


**SBI ENERGY OPPORTUNITIES FUND**

# ENERGISING INDIA. ENERGISING YOUR PORTFOLIO.

An open-ended equity scheme following the energy theme.

## INDIAN ENERGY THEME – A MULTI DECADE AATMANIRBHAR BHARAT STORY

India's energy sector is on a trajectory towards self-sufficiency, aligning with the Aatmanirbhar Bharat vision. Positioned as one of the largest and fastest-growing energy markets globally, the country is witnessing a shift from conventional combustion to electrification. Projections indicate a robust 6.4% CAGR in energy consumption, excluding coal and oil, until 2050. With a natural advantage in green energy, India is expected to transition from an energy-deficient state to being energy self-sufficient.

## TAILWINDS FROM FAVORABLE GOVERNMENT POLICIES **TRADITIONAL ENERGY**

Shift from energy deficiency to energy self-sufficiency could insulate government policies from external turbulence



### Oil Value Chain

- Remunerative realisation for domestic Oil and Gas along with favourable exploration and production policy to encourage growth in domestic production
- Elimination of auto fuel subsidy and stability in crude prices have provided Government the necessary backdrop for policy impetus



### Gas Value Chain

- Government intends to increase the share of natural gas from ~6.5% to 15% by 2030. Expansion of national gas grid by 40% over past 5 years through expansion of city gas distribution (CGD) networks covering 95% of the population
- Unified tariff implemented with principle of One Nation One Grid



### Power Value Chain

- Impetus on domestic coal production to ensure fuel security
- Reforms in power transmission & distribution to ensure that the ecosystem builds the capacity to facilitate efficient growth

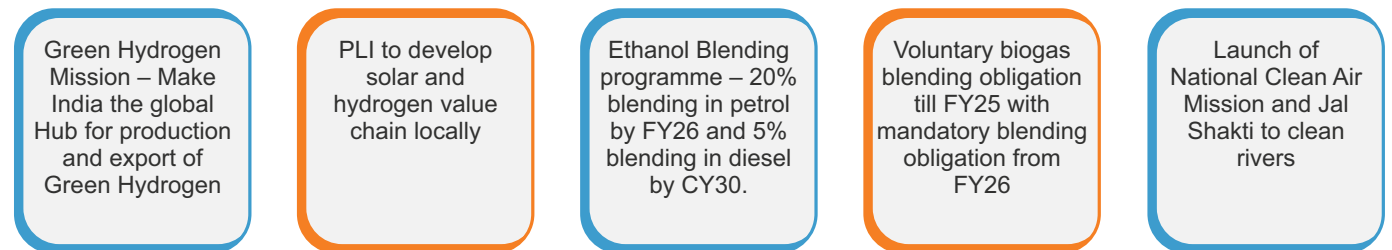
Source: The green shift - The low carbon transition of India's Oil & Gas sector report by Ministry of Petroleum and Natural Gas, SBIMF research.

