to 1 year.

- **Corporate Bond Fund:** A non-restricted debt program mainly focused on investing in corporate bonds rated AA+ and higher. The least investment in corporate bonds must be 80% of total assets (only in corporate bonds rated AA+ and higher).
- **Credit Risk Fund:** A debt scheme with no fixed term that invests in corporate bonds with ratings lower than the highest. The minimum investment in corporate bonds must be 65% of total assets (limited to AA (excluding AA+ rated corporate bonds) and lower rated corporate bonds).

### Hybrid Funds

- **Conservative Hybrid Fund:** A flexible hybrid plan primarily focused on investing in fixed-income securities. Investment in debt securities will range from 75% to 90% of total assets, whereas investment in equity will range from 10% to 25% of total assets.
- **Balanced Hybrid Fund:** A flexible investment plan that allocates resources to both equity and debt securities. The equity investment will range from 40% to 60% of total assets, whereas the investment in debt instruments will also be between 40% and 60%. This scheme does not allow for arbitrage.
- **Aggressive Hybrid Fund:** Investments in equity and equity-related instruments will constitute 65% to 80% of total assets, while investments in debt instruments will make up 20% to 35% of total assets.
- **Dynamic Asset Allocation or Balanced Advantage:** This is a flexible open-ended fund that actively allocates assets between equity and debt.
- **Multi Asset Allocation:** A flexible fund that invests in a minimum of three asset classes, ensuring at least 10% allocation in each of the three asset classes. In this type of scheme, foreign securities are not regarded as a distinct asset category.
- **Arbitrage Fund:** A flexible plan investing in arbitrage chances. The minimum investment in equity and related instruments must be 65% of total assets.
- **Equity Savings:** A flexible fund that invests in equity, arbitrage, and fixed income. The least investment in equity and equity-related instruments must be 65% of total assets, while the minimum investment in debt should be 10% of total assets.

**Valuation agencies:** SEBI has provided guidelines aimed at determining the fair valuation of debt securities that are not traded or are traded infrequently. Based on these guidelines, it is required to have a minimum of two valuation firms that offer valuation matrices. The AMCs

should utilize this matrix to achieve an equitable assessment of these investments. AMFI has engaged CRISIL Ltd. and ICRA Ltd. for this purpose.

**Asset Management Company:** The AMC oversees the daily operations of the mutual fund. The sponsor or, if permitted by the trust deed, the trustees shall appoint the AMC with SEBI's approval. The AMC must possess a minimum net worth of Rs.50 crore. The AMC oversees the management of the fund's activities. It thus organizes the necessary offices and facilities, hires staff, acquires the essential software, manages advertising and promotional activities, and communicates with regulators and diverse service providers.

### **New Fund Offer**

Units in a mutual fund scheme are made available to public investors for the first time via a NFO. The proposal is presented via a legal paper referred to as the Offer Document.

**NFO Open Date** – This is the date from which investors can invest in the NFO

**NFO Close Date** – This is the date up to which investors can invest in the NFO

### **Direct & Regular Plans**

**Direct Plan:** - It targets investors wanting to invest directly in the mutual fund, bypassing a distributor for the investment. The Plan will feature a reduced expense ratio because it lacks distribution costs or commissions.

**Regular Plan:** - In this case, the investor specifies a distributor whose services facilitated and carried out the investment choice. The investor provides the **AMFI Registration Number (ARN)** in the application form, and the mutual fund compensates the identified distributor with transaction charges and commissions.

### **Legal and Regulatory Environment**

#### **Role of Regulators in India**

- **Reserve Bank of India (RBI)** that regulates the banking system, as well as money markets.
- **Securities and Exchange Board of India (SEBI)** that regulates the securities markets.
- Insurance Regulatory and Development Authority of India (**IRDAI**) that regulates the insurance market.

## Systematic Transfers

- **Systematic Investment Plan (SIP):** SIP is a method in which the investor contributes fixed sums at consistent time intervals. One advantage of this method, especially in equity schemes, is that it spreads out the unit-holder's cost of acquisition, as more units are purchased for the same investment during market downturns and fewer units are acquired when prices are high.
- **Systematic Withdrawal Plan (SWP):** Mutual funds simplify the management of SWPs for investors by allowing them to set a specific amount, frequency (typically, monthly), and duration for their SWP. Certain plans also provide the option to transfer just the appreciation or the dividend. In this option, the withdrawal amount is not set but will fluctuate based on the appreciation available in the particular investment selected by the investor. The benefit of a variable SWP compared to a fixed withdrawal amount is that the invested capital will remain untouched.
- **Systematic Transfer Plan (STP):** In an STP, the sum withdrawn from one scheme (known as the source scheme) is reinvested into another scheme (referred to as the target scheme) within the same mutual fund. Consequently, it functions as a SWP for the source scheme and a SIP for the target scheme. As the investor is essentially moving between schemes, it is referred to as a "switch" when it involves only one transaction or tranche. If there are several instalments over a set duration on a specified date of a predetermined sum, then it qualifies as an STP.

**SIP Top-Up Facility:** Mutual funds provide an additional facility through an SIP to enhance the disciplined savings of investors. It is called the SIP Top-Up facility. Investors have the option to increase the SIP amount at intervals chosen by them. The increase can be of a fixed amount or a percentage of the existing SIP amount

# **Chapter 2**

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## **Literature Review**

Mutual Fund Market

Wealth Management Market

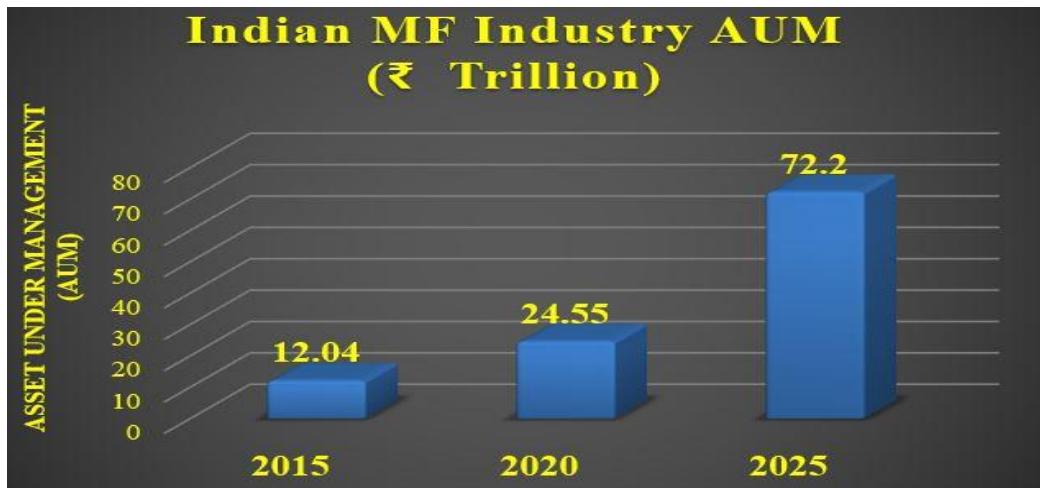
SBI AMC Relative Valuation

SBI Financial Analysis

SBI Wealth Revenue Model

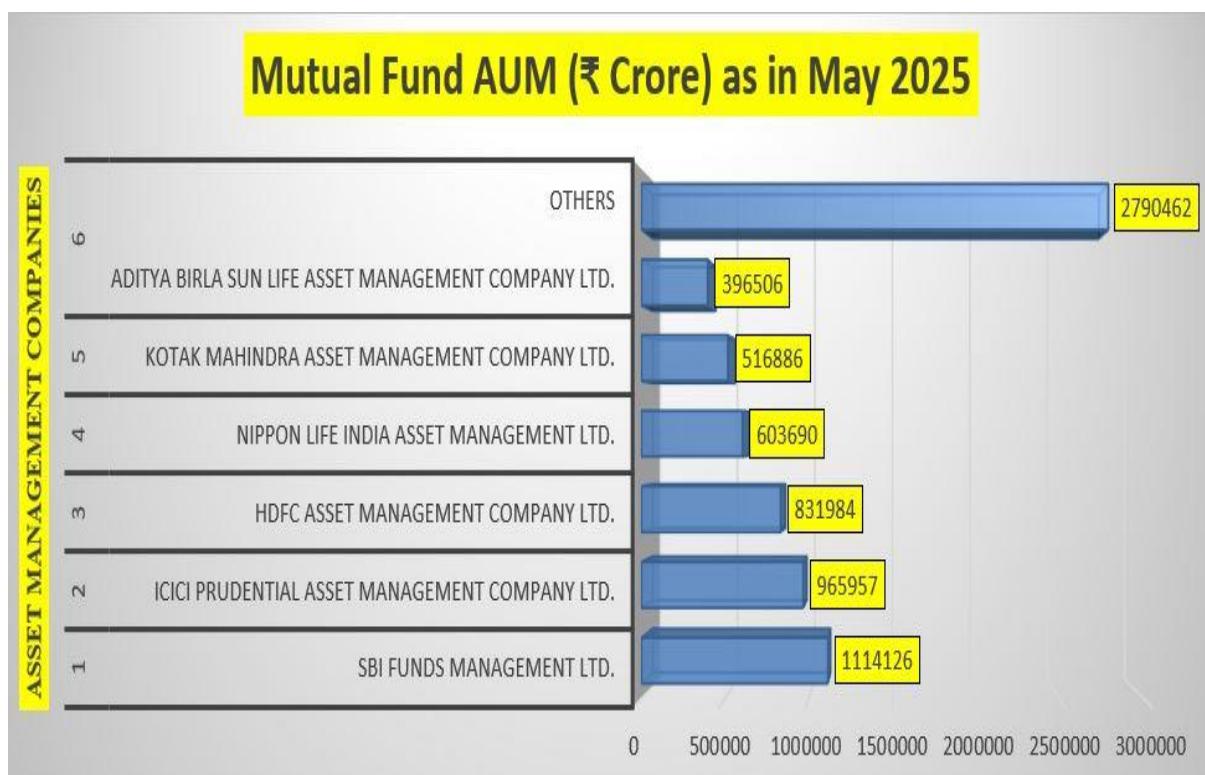
## Mutual Fund Market

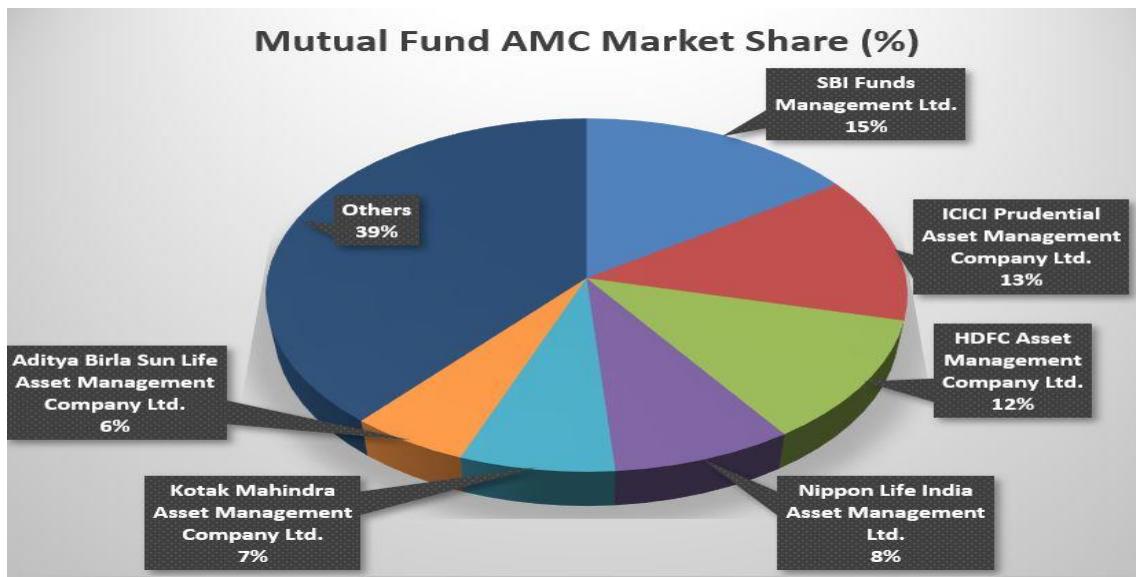
- Average Assets Under Management (AAUM) of Indian Mutual Fund Industry for the month of May 2025 stood at ₹ 72,18,274 crore.
- **Assets Under Management (AUM) of Indian Mutual Fund Industry** as on May 31, 2025 stood at ₹ 72,19,611 crore.



- The Industry's Assets Under Management (AUM) surpassed the ₹10 Trillion (₹10 Lakh Crore) mark for the first time in May 2014, and within approximately three years, the AUM grew more than double, exceeding ₹20 trillion (₹20 Lakh Crore) for the first time in August 2017. The AUM total surpassed ₹ 30 trillion (₹30 Lakh Crore) for the first time in November 2020. As of May 31, 2025, the Industry AUM was ₹72.20 Trillion (₹ 72.20 Lakh Crore).
- The mutual fund sector surpassed a landmark of 10 crore folios in May 2021.
- India's MF AUM-to-GDP ratio attained a record peak of 19.9% of GDP by March 2025. Nonetheless, India's MF penetration (MF AUM-to-GDP) is considerably lower compared to numerous developed economies. This suggests there is significant potential for the expansion of the domestic MF sector.

Rank	Asset Management Company	AUM (₹ Crore) as in May 2025	Market Share (%)
1	SBI Funds Management Ltd.	1114126	16.02%
2	ICICI Prudential Asset Management Company Ltd.	965957	13.89%
3	HDFC Asset Management Company Ltd.	831984	11.96%
4	Nippon Life India Asset Management Ltd.	603690	8.68%
5	Kotak Mahindra Asset Management Company Ltd.	516886	7.44%
6	Aditya Birla Sun Life Asset Management Company Ltd.	396506	5.70%
7	UTI Asset Management Company Ltd.	3,30,037.78	4.75%
8	Axis Asset Management Company Ltd.	3,23,527.52	4.65%
9	Mirae Asset Investment Managers (India) Pvt. Ltd.	1,98,433.18	2.85%
10	Tata Asset Management Ltd.	1,89,764.82	2.73%
11	Bandhan Asset Management Company Ltd.	1,73,142.96	2.49%
12	Edelweiss Asset Management Ltd.	1,71,932.01	2.47%
13	DSP Asset Managers Pvt. Ltd.	1,64,926.64	2.37%
14	HSBC Asset Management (India) Pvt. Ltd.	1,24,993.35	1.80%
15	Invesco Asset Management (India) Pvt. Ltd.	1,16,092.34	1.67%
16	Canara Robeco Asset Management Co. Ltd.	1,14,379.72	1.65%
17	PPFAS Asset Management Pvt. Ltd.	1,12,582.26	1.62%
18	Franklin Templeton Asset Management (India) Pvt. Ltd.	1,09,345.88	1.57%
19	Motilal Oswal Asset Management Co. Ltd.	1,04,921.89	1.51%
20	Quant Money Managers Ltd.	91,727.95	1.32%
Total MF AUM		72,19,611	

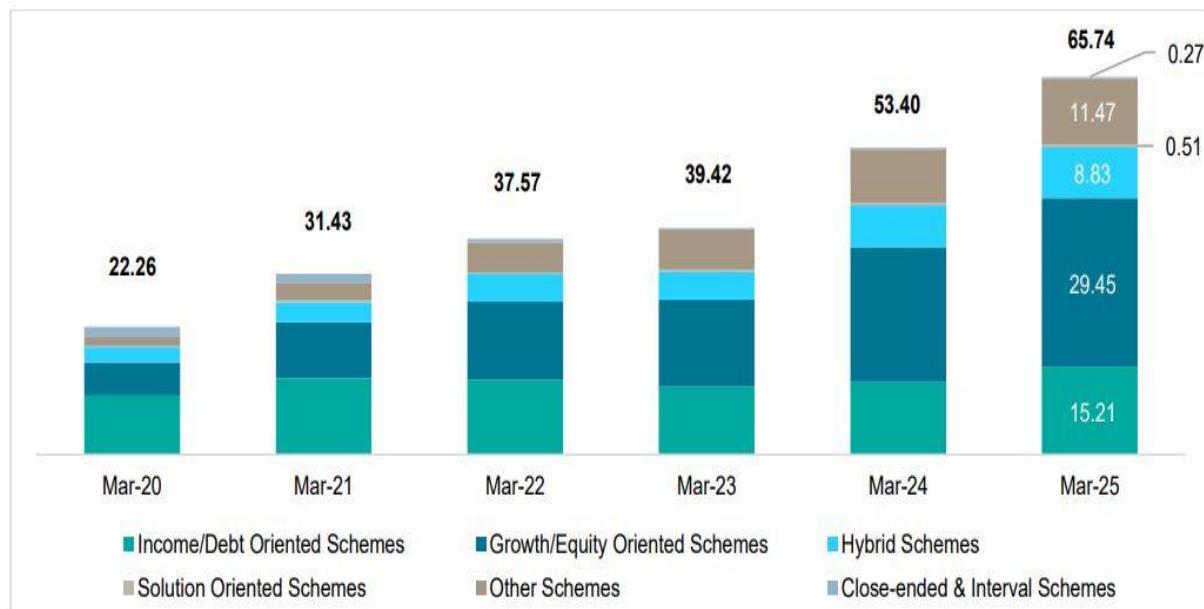




#### ABOVE FIGURE ANALYSIS

From the above chart representation, it can be stated that the **top 5 AMC's (SBI, ICICI, HDFC, Nippon India)** accounted for **~50% AUMs (35,15,757 Crores)** of the total **Mutual Fund Market AUMs (₹ 72,19,611 Crores)** as in December 2024.

