Ref. No.: UTI/AMC/CS/SE/2026-27/0697

Date: 28th July, 2026

National Stock Exchange of India Limited
Exchange Plaza Plot No. C/1
G Block Bandra – Kurla Complex
Bandra East Mumbai – 400 051.
Scrip Symbol: UTIAMC

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001.
Scrip Code / Symbol: 543238 / UTIAMC

Sub: Transcript of the earnings conference call on financial performance of the Company for the quarter ended 30th June, 2026

Dear Sir / Madam,

Pursuant to Regulation 30 read with Schedule III Part A Para A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) and as per the relevant SEBI Circulars, we are forwarding the transcript of the earnings conference call held on Thursday, the 23rd July, 2026 at 1600 hrs IST on the financial performance of the Company for the quarter ended 30th June, 2026.

The transcript of the aforesaid earnings conference call is also available on the Company's website at www.utimf.com in compliance with Regulation 46 of the SEBI Listing Regulations.

Thanking you,

For **UTI Asset Management Company Limited**

Arvind Bhagwan Das Patkar

Digitally signed by Arvind Bhagwan Das Patkar
Date: 2026.07.28 11:28:00 +05'30'

Arvind Patkar
Company Secretary and Compliance Officer
Membership No.: ACS 21577

Encl: As above

"UTI Asset Management Company Limited
Q1 FY27 Earnings Conference Call"
July 23, 2026

MANAGEMENT: MR. VETRI SUBRAMANIAM – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

MR. VINAY LAKHOTIA – CHIEF FINANCIAL OFFICER AND HEAD CORPORATE STRATEGY

MR. SANDEEP SAMSI – HEAD INVESTOR RELATIONS – MARKETING AND CORPORATE COMMUNICATION

ADFACTORS PR– INVESTOR RELATIONS TEAM

Moderator: Ladies and gentlemen, good day, and welcome to the UTI Asset Management Company Limited Q1 FY27 Earnings Conference Call. From the management, we have with us Mr. Vetri Subramaniam, Managing Director and Chief Executive Officer; Mr. Vinay Lakhotia, Chief Financial Officer and Head Corporate Strategy; and Mr. Sandeep Samsi, Head Investor Relations, Marketing and Corporate Communication. We also have the investor relations team from Adfactors PR.

As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need any assistance during the conference call, please signal for an operator by pressing star and then zero on your touchtone telephones.

Please note that this conference call is being recorded. Before we begin, I would like to mention that some of the statements made in today's discussion may be forward-looking in nature and may involve risks and uncertainties. Please note the disclaimer mentioning these risks and uncertainties are on the disclaimer slide of the investor presentation that has been shared earlier.

I will now hand over the conference to Mr. Vetri Subramaniam for opening remarks. Thank you, and over to you, sir.

Vetri Subramaniam: Yes. Good evening, everybody. Thank you for joining us today. Our financial results, presentation and press release have already been shared on the stock exchanges as well as our website, and we trust you have had the opportunity to review them. Joining me today are familiar faces, Vinay Lakhotia, CFO and Head of Strategy, and Sandeep Samsi, Head of Investor Relations, Marketing and Corporate Communication.

Before we discuss the quarter, I would like to briefly touch upon three areas, but I'll keep it very brief because I'm sure all of you are familiar with this. One is the macroeconomic environment. Second is the progress UTI AMC is making against our strategic priorities. And finally, why we remain confident about our long-term growth trajectory.

The markets in the first quarter of FY27 witnessed a resilient domestic economy despite global uncertainty. While geopolitical developments and evolving trade dynamics continue to impact market sentiment, India's growth story has remained intact. This could be distinctly seen in the mutual fund industry data, which continued to demonstrate strong structural resilience during the quarter with average AUM reaching Rs 84,18,486 crores in June 2026, registering a robust year-on-year growth of approximately 12.6% from the same period in June 2025.

Also, there's healthy retail participation reflected in the industry's investor folio base expanding to nearly 28 crores. Sustained systematic investment plan contributions and continued financialisation of household savings reinforce our confidence in the long-term growth opportunity for the asset management industry.

Against this backdrop, I just thought it's a good time once again to remind you of our Mission 2031 strategy, to transform UTI AMC into a larger, more competitive, technology-enabled, and crucially, an investor-centric organisation. Our strategic priorities remain firmly anchored around five key milestones accelerating the AUM growth, strengthening our SIP franchise, expanding our distribution reach, deepening digital capabilities, and above all, delivering better outcomes for our investors.

With that, I'm pleased to highlight that the first quarter reflects encouraging progress across each of these priorities. Our mutual fund franchise continued to build reach and momentum during Q1 FY27, supported by healthy investor participation across retail and institutional segments. As our business approaches the Rs 4,00,000 crores quarterly average AUM milestone, our focus remains not only on growing with the industry, but on consistently improving our competitive position and increasing our share of industry assets through disciplined execution and investment excellence.

As of 30th June 2026, our mutual fund franchise continued to strengthen with quarterly average AUM reaching Rs 3,92,691 crores, contributing to UTI AMC's total group AUM of slightly over Rs 20,00,000 crores. We remain particularly encouraged by the improving quality of our asset mix, with equity assets across both active and passive strategies accounting for 70% of our average mutual fund AUM, compared to the industry's equity-to-non-equity mix of 62:38 ratio, reflecting our continued focus on long-term wealth creation.