## TAILWINDS FROM FAVORABLE GOVERNMENT POLICIES GREEN ENERGY

### India's Commitment in COP 26 - 'Panchamrit' Strategy



### Subsequent Government Initiatives

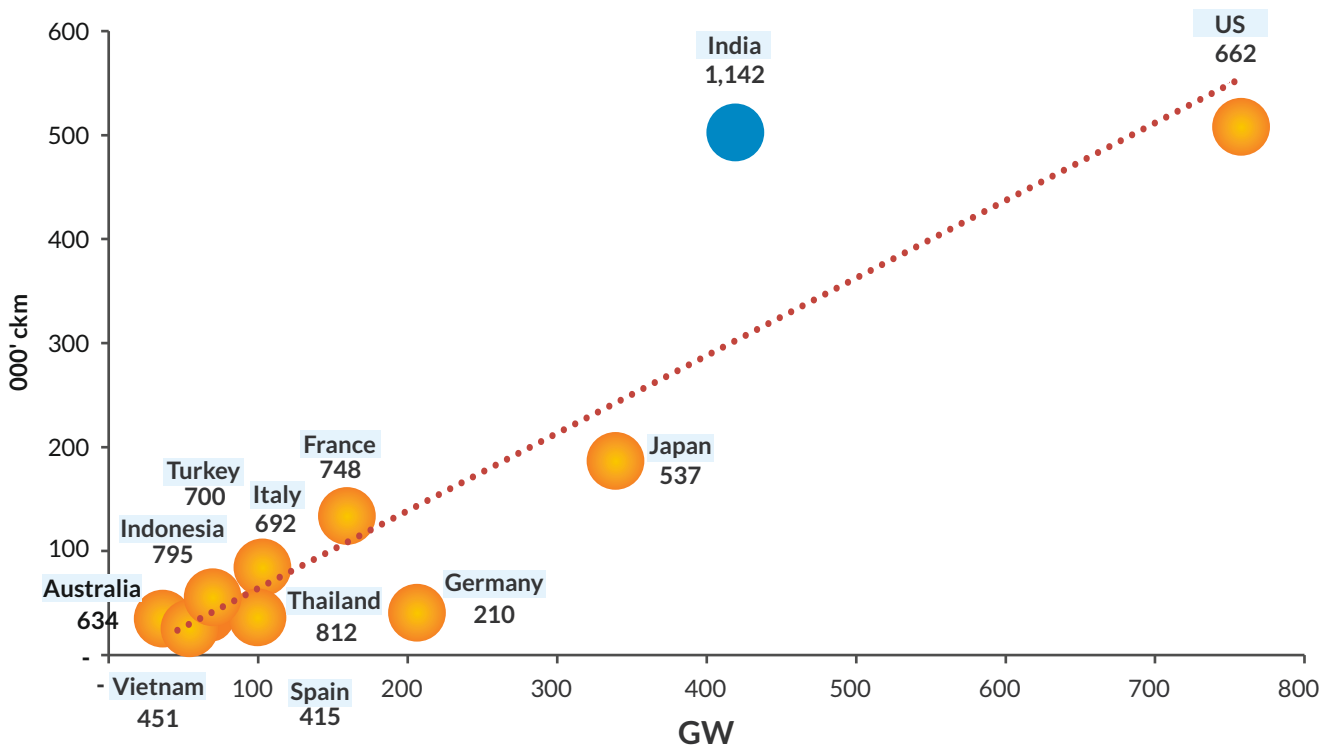


Source: The green shift - The low carbon transition of India's Oil & Gas sector report by Ministry of Petroleum and Natural Gas, SBIMF research.

## NEW ENERGY: INDIA CAN ATTAIN GLOBAL LEADERSHIP

India's Transmission length to GW of installed capacity (ckm/ GW) is higher than nearly all countries benchmarked

Transmission length vs. Installed generation capacity (ckm/GW)



Source: BNEF, Ministry of Finance, Bernstein analysis

# PRESENTING SBI ENERGY OPPORTUNITIES FUND

## INVESTMENT UNIVERSE – THE ENERGY VALUE CHAIN



**Oil Value chain:** Upstream (Oil Exploration & Production), Integrated refining and marketing (Refineries & Marketing), Standalone refining (Refineries & Marketing), downstream petrochemicals (Chemicals & Petrochemicals companies) and base oil processors (companies engaging in activities such as exploration, production, distribution, transportation and processing of traditional & new energy), lubricants, oil field services (Oil Equipment & Services)



**Gas Value Chain:** Gas transmission (Gas Transmission/Marketing), LNG terminal (LPG/CNG/PNG/LNG Supplier), City gas distribution (LPG/CNG/PNG/LNG Supplier)



**Power value chain:** Coal producer (Coal), power generation, power transmission, power trading



**Green Energy:** Companies undergoing energy transition, Solar value chain, Wind power value chain, Hydrogen value chain, Battery value chain (companies making components of new energy), Bio energy value chain (companies involved in bio energy value chain), alternate fuel (companies making components of new energy)



**Power Ancillaries:** Energy EPC, Power T&D value, Heavy Electrical Equipment, Energy efficiency plays (manufacturing electrical equipment's for production, transmission & distribution of energy.)

The above-mentioned sectors, sub sectors are for illustrative purpose. The same may or may not form part of the index/portfolio at all points in time.

## AN OPTIMAL MIX OF TRADITIONAL & NEW ENERGY & POWER UTILITY COMPANIES

### TRADITIONAL ENERGY

Usage of fossil fuel can reduce due to focus on Net zero. However, core investments may fall faster leading to rise in profitability

Stable and conducive policy environment to result in steady and predictable growth

Traditional energy business could gain global competitiveness in extant business due to availability of cheap green energy. Redeployment of cash flow from traditional energy business into green energy can further enhance value

### Portfolio strategy:

**Barbell portfolio approach**

**with mix of traditional energy and new energy**

### NEW ENERGY

Multi decade growth as share of renewable power in our energy mix will increase from 22% to 68% by FY50

India's competitiveness in green energy and additional support from government policy will ensure localization of entire value chain and thus the profit pool could become sizeable in long term

Positive economic and political externality plus global push could ensure steady policy support

Source SBIMF Research, The above is just for illustrative purposes, For complete details on Investment strategy, please refer Scheme Information Document.