The rise in Mutual Fund AUM was also credited to net inflows totalling **Rs 8.15 lakh crore during fiscal 2025**, with the **number of folios reaching a record high by the end of March 2025**. Investor involvement increased due to the sector's initiatives to enhance understanding of mutual funds (MFs), educational programs for investors, and the **rising appeal of systematic investment plans (SIPs)**. Indeed, despite periods of instability, investors remained committed, showing a dedication to their long-term financial objectives.



Source: Crisil Intelligence Report

## ABOVE FIGURE ANALYSIS

The mutual fund (MF) industry ended fiscal 2025 with AUM at a record Rs 65.74 lakh crore in March 2025 vs Rs 53.40 lakh crore in March 2024, marking an on-year rise of 23.11%. The growth **was primarily because of good inflows and MTM (Mark to Market) gains**. Significant Growth can be observed in Equity Oriented Schemes & Other Schemes section signalling that the **Investors are getting aggressive by investing more in Growth based Equity Funds & Sector/thematic (i.e. IT, Cements, Automobiles etc.) Funds to expect more returns rather than conservative returns thus becoming more Risk-tolerant**.

**Annual folio count trend (in lakh)**

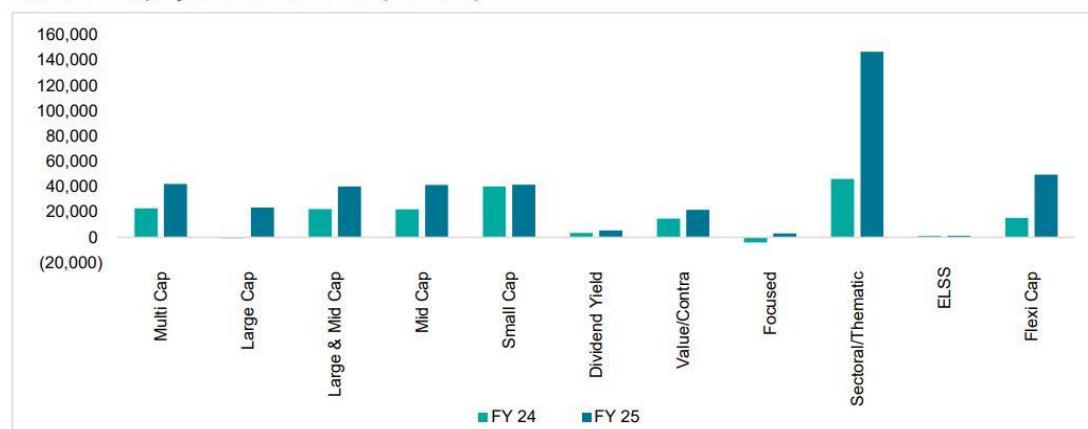
Category	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Income/Debt Oriented Schemes	61.36	82.46	73.87	71.60	71.65	69.50
Growth/Equity Oriented Schemes	626.93	657.44	859.30	982.92	1,228.22	1,638.25
Hybrid Schemes	95.73	94.22	114.51	121.46	134.94	156.67
Solution Oriented Schemes	54.37	55.10	55.79	56.87	58.49	60.73
Other Schemes	31.60	72.66	185.08	219.19	279.63	414.72
Close-ended & Interval Schemes	27.48	16.77	6.51	5.28	5.64	5.21
<b>Total</b>	<b>897.46</b>	<b>978.66</b>	<b>1,295.05</b>	<b>1,457.31</b>	<b>1,778.57</b>	<b>2,345.08</b>

**Source:** Crisil Intelligence Report

## ABOVE FIGURE ANALYSIS

The total number of folios increased to 23,45,08,071 in FY 2025 from 17,78,56,760 in FY 2024, i.e. an on-year rise of ~32%. **Equity Scheme** constitutes **~70% of the total folio** with a **gain of 33.4%** (16,38,24,672 folios in FY 25 from 12,28,21,685 in FY24) **despite global challenges and market volatility**. **Hybrid scheme** folios also **increased by 16.1%** to 1,56,67,477, while other schemes, including **index funds and exchanged-traded funds (ETFs), increased 48.3%** to 4,14,72,421 folios. On other side, **Debt Scheme** folios saw a **3% dip** to 69,49,759.

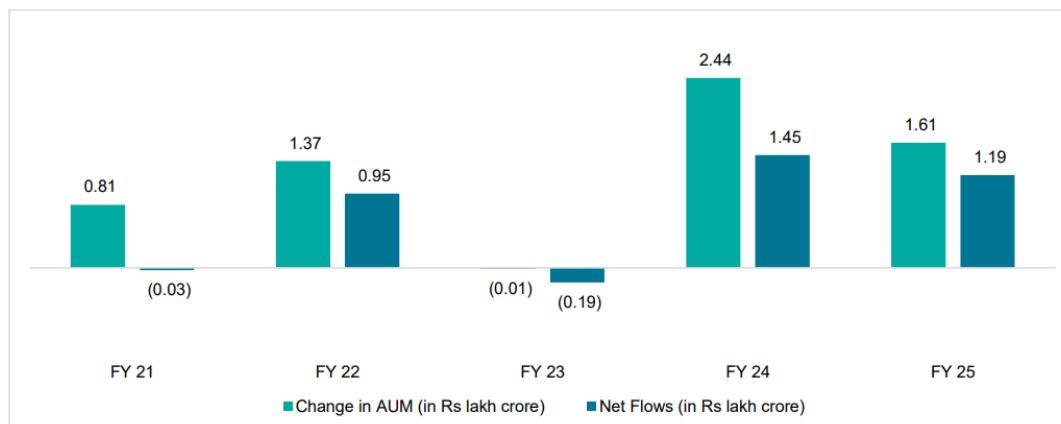
**Net flow in equity-oriented schemes (Rs crore)**



Source: Crisil Intelligence Report

#### ABOVE FIGURE ANALYSIS

There was **significant inflow in Sectoral/Thematic Schemes** of ~ Rs 140000 Cr in FY25 (growth of 250% from FY24). Investors are becoming more aware of Market movement of specific sectors/theme. Investors interest also grew around **Flexi cap** resulting in a significant inflow of ~Rs 40000 Cr in FY25(growth of 300% from FY24). This shows that **Investors are interested in diversified portfolio** (combination of large, mid & small cap funds) **without any mandate** (i.e. multi cap funds). Also, there was renewed interest in large cap funds resulting in inflow in FY25 after last year outflow.

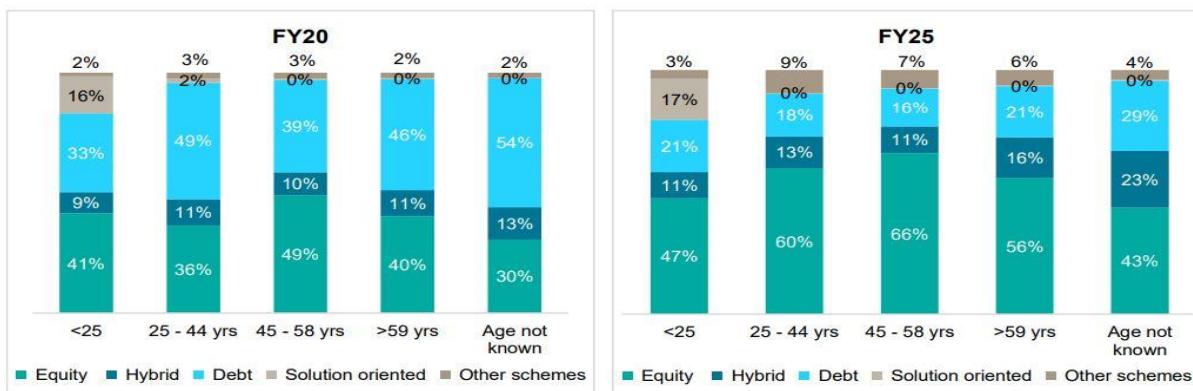


Source: Crisil Intelligence Report

#### ABOVE FIGURE ANALYSIS

The AUM of hybrid funds increased 22.24% this year to an all-time high of Rs 8.83 lakh crore in March 2025 from Rs 7.22 lakh crore in March 2024. The growth and net inflow of FY25 might be lower than FY24 but **there is steady momentum of interest in Investors about Hybrid Funds irrespective of market movement and volatility, whose results were very irregular earlier** (i.e. FY 21 & FY23). In the category, multi-asset allocation funds and arbitrage funds experienced increased inflows of Rs 0.35 lakh crore and Rs 0.5 lakh crore, respectively, together representing approximately 72% of the category's total net inflows.

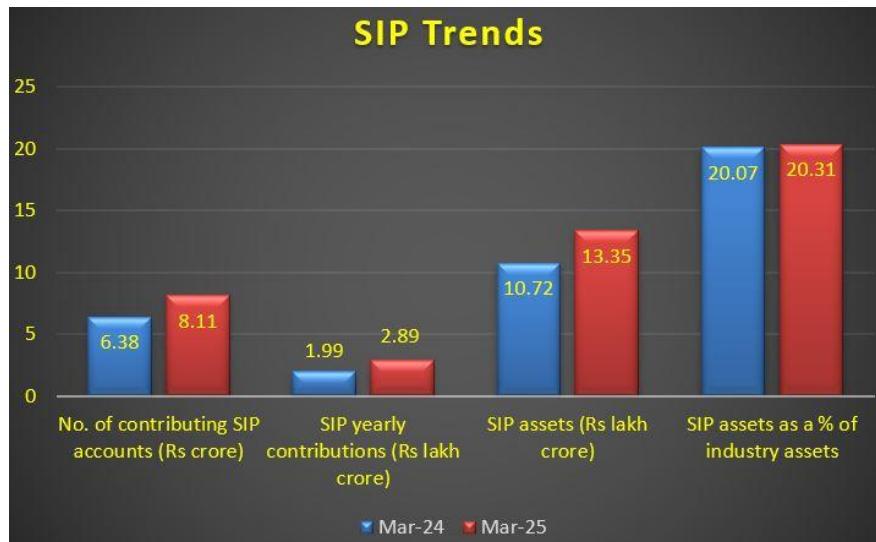
#### Age-wise net flows for investment products in fiscal 2025



Source: Crisil Intelligence Report

### ABOVE FIGURE ANALYSIS

There has been significant shift in the investing method of the Investors of various Age-Group in the last 5 years. **Investors are now more aware, and actively involved with the help of distributors, thus resulting in majority Equity funds than Debt Funds in their Portfolio.** Earlier young investors (<25) used to invest more in Equity Funds. But now, there has been notable jump in other age group also. **Investors have become more risk-tolerant and expect higher returns to keep pace with rising inflation.** There is also growing interest in ETF's & Index Funds (Other Schemes). Thus, investors have adopted **aggressive investing approach rather than conservative despite global challenges.**



### ABOVE FIGURE ANALYSIS

Investments in SIPs surged significantly, with annual contributions climbing 45.24% in FY25 to reach Rs 2.89 lakh crore. This significant rise, combined with MTM profits, led to a 24.59% increase in SIP assets, reaching Rs 13.35 lakh crore, which represents a 20.31% portion of the total MF industry's AUM. Investors maintained a strong interest in the investment opportunity. The count of contributing SIP accounts increased significantly, reaching 8.11 crore by March 2025, marking a 27.17% rise compared to April 24.

Holding period analysis of SIP AUM as of March 2020 and March 2025



## ABOVE FIGURE ANALYSIS

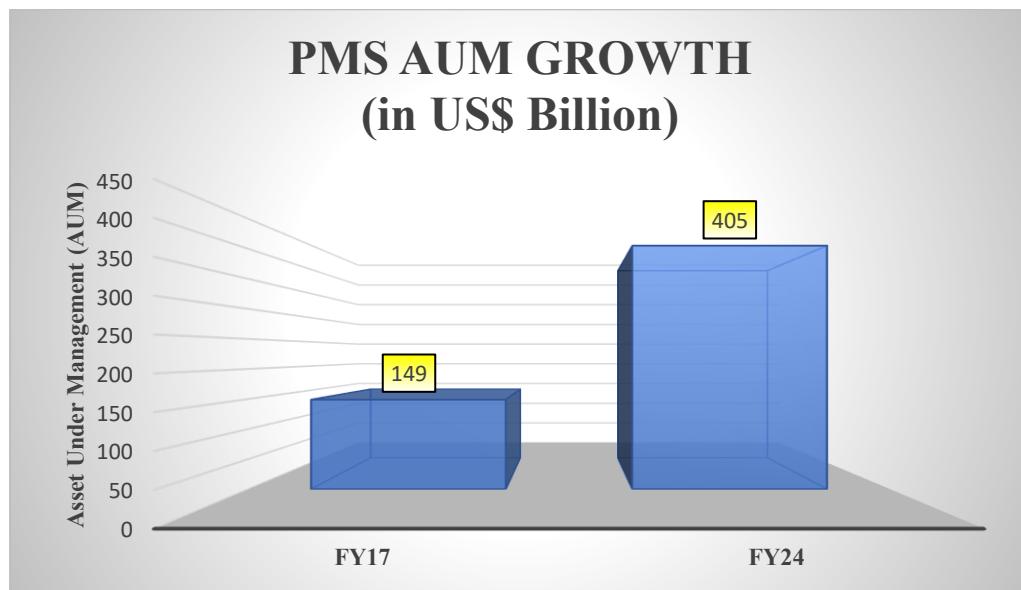
The continual rise in SIP investments, regardless of market volatility, less susceptible to hasty choices, highlighted investors' growing trust and dedication to building wealth over time. It showcased their maturity during market fluctuations and their commitment to their financial objectives, highlighting the significance of disciplined and patient investing.

### Portfolio Management Service (PMS)

PMS providers allocate funds for their clients in a tailored mix of stocks, bonds, mutual funds, and various securities according to the client's investment goals and risk appetite.

PMS investments are typically of three kinds:

- **Discretionary:** In this kind of PMS, the portfolio manager possesses complete authority to make investment choices on the client's behalf. The client is not required to approve every investment choice, yet they are provided with ongoing reports regarding the portfolio's performance.
- **Non-discretionary:** In this category of PMS, the portfolio manager suggests investment options to the client, but the client ultimately decides on the investment.
- **Advisory:** This kind of PMS resembles nondiscretionary PMS, yet the portfolio manager solely offers investment guidance and does not carry out trades for the client.
- According to SEBI directives, PMS investments require a minimum investment amount of INR50 lakh (~US\$60,000). Therefore, this **proposal targets HNI and UHNI clients** looking for increased risk exposure and proactive management.



### ABOVE FIGURE ANALYSIS

PMS AUM increased from US\$149 billion in FY17 to US\$405 billion in FY24. Increased understanding of PMS as an investment option and stock market performance following COVID are the main factors behind this growth.

PMS businesses are marked by significant entry barriers, as clients generally seek historical performance prior to making investments. Additionally, **due to the increased ticket size**, customers anticipate tailored services, leading to **elevated service costs**. It is noted that many independent PMS providers possess restricted brand equity. Therefore, they depend significantly on distributors like banks and independent financial consultants to market their offerings.

The fees of PMS firms consist of a fixed fee (comprising an entry load and a management fee of approximately 1–3% of AUM). Certain companies also collect a portion of profits exceeding a specified threshold. Some players impose an exit load of 1–3% of AUM if clients withdraw before a specified timeframe. Nevertheless, the sector is gradually transitioning to a profit-sharing framework with reduced fixed charges.

