

Date: 10th February, 2026

The Manager,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, C-1,
Block G, Bandra - Kurla Complex,
Bandra (East), Mumbai - 400 051

The General Manager,
The Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Symbol: SAREGAMA

Scrip Code: 532163

Subject: Q3FY26 Earning Conference Call-Transcript

Dear Sir/ Madam,

With reference to our intimation filed on 28th January, 2026 and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**SEBI Listing Regulations**') as amended, please find enclosed the transcript of the Q3FY26 Earnings Conference Call held on Tuesday, 3rd February, 2026 at 05:00 P.M. (IST) for the quarter and nine months ended on 31st December, 2025.

This information is available on the website of the Company www.saregama.com

You are requested to kindly take the abovementioned on record.

Yours Faithfully,
For **SAREGAMA INDIA LIMITED**

Nayan Kumar Misra
Company Secretary and Compliance Officer

Encl: As above



“Saregama India Limited
Q3 FY26 Earnings Conference Call”
February 03, 2026



MANAGEMENT: **MR. VIKRAM MEHRA – MANAGING DIRECTOR**
MR. PANKAJ CHATURVEDI – CHIEF FINANCIAL OFFICER
MR. ANAND KUMAR – GROUP HEAD – INVESTOR RELATIONS
MR. PANKAJ KEDIA – EXECUTIVE DIRECTOR – INVESTOR RELATIONS
MR. KULDEEP KOTHARI – DEPUTY GENERAL MANAGER – FINANCE

MODERATOR: **MR. ARYAN TRIPATHI – EMKAY GLOBAL FINANCIAL SERVICES LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Saregama India Limited's Earnings Conference Call hosted by Emkay Global Financial Services Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Aryan Tripathi, Emkay Global Financial Services Limited. Thank you and over to you, sir.

Aryan Tripathi: Good evening, everyone. I would like to welcome the management and thank them for this opportunity. We have with us today Mr. Vikram Mehra, Managing Director; Mr. Pankaj Chaturvedi, CFO; Mr. Anand Kumar, Group Head, Investor Relations; and Mr. Pankaj Kedia, Executive Director, Investor Relations. I shall now hand over the call to the management for their opening remarks. Over to you, gentlemen.

Vikram Mehra: Hi. Good evening, everyone. This quarter saw our operating revenue at INR 260 crores and an operating PBT of INR 76.5 crores. In this quarter, we have also taken the impact on account of the new Labour Code of around INR 7 crores, which is a one-time non-cash exceptional item. If I remove the impact of that, we are looking at an Reported profit of INR 69.5 crores.

As always, I will request you to evaluate us on a rolling 12-month basis and not on a quarterly performance basis. We have been maintaining that stand all throughout, and I request you to do it. We have had a great Adjusted EBITDA percentage in this quarter, but rather than taking that as a guidance, we will continue with our guidance of 32%, 33% adjusted EBITDA for the mid-to long-term basis for the company.

Let me start with the first vertical; music, which grew by 29% year-on-year basis during this quarter. The primary reason for this growth was the release of newer content, both on Hindi and the regional side and the partial negation of the Airtel Wynk revenue in the denominator effect.

As many of you may remember, we were getting revenues from Airtel till mid-November of '24. Hence, it was part of the Q3 of the previous financial year. That's the time Airtel Wynk shut their operations. To some extent, we had that revenue sitting in our denominator. But now that effect has gone away.

This quarter saw the release of the super successful Hindi film Dhurandhar, which had the unparalleled distinction of all 11 songs being part of Spotify India Charts. Its biggest song Gehra Hua, even today, as I talk to you, is ranked at number one position on Spotify India Charts.

And its other song, Shararat, is, in fact, ranked at global number one song today on YouTube. The other prominent releases of this quarter were Tu Meri Main Tera Main Tera Tu Meri, a film from Dharma in Hindi and Darshan's film The Devil in Kannada. Non-film albums releases include one of our own Pocket Aces artists, Danny Pandit, with whom we have released our Marathi song Zat Pat Pata Pat, which did extremely well for us.

And then we also worked with Amanraj Gill as part of our Nav Haryanvi deal and launched a song Circle, which has become the top song in the Haryanvi language. Our new content strategic partnership with the ex-promoters on Nav Haryanvi is going very strong. Three of the songs released by Nav in the last 4 months are, even today, sitting in Spotify Top India charts.

Overall company released 1,100-odd original and premium recreations across Hindi, Bhojpuri, Gujarati, Punjabi, Tamil, Telugu, Malayalam, Marathi and Bengali languages. And this also includes Chhattisgarhi and Odia. Overall, our spend for the new content this year will be in the space at INR 275 crores to INR 300 crores.

This has come down compared to what we had earlier planned because many of the films that we had planned for the year, their releases got pushed to the next financial year. 2 of the most prominent ones are Sanjay Leela Bhansali's Love & War and Telugu superstar Nani's Paradise.

During the quarter, the company made a strategic investment in Bhansali Productions through a significant minority ownership, with valuation that is linked to the financial performance of Bhansali Productions over the next 3 years. We are proud of the structure of this deal, which gives more weightage to the future performance than only to the past laurels.

This arrangement with Bhansali Productions also provides us exclusive access to marquee Hindi film music at a pre-agreed cost structure with these people. This will ensure that not only are we going to get guaranteed access to the music of one of the biggest film production houses of this country, but also without getting into bidding and hence, in the long term it is going to help our cost structures too.

As partners, we will be playing to our respective strengths with full creative control retained by Sanjay Leela Bhansali, while the financial oversight will be with Saregama. For your understanding, this transaction finally got closed on 30 January, '26, wherein we have paid the money that we were committed to.

During our last call, we had informed you about creation of a new cell within the video team that's generating latest music videos for our older catalogue songs by licensing new GenAI video generation tools. During the last quarter, we experimented with multiple videos, got our own set of learnings, which we will be using to further refine this video launch strategy of ours.

The good part is that use of generative AI video generation tools for these older songs has helped us drastically reduce both time and cost to release these videos. Something that used to take 10 to 12 days through the earlier possible tools or if we had to shoot used to take up to 15 days, including editing, can now easily be done in less than 3 days.