Our investor franchise also continued to expand. We added approximately 3.89 lakh folios, taking our total live folio base to 1.42 crores. We also added 2.51 lakh new investors as measured by their PAN as of 30th June 2026. This has been supported by one of UTI AMC's enduring competitive advantages, that continues to be the breadth of our distribution franchise with presence in 699 districts across India.

During the quarter, we further strengthened our engagement with banks, national distributors, MF distributors, and wealth partners through focused fund manager interactions, distributor education programs, and data-driven sales initiatives. We believe that expanding our reach beyond the largest cities will remain a significant driver of future growth as mutual fund penetration deepens across the country.

A key indicator of the strength of our franchise continues to be the momentum in our SIP business. SIPs remain a key driver of sustainable growth, with our gross SIP inflows of Rs 2,502 crores during the quarter and SIP AUM increasing 8.05% year-on-year to Rs 45,595 crores.

At the same time, our digital capabilities continue to gain traction, with digital purchase transactions reaching 60.9 lakh in June 2026 from 49.14 lakh in June 2025, a year-on-year increase of 23.93%, underscoring the growing adoption of digital platforms. And this once again speaks to our ability to engage investors across channels. While these numbers are encouraging, we view them as milestones in a much longer journey.

Our focus remains firmly on building sustainable market share and strengthening the quality of our growth, rather than optimising for any single quarter. One of the most encouraging aspects of our business, which I already referred to earlier, is that nearly 70% of our average mutual fund assets are now equity-oriented, reflecting our continued emphasis on long-term wealth creation. This is a combination of active and passive investments and reflects the choice of the customer.

Investment excellence remains the cornerstone of our strategy. Our product development philosophy has always centred on delivering differentiated investment solutions rather than simply expanding the number of schemes. We continue to identify structural opportunities where our investment capabilities can create long-term value for investors.

During the quarter, our fixed income franchise delivered consistent investment performance, supported by a resilient credit portfolio with no rating downgrades. Our liquid fund reached a new milestone in assets under management. At the same time, we are significantly expanding our passive investment franchise through a strong pipeline of index and ETF offerings, enabling investors to participate efficiently in evolving sectoral, thematic, and long-term structural opportunities while addressing changing investment preferences.

Alongside our disciplined investment approach and robust risk management framework, we continue to support investment outcomes across asset classes. This positions us well to benefit from the structural shift of household savings towards financial assets. Based on this momentum, we continue to make meaningful progress in strengthening our international and our passive investment franchise.

Our passive product strategy for the international market remains on track, and we advanced our global product pipeline through the discussions that we have for emerging markets strategy and also for a GIFT City outbound product initiative, and you will hear more on this through the rest of the year.

We also continue to deepen engagement with global asset managers, distribution platforms, and thematic ETF providers. We also hosted our first US institutional roadshow to showcase our private credit capabilities, given our strong track record over our two funds where we have now returned capital to investors.

These initiatives reflect our long-term commitment to expanding UTI AMC's global footprint, broadening our investment offerings, and creating additional avenues for sustainable growth beyond our domestic franchise.

Our alternatives business continues to build momentum. We strengthened our private equity platform or unlisted equity offering with the appointment of a dedicated head of private equity. We have also progressed on our GIFT City retail initiatives in collaboration with our domestic and international teams, and as I mentioned earlier, you will hear more about this later during the year.

We also launched our second multi-opportunities fund, MOF II, and continue to see strong investor interest in Structured Debt Opportunities Fund 4, which is the fund we launched earlier this year. This has secured commitments of approximately Rs 900 crores as of 30th June 2026. These developments reinforce our strategy of building a diversified alternatives platform with multiple growth engines across private credit, private equity, and also offering these solutions to international clientele.

Our pension business continues to make meaningful progress in advancing financial inclusion and expanding social security across underserved segments. During this quarter, we achieved an industry-first milestone by signing the country's first-ever Memorandum of Understanding between a pension fund and a farmer producer organisation, strengthening retirement awareness across the farming community.

We also expanded our presence across the MSME ecosystem with strategic partnerships with industry-leading bodies and continue to deepen our rural outreach by on-boarding agricultural cooperative banks and engaging with primary agricultural credit societies, self-help groups, tea plantation workers, and women-led communities. These initiatives reflect UTI's commitment to broadening pension access and supporting India's long-term retirement savings ecosystem and speaks back to the origins of UTI more than 60 years ago.

Further, customer engagement and digital transformation continue to be key focus areas during the quarter. We strengthened our direct investor engagement model with the launch of our customer experience channel in Mumbai, providing dedicated relationship management to some of our customers. Our AI-powered voice assistant VAANI continues to transform customer servicing and now handles over 60% of inbound calls, improving both responsiveness and operational efficiency.

Additionally, our digital marketing partnership with Google has expanded us to reach over 10 crores unique individuals over the past nine months, significantly expanding our engagement with India's potential investor base. Together, these initiatives are helping us build stronger investor relationships, enhanced customer experience, and drive long-term business growth.

As we continue to focus on disciplined execution and operational efficiency, the organisational initiatives undertaken over the past year have created a leaner and more agile operating model, enabling us to support higher business volumes while maintaining cost discipline. Our objective is to generate sustainable operating leverage as we continue to invest selectively in areas that strengthen our long-term competitive position.

As we look ahead, our priorities remain clear. While one quarter does not define long-term success, we believe the progress made during the first quarter reinforces the strategic direction we have set for the company. The investments we have made in people, technology, products, distribution, and operating efficiency are creating a stronger and more scalable organisation. As India's asset management industry continues to benefit from favourable structural trends, we believe our company is well-positioned to participate meaningfully in the next phase of industry growth while creating sustainable long-term value for our investors and shareholders.