Establishing a PMS business necessitates that entities secure the necessary certification from SEBI, which remains valid for three years. Additionally, organizations must adhere to other regulatory requirements concerning the selection of a principal officer, allocation of funds, fee arrangements, etc.

### Alternate Investment Funds (AIF)

AIFs are investment vehicles that privately pool funds from a group of retail and institutional investors to invest in particular asset classes based on a specified investment strategy. **The smallest ticket size for investing in an AIF is INR1 crore (~US\$120,000), but for angel funds, the minimum investment ticket is INR25 lakh (~US\$30,000). Thus, this product is specifically aimed at UHNI clients.**

In India, an AIF can be registered under any of the following three categories:

- **Category I:** Capital focused mainly on startups, early-stage companies, social enterprises, SMEs, etc. These are closed-ended funds requiring a minimum duration of three years.

- **Category II:** Funds that invest in Private Equity (PE) funds, debt funds or a combination of various AIFs. These are closed-ended funds with a minimum tenure of three years.
- **Category III:** Funds that aim for short-term capital appreciation, including hedge funds and Private Investments in Public Equity (PIPE) funds. These funds can be open-ended or closed-ended. The minimum duration for closed-ended funds is three years.

The fee structure of an AIF typically includes a management fee of up to ~2 % of the AUM and a share of profits beyond the defined hurdle rate. Some AIFs do not charge a management fee but only a profit share.

Registration with SEBI is mandatory for an AIF. Moreover, entities must ensure compliance with other regulatory guidelines regarding the number of investors, fund size, deployment of funds, etc.

## **Wealth Management**

### **Macroeconomic trends are indicating a steady rise in the affluent population**

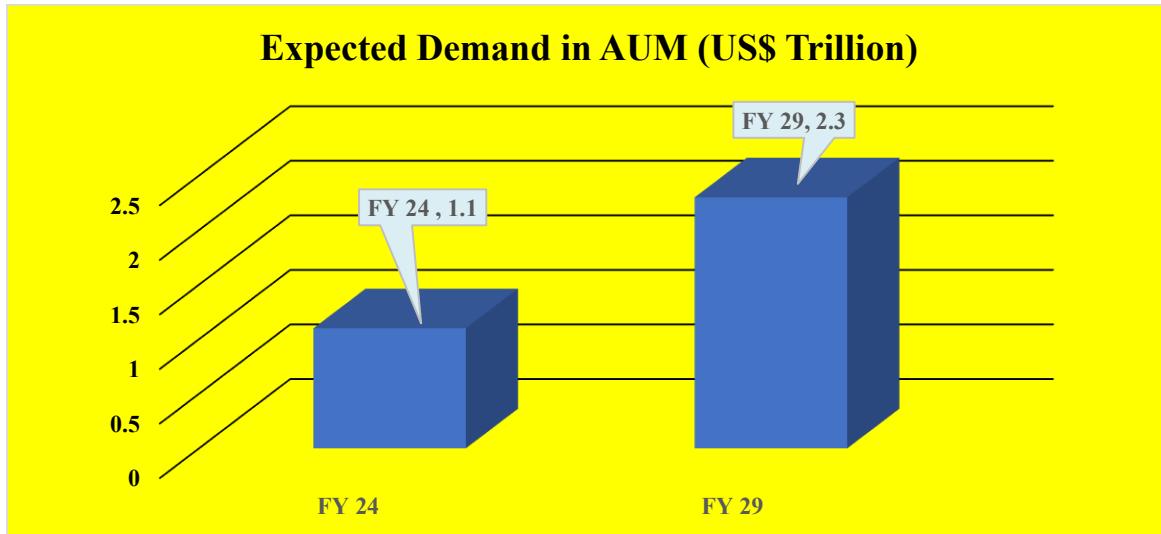
- **Strong GDP Growth:** As Per S&P Global, India's GDP is poised to grow **6.4 percent per annum in FY25 and 6.9 percent and 7.0 percent in FY26 and FY27**, respectively. India is expected to be the third-largest economy in the world by 2030. This will result in an increase in household income and an increase in affluence.
- **High FDI inflows:** Supportive government measures enhancing business operations along with India's demographic advantage have led to a rise in **FDI inflows from US\$60 billion in FY17 to US\$85 billion in FY22**. Despite a decline in FDI from October 2024, the US-China Tariff War and long-term forecasts have rekindled interest in the Indian Economy, suggesting that inflows are set to rise, resulting in substantial wealth generation and enhanced prosperity.
- **Expansion in start-up ecosystem:** **Approximately 102 Unicorns joined the Indian start-up scene between 2015 and 2023**, leading to additional job opportunities and wealth generation for entrepreneurs.
- **Rise in domestic manufacturing:** Supported by government efforts like the "**Make in India**" initiative and the Production Linked Incentive Scheme (which has created 700,000 jobs), India's domestic manufacturing sector is experiencing substantial growth and is anticipated to lead to considerable wealth generation.

- **Transfer of generational wealth:** Passing on generational wealth in the form of both physical assets (real estate, gold, etc.) and financial assets will result in the rise of an affluent millennial segment.

**Following Trends also predicts the growing affluence in India:**

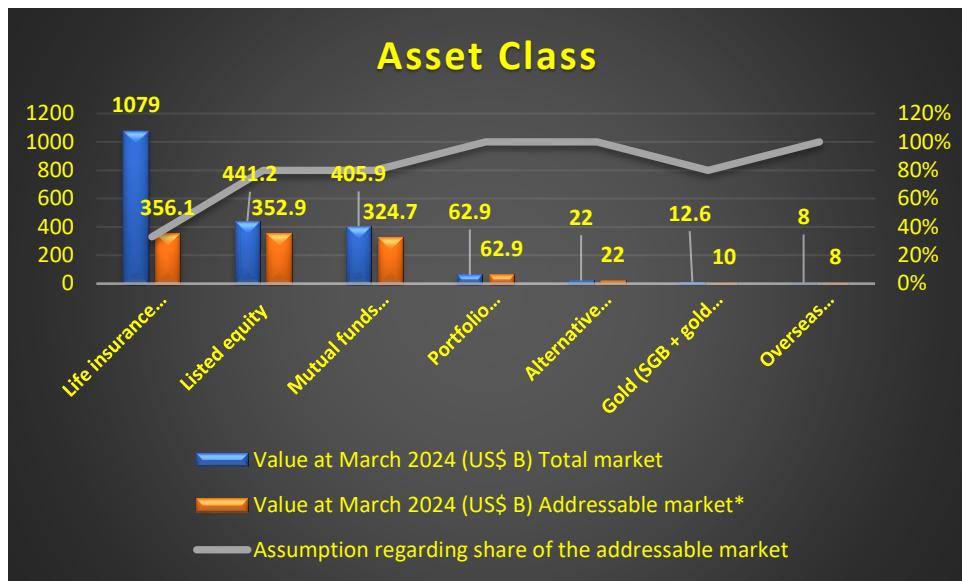
- Around **11 percent CAGR** in the working population with income over US\$10,000 (2019–2023) compared with **0.8 percent CAGR** of the overall population during the same period.
- About **15 percent CAGR** in the number of **broadband** connections in India (FY20–23).
- Nearly **19 percent CAGR** in **IT filings** of INR1 million or more annual income (AY17–22) compared with **11 percent CAGR** for total IT filings combined during the same period.
- Around **44 percent CAGR** in number of **term deposits** over INR1.5 million (FY19–23).
- About **47 percent CAGR** in the **supply of houses** priced above INR15 million (Q3 2018–Q3 2023) compared with **17 percent growth** for the overall supply of houses during the same period

#### **Demand-Supply Gap in Wealth Management services in India**



#### **ABOVE FIGURE ANALYSIS**

Demand for wealth management services in India in terms of AUM is estimated to be ~US\$1.1 trillion in FY24. Moreover, this **demand is expected to register a 15 percent CAGR**, reaching ~US\$2.3 trillion by FY29. **The following approach was taken to estimate the demand for wealth management services.**

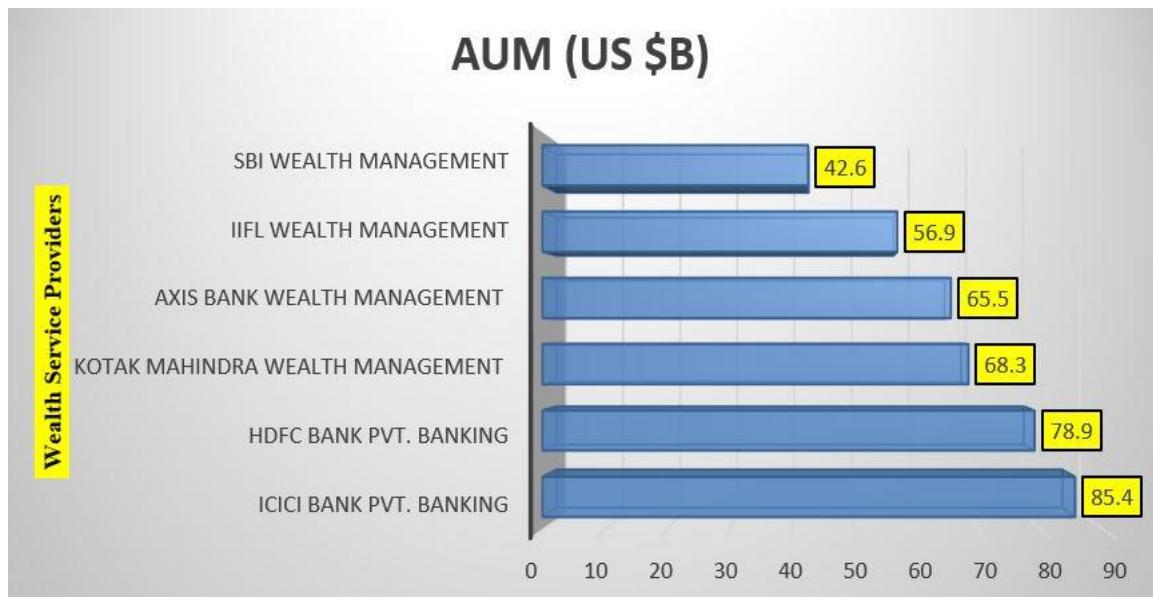


Asset class	Value at March 2024 (US\$ B) Total market	Value at March 2024 (US\$ B) Addressable market*	Assumption regarding share of the addressable market
Life insurance investments <sup>22</sup>	1,079.0	356.1	33 percent (given that this is an asset class that has more mass appeal, than appeal for affluent households)
Listed equity <sup>19</sup>	441.2	352.9	80 percent (while listed equities are becoming more popular, the addressable market would have a significant value market share)
Mutual funds (retail) <sup>16</sup>	405.9	324.7	80 percent (same rationale as that for listed equities)
Portfolio management services (non-EPFO/PF; excluding listed equity, MF) <sup>18</sup>	62.9	62.9	100 percent (this asset class would largely comprise the top households)
Alternative Investment Funds (retail) <sup>17</sup>	22.0	22.0	100 percent (this asset class would largely comprise the top households)
Gold (SGB + gold ETF) <sup>21</sup>	12.6	10.0	80 percent (same rationale as that for listed equities)
Overseas investments under the liberalised remittance scheme - LRS (for deposit, purchase of property, investment in equity/debt) <sup>^^20</sup>	8.0	8.0	100 percent (this asset class would largely comprise the top households)
<b>Total</b>	<b>1,136.7</b>		

\*Addressable market is defined as the market segment that is accessible to the affluent households.

## Wealth Management Market

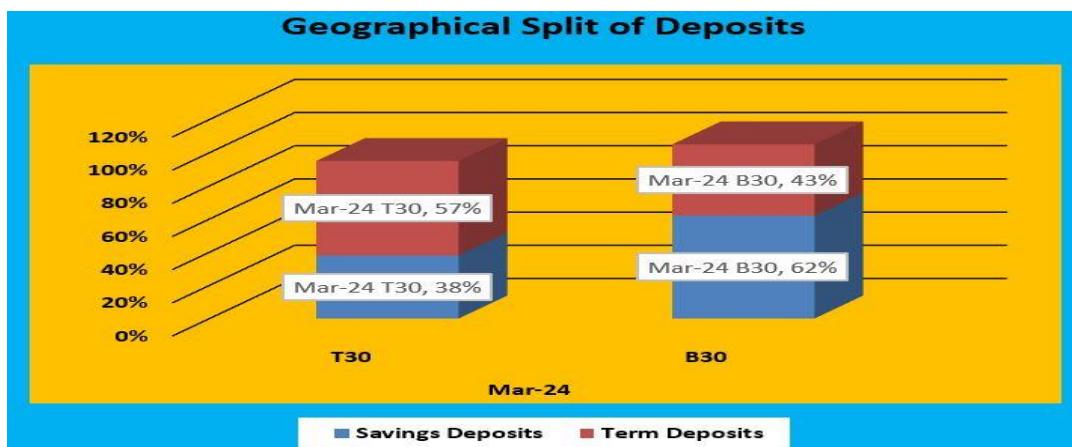
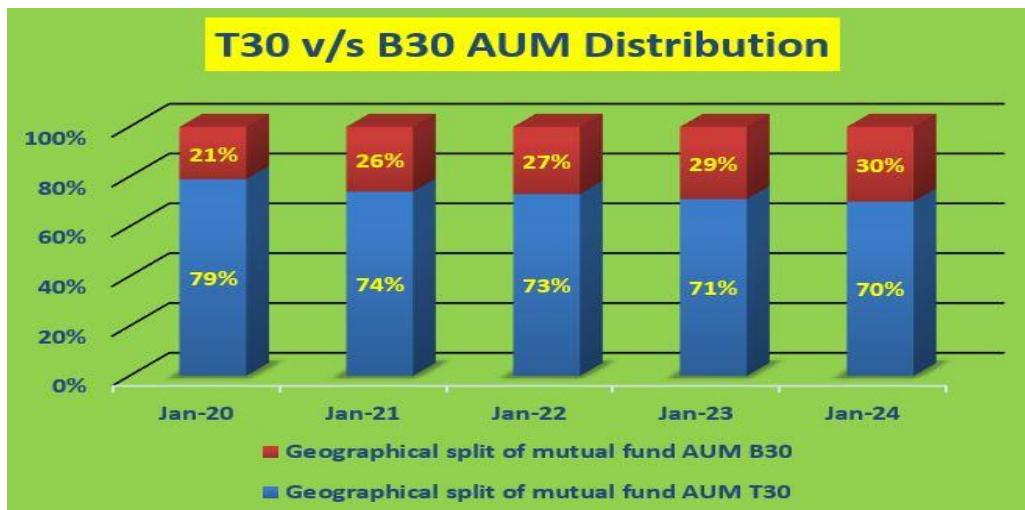
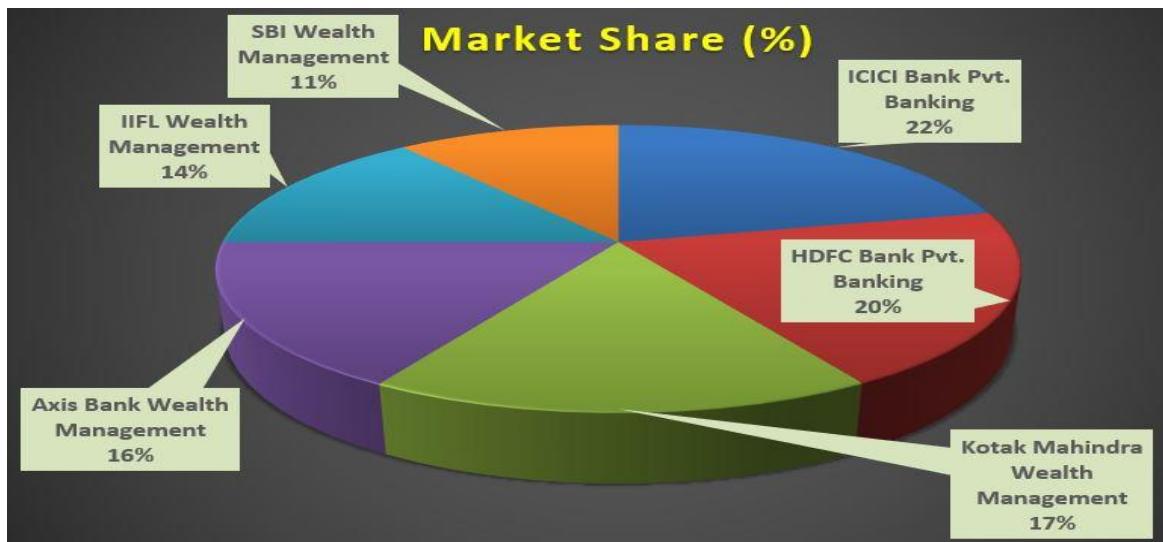
Rank	Wealth Service Provider	AUM (US \$B)	Market Share (%)
1	ICICI Bank Pvt. Banking	85.4	12.56%
2	HDFC Bank Pvt. Banking	78.9	11.60%
3	Kotak Mahindra Wealth Management	68.3	10.04%
4	Axis Bank Wealth Management	65.5	9.63%
5	IIFL Wealth Management	56.9	8.37%
6	<b>SBI Wealth Management</b>	<b>42.6</b>	<b>6.26%</b>
7	Edelweiss Wealth Management	42.2	6.21%
8	IndusInd Wealth Management	30.6	4.50%
9	Motilal Oswal Wealth Management	15.1	2.22%
10	Aditya Birla Wealth Management	12.9	1.90%
11	JM Financial Wealth Management	12	1.76%
12	IDFC First Bank Wealth Management	1.9	0.28%
<b>Total AUM</b>		<b>680</b>	



Source: Deloitte Report

### ABOVE FIGURE ANALYSIS

At the end of FY24, there was a gap of ~US\$0.4 trillion between the demand for wealth management services (as measured by the estimated wealth of the addressable market of 12–16million households: ~US\$1.1 trillion) and the supply (as measured by the estimated total AUM of wealth management service providers in India: ~US\$680 billion)



## ABOVE FIGURE ANALYSIS

**The proportion of B30 cities in total mutual fund AUM has consistently grown**, with their share escalating from 21 percent of the overall average mutual fund AUM in March 2020 to 30 percent in March 2024.