And the way AI generation tools are moving, we like to believe this process should be completed in 1, 1.5 day within a year or so. All this has serious impact both on time and cost to market. Overall, we continue with the guidance of a 5-year payback period for all new music content that we're acquiring. And after that, another 55 to 75 years of returns on the same music.

As mentioned earlier, this quarter was the final quarter having partial impact of Airtel Wynk closing. It has got over from the mid of quarter 3. And from Q4 onwards, we will not be having

that impact sitting in our denominator. Overall, this and the release of the newer content will hopefully get us back on to our old growth numbers.

Our YouTube revenue during the quarter grew as per expectations. The attempt by various audio streaming platforms to push subscription continues to be there. The 2 big platforms who still have a free service are making moves right now to push the paid subscription part. This is great news, though slow, but in a steady fashion, we are seeing a transition happening from the free to the paid side.

And with India, it is the last large opportunity, which is sitting for many of these global streaming platforms also, as an untapped market through which they can go and grow their subscription and hence, the overall revenue. So we believe the growth is just there, courtesy subscription knocking at the door.

Artist management, the newer vertical within music, wherein artists are made popular through our IP releases and then we monetize these artists by booking them for live events, weddings and brand endorsements from which Saregama gets its share. During the quarter, 60 new artists were added, taking the total artists managed by company to 270-odd, with more than 300 million follower and subscribers on Instagram and YouTube of these artists.

As we continue our investments in all forms of content, we will use that power to make these artists big. And as they become bigger, the digital advertising following them will also grow, and we end up earning a share of it. We are very uniquely placed, as I've said multiple times in this content ecosystem that we are taking bets both on the content and the artist that is making the content.

And our ability to make revenue is not just limited to content doing very well. At times, even better revenue comes in because the artists whom we people have taken to create that content, which helped an artist becoming big also ends up generating a large amount of revenue and profits for us.

During the first 9 months, the music segment growth has come back to 18% on a year-on-year basis. This quarter was 29%, but overall, we are back to an 18% growth rate. We believe that we are on track on a medium- to long-term basis coming back to 21% to 23% annual growth rate. This year, the number may be closer to 18%, 19%, but next year onwards, we should be back to 21% to 23%.

As shared earlier, with the acquisition of a minority stake in SLB, we plan to wind down our in-house movie business. Over the next 12 to 15 months, we will release most of our existing movie projects that are currently in the pipeline. But at the same time, we will continue our work on short to medium-length video content, which goes either on short-format channels on Instagram and YouTube Shorts or goes as a licensing part to digital platforms or TV channels.

We will continue our work in that space, with a specific focus on Gen Z being the target segment. On live event side, Saregama did shows with Diljit Dosanjh, Himesh Reshammiya during the quarter. We also experimented with a lot of stand up comedy shows across the country. There

are many more shows planned in Q4, including our first music festival in Bangalore in March, shows around Lord Krishna with Manoj Muntashir in Mumbai.

We have big time got into bhajan clubbing shows, and we are doing with multiple people, the most popular one being Backstage Siblings. Our long-term belief in the potential of live events in India keeps getting reinforced quarter after quarter, and we will continue to put our focus and investments in this area.

Again, as discussed last time, a new vertical around brand partnerships have been put in place, where the objective is to maximize revenue from brands in the areas of music, live events and short-format video. In the last quarter, we partnered with brands like Hero, OpenAI, Manyavar, Fogg, Greenlam, Carat Lane, Gujarat Tourism, et cetera. This is our very strong endeavour to say that we have been making money either from licensing our content to platforms like Netflix, Spotify, Star or by going directly to the customers, which we do by selling a Carvaan or a live event. But we now want to build a vertical, whereby we can also make a sizable chunk of revenue from brands that are coming on board. Over the next few years, we will continue investing in new music content. This will contribute not only to the immediate growth, but also future-proof the company from content perspective.

We continue with our guidance of 21% to 23% growth in the medium to long term in music segment and an annual adjusted EBITDA guidance of 32% to 33%. Saregama's growth narrative will continue to be steady in the medium to long term, thanks to increase in digital consumption, both in terms of new customers joining the market and existing customers consuming more.

With over 550 million Internet footprint, cash reserves, professional managerial depth and access to the soundtracks of the best movies, we are hopeful that we'll be able to generate earnings not just for next 2 to 3 years, but for the next 30 to 40 years. Thank you and we'll be open to questions.

Moderator: Thank you very much. We will now begin the question and answer session. The first question comes from the line of Sujit Jain from Bajaj Life. Please go ahead.

Sujit Jain: Yes. Vikram, so just one philosophical question. A, when you say, judge us with trailing 12-month basis, it is best to present that in your presentation itself so that the numbers are for everybody to see, including your own team as to how the numbers have panned out in terms of trailing 12-month basis. Because if I look at that data, that data is materially down. B, how do we evaluate Pocket Aces and eventually, Bhansali Productions?

We need to have clear road map in terms of the parameters that we need to track so that we can track them. See, this is a company with a great team and great compounding, if I look at numbers, any numbers, 3-year, 5-year, 10-year, compounded sales growth of 27%, 18%, 20%. Profit growth has also been phenomenal. And then there is some kind of plateau. How do we address that?

And one last question is what about the shareholder who came in, in 2021 at INR400. If he had invested that money even in a National Savings Certificate, his money would have been INR540

today. No, I'm not that shareholder. What I'm saying, I'm sure we want to basically service him as well. So, how do we get back to the previous glory and trajectory?

Vikram Mehra:

All fair points out here. Let me try to answer those. See, our strategy has been very, very clear, and we have been very open about it from the last 4 years onwards that we want to up the investments on the music content in a significant enough fashion and not just rest on the laurels of the older content.

Today, it's very easy for us to take the decision that we should reduce our new content investment significantly. We will still be able to go back and show some amount of a marginal growth coming in and the profitability is going to look extremely decent. We have taken a conscious call that we will not do that.

For Music segment, this is the first 9 months where we are showing an 18% growth. Till last year, we were continuing to grow at a 23% CAGR. Often, what gets confused is the live music events part. Live events is by nature, a business right now, which is slightly unpredictable. It all depends whether a large tour is going to be happening during the year or not happening during the year.

Last year, same quarter, we had Diljit Dosanjh India Tour happening. Now, Diljit next such tour may happen 2 years later. There is no other tour. So, you will have these kind of a periodic ups and downs, both in our bottom line and the top line. The steady part of our business is the music part of our business, which has been growing in a steady fashion over these years.