With that, I will now request Sandeep to take you through the operational and financial performance of the company in greater detail.

Sandeep Samsi: Thank you, sir. I will now speak about UTI AMC's operational and financial performance during the first quarter ended 30th June 2026.

UTI AMC financials on a standalone basis, the core revenue, that is the sale of services, amounted to Rs 308 crores, stable at year-on-year and up by 1% on a quarter-on-quarter basis.

The core EBITDA stood at Rs 171 crores for the first quarter of FY26-27, up by 1% Y-o-Y and 20% Q-o-Q. The core profit after tax for the quarter one of FY26-27 is Rs 119 crores, up by 1% Y-o-Y and 72% quarter-on-quarter. The shareholders of the company have approved a final dividend of Rs 40 per equity share at the Annual General Meeting held on 21st July 2026, representing 95% of the pay-out ratio.

On a consolidated basis, the core revenue, that is sale of services, amounted to Rs 379 crores, stable at Y-o-Y and up by 1% Q-o-Q. The core EBITDA stood at Rs 178 crores for the first quarter of FY26-27, up by 3% Y-o-Y and 21% Q-o-Q. The core profit after tax for quarter one of FY26-27 is Rs 129 crores, up by 6% Y-o-Y and 31% Q-o-Q.

On UTI Pension Fund Limited. Our 100% owned subsidiary UTI Pension Fund Limited has recorded a year-on-year growth of approximately 13% in its AUM, reaching approximately Rs 4.31 lakh crores as on 30th June 2026, as compared to Rs 3.81 lakh crores as of 30th June 2025. It currently manages approximately 24.16% of the NPS industry's AUM as compared to 24.67% at the end of quarter one FY26.

On UTI International. UTI International, which represents our international business, has an AUM of approximately USD 1.48 billion, which is Rs 14,027 crores as on 30th June 2026. Our international clients are spread across more than 30 countries and are primarily institutions, pensions, insurance companies, banks, and asset managers. Our flagship India Dynamic Equity Fund, domiciled in Ireland, has an AUM of approximately USD 511.56 million, which is Rs 4,839 crores as on 30th June 2026.

On UTI Alternatives, as of 30th June 2026, UTI Alternatives has an AUM with a total commitment of all active funds, including the co-investment portfolio manager, of Rs 3,843 crores, which is an increase from approximately Rs 2,679 crores in June of 2025. We have an AUM of USD 206 million as of June 2026 across two pooled vehicles in GIFT City, India Opportunity Fund I and India Opportunity Fund II, which act as feeder funds for MOF I and SDOF IV respectively.

UTI Alternatives currently manages six active funds across performing credit and multi-strategy themes.

The UTI Structured Debt Opportunities Fund III has an AUM of approximately Rs 609 crores as compared to Rs 615 crores as of June 2025, and the fund is currently in investing stage.

UTI SDOF IV, launched in Q2 of FY26 and planned as a Rs 1,500 crores fund with a Rs 500 crores Greenshoe option, has currently an AUM of approximately Rs 887 crores.

UTI Multi Opportunities Fund I has an AUM of approximately Rs 1,599 crores and is currently in investing stage.

UTI Multi Opportunities Fund II started marketing in quarter two of FY26 and is planned as a Rs 1,000 crores fund with a Rs 1,000 crores Greenshoe option. It currently has an AUM of Rs 321 crores as of 30th June 2026.

UTI Real Estate Opportunity Fund I with a total commitment of Rs 189 crores as compared to Rs 147 crores as of June '25 remains in fundraising and investing stage.

As of 30th June 2026, UTI AMC's PMS AUM stood at Rs 12,15,000 crores, while EPFO AUM was at Rs 10,63,000 crores. The implementation of the revised EPFO mandate and consequent transfer of assets led to a decline of Rs 3,16,000 crores in the PMS AUM on a quarter-on-quarter basis.

Overall, the quarter reflects continued improvement in the quality of our earnings, a healthy growth trajectory across our core businesses, and disciplined execution against our strategic priorities. I would now request the Managing Director and CEO for his concluding remarks.

Vetri Subramaniam: Thank you, Sandeep, for sharing that detailed operational update with everybody. I think we can now open the forum for question and answers.

Moderator: Thank you very much, sir. Ladies and gentlemen, we will now begin with the question-and-answer session. The first question is from the line of Uday Pai from Investec. Please go ahead.

Uday Pai: Yes, thank you for the opportunity. I have a couple of questions. First is can you share the yields across equity, hybrid, ETF, and liquid for the quarter? And this quarter we see in your financial that there is no non-controlling interest line item or rather it's zero. So, what is the reason for that? And the third question would be the net flows that we see in ETF is there a contribution from EPFO money also, or is it pure retail HNI category flows? And lastly, if I can squeeze one, what's the dividend policy going forward?

Vinay Lakhotia: Yes. So hi, Uday. Yield for the equity and hybrid fund is close to around 72 basis points, 72- 73 basis points. ETF and index fund is around 8 basis points. Cash and arbitrage funds are at around 12, and for the fixed income fund is around close to around 20 basis points. So that's on the yield part.

On the non-controlling interest, we had investment in two of our AIF funds, SDOF II and SDOF III, where because of the controlling interest and because of accounting standards, we were required to consolidate their balance sheet with UTI AMC.