**The number is expected to go further up** for the following key reasons:

- **The share of B30 cities in total savings account deposits and term deposits stands at 62 percent and 43 percent, respectively** (in comparison to 30 percent for MF AUM), suggesting potential for deeper MF business expansion in these areas.
- The government's infrastructure projects, including smart city initiatives and expressways, have boosted job opportunities and, consequently, increased wealth levels.
- The relocation of wealthy individuals from metropolitan and other T30 cities to B30 cities because of remote work opportunities, reduced property prices, lower population density, etc.

### SBI Fund Management Revenue Model

ARR						
(in Rs. CRS)	FY20	FY21	FY22	FY23	FY24	CAGR%
<b>Average AUM</b>						
Asset Management AUM	11,75,777	13,07,322	16,46,666	18,90,990	22,77,692	14.14%
<b>Net InFlows</b>						
Asset Management Flows	74,171	63,503	81,918	42,021	35,075	
<b>Revenue</b>						
Asset Management	1,458	1,754	2,143	2,424	2,963	15.24%
<b>Retention</b>						
Asset Management	103.67%	105.79%	119.69%	112.29%	118.59%	
<b>Monthly SIP Value</b>						
Asset Management	1,177	1,382	1,908	2,306	3,007	21%

Asset Management						
(in Rs. CRS)	FY20	FY21	FY22	FY23	FY24	CAGR%
<b>ARR Average AUM</b>	11,75,777	13,07,322	16,46,666	18,90,990	22,77,692	14%
Discretionary PMS	7,15,278	7,71,872	9,99,003	11,73,031	13,62,421	14%
Alternate Investment Fund (AIF)	320	424	271	481	387	4%
Off-Shore Fund	179	229	325	317	519	24%
<i>Mutual Fund Manager</i>	4,60,000	5,34,797	6,47,067	7,17,161	9,14,365	15%
<i>Listed Equity</i>	2,63,500	3,08,500	4,07,567	5,02,161	7,00,700	22%
<i>Debt &amp; Hybrid</i>	1,16,200	1,39,500	1,36,500	1,28,600	1,29,400	2%
<i>Liquid Funds</i>	80,300	86,797	1,03,000	86,400	84,265	1%

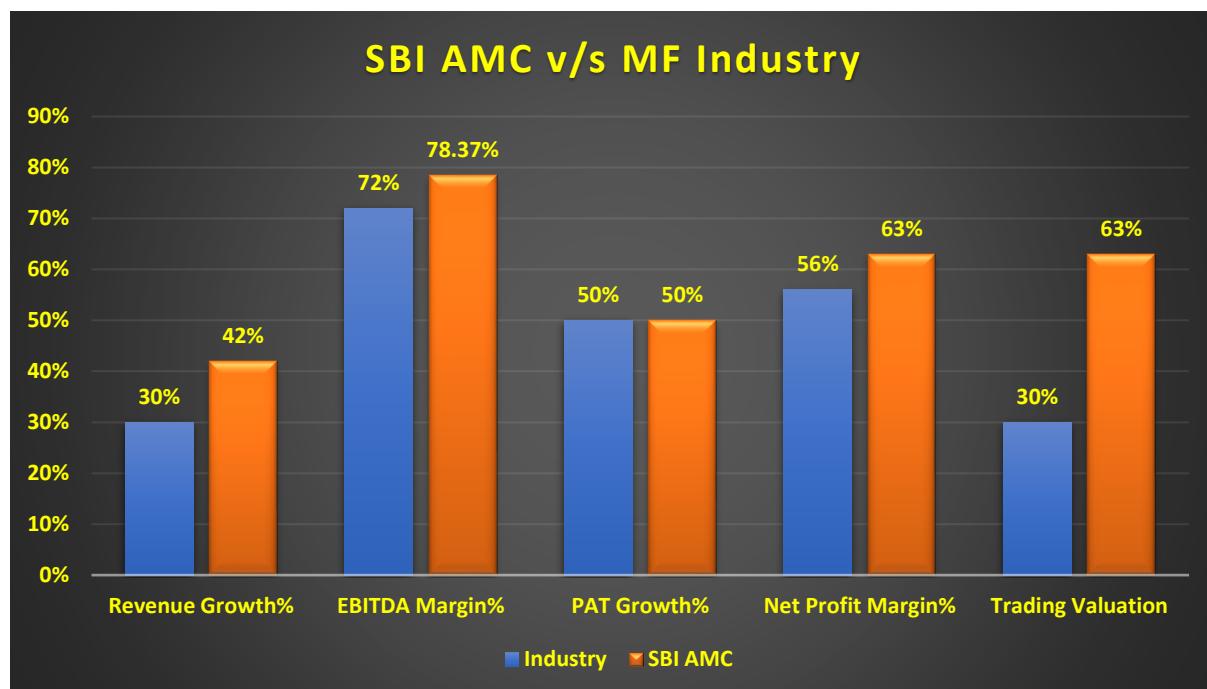
(in Rs.CRS)	FY20	FY21	FY22	FY23	FY24	CAGR %
<b>ARR Revenue</b>	1,458	1,754	2,143	2,424	2,963	15%
<i>Discretionary Portfolio Manager</i>	96	143	185	262	361	30%
<i>Mutual Fund Manager</i>	1,362	1,611	1,958	2,162	2,602	14%
<i>Listed Equity</i>	780	929	1,233	1,514	1,994	21%
<i>Debt &amp; Hybrid</i>	344	420	413	388	368	1%
<i>Liquid Funds</i>	238	261	312	260	240	0%

ARR Retention	FY20	FY21	FY22	FY23	FY24
Mutual Fund Manager	0.09%	0.08%	0.08%	0.08%	0.08%
Listed Equity	0.04%	0.03%	0.03%	0.02%	0.02%
Debt & Hybrid	0.09%	0.08%	0.09%	0.09%	0.09%
Liquid Funds	0.13%	0.12%	0.12%	0.13%	0.14%

SIP (Number in Crs)	FY20	FY21	FY22	FY23	FY24	CAGR%
Live SIPs	49.14	56.24	77.17	90.53	116.7	19%
Fresh SIPs during year	17.94	19.74	36.55	37.02	55.46	25%

Net InFlows (in Rs. CRS)	FY20	FY21	FY22	FY23	FY24	CAGR%
Net Flows	74,171	63,503	81,918	42,021	35,075	
Total Assets mobilized	21,47,254	15,52,639	19,72,517	25,83,924	24,11,449	2%
Total Redemptions/ Repurchases	20,73,083	14,89,136	18,90,599	25,41,903	23,76,374	3%

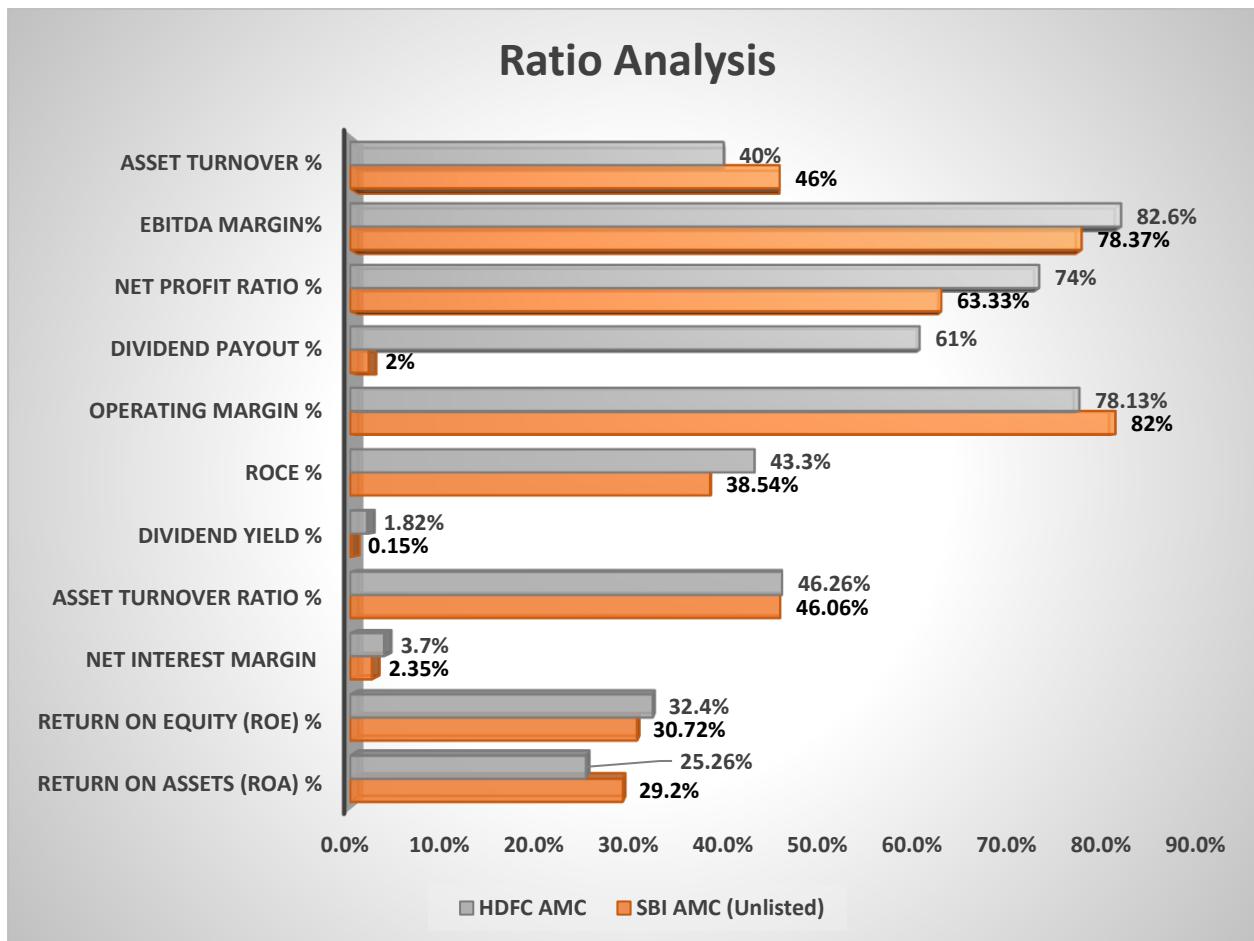
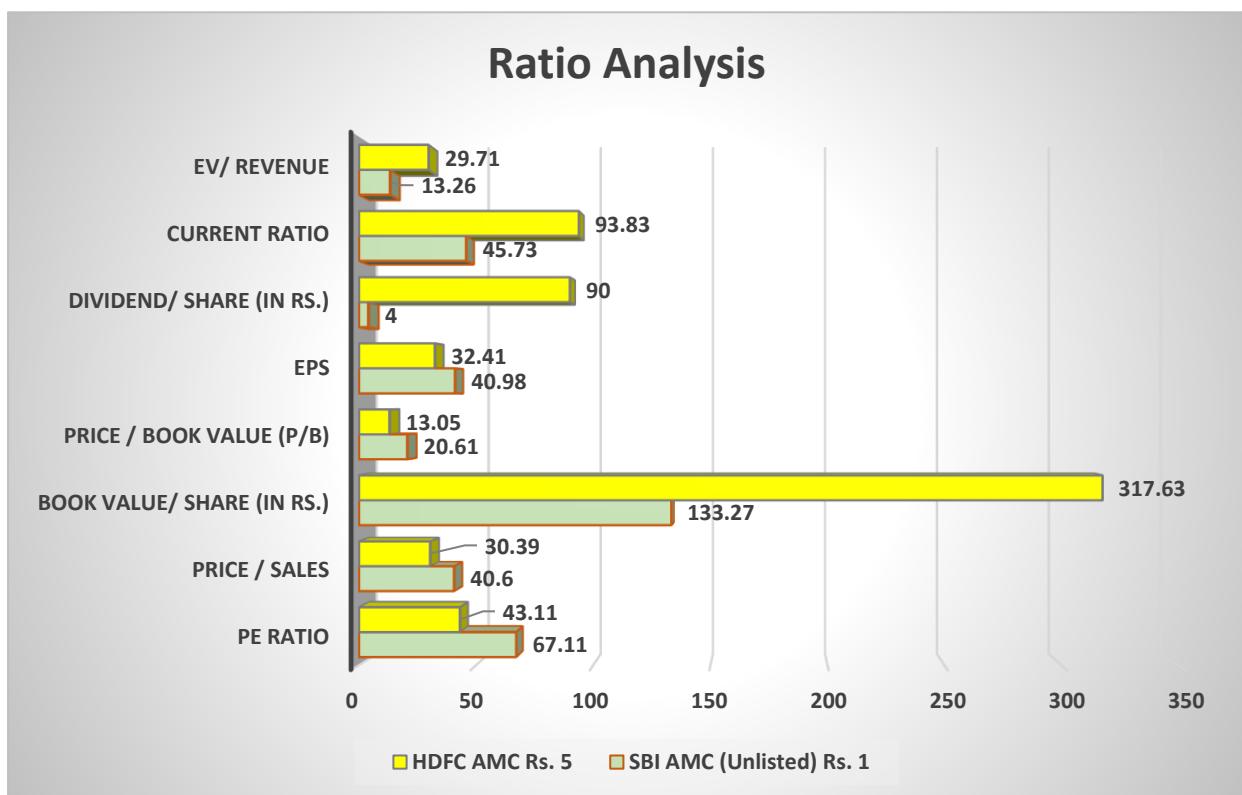
### SBI AMC Financial Analysis (vis-à-vis Mutual Fund Industry)



#### ABOVE FIGURE ANALYSIS

- SBI AMC is **outperforming the mutual fund industry average** on almost every key metric—especially revenue growth, profitability margins, and market valuation.
- It reflects operational excellence, strong brand leverage via SBI's retail network, and investor confidence in its outlook.
- The only metric where it is on par is PAT growth, which could be improved by optimizing capital deployment or reducing tax/finance costs.

## Relative Valuation (SBI AMC v/s HDFC AMC)



## Profitability Multiples

Metric	SBI AMC	HDFC AMC	Analysis
<b>ROA (%)</b>	29.2%	25.26%	SBI AMC is more efficient at generating profit from its assets.
<b>ROE (%)</b>	30.72%	32.4%	HDFC AMC has slightly higher returns on shareholder equity.
<b>ROCE (%)</b>	38.54%	43.3%	HDFC AMC utilizes capital more efficiently.
<b>Operating Margin (%)</b>	82%	78.13%	SBI AMC has superior operational efficiency.
<b>EBITDA Margin (%)</b>	78.37%	82.6%	HDFC AMC slightly edges out SBI on EBITDA margins.
<b>Gross Profit Ratio (%)</b>	81.68%	81%	Almost equal – both operate on high-margin models.
<b>EPS (₹)</b>	40.98	32.41	SBI AMC earns more per share than HDFC AMC.