The other part that you should track, and if it's not working, we are fully responsible for that, are our EBITDA numbers. Because if you look at the EBITDA numbers, that shields us for the time being right now from the content charge that people are taking. And you will see there's a substantial growth, which is happening on the EBITDA side.

So, we are at that phase of our company where we are trying to rebuild this company with newer content so that we don't suffer the same problem that we had 25 years ago when for a period of 2000 to 2020, there was no new music coming in the company and growth has started stagnating. That's a process we are going through.

You will see this part getting over, of this very high investments that we people made out there in our content because right now, there's a step function jump that is going on every year on the content side. We are happy with the kind of market share we people have started enjoying in the newer content.

So as we go forward, the increase in content investment will be falling more of a linear curve right now rather than step function, which means the revenue that's going to be coming on account of older investments and the newer investments will soon be exceeding the charge that we are taking of that particular content and hence, the impact will start flowing back to the bottom line. Have I answered your question?

Sujit Jain:

No. My suggestion is that can anybody in your team tell me that number ex of event sales trailing 12 months versus the 12-month period in the base? What was that number? We've been saying

that, that number should grow at that guided range. Has it done that? You can tell me the exact numbers or we can take this offline, every time when we say it is best to basically support that with actual numbers rather than just the narrative as that please look at this way, that way, let us put everything in numbers so that everything will be clear in black and white?

Vikram Mehra: Absolutely. Point is very well taken. From next quarter onwards, our presentation will now be showing the growth numbers on a rolling 12-month basis also.

Sujit Jain: And ex of events, which is a fair ask. We completely understand that. What my suggestion is that I can say that we are not there. Can your team tell me that no, no, we are there with numbers?

Vikram Mehra: No, we are there with numbers. By the time the call gets over, I will give you the numbers.

Sujit Jain: Yes, please.

Vikram Mehra: What music has shown on a rolling 12-month basis versus the previous 12 months? We'll get you those numbers.

Sujit Jain: Correct, ex of events?

Vikram Mehra: Ex of events.

Sujit Jain: We understand because that is a lumpy item?

Vikram Mehra: See, I think the right part is music licensing numbers is what we should be looking at. Adding Carvaan to it makes no sense because Carvaan, we have been very public about it. Focus has changed. We are reducing the revenue but increasing the profitability on Carvaan. So the core part of the business, which is a steady income part of the business, is music. We'll give you the music numbers before the call ends.

Sujit Jain: Fair enough. And I still don't get the answer as to how do I evaluate Pocket Aces and this new investment, which is absolutely right in terms of direction the industry has to take. But we need to have clear parameters as to how good we are in terms of our capital allocation, the capital that we last raised?

Vikram Mehra: No. So, I'm with you completely. So, our guidance on Pocket Aces has been that this year, we will not only show a growth right now, which is upwards of 25%, but we will also be breakeven. And last year, we people had still written a loss. This year is a breakeven year for us.

All the synergies that we needed to drive with those people seems to be falling in place now. So, you will have a breakeven year going there. Post that, I am expecting right now that the Pocket Aces part of the business, which is a combination of artist management and some amount of video content should be growing at a 25% CAGR.

Sujit Jain: Would it lead to a meaningful ROE in that business after 5 years or after 7 years? And if yes, what is that number?

Vikram Mehra:

Sure. So, I will come back to you on this. But please, every time you are looking at Pocket Aces, even when we acquired it, I had said this and I'll repeat myself, Pocket Aces on its own makes a lot of sense, but it makes even more sense from the music perspective. Today, if Saregama has got the biggest hit rate in the market in terms of music album, it's not just happening because we are smarter one, maybe a little bit contribution to that.

But the fact of life is we are the most effective marketing machinery in there on the digital side. And Pocket Aces numbers that they bring in of the followers and subscriber base, both on Instagram, YouTube Shorts, YouTube and Facebook are a very big contributor, which is helping our music business.

So, we are able to drive bigger number of hits on the music side in spite of having marketing costs which are under control. So there's a large help that part of the business is providing to music too, but that does not mean Pocket Aces will ever become the loss leader. You will see numbers improving. So there also, for us to get this company from a INR 10 crores loss into now a breakeven has been a successful journey. And from now onwards, we'll build. And we will share with you the parameters on which you can go back and judge.

Sujit Jain:

Yes. And one last suggestion is when we say in YouTube, we met our internal expectation, I don't have anything to judge in terms of numbers, what your expectation was against which you said, yes, it's a goal. But I don't know the goalpost?

Vikram Mehra:

No, you need to judge me at a 29% music revenue growth during the quarter and 18% on a 9-month basis, sir. Beyond that, I can't share information. I can just tell you directionally.

Sujit Jain:

That I get. But, yes, ultimately, it should show up in numbers for us. That's the basic ask?

Vikram Mehra:

Evaluate us on a 29% quarter growth and an 18% 9-month growth.

Pankaj Kedia:

Sujit, just to add up on your query. This is Pankaj Kedia. The presentation which we have filed with the exchange, Slide number 15 of the presentation talks about last 17 quarters' music licensing income quarter-by-quarter. So, what Vikram was talking about rolling last 4 quarters, that data is already filed with the exchange.

Moderator:

Our next question comes from the line of Lokesh Manik from Vallum Capital.

Lokesh Manik:

A couple of questions from my end. One is you've seen good success with Dhurandhar and other film regional releases this quarter. So, do you expect this momentum -- you mentioned one of them is continuing even in Jan to aid the growth in Q4 as well going forward, the momentum from all these releases?

Vikram Mehra:

So, let me not go back and talk on a specific quarter. In general, we believe that revenue growth, apart from whatever little digital expansion that's happening and the subscription growth, the primary revenue growth that we people are getting is coming out of the newer content investment.

Majority of our release calendar that was scheduled for Q1 and Q2 had got pushed, which was bunching up in Q3 and some amount is coming out there in Q4. So, that's a content strategy, which should help out there in the revenue part, too. Even last quarter, when we people were looking at 11% to 12% growth in music business of ours, I had mentioned very clearly that we should end the year closer to 18%. We are already on a 9-month basis on 18%. And our hold at this juncture, I have reason to believe that around 18% should be the number for the end of the year also on the music part of the business.