But since SDOF II has already returned the money and SDOF III we have sold a part of our stake, then for this particular quarter, for both the funds, the consolidation was not required to be carried out in our balance sheet, and the non-controlling interest, which represents the other shareholder interest in that particular fund, has actually come down. So that's on the non-controlling part. And with what was the third question?

Uday Pai: Net flow in ETF. The ETF net flows is there is a contribution from EPFO or is it retail?

Vetri Subramaniam: Yes. Vetri here. I mean we don't comment on specific customer flows, so I can't answer that question. But I would just say that our index fund inflows, which is actually significantly retail, were significantly positive for the quarter.

Uday Pai: Sure. And dividend policy, any colour on that?

Vinay Lakhotia: I think we have been maintaining a very healthy pay-out ratio of the profit in excess of 95%. I think hopefully that will continue.

Uday Pai: Sure, sir. Thank you. That's it from my side.

Moderator: Thank you. The next question is from the line of Mohit Mangal from Centrum. Please go ahead.

Mohit Mangal: Yes. Good evening, everybody, and thanks for the opportunity. My first question is basically I wanted to know the impact of, you know, 5 bps exit load on yields-- have we taken the hit or have we passed on to the distributor?

Vinay Lakhotia: Mohit, as you can see from our yield number, there are no dilution as far as the margins are concerned. So basically, whatever the impact of the TER changes has been there, we have passed on the impact to all our intermediaries, and there's no impact on our margin number as such.

Mohit Mangal: Okay, that's great. My second question is basically.

Moderator: I am sorry to interrupt sir. Your voice is not very audible. Could you use your handset?

Mohit Mangal: Is this better?

Moderator: Yes, this is. Thank you so much.

Mohit Mangal: Yes. So, on the net flows, you know, I think if I have to look at your equity schemes, three biggest schemes, flexi cap, large cap, and mid cap. Just wanted to know qualitatively, was there any redemption pressure or how were the flows in this segment, in these schemes?

Vinay Lakhotia: So, the net sales number, Mohit, we have already published that. There have been some redemption pressure under our flexi cap category, but large and mid-cap, we have been receiving quite a positive inflow, and in fact, in flexi cap fund as well, the SIP inflows have been encouraging. But while the overall net sales numbers are negative in flexi cap fund, but there are gross sales in that particular fund and large & mid-cap fund has been doing very well as far as net inflows are concerned.

Mohit Mangal: Right. My last question is towards the PMS. So, I think in your opening comments, you said that, you know, we had to transfer some amount with respect to EPFO money and therefore there has been a decline. So, for the entire year, how should we look at the PMS, please?

Vinay Lakhotia: So, the impact is very marginal in terms of fees, and that has already been factored into our -- this particular quarter financial number. But there's no meaningful impact on the fees number for the PMS on account of this transfer.

Mohit Mangal: Understood. Lastly, in terms of the international business.

Moderator: I'm sorry, sir, your voice is breaking up again.

Mohit Mangal: Yes. So, my last question is on the international business. So basically, we are seeing some kind of pressure over the last 2 to 3 quarters. So, I mean, I understand that because the global uncertainty and other factors as well. But how should we look in terms of this business going forward?

Vetri Subramaniam: So, from our point of view, the international businesses essentially an international sales and distribution business for the investment management capabilities that we already have in India. So, it's the same team that's effectively able to manage the products, which are then getting distributed in different geographies, almost about 38 plus geographies where we have licenses or the product is registered and licensed for sale.

What you are seeing in terms of the flows over the last, I would say, actually, almost 2 years, combination of both the lack of appetite for India, I should actually say negative sentiment towards India and the fact that our own scheme has struggled in terms of performance over the last two years. So that's the reason why the flows are negative. But I see that as essentially a cyclical issue.

At some point, you will see interest in India come back. And I think the scope for India to attract money as an individual geography as opposed to being just a part of a global pool. We see that trend already. And I think that will only accentuate if we stay on the structural growth path.

And therefore, we think there is a great opportunity for us as an India-based manager with local investment management capabilities to capture a share of that market rather than allow that to accrue only to the global firms who actually don't necessarily have much on-ground fund management presence.

Moderator: The next question is from the line of Divij Punjabi from Banyan Tree Advisors.

Divij Punjabi: Yes, I had three questions. The first was like we were discussing some time ago that there was a strategy to diversify focus away from the top 2, 3 equity and hybrid funds into the other funds as well, so that across cycles, the AUM is more consistent. So, can you just comment on how that effort has been progressing so far?

Vetri Subramaniam: Okay, you want me to answer that? Yes, Vetri here. So, I would say that is well underway, and that's reflected in the fact that now the team is actually focused and I would say they've also demonstrated their own capability in terms of being able to push the gross sales across a whole host of funds, rather than it being limited to just a few historically what we may have called flagship schemes.

So, I think the comment perhaps that Vinay made earlier, if you look at the large & mid-cap fund that is actually the fund in which we are having maximum traction at this point of time, and based on the month, I think we are pushing almost 3% to 3.5% in terms of our share of net sales on that strategy.

At the same time, in a strategy like flexi cap which has been challenged, I think team has done a great job of communicating the positioning of that strategy, the potential inflection points, and therefore even though we've lost money because of redemptions, they've actually managed to increase the SIP pipeline over there.

So, I think that strategy is underway. It's a continuous sort of learning experience to the team to sort of push them and nudge them, but I think we are on the right track in terms of being able to get the benefit of a diversified set of products to reflect in our sales numbers. And even in I would say has been a challenged strategy for us in the pure mid-cap fund, actually the team has managed to clock in a positive net sales number year-to-date.