**Verdict:** SBI AMC is highly profitable operationally and asset-efficient, while HDFC AMC slightly leads in capital efficiency and EBITDA.

## Efficiency Ratio Analysis

Metric	SBI AMC	HDFC AMC	Analysis
<b>Asset Turnover (%)</b>	46%	40%	SBI AMC utilizes its assets more effectively to generate revenue.
<b>Asset Turnover Ratio</b>	46.06%	46.26%	Marginal difference – both maintain healthy asset usage.
<b>Current Ratio</b>	45.73	93.83	Both have high liquidity; HDFC AMC shows stronger short-term solvency.

**Verdict:** SBI AMC shows slightly better utilization of assets, while HDFC AMC maintains stronger liquidity.

### Dividend Multiples

Metric	SBI AMC	HDFC AMC	Analysis
<b>Dividend Yield (%)</b>	0.15%	1.82%	HDFC AMC offers significantly higher income returns to shareholders.
<b>Dividend Payout (%)</b>	2%	61%	HDFC AMC is more shareholder-friendly in terms of payout.
<b>Dividend / Share (₹)</b>	₹4	₹90	Reflects HDFC AMC's aggressive dividend distribution.

**Verdict:** HDFC AMC is clearly ahead in terms of dividend efficiency.

### Valuation Multiples

Metric	SBI AMC	HDFC AMC	Analysis
<b>P/E Ratio</b>	67.11	43.11	SBI AMC is trading at a premium (if listed), suggesting high growth expectations.
<b>P/S Ratio</b>	40.6	30.39	SBI AMC commands a higher valuation relative to sales.
<b>P/B Ratio</b>	20.61	13.05	SBI AMC is valued higher against its book value.
<b>Book Value/Share (₹)</b>	₹133.27	₹317.63	HDFC AMC has a stronger book value base per share.
<b>EV/Revenue</b>	13.26	29.71	SBI AMC has a more favourable enterprise valuation relative to revenue.

**Verdict:** SBI AMC appears more richly valued on earnings and sales, but HDFC AMC may offer more book value stability.

## Overall Performance Summary:

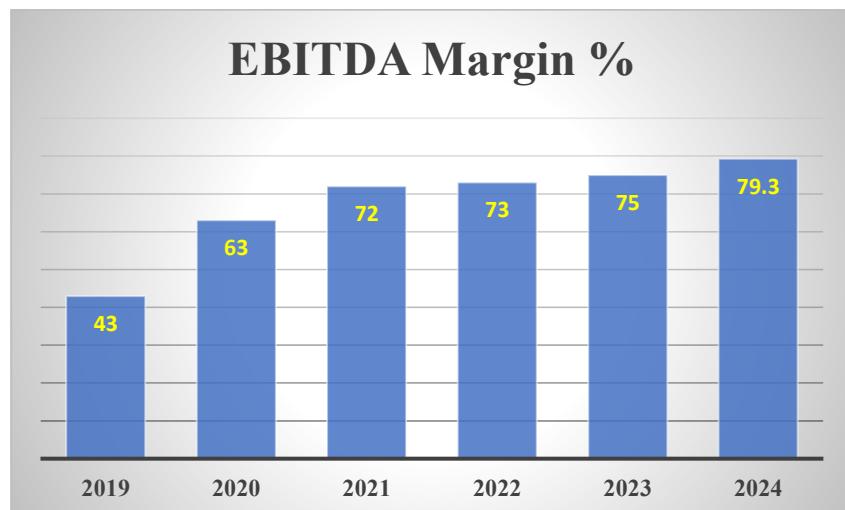
Aspect	Better Performer	Why?
Profitability	SBI AMC	Higher ROA, Operating Margin, EPS
Efficiency	SBI AMC	Better Asset Turnover
Capital Efficiency	HDFC AMC	Higher ROE and ROCE
Liquidity	HDFC AMC	Very high current ratio
Dividend Returns	HDFC AMC	Higher payout, yield, and DPS
Valuation	SBI AMC (Premium)	Commands higher multiples (P/E, P/B, P/S) – but less book value
Shareholder Friendliness	HDFC AMC	Aggressive dividend & payout model

- SBI AMC is a **highly profitable and efficiently run AMC**, demonstrating strong asset usage, EPS, and premium market valuation (despite being unlisted).
- HDFC AMC stands out in terms of **capital efficiency, dividends, and conservative valuation**, appealing to long-term, income-focused investors.
- Depending on investment objectives, SBI AMC shows **growth potential**, while HDFC AMC offers **stability and income**.

### SBI AMC Share Price Performance



## SBI AMC Financial Analysis



# **Chapter 3**

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## **Research Methodology**

Questionnaires

Analysis

Charts

# SBI Wealth Research RMTL/RM Viewpoints Questionnaire (Sample)

## SBI Wealth Management Research Questionnaire

This questionnaire is designed to gather insights on the position of SBI Wealth compared to other banks and fintech companies, and to collect suggestions for improvement. All responses will be kept confidential and used for academic and strategic purposes.

### Section : SBI Wealth Team / Relationship Manager View

RMTL / RM Name: RAHUL GUPTA

1. How would you rate the digital interface and user experience of your SBI wealth management platform?

- 1 = Poor
- 2 = Below Average
- 3 = Average
- 4 = Good 4
- 5 = Excellent

2. What are the challenges you face in serving wealth clients?

Mark all that apply:

- a) Knowledge Gap between SBI Branch & Wealth staffs regarding Wealth Products, Services and Functionalities.
- b) IWMS Portal Issues / Technical Issues (i.e. Customer's FD should be updated).
- c) Customers Centric TAT (Turn Around Time)
- d) Dependency on Home Branches to Process Customer Queries (i.e. Transactions, Changes in CASA etc.) *Customers of a single family should have a common RM.*
- e) Comment (if Others): have a common RM.

3. Have you leveraged Centers of influences like partnering with Accountants, Portfolio Doctors, Real Estate Professionals etc.

- a) Yes
- b) No

4. On average, how many wealth clients do you manage per month? 40

5. Are the Home Branches/ Retail Banking employees well-versed with the Wealth Business Products, Services and Functionalities?

- a) Yes
- b) No
- c) Somewhat

6. Should IWMS Portal should be synced with CBS (Core Banking Solutions) to bridge gap between wealth Business & Retail Banking.

- a) Yes
- b) No

7. Does your wealth service use DLT (Distributed Ledgers Technology) based shared KYC Platform & Client Onboarding Process across it's group (SBI Mutual Fund, SBI Life, etc)?

- a) Yes
- b) No

8. Does your wealth service use smart contracts for private wealth account automation?

- a) Yes
- b) No

9. Does your wealth service use E-Aggregators to integrate data from SBI Life, SBI Mutual Fund, and even third-party investments into a single consolidated dashboard for 360-degree Financial View?

- a) Yes
- b) No

10. Does your wealth service use Robo advisors for clients and AI-Based Prompt for RM's suggesting Products offerings based on Client investment behaviour?

- a) Uses Robo advisors for clients  N/A
- b) Uses AI-Based Prompt for RM's  NK
- c) Uses Both

d) Comment (if others): NEITHER

11. Do you deliver Exceptional Personalized service like customizing financial Plans to not just risk profiles but most important, to life goals?

- a) Yes
- b) No

12. What is the Major Age-Group Proposition of Clients (HNIs) ?

Mark all that apply:

- a) Upto 30 Years:
- b) 31-40 Years:
- c) 41-50 Years:
- d) 51-60 Years:
- e) Above 60 Years:

13. What is the Client Retention Ratio?

- a) 50-60%
- b) 60-70%
- c) 70-80%
- d) 80-90%
- e) Comment (if other): \_\_\_\_\_

14. What Reforms in Products & Services to cater Young Affluent (Millennials, GenZ & tech-savvy) Investor Base?

Mark all that apply:

- a) SIP Based Investment Plan
- b) Goal Based Investment Plan like Car Loan, Home Loan, Child's Education Loan.
- c) Low cost Demat offerings.
- d) Promoting App Based Platform for Investment & Tracking (i.e. YONO).
- e) Personalised Financial Dashboard
- f) Monthly Leaderboard for the users based on active transactions (% of TRV) & Rewards to Customers in the form Cashbacks & Discounts on associated Brands (i.e. Eateries, Fashion, Health, Shopping, Flights etc.)
- g) Financial & Investment awareness in the form of Gamification.
- h) Premium Credit Card with Free Lifetime.
- i) Comment (if Others): \_\_\_\_\_

15. What are the Strategies to cater emerging HNIs Clients of Tier 2 & 3 Cities?

Mark all that apply:

- a) Organising Financial & Investment awareness campaign.
- b) Doing Advertisements for Promotion
- c) Home Branches collectively pitching wealth proposition to wealth clients.
- d) Local RMTL & RM's should be hired, those well-versed with the lifestyle & standard of living of the clients.
- e) Comment (if others): \_\_\_\_\_

16. How is SBI Wealth Product & Services vis-a-vis Other Banks/NBFC's (i.e. HDFC, ICICI, BOB Radiance, PNB MetLife, Motilal Oswal, 360 ONE WAM). Any Recommendations for further improvement?

Mark all that apply:

- a) Free hand to RM's to process Customer Queries (i.e. Transactions, Changes in CASA, etc.)
- b) Availability of Funds Customization
- c) Customer Centric TAT (Turn Around Time) ✓
- d) Personalise, Discretionary & Advisory Services for MF, PMS, AIF's.
- e) Operations of Wealth Services & Retail Banking (Home Branches) go hand in hand with good coordination. ✓
- f) Innovation & Integration with cutting edge technologies (i.e. AI, Master Data, Predictive Analysis, E-Aggregators, DLT (For KYC Verification) etc. ✓
- g) Availability of Product Baskets:- Stocks, ETF's.
- h) Comment (if others): \_\_\_\_\_

17. What feedback do clients often share about SBI Wealth services vis-a-vis other Banks, NBFC's and Fintech companies?

Mark all that apply:

- a) Non - Availability of Funds Customization
- b) Improvement in Client Portal ✓
- c) Improvement in after Customer Service by doing more follow-up sessions.
- d) Non- Availability of Premium Credit Card with free lifetime. ✓
- e) Promotion of SBI NFO's & Funds based on quality, not to meet target.
- f) Comment (if others): \_\_\_\_\_

## SBI Wealth Research Other Banks, NBFC's Viewpoints Questionnaire (Sample)

### Section : Other Banks, Fintech, NBFC's Viewpoint

Bank/ NBFC/ Fintech Name: ICICI

1. What differentiates your wealth management services from other Banks, NBFCs, Fintech?

Mark all that apply:

- a) ✓Free hand to RM's to process Customer Queries (i.e. Transaction, Changes in CASA, etc.)
- b) Availability of Funds Customization
- c) ✓Customer Centric TAT (Turn Around Time)
- d) ✓Personalise, Discretionary & Advisory Services for MF, PMS, AIF's.
- e) ✓Operations of Wealth Services & Retail Banking (Home Branches) go hand in hand with good coordination.
- f) Innovation & Integration with cutting edge technologies (i.e. AI, Master Data, Predictive Analysis, E-Aggregators, DLT (For KYC Verification) etc.
- g) Availability of Product Basket:- Stocks, ETF's.
- h) Comment (if others): \_\_\_\_\_

2. How do you attract customers from your competitors?

Mark all that apply:

- a) Availability of Funds Customization
- b) ✓Customer Centric TAT (Turn Around Time)
- c) ✓Personalise, Discretionary & Advisory Services for MF, PMS, AIF's.
- d) Innovation & Integration with cutting edge technologies (i.e. AI, Master Data, Predictive Analysis, E-Aggregators, DLT (For KYC Verification) etc.
- e) ✓Low Cost Demat Offerings
- f) ✓Goal Based Investment Plan like Car Loan, Home Loan, Child's Education Loan.
- g) ✓Lifestyle Events for Clients
- h) ✓Increased Product Basket:- Stocks, ETF's.

3. How would you rate the digital interface and user experience of your current wealth management platform?

- 1 = Poor
- 2 = Below Average
- 3 = Average
- 4 = Good
- ~~5~~ = Excellent

4. Are the Home Branches/ Retail Banking employees well-versed with the Wealth Business Products, Services and Functionalities?

- ~~a~~ Yes
- b) No
- c) Somewhat

5. Do you provide value beyond investments like helping with estate planning, tax strategies, insurance reviews etc.

- ~~a~~ Yes
- b) No

6. Do you deliver Exceptional Personalised service like customizing financial Plans to not just risk profiles but most important, to life goals?

- ~~a~~ Yes
- b) No

7. Do you use digital tools (Robo-advisors, analytics, Personalized Dashboards, Financial Goal Trackers, Community Forums, etc.) in client servicing?

- ~~a~~ Yes
- b) No

8. Does your wealth service use DLT (Distributed Ledgers Technology) based shared KYC Platform & Client Onboarding Process across its group (Mutual Fund, Life Insurance etc)?

- ~~a~~ Yes
- b) No

9. On average, how many wealth clients do you manage per month?

55 - 60

10. Does your wealth service use smart contracts for private wealth account automation?

- ~~a~~ Yes
- b) No

11. Does your wealth service use E-Aggregators to integrate data from Life, General Insurance, Mutual Fund, and even third-party investments into a single consolidated dashboard for 360-degree Financial View?

- ~~a~~ Yes
- b) No

12. Does your wealth service use AI-Based Prompt for RM's suggesting Products offerings based on Client investment behaviour ?

- ~~a~~ Yes
- b) No

13. What is the Major Age-Group Proposition of Clients (HNIs) ?

Mark all that apply:

- a) Upto 30 Years:
- b) 31-40 Years:
- c) 41-50 Years:
- d) 51-60 Years:
- e) Above 60 Years:

14. Which customer segment is growing fastest on your platform? Should your wealth service target younger affluent investors (25-35 years)?  (YES/NO)

Why or why not?

Mark all that apply:

- a) Personalised Financial Dashboard
- b) Monthly Leaderboard for the users based on active transactions (% of TRV) & Rewards to Customers in the form Cashbacks & Discounts on associated Brands (i.e. Eateries, Fashion, Health, Shopping, Flights etc.)
- c) Financial & Investment awareness in the form of Gamification.
- d) Promoting App Based Platform for Investment & Tracking.
- e) SIP Based Investment Plan.
- f) Goal Based Investment Plan like Car Loan, Home Loan, Child's Education Loan.
- g) Low Cost Demat Offerings.
- h) Premium Credit Card with Free Lifetime.
- i) Comment (if Others): \_\_\_\_\_

## SBI Wealth Research Customers Viewpoints Questionnaire (Sample)

This questionnaire is designed to gather insights on the position of SBI Wealth vis-à-vis other banks and fintech companies & way forward and strategies to improve the Wealth Business. All responses will be kept confidential and used for academic and strategic purposes.

### Section: Customer Experience & Expectations

Customer Name: Manoj Kumar

1. Please rate your satisfaction on the following

(1 = Poor, 2 = Below Average, 3 = Average, 4 = Good, 5 = Excellent):

- Relationship Manager Advisory Quality: 4
- Digital Experience: 3
- Service Convenience: 3

2. What additional products/services would you want SBI Wealth to offer?

Mark all that apply:

- a) Personalise, Customizable & Advisory services for Mutual Funds, PMS (Portfolio Management Services), AIFs.
- b) Availability Premium Credit Cards with Free Lifetime.
- c) Low Cost Demat Offerings.
- d) Better after Customer Service with timely follow up calls to better address the clients requirements.
- e) Comment (if others): In addition to guidance on MF / other products, the bank should have knowledge on Equity market (With Primary & secondary) as most of customers are now investing in share market. This will be added to free acceptability.

3. Would you switch to another platform providing better service? (YES/NO)

Why or why not?

Mark all that apply:

- a) SBI Brand's Trust & Reliability
- b) SBI Post-Retirement Investment Schemes
- c) Lower distribution charges and transparent fee
- d) Clients enjoy seamless integration between their savings accounts, loans, insurance, and investments with single-view dashboard through YONO. There are lot of disturbances in YONO. Other Banks (especially Pvt. Banks) platforms are far better.