Lokesh Manik: Fair enough. And Vikram, just to add to this, do you see this success allowing you to negotiate better with the contracts with the platforms coming up because that's where new music also has an advantage. You mentioned in the past, it helps you to negotiate better. So, are you seeing that with your discussions with the platforms that you're having?

Vikram Mehra: Yes. Let me put it this way, sir. The strength of catalogue that we people own, literally anything and everything of the 20th century, apart from maybe the last 10 years of the 20th century, anyway puts us in a very decent position from a negotiation perspective. And these big album hits that we have seen in Hindi or a Telugu or a Tamil.

We have a few very big hits coming out of Malayalam, definitely makes our position pretty strong when we are negotiating with people, especially the platforms which are still on a fixed fee basis. So, a lot of short format content platforms are still on a fixed fee basis. These things strengthen our position, yes, for sure.

Lokesh Manik: Great. Vikram, my second question is on Pocket Aces. In a maturing phase -- we are right now in a growing phase -- nascent and growing phase. In a maturing phase, do you see this commanding the same EBITDA margin as the music business? Or this would be more on the video side of the EBITDA margin?

Vikram Mehra: Sir, this will be more on the video side of the business because the music business by its very nature is an IP business, where you invest heavy and you take hits in the first couple, 2, 3, 4 years but later, you have 55 to 75 years of pure margin, which is not the model which is followed either on the talent side or on the video side. So the capital investment out there is always much smaller, but the profile of the margins is also lower.

Lokesh Manik: But then, do you see the payback extending beyond the 5 years for the acquisition?

Vikram Mehra: Sir, I said in response to the first question also, whenever you look at Pocket Aces, please also look at the side benefit that the music part of the business is getting out of it. At the end of the day, if I've got a music album and a producer has to take a call that should they send the album to us or should they give the album to any of my competitors, money typically becomes the same.

We at times under quote compared to a competitor, but we are still able to get it only because of our marketing muscle. For a film producer, it's not just the money that he makes out of the licensing of music. For him or her very important part is, will the music be marketed large enough so that Friday morning when the movie opens up, there is enough footfall in the hall. What Pocket Aces is able to go back and bring to us is around 300 million digital footprint today

across Meta and Google Apps, which makes it easier for us to take any song and make it sampled by millions of people on an overnight basis. So there is a large benefit of that also coming in and those benefits are captured in different verticals. They're not just captured strictly sitting out there under Pocket Aces. Tomorrow, I can go back and start giving them large marketing monies to show them profitable, but that's the wrong thing to do.

Lokesh Manik: Right. Just last clarification. The big releases of Love & War and one more they've been pushed into Q1, Q2 of next year or Q4 of that year?

Vikram Mehra: As of now, what I understand is Paradise is Q1 and Love & War today is Q2. We have another big movie planned for next year in the Hindi space, which currently is in Q2. My expectation is it's going to get pushed to Q3.

Lokesh Manik: So, you have a good line up then for Q1, Q2, Q3 following on big releases?

Vikram Mehra: So typically, Q1 anyway goes a little lighter because most film producers are scared of the cricket phenomenon at that time. Less releases happen. They start bunching up towards May end and June. July, August becomes a very big release period and then Diwali to Christmas is a very big release period. For South India, January is a very big release period. Across the country for romantic films, February is a big period.

Moderator: Our next question comes from the line of Kavish Parekh from B&K Securities.

Kavish Parekh: Hi, Vikram thanks for the opportunity and congratulations on a great set of numbers. Vikram, on the events segment, while I do understand that numbers here can be lumpy basis events calendar and all your initiatives seem to be on the right track, what kind of absolute revenues or say, growth can we expect here on a sustainable basis, say, some sense of numbers 2 years out? And secondly, what kind of margin upliftment do we expect at the consolidated level as the revenue contribution from the movie business goes down over the next 2 years?

Vikram Mehra: So, let me try to answer the first one. See, on the events business, I'll be honest with you, we are still at a very early stage of this event economy in the country. 2.5 years back when we started the events business, and I had said in our quarterly call that we will take a call after 1 year whether we want to continue in this business or not.

And then Diljit happened and after that Himesh happened, and we are realizing there's a large enough potential, but there are still serious infrastructure challenges in our country to make live events business genuinely a profitable business. We are bullish on that part, but I will be in a better position to give a guidance maybe 12 months from now.

I don't think today, it will make sense for me to give a guidance on the revenue side. What I can tell you is on the profitability side, we are very, very clear in our edge that in a steady state, we want it to be a high single-digit margin percentage. On a margin basis, it will look very small, but events business by very nature is a very high IRR business because the cash gets deployed at best for 15 to 20 days.

There are some of the times right now in the event business when we get a positive working capital. So, we are getting money right now to go back and fund our own events. So, our attempt is going to be high single-digit margin percentage. That's where we people are moving. But it will take 2 to 3 years to go out there and on a steady basis, achieve these percentages.

Today, it's a hit and a miss. Some of the events end up delivering this. Some of the events, which are at an early stages or wherever we are building a brand-new IP ends up even contributing negative to the margin. Your second part was on the video side. So, what you are going to be seeing that our own internal video where the biggest share was of the films part, we will wind it down over 12 to 15 months. So, those numbers will start moving out of our books. But we will get to the extent our strategic minority ownership is there in Bhansali Productions, we will start getting those numbers contributing to our own P&L.

Kavish Parekh: So on the movies biz part, my question pertains to consolidated EBITDA margins. What kind of upliftment do you expect as the share of video, which is a low-margin business, goes down? Do you expect to revise your adjusted EBITDA margin guidance, say next year or maybe for FY '28 going ahead?

Vikram Mehra: So if you see our EBITDA numbers, it's there in the presentation on a steady basis. We have typically, if I take out the events well apart, always beaten this 32%, 33% guidance. I just want to get the mix a bit stabilized. Over the last 1 year, we have brought down Carvaan dramatically.

We are now bringing down films business dramatically, but live events business is going up. We will need a little longer time for us to get the confidence to go and give a higher guidance. So, we are continuing at this juncture with the adjusted EBITDA guidance of 30% to 33%. But if you go in the past history, we have always beaten that.

Kavish Parekh: Understood. Thanks for that. Vikram, EBITDA margins this quarter surprised us positively, but you have maintained the guidance at 32% to 33% for adjusted EBITDA this year. What explains the beat this quarter and the INR57 million-odd profits in the events business? What does that pertain to?