So, I think it just speaks to the ability of the team to engage and be able to settle a very diversified suite of products. And similar would apply even in hybrids. I think in hybrids, our net flows sometimes don't reflect what the team is doing because we've got two-three, what I would call sunset products which are just sort of rolling off.

But outside of those something like the aggressive hybrid etc., again, we've been consistently averaging 2% to 3% of industry net sales over there. So, we are continuing to push the team to engage on multiple products with the whole sales architecture -- distribution architecture.

Divij Punjabi: Sir, I'll just put the other two questions also forward. One is around the employee count. So sequentially, we're seeing that the employee count has gone up by 5%-6% or so. So, kind of you can explain that. And the other one is, is there any consideration around the buyback given the cash that is there and given the price of the stock?

Sandeep Samsi: On the employee count, our numbers have remained fairly stable. As we had mentioned that earlier also when we had given the VRS, the numbers came down and we have only replaced people where there was a need. So, we have not replaced all the people who have taken VRS. So, I'm not sure about the number of employees increase that you're saying. Are you talking from a cost point or are you talking from an absolute number point?

Divij Punjabi: To absolute number. Last quarter, Q4, the total employee count was 1,435 and this quarter it is 1,512.

Sandeep Samsi: So that is the consolidated number, which also includes the people that we have in the pension funds as well as in the alternatives business. So, as Vetri also mentioned in his opening comments, we are investing in all of these businesses and therefore, we have recruited people for sales in the different subsidiaries. But in the asset management, the number remains fairly stable.

Vinay Lakhotia: Divij, we highlighted earlier as well that in UTI Pension Fund Limited, since we are expanding our capabilities into the private pension business, there a significant number of recruitments are happening, plus on the UTI Alternative sides also, we are building capabilities in terms of two strategies, both on the private equity as well as on the real estate fund.

So, these subsidiaries' headcount number has increased, but on the standalone entity, which is the mutual fund business, there the numbers are actually slightly lower only.

Vetri Subramaniam: Just to give you some colour on the AMC side, honestly, it's our belief based on the way we look at the sizing of the organisation that honestly there's no reason for the AMC number to go up unless something changes dramatically, either in terms of our thought process or industry architecture or distribution architecture. So, you should not see the AMC number go up.

Pension fund, again, just to reiterate, actually over there the numbers will go up dramatically over the next two years, but that's just a function of the growth that we are seeing, and we think we can fund that growth quite comfortably without any profitability dent when you look at the pure pension fund company numbers.

So over there, we will actually significantly expand the workforce over the next 18 months. We actually approved it for them way back in October-November '25. So, I think they will almost more than double their headcount over the next year, year and a half.

Divij Punjabi: Sure. And lastly on buyback?

Vetri Subramaniam: No, there's no proposal that we are considering at this point of time. It's not on the table.

Divij Punjabi: Okay, sure. Thank you.

Moderator: Thank you. The next question is from the line of Shreyas Pimple from Nomura. Please go ahead.

Shreyas Pimple: Hi, team. Thank you so much for the opportunity. My first question was on the Mission 2031 strategy. Any quantitative metric or targets that we have set for ourselves in terms of, let's say, distribution or capabilities, if you could expand on that, please, first.

Vetri Subramaniam: Sure. So, I think as far as the Mission 2031 targets are concerned, we said we think there is scope for us to manage 2x our current AUM because we've already made all the commensurate investments that we would need in terms of people, technology, etc. Of course, you have some sort of upgrade cycles in all of this, but otherwise, we are well-staffed to be able to do that. So that's pretty much, I would say, on target.

We need to ramp up our flow market share in equity, because our flow market share in equity is significantly lower than our stock of AUM market share in equity products. So that remains the focus area in terms of the number that we need to take up. I think over there, our current sort of double-down is on SIP, recognising the fact that we've got some weak performance and redemptions in some of the large schemes. So that's why we've been doubling down on SIP.

But at some point, of time, we think cycle will be more favourable. We are also carrying out our own enhancements on process, people within investment management. So, I think at some point when we are able to get better performance numbers, we'll be able to take up that number in a more cyclical fashion.

So that's where we are in terms of making sure but the bigger thought process, flow market share eventually needs to exceed stock market share. That's the only way we are going to be able to get to the targets we have set out for ourselves.

Meanwhile, use every other tactic, whether it is SIP, whether it is other products, whether it is passive, to kind of keep the engagement with the entire distribution architecture and continue to meet whatever investment goals that customers have in whatever products they might want to be able to achieve this.

Shreyas Pimple: Understood. Just one follow-up on that. When an investor thinks about UTI AMC. What are the unique selling points? What are the USPs that you want an investor to think about when they think of the UTI AMC as a fund house?

Vetri Subramaniam: That's a very tough one because some level, sometimes I think the MF 'Sahi Hai' campaign paints all of us with the same brush so it sometimes gets difficult for people to distinguish, but I would say where we've been doubling down is really in terms of pushing our legacy, the fact that we've been around for 60 years, whatever that we do as an organisation is focused on the long term.

And therefore, in every part of our engagement, whether it is with distributors, whether it is customers, it's always to stress the longevity of the organisation and the fact that the investors own needs will evolve over 10, 20, 30 years, and this is an institution which has demonstrated its capable of managing the cycles, managing the challenges and delivering on what those investors expect over a long period of time. So, you'll double down on that trust and comfort that people have with the brand.