4. Would you advise your Friends / Relatives to join / Shift to SBI Wealth?

- a) Yes  
 b) No *Range of investment narrower, conservative approach, resulting in lower returns.*

5. How important is the Relationship Manager in your wealth journey?

- Very Important

- b) Somewhat Important  
c) Not Important

6. How often do you engage with your Relationship Manager?

- a) Weekly  
b) Fortnightly  
 c) Monthly  
d) Not Actively

7. Has the Relationship Manager guided you as well as your family through Personalized / niche products, life goals ?

Mark all that apply:

- a) Goal Based Investment Plan like Car Loan, Home Loan, Child's Education Loan

- b) Post-Retirement Investment Plan based

- c) Buy NFO (New Fund Offer) based on Quality

- d) Timely Funds Customization

- e) Comment (if others): *No large part of investment guidance repertoire*

*Given their job type, they should n't have any specific leaning towards any institution product.*

8. Are you able to customize your MF Funds whenever required with the help of the Relationship Manager?

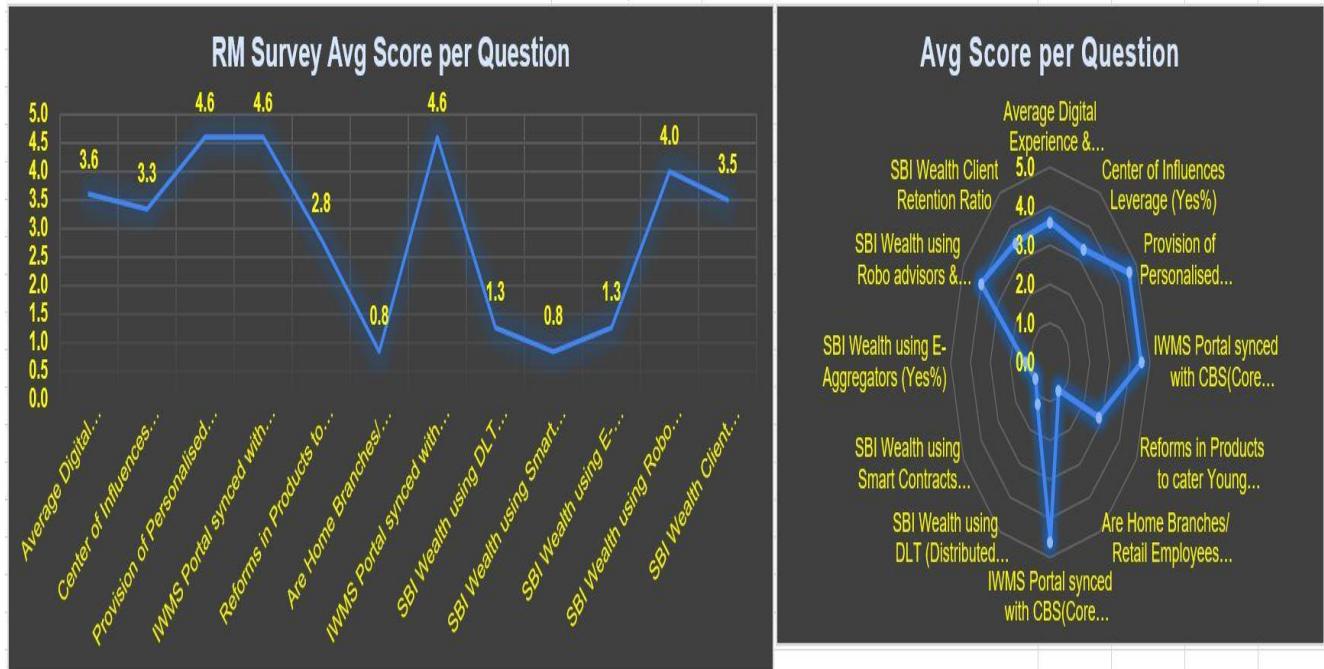
- a) Yes  
b) No

## SBI Wealth Research RM Questionnaire Summary

### No. of RMTL/ VP Wealth/ RM Survey: 12

Relationship Manager Name	How would you rate the digital interface and user experience of SBI wealth management platform?	Have you leveraged Centre of influences like partnering with Accountants, Portfolio Doctors, Real Estate Professionals etc.	On average, how many wealth clients do you manage per month?	Do you deliver Exceptional Personalized service like customizing financial Plans to not just risk profiles but most important, to life goals (child education, marriage, retirement)?	Reforms in Products to cater Young Affluent Investor Base Rating?	Are Home Branches/ Retail Employees well versed with wealth products	Should IWMS Portal be synced with CBS (Core Banking Solutions) to Bridge gap between wealth Business & Retail Banking?	Does your wealth service use DLT (Distributed Ledgers Technology) based shared KYC Platform & Client Onboarding Process across its group (SBI Mutual Fund, SBI Life, etc)	Does your wealth service use smart contracts (automated fee payment from your Portfolio or fund switch based on predefined preference) for private wealth account automation?	Does your wealth service use E-Aggregators to integrate data from SBI Life, SBI Mutual Fund, and even third-party investments into a single consolidated dashboard for 360-degree Financial View?	Does your wealth service use Robo advisors for clients and AI-Based Prompt for RM's suggesting Products offerings based on Client investment behaviour?	What is the Client Retention Ratio?
Vandana Bharti	4	Yes	35	Yes	5	No	No	No	No	No	4	4
Navin Kumar	4	Yes	50	No	3	No	Yes	Partially	No	No	4	3
Shobhit Tripathi	3	Yes	100	Yes	3	Somewhat	Yes	Yes	No	Partially	4	4
Shalini Singh	3	No	100	Yes	3	Somewhat	Yes	Partially	Yes	Partially	4	2
Ujjwal Verma	5	No	100	Yes	3	Yes	Yes	No	No	Yes	2	4
Mallika Bhattacharya	5	Yes	-	Yes	3	No	Yes	Yes	Partially	Partially	4	4
Agnivesh Kumar	4	Yes	250	Yes	2	No	Yes	Yes	No	Partially	3	4
Adarsh Ranjan	2	Yes	35	Yes	4	No	Yes	No	No	Partially	4	3
Rahul Gupta	4	No	40	Yes	3	Somewhat	Yes	No	No	No	4	4
Cheyan Kumar	3	No	20	Yes	1	Yes	Yes	No	No	Yes	4	4
Nitin Sethi	3	Yes	55	Yes	3	No	Yes	No	Yes	Partially	4	3
Aman Kumar	3	Yes	200	Yes	2	No	Yes	No	No	Yes	4	3

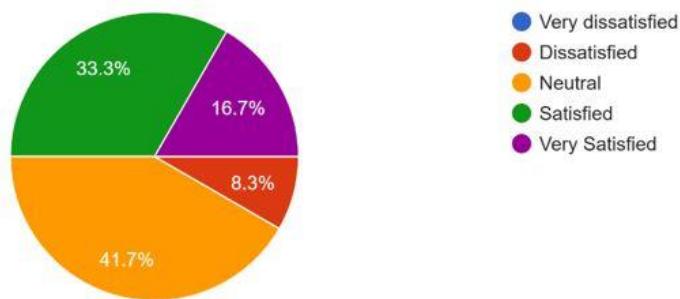




### SBI Wealth Research RM Questionnaire Summary Charts

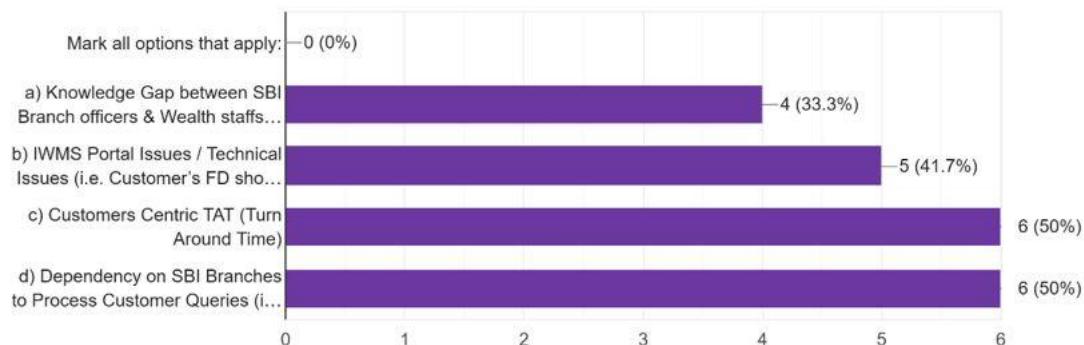
How would you rate the digital interface and user experience of SBI wealth management platform?

12 responses



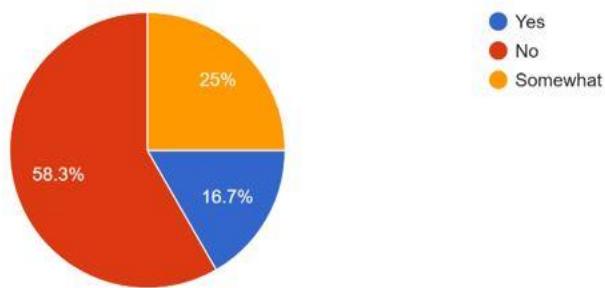
What are the challenges you face in serving wealth clients?

12 responses



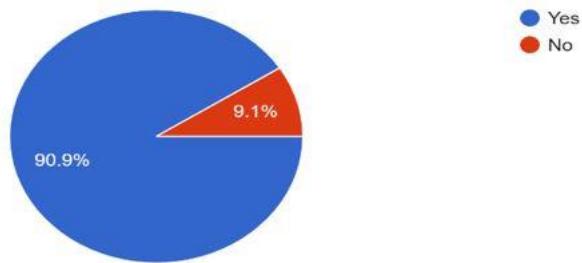
Are the Home Branches/ Retail Banking employees well-versed with the Wealth Business Products, Services and Functionalities and helps in generating leads for potential wealth clients.

12 responses



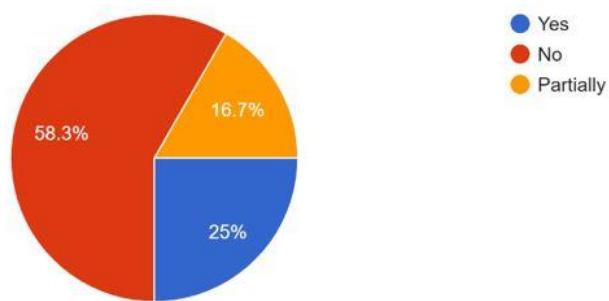
Should IWMS Portal should be synced with CBS (Core Banking Solutions) to Bridge gap between wealth Business & Retail Banking.

11 responses



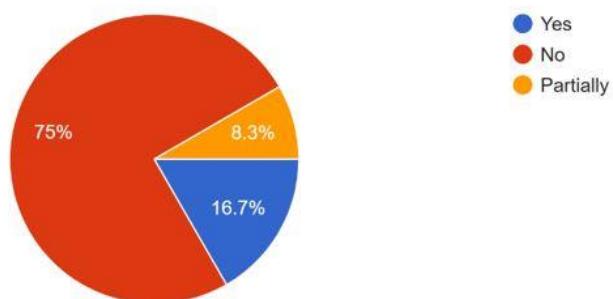
Does your wealth service use DLT (Distributed Ledgers Technology) based shared KYC Platform & Client Onboarding Process across it's group (SBI Mutual Fund, SBI Life, etc)

12 responses

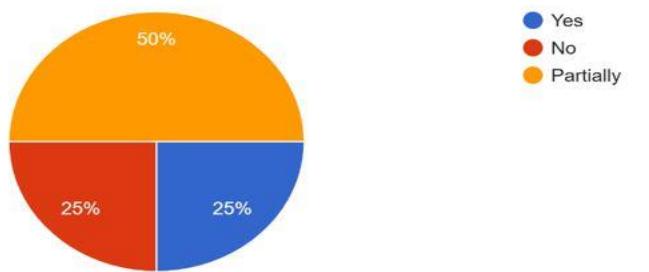


Does your wealth service use smart contracts (automated fee payment from your Portfolio or fund switch based on predefined preference) for private wealth account automation?

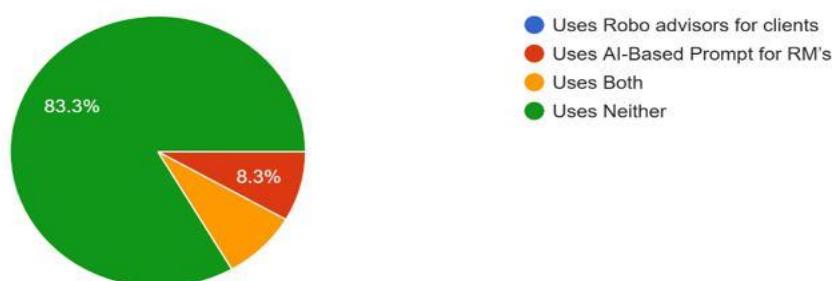
12 responses



Does your wealth service use E-Aggregators to integrate data from SBI Life, SBI Mutual Fund, and even third-party investments into a single consolidated dashboard for 360-degree Financial View?  
12 responses

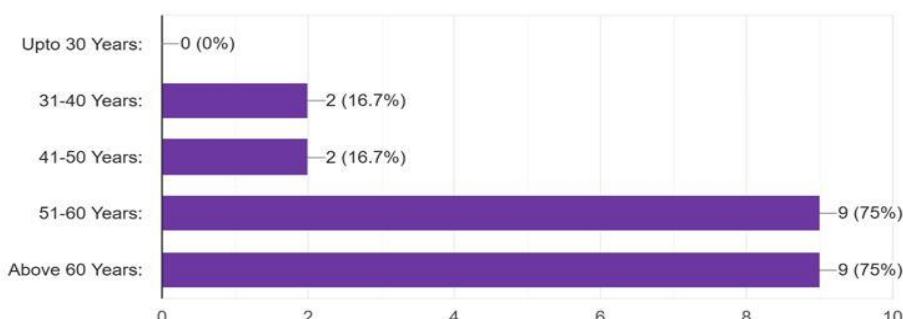


Does your wealth service use Robo advisors for clients and AI-Based Prompt for RM's suggesting Products offerings based on Client investment behaviour?  
12 responses



What is the Major Age-Group Proposition of Clients (HNIs) ?

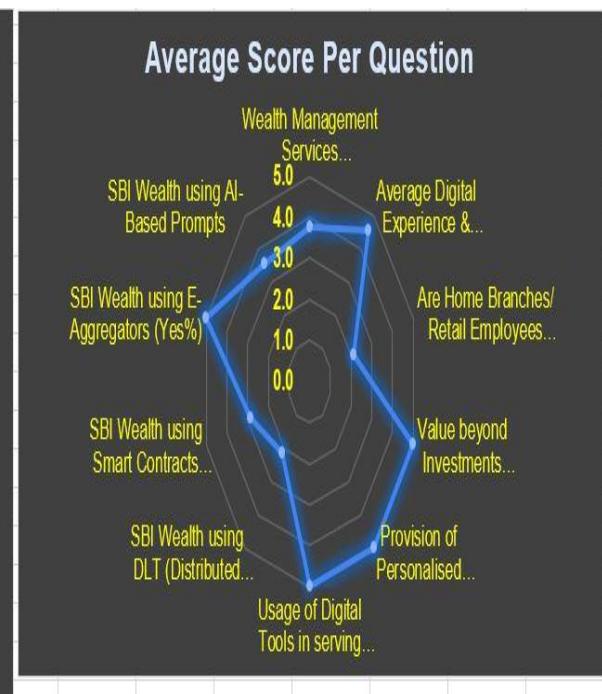
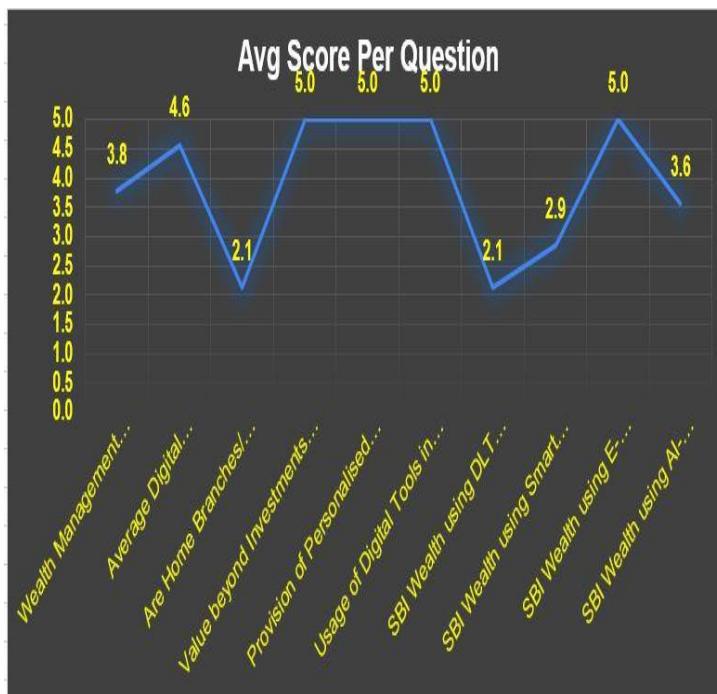
12 responses