Vikram Mehra: Sorry, sir. Your question is not clear. Can you please once again tell me?

Kavish Parekh: So, EBITDA margin this quarter at the consolidated level surprised us positively, but annual guidance for the adjusted EBITDA number stays at about 32%, 33%. What explains this quarterly?

Vikram Mehra: This is the long-term guidance that I'm giving here, I'm not necessarily giving guidance right now for this year alone because only 1 quarter left, I can't go more specific than that today. So, 32%, 33% is a medium- to long-term guidance for our business at a consolidated level.

Kavish Parekh: And INR57 million?

Vikram Mehra: Now your second part, sorry?

Kavish Parekh: The INR57 million odd profit that you have shown in the events business this quarter, what does that pertain to?

Vikram Mehra: So, we had Diljit show during this quarter. We had Himesh shows during this quarter and we had some of the stand up comedy that we people did during this quarter.

Kavish Parekh: All right. And lastly, un-allocable expenditure has witnessed a sharp increase over 9 months F '26 as compared to the last year. Could you highlight what explains the same?

Vikram Mehra: Kuldeep is going to answer that one.

Kuldeep Kothari: So if you see, this is basically due to the decrease in the other income, which is interest income, which we were having surplus fund, which we have invested in FDs and mutual funds. So now we are utilizing those funds for the business purposes. So, that is where other income has reduced. And this is the main difference of unallocated expenditure over income.

Kavish Parekh: Understood. Because of netting off. Understood.

Moderator: Our next question comes from the line of Jyoti from Arihant Capital.

Jyoti: Sir, might be this question you have got multiple times, but wanted to ask again. Like India's paid music penetration, which is approx 1%. So, what ARPU and subscriber assumption are embedded in our medium-term revenue outlook? And also wanted to understand what percentage of license revenue today is subscription linked? And how fast can this mix shifted -- can shift? And also with 550 million-plus followers across platform, what is your revenue per million followers? And how do you plan to scale this up going forward?

Vikram Mehra: Ma'am, you have lots of questions and let me see if I can answer. When we people give our music medium- to long-term growth guidance of 21% to 23%, we are not factoring in any major change in paid subscription in the country. So whatever comes on the paid subscription side will be a booster on top of this guidance of ours. That's point number one.

We, as a company, believe that India is ready if all the remaining 2 platforms, which are on the free side, that both of them decide to go completely behind a paid wall as Amazon, Apple, Gaana have gone. Only Spotify and Saavn haven't gone yet. Once they do, we believe India has very easily a potential of INR100 per month or INR90 per month, at least 100 million people going out there and opting for a paid subscription.

That's our belief. The market potential is massive in our country. The success of earlier days DTH, then digital cable and now video OTT services, even transactions being done on gaming services today give us the confidence that; one, there is affordability; second, there is an inclination to go and pay for entertainment content.

And the fabulous job done by government on the digital infrastructure has ensured that the payment has become very, very easy and glitch-free. All these factors coming together create this perfect recipe right now where a large number of people can go out there and move to the paid subscriber base.

When we also look to other countries like a Brazil or any of the other Latin American countries, which on the economic side are not very different from ours, we have seen that the market continued on a free style for a very long time and the day the one or two big guys decided to start pushing pay, there was a hockey stick effect and the paid subscriber numbers went through the roof. Something very similar happened in China around 7 years ago.

We believe a similar story eventually is going to go and play out in India also on the music side. As a company, we have that stronger belief in this hypothesis that when we are doing new content acquisition, we keep in mind that which are the languages where there will be a higher take-off or the first take-off will happen of the paid subscriber base and we skew our spend on that particular language. It's a matter of 1, 2, 3 years where even you will see paid subscription taking off in our country. Have I answered your question?

Jyoti: Yes, sir, largely. And sir, last question, a follow-up on the EBITDA side, like you have guided 32%, 33%. But once capex over by '27, so what's our outlook on that side on the EBITDA side, not on the revenue, like you mentioned you cannot guide. But on the EBITDA side, what kind of trajectory we can follow?

Vikram Mehra: Ma'am, on revenue, I've given the guidance on the music side that music, which is a steady part of the verticals, will continue growing at 21% to 23% on a medium- to long-term basis. So, we have given a revenue guidance. On the adjusted EBITDA, guidance remains 32% to 33% on medium to long term because we have multiple businesses here. This is at the consolidated company level.

You have music business. You have video business. You have live events business and a small play sitting here with us on the Carvaan business also, which is part of the company. Each of those other businesses take very little capital, but they are also lower margin, lower capital kind of businesses. Music is a heavier margin because we have an old catalogue helping us out but also requires a large amount of investments from our side.

So, the other part I want to clarify is our music investment on newer content, we have given a guidance of around INR 1,000 crores over financial year '25, '26 and '27. After that, it's not that we will stop investing in newer music. We need to keep your company completely future-proof. So, then 2,050 also people are listening to the music, which is owned by Saregama.

So we will continue investing, but the increase in the content spend is not going to be so steep as you have seen over these 3 years. It will then start moving at the rate of inflation maybe, which will be anything between 6% to 8% to 10% every year, not this 30% to 40%, at times 50% jump that you have seen over the last 3 years. Ma'am, have I answered your question?

Jyoti: Yes, sir.

Moderator: Our next question comes from the line of Kunal Bhatia from Dalal&Broacha Stock Broking Limited.

Kunal Bhatia: Yes. Sir, if we look at the overall numbers, like, a, what gives you the confidence that Q4 would be a better number, taking into account that there has been already some shift in the movie

launches to the next year? Also, secondly, sir, talking about events, if we look at the number when we hit the INR 400-plus crores of revenue in last year Q3 FY '25, so does that thing become more of a one-off for the next, say, 1 or 2 years till we don't have larger events in place?

So, taking into account these large investments of INR 100 crores, INR 100-odd crores, we more or less stay at around that same INR 260 crores, INR 250-odd crores of a top line, which is not a significant sort of a growth number as far as the top line is concerned. Could you give some thoughts on this?

Vikram Mehra:

So, let me answer the first question. Actually, I've not said anything about Q4. All I have maintained is that at the end of Q2, we had given a guidance of 17% to 18% music revenue growth by the end of the year. At the end of 9 months, we are sitting on 18% growth on a 9-month basis.