The second thing that we've articulated for a while now is the fact that whatever we do in terms of our products, in terms of our processes, or rather in terms of our investment management. At the core of it, there is always a very strong process because we think that is what gives institutions longevity over long periods of time in terms of meeting investor requirements is processes.

At the same time, you also need to make sure that your talent, the people within the organisation are appropriately skilled, they are engaged, they are meeting with the market players, they are engaged with investors, they are engaged in all sorts of public medium because this is an environment in which people want to see what the fund managers are saying and doing. So, we are conscious of that.

We target a lot of our media conversations to make sure there is appropriate visibility for the fund managers, there is regular contact with our partners at every level. So, I would say it's really the trust, it's the process and it's the engagement that we think will continue to define what UTI means to the customer and continue to stress the fact that these are very long-term journeys.

It's not a question of buying the fund which has had the best performance in the last 1 year. It's a question of a fund which has the right thought process in terms of processes, in terms of risk management to meet the needs of the investor over the medium to long-term.

Shreyas Pimple: Sure. Sir, and in terms of the target customer segment, can you, while I understand we will be happy to cater to every Indian, but what are some of the target customer segments that we are going after.

Vetri Subramaniam: Maybe Sandeep can share some data on that, which we sort of know based on our own marketing efforts.

Sandeep Samsi: So, Shreyas, the main target audience that we are looking at is the first-time investors which are coming into the mutual fund, the young investors that have started working, as well as we are looking at people who have got into the next cycle of their life stages, getting married, and then starting a family and increasing their responsibility.

So, if you look at some of the data that we have, we can clearly see in our data that in the first quarter of FY27, we saw about 18.6% increase on a quarter-on-quarter basis on the SIP registrations which happened between the age group of 18 to 25. They have now jumped up to, in this first quarter itself, to 98,127.

So, this is a very strong growth, and this is the strongest growth that we have seen across age groups. Even in the 26 to 40, which I mentioned as the people who have started investing for different goals, that grew at a rate of around 6.8% in the new SIPs and 11.4% in new clients. So there has been a lot of growth that we are seeing in the younger segment, and that remains a focus area for us as we believe in India's growth potential.

Vetri Subramaniam: Just to add the strategic thought process behind that. See, the brand is very well-recognised, I would say, with the older cohorts, if I can use that word, and maybe anybody above 40-plus. For us, we recognise that we are not the first financial brand that younger cohorts have experienced. Younger cohorts have most likely seen the big bank brands which are visible on high streets, those are better known to them.

Which is why our, digital team is very aggressive in terms of making sure we have visibility with that cohort in the digital space, because that is where that cohort is very, very active. So, I would say when I think about UTI, not over the next 1-2 years but over the next 10-20 years, we need to make sure that this brand resonates strongly with the younger cohorts, because if you don't resonate with them, you will not have the benefit of their brand support when they become larger, both in terms of numbers as well as the investment value that they would bring to the table.

So, we believe that this is really a long-term thing that we need to do in terms of making sure the brand is visible to that younger cohort, and lot of our efforts are targeted towards that. The other thing that we know from history is that when you are one of the first preferably the first mutual fund that somebody has experienced, they tend to have that brand in their consideration set for whatever decisions they might make later on in life.

So, which is why we are very specifically also targeting that, is this a new PAN that we are bringing into the industry, because then our ability to engage with them, both through our digital partnerships that we run with Google, as well as our own, sales and marketing automation capability that we have with Salesforce, we have the ability to communicate with that cohort because they are digitally very savvy.

And if we don't do that today, we will have an even bigger problem 20 years out. So, I'm very, focused on the fact that to ensure this institution's brand legacy, we have to significantly engage with that younger cohort and make sure we're one of the first brands that they engage with, which is why we are very aggressive in the digital visibility.

Shreyas Pimple: Yes, that is very heartening to hear from you, sir. Thank you so much. My second question was on the Opex front. We have seen both staff cost, employee cost, as well as other Opex being muted this quarter, minus 8% employee cost quarter-on-quarter decline. Can you explain the reason why the cost was muted this quarter?

Vinay Lakhotia: No, as we highlighted in our April con call as well, because of the benefit of VRS that we gave sometime in the third quarter of last financial year, the employee cost net run rate had come down.

Shreyas Pimple: So, is it fair to say that the expenses would look like in the range for the next for this full year in the quarter?

Vinay Lakhotia: So, the guidance on the employee cost that we gave earlier was Rs 95 crores for the standalone entity and close to around Rs 130 crores per quarter for a consolidated entity. That is the run rate that we are looking at.

Shreyas Pimple: Sure. Sure. That is very helpful. Yes, those were my questions. Thank you so much.

Moderator: Thank you. The next question is from the line of Chirag from DSP. Please go ahead.

Chirag: Yes, sir. Thank you for the opportunity. Sir, just on the buyback, we're sitting on 40% of market capitalisation as cash. This keeps growing 10% every year. Across the NIFTY 500, I don't think any other company will meet this metrics. What needs to happen for you to think about a buyback?

Vetri Subramaniam: Nothing to add relative to my previous answer. That's not on the table right now. But I don't think you will see it growing at that pace because, whatever we are making in terms of profits as Vinay pointed out earlier, we are almost paying out 95%-100%. I think for me, the bigger challenge is to make sure that I grow the market cap quickly. And if I can do that, then that comparison that you're making will not look as, you know, stark as it does today.