## PORTFOLIO

Stock Name	(%) Of Total AUM
RELIANCE INDUSTRIES LTD.	27.79
NTPC LTD.	6.60
BHARAT PETROLEUM CORPORATION LTD.	6.15
INDIAN OIL CORPORATION LTD.	4.90
PETRONET LNG LTD.	4.46
POWER GRID CORPORATION OF INDIA LTD.	4.12
COAL INDIA LTD.	3.95
HITACHI ENERGY INDIA LTD.	3.60
THERMAX LTD.	3.11
TORRENT POWER LTD.	2.72
CESC LTD.	2.52
GAIL (INDIA) LTD.	2.42
GUJARAT STATE PETRONET LTD.	2.33
INDRAPRASTHA GAS LTD.	2.10
KALPATARU PROJECTS INTERNATIONAL LTD.	2.07
GE T&D INDIA LTD.	1.97



OIL & NATURAL GAS CORPORATION LTD.	1.95
KEC INTERNATIONAL LTD.	1.72
SAVITA OIL TECHNOLOGIES LTD.	1.62
HEG LTD.	1.44
INDIAN ENERGY EXCHANGE LTD.	1.40
GRAPHITE INDIA LTD.	1.38
REC LTD.	1.09
POWER FINANCE CORPORATION LTD.	0.87
HONEYWELL AUTOMATION INDIA LTD.	0.64
CHEMPLAST SANMAR LTD.	0.19
<b>Total</b>	<b>93.11</b>
182 DAY T-BILL 12.09.24	1.51
<b>Total</b>	<b>1.51</b>
CASH, CASH EQUIVALENTS AND OTHERS	5.38
<b>Total</b>	<b>5.38</b>
<b>Grand Total</b>	<b>100.00</b>

Data as on 30th June 2024

## FUND FACTS

<b>Investment Objective</b>	The investment objective of the scheme is to provide investors with opportunities for long term capital appreciation by investing in equity and equity related instruments of companies engaging in activities such as exploration, production, distribution, transportation and processing of traditional & new energy including but not limited to sectors such as oil & gas, utilities and power. However, there can be no assurance that the investment objective of the Scheme will be realized.
<b>Plans &amp; Options</b>	Regular & Direct Plan. Both plans provide two options – Growth Option and Income Distribution cum Capital Withdrawal (IDCW) Option
<b>Application Amount</b>	Minimum Investment Amount: Rs. 5000/- and in multiples of Re. 1 thereafter;
<b>Additional Purchase Amount</b>	Rs. 1000/- and in multiples of Re. 1 thereafter
<b>Fund Managers</b>	Mr. Raj Gandhi & Mr. Pradeep Kesavan (overseas securities)
<b>Benchmark</b>	Nifty Energy TR Index
<b>Exit Load</b>	For Ongoing basis: 1% of the applicable NAV - If units purchased or switched in from another scheme of the fund are redeemed or switched out on or before 1 year from the date of allotment.  NIL - If units purchased or switched in from another scheme of the fund are redeemed or switched out after 1 year from the date of allotment.

**Disclaimer:** This leaflet is for information purposes only and is not an offer to sell or a solicitation to buy any mutual fund units/securities. The views expressed herein are based on the basis of internal data, publicly available information & other sources believed to be reliable. Any calculations made are approximations meant as guidelines only, which need to be confirmed before relying on them. These views alone are not sufficient and should not be used for the development or implementation of an investment strategy. It should not be construed as investment advice to any party. All opinions and estimates included here constitute our view as of this date and are subject to change without notice. Neither SBI Funds Management Limited, SBI Mutual Fund nor any person connected with it, accepts any liability arising from the use of this information. The recipient of this material should rely on their investigations and take their own professional advice.

<p><b>Scheme Riskometer:</b></p>  <p><b>RISKOMETER</b> Investors understand that their principal will be at very high risk</p>	<p><b>This product is suitable for investors who are seeking<sup>^</sup>:</b></p> <ul style="list-style-type: none"> <li>• Long term capital appreciation.</li> <li>• Investment in equity and equity related instruments of companies engaged in and/or expected to benefit from the growth in traditional &amp; new energy sectors &amp; allied business activities.</li> </ul> <p><sup>^</sup>Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	<p><b>First Tier Benchmark Riskometer:</b> <b>Nifty Energy TR Index</b></p>  <p><b>RISKOMETER</b> The benchmark riskometer is at Very High risk</p>
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**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**