We are still hopeful to go back and maintain our guidance of 17% to 18% on a full-year basis when we end Q4. That's all I've stated till now. There are releases that are planned. And as I talk right now, there are various regional language releases that are also happening. So we are, at this moment, still confident that we should be able to continue with this momentum and end the year at somewhere between 17% to 18% revenue growth on the music part of the business.

It's only on a medium to long term that we are going back to an old trajectory that we followed till financial year '25 of 21% to 23% growth on the music side. That's your first part, sir. On the events part of the business, these large events where the big shows are happening and it is completely 100% controlled by us, they don't happen that often.

And we are very, very clear, what we are chasing on the event business is not the top line, but the bottom line. Even if there are smaller events that are happening, we are very happy doing 200 smaller events, but where we have a higher assurance of profitability than doing these very, very large events where the risk factors are pretty high.

There are only a few artists in this country. You can count them in on a single palm, right, where there is a high assurance that if you do an event with them, there will be profits coming in. We are working with, and we are grateful that we get a chance to work with, two of those artists.

The numbers will grow in a steady fashion. But this kind of a lumpy revenue that you saw in Q3 of last year, which was not seen before and even when that revenue came, if you listen to my call last year, I had said this is one-off, please don't hold it against us. This may or may not happen. But events vertical in a steady fashion will keep on growing up.

And the great part about events vertical is there's very little capital, which remains locked in it. Even now if you see at the end of this quarter, we have, what, close to INR 15 crores, assets which is locked into the events vertical. Events vertical does not ever have any major cash that gets locked there because you the very nature is that you put the money in, the capital gets rotated right now within 30 to 40 days, one gets out.

So, I think events vertical, we will follow the same strategy. Keep yourself very, very capital light. Don't get into any of the infrastructure-related large projects part of the events business.

Go back and produce great shows with artists where there's a high probability of success. Find business models where in case things go wrong.

You can hedge that downside by doing something with the artists maybe on the recorded music side because we are uniquely placed being the only entertainment company, not just in India, globally now, which is present both on the recorded music side as well as the live event side. We want to take the benefit of this so that we will always be able to control the amount of losses, if any, that come out in the event side. Have I answered your questions?

Kunal Bhatia: Yes. Sir, but -- so going forward, say, on a medium- to long-term basis, how does one have a certainty or a predictability for the events business?

Vikram Mehra: So, take out that one-off things. So, just take out the one-off things, which again, I'm repeating when this one-off thing happened, we had said it's a one-off thing. You take that out, there is a steady growth you're going to find year after year. So every time there's a one-off thing, we will call out that one-off thing.

And please don't consider that as part of our growth strategy. It will be imprudent on my part to say no when a one-off activity like that happens. But that's the nature of the beast here. If you are going to be working with Indian artists and we are very clear that's a space we want to be in.

We work with Indian artists, artists with whom we also have a relationship on the music side. Their all-India tours of that size are not that many happening in the country. Most of those are very, very small. Diljit Dosanjh is the only and the only tour of its shape, size that has happened in the last 5 years in this country. And Diljit can't come every year to India. In that quarter if you remove the Diljit impact and then please evaluate us. So remove these one-off events, and you will see a steady growth happening on the event side.

Moderator: Our next question comes from the line of Swapnil Potdukhe from JM Financial.

Swapnil Potdukhe: So the question is regarding your content investment. You said INR 275 crores to INR 300 crores of investment this year. And our historical guidance, 3-year guidance has been around INR 1,000 crores of investment. Now, does that INR 1,000 crores of guidance include the investment that you had done in the Bhansali Productions or it is completely different?

Vikram Mehra: So, whatever music that we will end up buying from Bhansali Productions will be part of this investment. So, there are two relationships we have right now. We have gone out there and taken an equity stake in Bhansali Productions. As part of that deal, we also have a pre-agreed formula, basis which all films that is produced by Bhansali Productions, the legal entity, the music will always come to Saregama. So, there's a guaranteed flow of music without any bidding going on. That music that will come in will be part of INR 1,000 crores.

Swapnil Potdukhe: Got it. And just a second question is with respect to your video segment.

Moderator: Sorry to interrupt you, sir, but if you have a follow-up question.

Swapnil Potdukhe: It's a quick one. It's just a short one. It used to have TV serials revenue from Tamil, right? And then there used to be some bit of Pocket Aces' revenue also. So, when you say that you will take down the movies business to zero over a period of time, will this -- the entire revenue go away, like we'll still have some bits and pieces?

Vikram Mehra: No, we will have. I said this in my opening statement that what we are winding down is our films business, but we will continue with a focus on the video side on short-format content, which goes under FilterCopy and medium-sized content, which goes on as web series or TV series. That part of the business is a stable part of the business, profitable part of the business that will continue.

Moderator: Our next question comes from the line of Aditya Nahar from Alpana Enterprises.

Aditya Nahar: Just a suggestion. With the new treatment on buybacks, I hope you all consider a combination of buybacks and dividend both. Just a suggestion. Obviously, it's up to the Board. But if you would consider it, that would be great. Vikram, there was some news report that said the music for Dhurandhar 2 has gone to a competitor. If you would want to talk about that or was the bidding too high, your logic or rationale behind it, if that's possible?

Vikram Mehra: So, all I can say, Aditya, that instead of commenting on a specific movie, we are very, very clear, we do content investment in a fashion that we end up getting a payback period. We don't do content investment keeping vanity in play at any particular time. So, whatever good something maybe, if we believe that there is a very low probability of us managing a 5-year payback period. We don't go out there and opt in for that kind of content. It just stays there. I think to some extent, it reflects that as a management team, we don't allow our own personal emotions ever to go back and come in place. There are hard-nosed financial calls that are being taken.

Aditya Nahar: Great, Vikram. And just your point about the buybacks and the dividend?

Vikram Mehra: So point is well noted and we'll convey your feedback to the Board.

Moderator: Thank you. Our next question comes from the line of Aanchal Jalan from Lotus Wealth. Please go ahead.

Aanchal Jalan: So, my question is regarding the risk on the side of our investment in Bhansali Productions. Our company has future options to even increase this investment to 51% by 2030. And the business of Bhansali Productions is very volatile. It can even be a blockbuster or otherwise. So, does our investment risk in future stable equity or a more adventurous risk of debt funding to the company whenever it is required for any mega movie or anything? Can you please tell me about it?