Chirag: But is there any constraint, sir, on the buyback?

Vetri Subramaniam: Nothing. It's not on the table right now.

Chirag: Understood. Okay, sir. Thank you so much.

Moderator: Thank you. The next question is from the line of Krunal Shah from ENAM. Please go ahead.

Krunal Shah: Hi, just wanted to understand the outlook on the other expenses for FY27?

Vinay Lakhotia: I think the earlier guidance we gave, say, all the major technological or IT initiatives, digital initiative, we have already carried out, including our revamp of our digital asset, cloud infrastructure, salesforce automation, data lake. So don't foresee a major IT or a digital expense for the remaining of the financial year.

Some things may work out on the AI side. That's why the in the April month we gave a target that 8% to 10% increase on the FY25-26 number will be the target run rate number for this particular financial year.

Krunal Shah: Got it. So, you're maintaining the guidance. Okay. My second question is to Vetri. So, the investment that you are doing in UTI International, UTI Pension, how are you looking at the ROI on these investments, say, 5-6 years down the line, given that most of these are through the P&L right now?

Vetri Subramaniam: In UTI Pension, did you say?

Krunal Shah: Yes, UTI Pension and UTI International as well. Because they are adding a lot of people, so we are booking a lot of expenses, but the revenue is not yet coming?

Vetri Subramaniam: Well, actually on pension, I think pension relative to our investment is actually hugely profitable from our point of view

Vinay Lakhotia: Incremental, I'm the meaning I said you said that you're going to double the headcount in like 18 months…

Vetri Subramaniam: Okay, yes, good. So, you know, in pension, honestly, the business is so unbelievably attractive from my point of view. 15-year money coming in. Obviously, it's at a much lower margin, but from a manufacturer perspective, having that kind of money for 15 years is actually a mouth-watering proposition.

B. I am focused on making sure that we keep getting rupee profit growth, but no desire to exploit that business for margins at this point of time because that would be missing the woods for the trees. So, we want that pension fund to continue to grow the private sector product, and I think somewhere down the road, you will see lot more collision between these products in the customer heads when they make their choices of where they want to go.

And again, I can't understate the attractiveness of a product where for 15 years the customer is going to stay in a relationship with you, which is very different from what happens in the MF space. So, we will be happy to take rupee profits growth in that business, but we are not interested in trying to exploit operating leverage. I'd rather just reinvest it in the business for growth because I think that's the right thing to do in a business which has a 15-year outlook.

On the international business, look, that international business just remembers when you look at, I think Vinay can give you the numbers later, but they've effectively their net worth today is 4x what we had given them many, many years ago. So yes, there is some pain that they give us on the P&L account.

Some of it is just related to the horrible cyclicality that we've seen in terms of the, you know, lack of appetite for India in the last year, year and a half. In the international business, our last big people expansion in terms of headcount happened when we entered the US, which was in 2024 is when we entered.

After having done that US expansion, I am not seeing any reason for the headcount to go up, simply because now we've pretty much covered all the areas that we wanted. Europe was already fully under coverage, Middle East is under coverage, Singapore covers pretty much the entire Asian region for us.

So, in international, I think '24 was the last expansion in headcount in a significant way. You should see it at stable state thereafter. Their challenge has been AUM, not increase in headcount cost. And of course, because of their initial seed money, you see volatility in their reported numbers because that flows through the P&L account.

And the stated thought process in international, which will maybe in some way address if that is your concern, is our own thought process in international now is wherever possible or not only wherever possible, but rather the first principle should be growth through alliances rather than creating large, fixed cost bases first and then trying to figure out where the AUM growth will come from.

So, I think US was the last place where we had to nail down that team and say let's take this cost and then see how to build the business. Hereafter, our thought process is, go the alliance route to scale it, rather than take the costs on our own books upfront.

Krunal Shah: Got it, got it. Interesting. And so, in UTI Retirement, now that we're doubling the headcount, where would we be deploying these people? Are we adding more branches?

Vetri Subramaniam: Combination of branches and feet on street.

Krunal Shah: Understood, understood. Got it.

Vetri Subramaniam: So, it's pretty much all RMs, business development, sales-related roles.

Krunal Shah: Okay, understood. Thank you.

Moderator: Thank you. The next question is from the line of Abhijeet Sakhare from Kotak Securities. Please go ahead.

Abhijeet Sakhare: Hi, thanks. Good evening. My first question was in the opening remarks, you'd mentioned about leaner and agile business model. And if I go back to your, remarks couple of quarters back around, fixing the entire the sales supervisory and the junior layer, in terms of the ratio between the two and how that had to be fixed.

Just wanted to understand like where are we in that process, and broadly except for the fund performance which will probably solve for itself, but everything else is now in place or that's like still a few quarters away?

Vetri Subramaniam: Yes, thanks for that. I'd say on the sales reorganisation stuff, once that VRS was completed, we pretty much got to where we wanted in terms of, changing the ratio of supervisory to feet on street. We sort of clustered some of the branches. So effectively, that allowed us to address that. So, I say we're pretty much there in terms of that 4, 4.5 number. Can it go slightly higher over time?

Maybe. But I think we've achieved where we wanted to go. It's also a young team, so I'm also conscious of the fact that, we effectively moved from 5% of our workforce being Gen Z in 2021 to almost 39% of our workforce being Gen Z. Significantly, those bring up the numbers in sales today. Gen Z and Gen Y put together is, I think, 80% of the sales team.