### Other Banks Questionnaire Summary

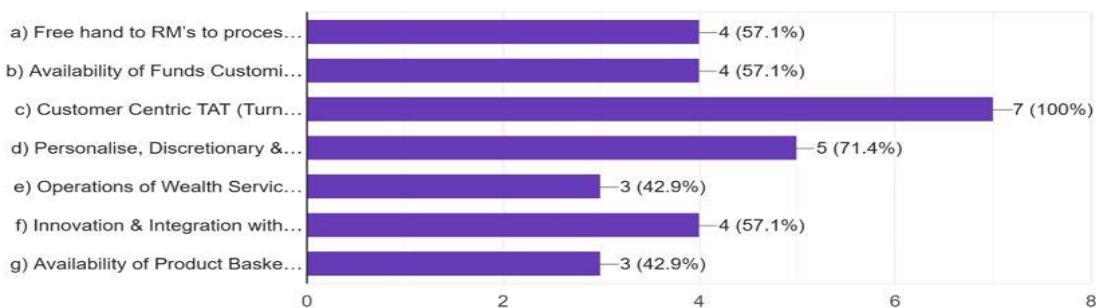
Bank/ NBFC/ Fintech Name:	Wealth management services differentiation factor from other Banks, NBFCs, Fintech?	How would you rate the digital interface and user experience of your current wealth management platform?	Are the Home Branches/ Retail Banking employees well-versed with the Wealth Business Products, Services and Functionalities?	Do you provide value beyond investments like helping with estate planning, tax strategies, insurance reviews etc.	Do you deliver Exceptional Personalised service like customizing financial Plans to not just risk profiles but most important, to life goals?	Do you use digital tools (Robo-advisors, analytics, Personalized Dashboards, Financial Goal Trackers, Community Forums, etc.) in client servicing?	Does your wealth service use DLT (Distributed Ledgers Technology) based shared KYC Platform & Client Onboarding Process across its group (Mutual Fund, Life Insurance etc.)?	On average, how many wealth clients do you manage per month?	Does your wealth service use smart contracts for private wealth account automation?	Does your wealth service use E-Aggregators to integrate data from Life, General Insurance, Mutual Fund, and even third-party investments into a single consolidated dashboard for 360-degree Financial View?	Does your wealth service use AI-Based Prompt for RM's suggesting Products offerings based on Client investment behaviour?
ICICI	4	5	Yes	Yes	Yes	Yes	Yes	57	Yes	Yes	Yes
AXIS	3	5	Yes	Yes	Yes	Yes	Yes	40	Yes	Yes	No
Motilal Oswal	4	4	No	Yes	Yes	Yes	No	27	No	Yes	Yes
HDFC	3	5	Yes	Yes	Yes	Yes	Yes	45	Yes	Yes	No
Nippon India	4	4	No	Yes	Yes	Yes	No	65	No	Yes	Yes
360 ONE WAM	5	5	No	Yes	Yes	Yes	No	80	Yes	Yes	Yes
Mirae Asset	4	4	No	Yes	Yes	Yes	No	65	No	Yes	Yes

Wealth Survey Analysis	Results
Total Responses	7
Wealth Management Services Differentiation	3.8
Average Digital Experience & Satisfaction Score	4.6
Are Home Branches/ Retail Employees well versed with wealth products (Yes%)	2.1
Value beyond Investments Provision	5.0
Provision of Personalised Services (Yes%)	5.0
Usage of Digital Tools in serving wealth clients (Yes%)	5.0
SBI Wealth using DLT (Distributed Ledger Technology) (Yes%)	2.1
SBI Wealth using Smart Contracts (Yes%)	2.9
SBI Wealth using E-Aggregators (Yes%)	5.0
SBI Wealth using AI-Based Prompts	3.6



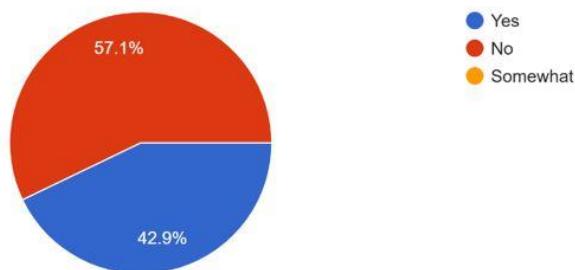
## Other Banks Questionnaire Summary Charts

What differentiates your wealth management services from other Banks, NBFCs, Fintech?  
7 responses



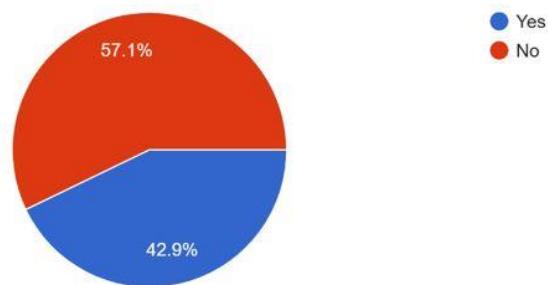
Are the Home Branches/ Retail Banking employees well-versed with the Wealth Business Products, Services and Functionalities?

7 responses



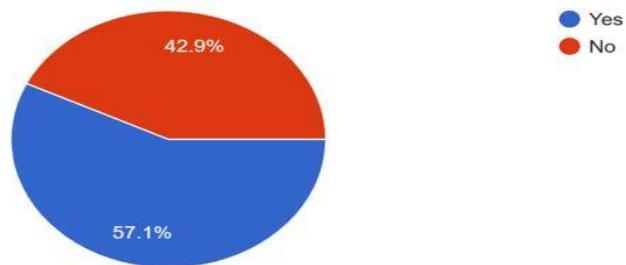
Does your wealth service use DLT (Distributed Ledgers Technology) based shared KYC Platform & Client Onboarding Process across its group (Mutual Fund, Life Insurance etc)?

7 responses



Does your wealth service use smart contracts for private wealth account automation?

7 responses



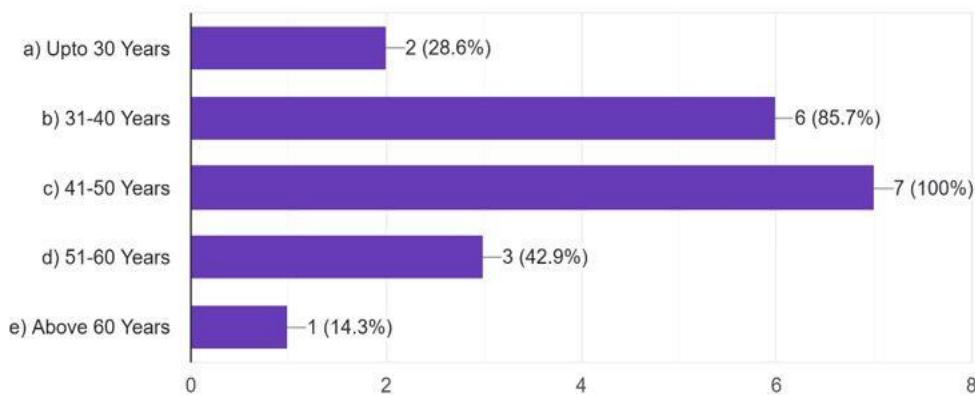
Does your wealth service use E-Aggregators to integrate data from Life, General Insurance, Mutual Fund, and even third-party investments into a single consolidated dashboard for 360-degree Financial View?

7 responses



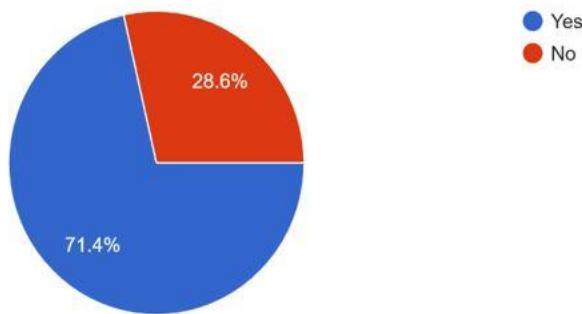
### What is the Major Age-Group Proposition of Clients (HNIs) ?

7 responses



Does your wealth service use AI-Based Prompt for RM's suggesting Products offerings based on Client investment behaviour ?

7 responses

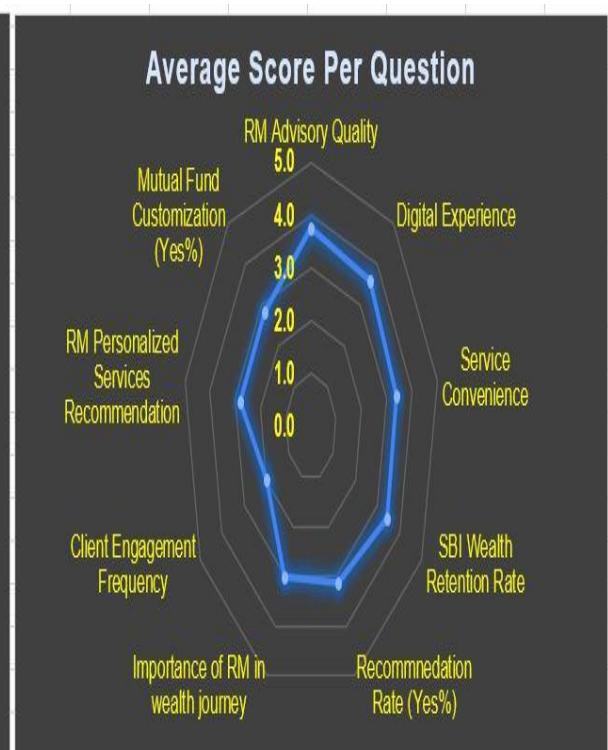
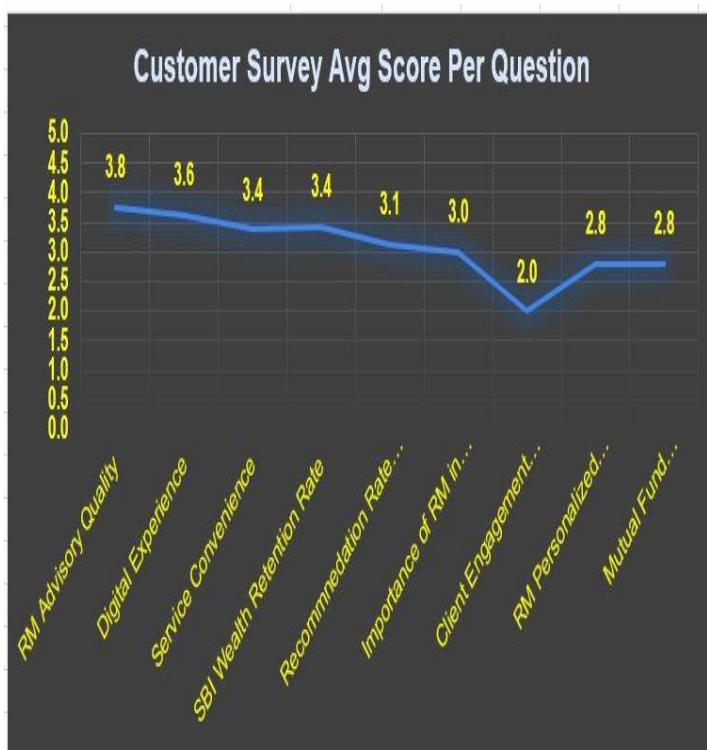


### Customer Questionnaire Summary

**No. of Customer Survey: 16**

Customer Name	Relationship Manager Advisory Quality	Digital Experience	Service Convenience	Would you switch to another platform providing better service?	Would you advise your Friends / Relatives to join / Shift to SBI Wealth?	How important is the Relationship Manager in your wealth journey?	How often do you engage with your Relationship Manager?	Has the Relationship Manager guided you as well as your family through Personalized niche products, life goals?	Are you able to customize your MF Funds whenever required with the help of the Relationship Manager?
Pankaj Kumar	5	3	5	No	Yes	3	1	No	Yes
Manoj Kumar	4	3	3	No	No	3	3	No	Yes
Anil Sharma	3	4	3	No	No	2	3	Yes	No
Jagdish Baswala	4	3	4	Yes	Yes	3	2	Yes	Yes
Abhishek Shrivastava	3	3	3	Yes	No	2	2	No	No
Sarthak Nanda	3	4	2	No	Yes	2	2	No	No
Yashvardhan Singh	4	5	4	No	Yes	3	2	No	Yes
Baljeet Chopra	3	3	2	No	Yes	2	3	Yes	No
Yash Sharma	4	5	5	No	Yes	3	1	No	Yes
Rahul Sharma	4	4	3	No	Yes	2	2	Yes	Yes
Sachin Nishad	3	3	3	Yes	No	2	1	Yes	No
Praveen Mishra	4	4	4	No	Yes	3	1	No	Yes
Nitin Rana	4	3	3	Yes	No	3	2	Yes	No
Akshat Garg	3	3	2	Yes	No	2	2	Yes	No
Yashvardhan Pawar	5	4	4	No	Yes	3	1	Yes	Yes
Mohit Verma	4	4	4	No	Yes	3	1	Yes	Yes

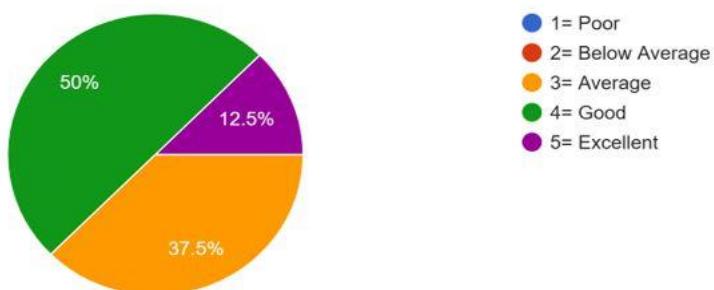
Wealth Survey Summary	Results
Total Responses	16
RM Advisory Quality	3.8
Digital Experience	3.6
Service Convenience	3.4
SBI Wealth Retention Rate	3.4
Recommnedation Rate (Yes%)	3.1
Importance of RM in wealth journey	3.0
Client Engagement Frequency	2.0
RM Personalized Services Recommendation	2.8
Mutual Fund Customization (Yes%)	2.8



## Customer Questionnaire Summary Charts

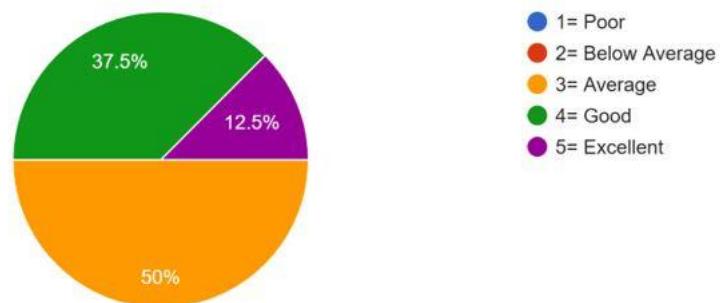
Relationship Manager Advisory Quality?

16 responses



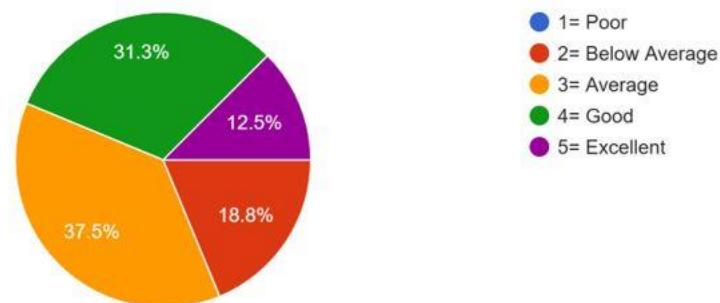
Digital Experience?

16 responses



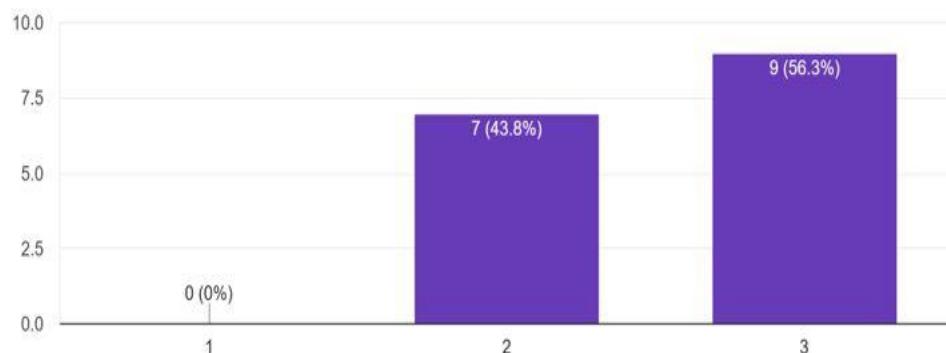
Service Convenience?