Vikram Mehra: See, at this moment, first, the decision of what this equity stake will be, will be taken 3 years from the time that deal was done. And it will be based on the average financial performance during these 3 years. So, the onus is fully sitting out there with the management of Bhansali Productions to be extremely prudent about what kind of movies are they making and at what cost structures are they making.

We also have a complete financial oversight as part of the agreement on Bhansali Productions. So, we are reasonably confident that things will be in control. Also, I can give you comfort that if you look at the past numbers of Bhansali Productions, they run a very, very tight ship, and we believe that trend to continue.

Our understanding of the next few years' plans is that the combination of the capital infusion done by Saregama and Bhansali Productions and this unique ability Bhansali Productions has that they can go to a digital platform and pre-sell the rights even right at the script stage and pick up massive advances from them.

The combination of these two will come very, very handy for them to go back and finance all their films without any need to raise debt. We don't see any need for any debt raise to happen. Regarding your last point on the majority stake, do we want to go out there and take or not? That's a call Board will be taking at the end of the 3 years. We have the right, not the obligation, to go out there and do that.

Aanchal Jalan: Okay, sir. So if there is any requirement for debt by chance, then the company is open for that?

Vikram Mehra: You're asking me a very theoretical question right now. We don't see the need. But if debt has to be raised and the servicing of debt is going to be affecting the financial performance of that company, and that will have an impact on the valuation of that company. So, I'm very confident of the Bhansali management that they will be extremely prudent while going out there and doing this. Regarding equity infusion, apart from the money that we have put in, we have no intent to put any obligation or intent to put any more money over the next 3 years.

Moderator: Our next question comes from the line of Govindarajan Chellappa from CSIM.

Govindarajan Chellappa: I think like many others, I'm also confused on the guidance. Just indulge me for a few seconds. So, you have guided to music business accelerating back to its historic trend of 22% to 23%. At the same time, you also said that the consolidated margins will fall from 39% we saw in the first 9 months to 32% to 33%, which is what you've been guiding in the past. Now is this because you expect the other lower-margin businesses to grow much faster and therefore, the mix changes adversely or do you expect margins in the music business to come down?

Vikram Mehra: So, I think at least the guidance you got right. I've been holding on to 32% to 33% guidance, I think, for last 4 or 5 years now. And I'm saying this repeatedly because of the mix that we people have. Suddenly, you have a large Diljit Dosanjh kind of an event happening again. And the margin in that quarter, if I remember it correctly, EBITDA margin fallen around 29% or 30%.

So, I want some amount of stability to come in as video business ranges down, live events business becomes little more predictable. We will be in a better position to, if needed, be to go back and change our guidance. Music profitability is not going to come down. There's no reason. It's not come down over the years.

There's no reason for us to go back and come down at all. If anything, subscription is going to be ensuring as subscription goes up, that the yield per view or a stream is going to go up. So, profitability of anything will improve rather than coming down. I don't want to change the

corporate level guidance till the time these verticals that we people have get a proper stability. If you see this quarter's EBITDA percentage sitting at 46%.

Now, these are aberrations that keep on happening. 46% cannot be offered right now quarter-on-quarter. It just depends on which content got released or which revenue peaked, while the cost may be sitting on a quarter 2 or a quarter 4 basis. So long term, it's not that we believe EBITDA percentages are going to come down. We will change our guidance once the mix of our vertical stabilizes.

Govindarajan Chellappa: I think the confusion comes because you give guidance on top line just for music, but margins for the whole company. So, there is an inherent assumption you've made for growth in other businesses, which mathematically would suggest that you are expecting other businesses to grow much faster than 22%, 23%, which is why all this confusion?

Vikram Mehra: Okay. Fair enough. Let me see next time onwards right now when we do the annual call, what more refinement in our guidance for individual verticals can we be able to give.

Govindarajan Chellappa: Yes. Just to be clear, you don't expect music margins to be very different from what it has been for the last 12 months?

Vikram Mehra: No. Music margins are not going to fall down. If anything, over time, music margins may marginally improve.

Govindarajan Chellappa: Okay. That's comforting. Thank you.

Moderator: Thank you. Our next question comes from the line of Anand B from Ksema Wealth Private Limited.

Anand B: Good set of numbers. I just want to know, do you have the exact margins as of this quarter, the exact margins for each segment?

Vikram Mehra: You can go out there in the results. It's given. For the various segments, the margins are there as part of the segment results.

Anand B: What you see there at the top is the revenue breakup, but for margins on each segment, I don't see exactly to be there?

Vikram Mehra: It's on the Page 2 of the results. The first row is for segment revenue. Second is called segment results where the margins are there. If you can ask me the question, I can hopefully answer that.

Anand B: Okay. And in the case of live events, now what you say, the craze for like, okay, concerts and events like growing up more and more. Now is there any -- like now Saregama is basically like relying on its existing artists for live events? Would it move to other artists beyond its list of artists under the catalogue, let's say, even foreign artists or someone to come as basis of live events? Would that be possible or would it come under, let's say, music license problems or anything?

Vikram Mehra: No, there's no problem. It's a strategic call. Our focus always has been to work with the Indian artists because of the unique position that along with being a live events producer, we are also a recorded music company. So when we work with these artists like Diljit or Himesh or a Backstage Siblings and likes of many of these, we also very often do a combined deal whereby we buy their music as well as sign them up for the live events business.

Does it stop us from working with any of the international artists on a pure live event basis? No, it does not. Today, our focus is higher on the Indian artists. We believe the financial performance on the bottom line is far better on the Indian artists because the cost structures are something we can manage better than cost structures of many of the international artists.

Moderator: Our next question comes from the line of Shivan Sarvaiya from Humiviction Investment Advisers LLP.

Shivan Sarvaiya: Am I audible?

Vikram Mehra: Yes, please.

Shivan Sarvaiya: Yes, sir. Sir, my question was on the artist management business. You spoke in your opening remarks that we manage around 270-plus artists. So if I want to view these -- the name of these artists and the details of these artists, where can I get the -- where can I source them from -- because I can't see them on your website?