So, I would say not only have we managed to get that ratio in a more favourable position, we've also managed to bring in a lot more energy. Yes, some of our experience, moved out with the VRS, but we've brought fresh energy into that team. So, I think that part is working well for us.

Investment performance is where, we are not where we would like to be, in my opening remarks I made the call investment excellence, and we've not managed to execute well on that. So that is where we are, sort of working with the team to see what we need to do in terms of both process readjustments and talent to make sure that we are able to execute better. So that to my mind is the key.

Abhijeet Sakhare: Thanks for that. Just one follow-up on the cost front. So, while this year will have some benefits because of the one-off costs in the previous year, but because the because the industry is competitive, so next year onwards, do we start to see some creep-up on the cost growth, especially if the if the top line doesn't really start to come through?

Vinay Lakhotia: I think, hard to giving give any guidance number apart from '26-'27. Let's see how this year goes through and then we'll give a call sometime next year.

Abhijeet Sakhare: Got it, sir. Thanks a lot.

Moderator: Thank you. Participants if you have any questions, you may enter star followed by one. The next question is from the line of Sagar Doshi from Cleverbyte Capital. Please go ahead.

Sagar Doshi: So, I just wanted to understand the growth outlook for this year. As I could see, we have been losing market share over time. So how are you looking at growing the AUM on a net basis? Are you looking at NFOs? So how many new schemes or new products you're looking to launch? If you could give a colour on the growth outlook, that would be good?

Sandeep Samsi: So, on the NFOs, we have a product pipeline which continues to remain robust. And we have a strategy to expand both our passive as well as active investment offerings. We have recently received regulatory approval for several passive products that strengthen our existing index fund investing franchise.

This includes the UTI Nifty 500 ETF and index fund, UTI BSE Index Sector Leaders ETF, and there are other funds which are in the pipeline. On the active side, we are looking at launching, subject to regulatory approvals, a balanced hybrid fund and some sectoral debt funds. So, we have a good pipeline for the year.

Vinay Lakhotia: Apart from that, SIF and GIFT City outbound funds are also in the pipeline in the H2 of this particular financial year.

Sagar Doshi: Okay. And can you also give me some light on we are losing our market share in the average AUM. So, anything on that? What steps are taken and by when can we see like we are at least not losing out?

Vetri Subramaniam: So, I think what you see there is effectively the impact of the redemptions that are happening. As I mentioned in my earlier comments, where some of the larger strategies have had performance issues. I think that will turn around only once we start to see some stronger, tailwinds from a performance standpoint. That's why I called out, we know that where we have strong performance, our share of flow tends to match our share of stock or even go higher than share of stock.

But where we have redemptions then, your net sales number gets crowded out by what's happening in terms of gross. But just from a messaging point of view, we keep the team focused both on that gross number as well as that net number. And therefore, I think when we have slightly more favourable tailwinds on performance, that will take care of itself.

Sagar Doshi: Got it. Thank you.

Moderator: Thank you. The next question is from the line of Jagannatham, an Individual Investor. Please go ahead.

Jagannatham: Hi, thanks for the opportunity. And congratulations for great numbers because I think if I understand it right, be it in terms of revenue, operating profit, net profit, I think this is the best quarter UTI had produced. Congratulations to the team and to Vetri. Just one question, again connecting back to that buyback question considering the liquidity levels.

In the previous con-call, you mentioned that while buyback is not on the cards, but you are keeping optionality from the M&A point of view. Would like to understand whether you are referring to you want to acquire or you are in the or the other way around. I mean, what is the thought process on that M&A that you mentioned in the previous quarter?

Vetri Subramaniam: Yes. I mean, as a listed company, you always want to have the optionality to buy something if the price is right. So, and as an independent company, which as you know, if you look at our corporate structure, there is no promoter that UTI has. So, I think that that is important. Therefore, as an independent company, we maintain some level of cash buffer within the company.

And I think right now the industry is in a little bit of an expansion phase. But at some point, there will be opportunities to acquire bolt-on businesses. So, at that point, we need to have that. We can't at that time go looking for where will we get the cash to do some acquisition.

So, I think any company which doesn't have the, at least a viewpoint that at the right price I will look to acquire and bolt on capability, then I would say you're not doing your job well. So certainly, at some point, we'd look to acquire. But it need not necessarily be only AMC. It could be in the alternatives space; it could be in the international space. So, we'll see.

Jagannatham: Okay, okay. And so, are you actively in talks with somebody or it's more of a passive market right now?

Vetri Subramaniam: No, no. No active talks anywhere at this point.

Jagannatham: Sure. Thank you.

Moderator: Thank you. The next question is from the line of Shailendra Mundra, an Individual Investor. Please go ahead. Mr. Mundra, your line is unmuted. Please ask your question. I'm sorry, sir. We are not able to hear you. Can you use your handset? We are still not able to hear you, sir. I am sorry sir; we are not able to hear you. Ladies and gentlemen, that was the last question. I now hand the call over to Mr. Vetri Subramaniam for closing comments. Over to you, sir.

Vetri Subramaniam: Thank you. Thank you, everybody, for your participation on this call today and for all the questions that you had. And you know, Sandeep and Vinay and me, we are all happy to be able to have this opportunity to engage with all of you and look forward to doing this both during the quarter and obviously at the next quarterly results. Thank you and have a good evening.

Moderator: Thank you, sir. Ladies and gentlemen, thank you for joining the call. In case of any queries, feel free to connect with Adfactors Investor Relations team. You may now disconnect your lines. Thank you.