16 responses



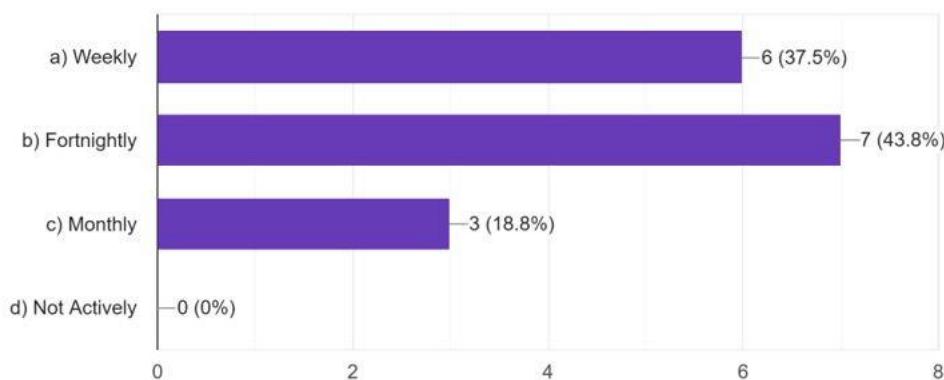
How important is the Relationship Manager in your wealth journey?

16 responses



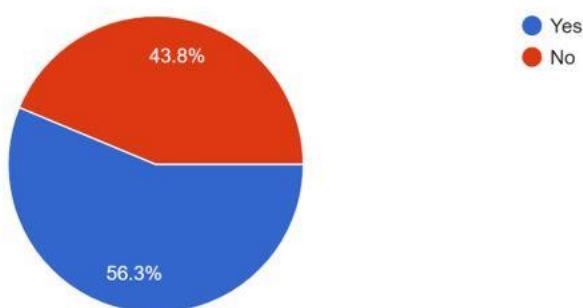
How often do you engage with your Relationship Manager?

16 responses



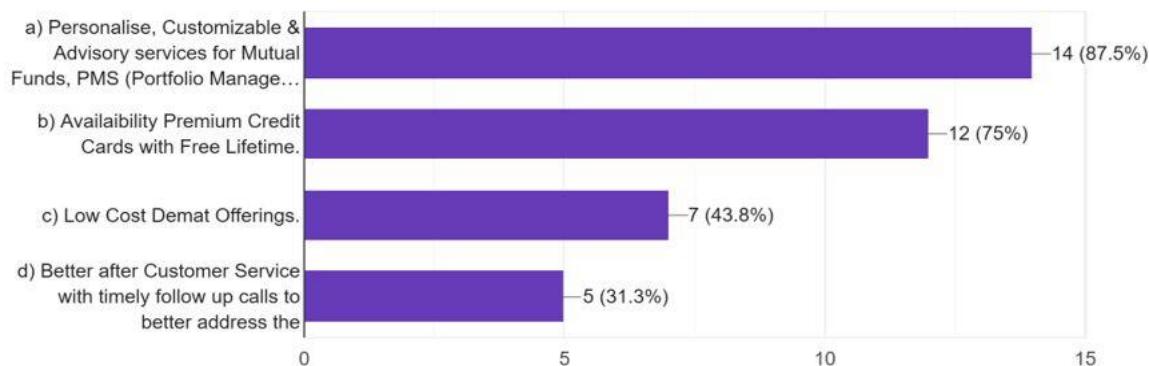
Are you able to customize your MF Funds whenever required with the help of the Relationship Manager?

16 responses



What additional products/services would you want SBI Wealth to offer?

16 responses



# **Chapter 4**

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## **Recommendations & References**

Strategies

Way Forward

SWOT Analysis

PORTER five forces

References

### Notable Wealth Competitors USPs:

#### SBI Wealth

USP	Details
Strong Brand Trust	SBI is India's most trusted and largest public sector bank, giving SBI Wealth instant credibility
Pan-India Reach	Extensive branch and RM network across metros, Tier 2, and rural locations – unmatched distribution
Sovereign Backing	Backed by the Government of India – provides security, especially for conservative HNI investors
Seamless Banking Integration	Integrated with SBI's core banking and digital platforms – makes it easy for existing clients to adopt
Competitive Pricing	Offers low/transparent fee structure, benefiting mass affluent clients who are fee-sensitive
Tier-2 and Tier-3 HNI Focus	Tailored for emerging affluent customers outside metros – a space often ignored by private players
Product Breadth	Offers Mutual Funds (incl. SBI MF), Bonds, Insurance, PMS, AIFs via tie-ups with 23 other AMCs
Digital Enablement	Available via SBI YONO and SBI Wealth App – offers portfolio viewing, alerts, recommendations
Personalized RM Support	Dedicated Relationship Managers (RMs) trained to offer lifecycle-based wealth advisory

#### ICICI Wealth

USP	Details
Comprehensive Wealth Stack	ICICI Direct + ICICI Bank + ICICI Prudential + ICICI Lombard = Integrated services
Research-Backed Advisory	In-house investment research, market insights, and tactical allocation ideas
Custom Wealth Solutions	Dedicated RMs, financial planning, portfolio reviews
Advanced Tech Platform	One of the most sophisticated digital wealth platforms in India

USP	Details
Alternative Investment Access	Exclusive access to PMS, AIFs, pre-IPOs, and structured products
Global Investment Access	ICICI Wealth offers global investment opportunities via partnerships
Cross-sell Expertise	High synergy between retail, corporate, and NRI divisions

### HDFC Wealth

USP	Details
Brand Credibility	Part of the trusted HDFC Group with strong legacy in housing finance and banking
Integrated Services	Seamless link between HDFC Bank, HDFC AMC, HDFC Life, and HDFC Securities
Widespread RM Network	Strong RM support with dedicated family wealth relationship managers
Custom Solutions	Offers tailored solutions to HNI and mass affluent based on life-stage needs
Digital Access	Wealth platform integrated in HDFC Net Banking and Mobile Banking ecosystem
Private Banking Edge	Combines traditional banking and private banking experience for UHNI clients
Estate & Tax Planning	Strong advisory on tax, estate, and succession planning

### 360 ONE WAM (Formerly IFL)

USP	Details
Independent Advisory Model	Operates on a fee-based, conflict-free advisory model (not commission-driven)
Ultra-HNI Focused	Specializes in clients with AUM of ₹5 Cr and above
Product Innovation	Among first in India to offer bespoke structured products, private equity, REITs
In-House PMS & AIF	Strong performance history in proprietary PMS and AIF products

USP	Details
High RM-to-Client Ratio	Fewer clients per RM ensures better service and deeper relationships
Tech-first Approach	Uses analytics, and modern UI/UX tools for client experience
Succession & Estate Planning	Specialized services for wealth transfer, family office set-up
Global Reach	Offers international diversification and offshore investing support

### Comparative Edge

- Reliability & Trust: Most trusted banking brand in India (especially for risk-averseHNIs & UHNIs).
- Reach: Only wealth platform with direct access to clients across India's remotest geographies.
- Cross-Sell Ability: Can bundle loans, deposits, cards, insurance with wealth – hard for NBFCs or pure FinTechs.
- Mass Affluent Strength: Positioned to capture the clients with TRV more than ₹1 Cr segment better than ultra-HNI focused competitors.
- **Current Limitations (For Strategic Improvement)**

Area	Challenge	Strategy Direction
Tech Integration	UI/UX is still evolving vs. private competitors	Real-time Financial dashboards, E-Aggregators, Robo-advisory platforms & AI-Based Prompts.
RM Productivity	High client load per RM dilutes personalization	Invest in RM training and optimize RM-to-client ratio
Advisory Model	Still commission-based in most cases	Move toward fee-based advisory for affluent/UHNI segments

## **Strategies to Improve the SBI Wealth Business**

### **Objective A: Improve SBI Wealth's Position in the Wealth Market:**

- a) Empower RM with **performance-based fund suggestions** rather than brand-led mandates. Ex: - Suggest Clients NFO (New Fund Offer) Based on quality not just to meet monthly target of selling a particular bank but to sell based on Fund performance. Ex: - Promoting SBI Funds based on performance (i.e. Returns based on Client Risk Profile, Investment Goals.)

**Advantage:** Reduces product bias, builds client trust, improves comparative fund performance and Wealth business AUM inflow.

### **Objective B: Integrate Technology for Transparent, Error-Free, Low-Cost, & Timely Services**

- a) SBI wealth service should use DLT (Distributed Ledgers Technology) based shared KYC Platform & Client Digital Onboarding Process across its group (SBI Mutual Fund, SBI Life, SBI General etc) to reduce onboarding TAT (Turn Around Time).
- b) SBI wealth service should use smart contracts (automated fee payment from your Portfolio, fund switch & SIP adjustment based on predefined preference) for private wealth account automation.
- c) Sync IWMS with CBS (Core Banking Solution) to eliminate operational delays and dependencies on Home Branch to reduce customer queries.
- d) SBI wealth service should use E-Aggregators to integrate data from SBI Life, SBI Mutual Fund, and even third-party investments into a single consolidated dashboard for 360-degree Financial View.

**Advantage:** Simplifies customer experience, speeds up service delivery, builds digital trust.

### **Objective C: Customize Products & Services Based on Customer and Competitor Insights**

- a) Availability of Product Baskets: - Stocks, ETF's
- b) Enable Fund Customization features with real-time portfolio modeling.
- c) SBI wealth service should use Robo advisors for clients and AI-Based Prompt for RM's suggesting Products offerings based on Client investment behaviour.

**Advantage:** Increases product depth, retains competitive clients, serves evolving needs.

**Objective D: Analyse Competitor USPs (HDFC, ICICI, 360 ONE WAM, Nippon India, etc.)**

- a) Conduct quarterly benchmarking of RM efficiencies, tech stack, and digital onboarding vs. ICICI, HDFC, etc.
- b) Financial & Investment awareness in the form of Gamification.
- c) Monthly Leaderboard for the users based on active transactions (% of TRV) & Rewards to Customers in the form Cashbacks & Discounts on associated Brands (i.e. Eateries, Fashion, Health, Shopping, Flights etc.)

**Advantage:** Adopt efficient comparative analysis, winning ideas from the market while building in-house strengths.

**Objective E: Cater to Tier 2/3 Markets**

- a) Organizing Financial & Investment awareness campaign.
- b) Home Branches collectively pitching wealth proposition to wealth clients.
- c) Open “Digital Wealth Points” (like CSPs) inside semi-urban branches with trained RM staff.
- d) Customize RM pitch with regional language dashboards, local SIP/NFO targets.

**Advantage:** Captures untapped wealth potential outside metros at low CAC and with the help of SBI reach in Tier 2/3 Cities.

**Objective F: Reforms in Products & Services to cater Young Affluent Investor Base**

- a) Introduce SIP + Cashback models with flexible goals (car, travel, startup fund).
- b) Premium Credit Card with Free Lifetime.
- c) Low cost Demat offerings.
- d) Goal Based Investment Plan like Car Loan, Home Loan, Child’s Education Loan.
- e) Personalized Financial Dashboard
- f) Run gamified investor education modules in YONO app with rewards for actions.

**Advantage:** Builds brand equity among High-Earning individuals & increases digital adoption.

### Way Forward: Capturing the US\$1.6 trillion market opportunity

The wealth management sector in India is projected to offer a potential market of US\$1.6 trillion over the next 5 years. Currently, the market is primarily focused on offerings for UHNI and HNI clients in T30 centres, but the upcoming demand wave is anticipated to also include wealthy customers from all centres and UHNI/HNI clients from B30 centres.

SBI Wealth aiming to create comprehensive wealth management offerings should concentrate on developing specific product propositions and service frameworks that align with the needs of the target customer segment, prioritizing profitability, customer experience, and regulatory compliance within their business structure.

### SWOT Analysis of SBI Wealth Business

#### Strengths

Key Strength	Explanation
<b>Strong Brand Trust</b>	Backed by India's largest public sector bank, SBI enjoys immense brand loyalty, especially in Tier 2/3 markets.
<b>Pan-India Reach</b>	Largest physical presence via 22,000+ branches and over 400+ dedicated Wealth Hubs.
<b>Cross-Selling Ecosystem</b>	Integrated with SBI Mutual Fund, SBI Life, SBI General Insurance, SBI Cards – enabling full financial bouquet offerings.
<b>Competitive Pricing</b>	Low advisory and transaction costs compared to private banks and NBFCs.
<b>Tier 2/3 Penetration Potential</b>	Unique positioning to capture emerging HNIs and professionals in smaller towns.

#### Weakness

Key Weakness	Explanation
<b>Limited Product Breadth</b>	Currently dependent largely on SBI MF products; limited third-party PMS, AIF, global funds.

Key Weakness	Explanation
<b>Tech Experience Still Evolving</b>	App interface, dashboard analytics, onboarding TATs still lag behind fintech and private players.
<b>High RM Load</b>	Some RMs manage 80–100 clients without advanced automation tools.
<b>Weak Awareness Among Branch Staff</b>	Retail employees have limited product knowledge and cross-sell ability.

### Opportunities

Key Opportunity	Explanation
<b>Tier 2/3 HNI Expansion</b>	First-mover advantage to onboard rising mass affluent in semi-urban India.
<b>Digital Transformation</b>	Integration of AI, E-Aggregator, robo-advisory, smart contracts for faster, smarter service.
<b>Younger Investor Engagement</b>	Custom SIPs, gamified dashboards, bundled offerings for young affluent investor group.
<b>PMS/AIF Launch via SBI Funds</b>	Leverage SBI MF's scale to build SBI-branded PMS/AIF offerings for HNIs.
<b>Cross-Sell with SME/Retail</b>	Bundle wealth with business banking, NRI, or salaried client segments.

### Threats

Key Threat	Explanation
<b>NBFC Wealth Arms Scaling Fast</b>	360 ONE WAM, Edelweiss, and IIFL attract ultra-HNIs with bespoke offerings and family offices.
<b>High Attrition of RMs</b>	Tech limitations, and operational workload may push good RMs to move out.

## Porter Five Forces for SBI Wealth Business

### Threat of New Entrants: Moderate to High

Factor	Explanation
<b>Low switching cost for customers</b>	Customers can easily switch to fintech or private banks with better tech/UI or advisory.
<b>Rise of digital-only wealth platforms</b>	Players like Zerodha, Kuvera, INDmoney, Groww entering HNI advisory with zero-commission models.

**Conclusion:** Threat is moderate-high, especially from digital-first models and niche PMS/AIF startups.

### Bargaining Power of Customers: High

Factor	Explanation
<b>SophisticatedHNIs know fees, benchmarks, and alternatives</b>	Clients compare advisory value vs private banks, fintechs platforms.
<b>Availability of transparent fintech tools</b>	Platforms like Value Research, ET Money offer self-evaluation tools.
<b>Wealth clients expect goal-based customization</b>	Generic offerings or biased product pushes reduce client loyalty.

**Conclusion:** Customers (especially urban and younger HNIs) have high bargaining power.

### Bargaining Power of Suppliers: Low to Moderate

Factor	Explanation
<b>Product partners (MF, PMS, AIFs) dictate commission structures</b>	SBI often depends on limited external fund tie-ups.

**Conclusion:** Supplier power is low to moderate, but expands if SBI doesn't widen its partner base.

### **Threat of Substitutes: High**

Factor	Explanation
Fintech platforms	Investors prefer managing portfolios themselves with Kuvera, Zerodha Coin, INDmoney, etc.
Robo-advisors	Automated goal-based tools appeal to cost-sensitive, tech-savvy clients.
Direct MF & ETF investing	Easy availability via platforms reduces need for RM intervention.

**Conclusion:** Substitution threat is very high, especially among younger and urban clients.

### **Competitive Rivalry: Very High**

Factor	Explanation
Multiple established players	HDFC, ICICI, Kotak, 360 ONE WAM, Nippon Wealth, Edelweiss compete across client tiers.
Fintech & NBFC overlap	Fintechs offer better UI/UX; NBFCs offer customized PMS and family office services.
Little differentiation in MF offerings	All distributors largely offer the same universe of funds.

**Conclusion:** Intense competition from banks, NBFCs, and fintechs makes rivalry very high.

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