Vikram Mehra: We typically don't give the names that easy because the moment my competition knows everybody in detail, it becomes easy to go out there and poach. I'm happy to share the entire list. You have the big artist names that are mentioned.

I also thought we should go out there and put it and the team was really up and out saying, why are you giving it on a platter to our competition, especially on the influencer side. So, bigger artist names are there all across. The long tail that we people have here, we keep it only to ourselves. Please come over to the office and I'll show you.

Shivan Sarvaiya: Okay, sir. Sir, just a couple of queries in the same breath. When I see your presentation, Page 27, you've given a list of few artists. So is it suffice to say that these are the top -- I mean, the largest artists that you manage?

Vikram Mehra: It's a combination of the artists and some of the newer names that have come out there in the recent times. So what we do is, if you see there are 3 of those star marked, yet we are intentionally going out there and highlighting the names of the artists who have a large fan following and have been onboarded in this 9 month FY26 itself.

I don't know if you have that feeling, but a lot of people when I talk to them that we also manage artists, they start thinking that we'll be managing Bollywood. We are very, very clear, as a company, we don't manage Bollywood talent. There is no value that we can go and bring in to a large Bollywood talent.

We bring value to talent, which are mid-term basis right now or in non-Bollywood by giving them a large opportunity to appear in our video or music content. And that's how we build the artists and build a long-term relationship with them. So if you see a face out there called Viraj Ghelani, now with Viraj Ghelani, he is a very big talent today on the digital side, specializing in Gujarati stand-up comedy.

We have now done a movie with him. We are also now doing stand up acts with him, both India and abroad. And there is a play right now on under one of the Gujarati songs he will be featuring. So, that's how we make that talent bigger. It gets into a much more stronger relationship than just a transactional relationship with the talent.

Shivan Sarvaiya: Got it. And sir, in this 270, could you give me the split between music?

Moderator: Sorry to interrupt you, sir, but if you have a follow-up question, please rejoin the queue.

Shivan Sarvaiya: It's the same question which I am?

Vikram Mehra: There is no clear-cut differentiator. You are not going to be calling Viraj traditionally a music artist. But Viraj is doing a music video for us. We have just done this massive, massive Marathi song Zat Pat Pata Pat with Danny Pandit. Now, Danny Pandit traditionally was not a music guy. He is doing a lot of music. So the way we manage in our system is all talent is working primarily in music because that's the biggest content investment that we people do, but also in some of the video content.

I have Maahi, a young kid who happens to be Shaan's younger son and we manage him. He does music with us, but we've also done web series with him on FilterCopy. So, that's the power that we people bring in that we are there in music as well as video and live events, and we plug in our talent that we people manage across all and then sell it to the corporate market or the wedding market or to the brands market and earn our commissions.

Shivan Sarvaiya: Correct, sir. By music, I meant singer, non-singer, if you can give me that split?

Vikram Mehra: Sir happy to chat with you and we can give you more details.

Shivan Sarvaiya: Okay sir. Just one last one, quick one?

Moderator: Rejoin the queue if you have a follow-up question, please.

Shivan Sarvaiya: It's just a quick one, if I may. Say, in your compensation structure, do you have a minimum guarantee that you give out to these artists?

Vikram Mehra: You, I think you are now getting into too much of details. I can't get into deal structures with my talent.

Moderator: Thank you. Our next question comes from the line of Hitaindra Pradhan from Maximal Capital. Please go ahead.

Hitaindra Pradhan: Thanks for the opportunity. I hope I'm audible.

Vikram Mehra: Yes, please.

Hitaindra Pradhan: Sir, the core business which is like music licensing, that is growing at as you mentioned earlier also like 20% plus and our guidance is, it can grow at 20% to 25%. So, my question is what is the contribution of our older catalogue and the newer catalogue, like the, say, last three, four quarters or 1 year of catalogue for this kind of growth rate?

Vikram Mehra: Sir, I'll not be able to give you last 1-year data. It's too much competitive intensive data.

Hitaindra Pradhan: Sir, ballpark, like what is the split of contribution basically?

Vikram Mehra: Because what we have shared in the past, I can go back and tell you this, that this is the data I think we shared in the last annual presentation of ours. So around 56% of all the revenue that we have made in financial year '25 actually came from music that was released in 21st century and 44% of the stuff came right now from our older catalogue, which is the 20th century catalogue, Kishore Da, Rafi Sahab, Lata Didi, that kind of a part.

Though catalogue is growing for us, but the large increase that we people are seeing on the growth side is coming from the newer content investment. Industry is growing anything between 5% to 8% year-on-year basis. Remaining growth that is coming in is coming in because we are investing heavily in newer content and our market share is going up.

Hitaindra Pradhan: So, sir, fair to assume, sir, like bulk of our growth in the music licensing is coming from our newer catalogue, right, like the ones we are investing?

Vikram Mehra: I have told you the exact number in that. If I'm saying 21% to 23% -- not 22% to 25% -- 21% to 23% is the guidance that we are giving for future growth in music business. This is assuming subscription will continue growing at the same pace and the hockey stick effect is not going to happen. The industry grows at 6% to 8%. So the older content will continue growing at that particular pace and remaining growth is going to come because of the newer content investments that we people are making.

Moderator: Ladies and gentlemen, in the interest of time, that was the last question. I would now like to hand the conference over to the management for closing comments.

Vikram Mehra: Thank you, everyone. This quarter, I'm just going to repeat some of the key numbers, which are important for us. This quarter saw the music vertical revenue grow by 29% year-on-year basis. On a 9-month basis, we are back to 18% growth rate. We are confident that we will be able to meet our guidance for the full financial year of 17% to 18% growth in music business.

On a medium- to long-term basis, we hold our guidance of 21% to 23%, which we have been able to achieve over the last 8 years, leaving this year, and we are very confident we will be able to achieve that. Our adjusted EBITDA percentage during this quarter was exceptionally high at 46%. Our guidance though remains at 32% to 33% because of the mix of various verticals that we have. But with time, our endeavour is to go out there and better it.

We will continue investing in newer content, keeping data and 5-year payback period as a sole guidance factor because that will ensure that every new piece of content that we people are bringing in is going to be adding something to the bottom line today and very substantially to the bottom line in the long run. Thank you, and look forward to your continued support. Thank you, and good evening.

Moderator: Thank you. On behalf of Emkay Global Financial Services Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.