Date: 11th August, 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: Q1FY27 Earning Conference Call-Transcript

Dear Sir/ Madam,

With reference to our intimation filed on 29th July, 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 Q1FY27 Earnings Conference Call held on **Tuesday, 4th August, 2026** at 3:00 P.M. (IST) for the quarter ended on 30th June, 2026.

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**

NAYANKUMAR MISRA
Digitally signed by NAYANKUMAR MISRA
Date: 2026.08.11 18:40:53 +05'30'

Nayan Kumar Misra
Company Secretary and Compliance Officer
Membership No: A26243
Encl: As above

"Saregama India Limited

Q1 FY27 Earnings Conference Call"

August 04, 2026

MANAGEMENT: **MR. VIKRAM MEHRA – MANAGING DIRECTOR**
MR. ABHISHEK KAPOOR – CHIEF FINANCIAL OFFICER
MR. PANKAJ KEDIA – EXECUTIVE DIRECTOR - INVESTOR RELATIONS

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

Moderator: Ladies and gentlemen, good day, and welcome to the Saregama India Limited Q1 FY27 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 from Emkay Global Financial Services Limited. Thank you, and over to you, sir.

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

Vikram Mehra: Thank you, and a very, very good afternoon to all of you. Let me start the call by introducing our new CFO, Abhishek Kapoor. Abhishek brings in over 25 years of hardcore finance experience across Sula Vineyard, PepsiCo, HT Media, etc. Earlier CFO, Pankaj, did a fabulous job, and we heartfully thank him for that. And I'm very, very sure that Abhishek will take the thoroughness and the transparency of our financial processes and accounting to the next level.

Quarter 1 FY '27 saw revenue from operations at Rs. 263.6 crores with year-on-year growth of 27%. Our adjusted EBITDA of Rs. 112.4 crores, a year-on-year growth of 69% and operational PBT at Rs. 70.5 crores with year-on-year growth of 38%. The numbers of the quarter look healthy. But I would again reiterate, like I've been doing right now for over 60 quarters, please evaluate our performance on a rolling 12-month basis. Whether it's a good quarter or a bad quarter, don't judge us only on the basis of 1 quarter.

In our industry, the stability comes in only on a rolling 12-month basis. In 2025, the global recorded music was at US$ 31.7 billion for new heights, but India got only 1% of that in spite of housing 18% of the world population. We today are operating in the most underpenetrated large music market on Earth and our entire strategy at Saregama is built around harnessing this 20-year opportunity in front of us.

Let me jump on to the music vertical first. On a quarterly basis, the overall music vertical comprising of Licensing, Artiste Management, and Retail recorded revenue of Rs. 230.6 crores, which was a 39% year-on-year growth, a quarterly EBITDA of Rs. 139.8 crores, which was a 36% year-on-year growth and a quarterly net margin of Rs. 99.6 crores, which was a 31% year-on-year growth for us.

Music vertical had a low base in Q1 last year, which has also helped us in posting such a strong growth number this year. If I have to look at on a full year basis, we maintain our guidance of the music vertical growing between 20% to 23% year-on-year. On the profitability front, we had stated in FY24 that it would take us 2 to 3 years before the growth in EBITDA and profit began to follow the revenue growth trajectory.

We are entering that cycle now where content bought 2 to 3 years ago has started to contribute towards positive margins. Albums like Stree 2, Amaran, Rocky Aur Rani Kii Prem Kahaani, Goat, Sarkaru Vaari Paata, etc., are hit albums, which are now contributing positive margins.

There's another data point which is worth sharing. In FY'26, 60% of all music revenue at Saregama came from music released post 2000. I'm repeating. 60% of the revenue in last financial year came from music of the 21st century. So, while at Saregama, we proudly steward the musical and heritage of India, we take care of it, we cherish it, we try to monetize it. But the fact is that we are now a new age IP company with a large part of our revenue coming from brand-new IP, which has 60 to 80 years of life left in front of it.

Overall, the company released 750-odd originals and premium recreations across Hindi, Bhojpuri, Punjabi, Tamil, Telegu, Marathi, Bengali and Haryanvi songs. Albums like Krishnavataram, which was a Hindi album or a Marathi song Ved Lavla, these were able to hit top charts -- music charts during the quarter. Our spend on new music content this year is expected to be anything between Rs. 300 crores to Rs. 350 crores.

Most of that is already committed. Big albums lined up including Love and War, which is coming out in January, Rajinikanth's Dharman, which is a Kamal Haasan's Company's production; Telegu Cinema's most awaited film Paradise; Dharma's film with Kartik Aaryan called Naagzilla and another Bhansali Productions film with Tiger Shroff are some of the albums which are expected to release in this financial year.

We have also entered into a multi-language multiyear deal with a partner for Indian pop content. This is across Hindi, Tamil and Malayalam languages. We are successfully holding on to a leadership position in Haryanvi in partnership with the erstwhile NAV promoters.

This quarter finally saw us release new Punjabi songs after a long gap, and we want to follow this up with a very big Arjan Dhillon album later this quarter, that is Q2. We continue with our guidance of a 5-year payback period, followed by 60 to 80 years of returns. Music catalog globally is increasingly treated as an infrastructure-like inflation-linked asset class, which is why institutional capital is now flowing into the space through either JVs or direct catalog purchases.

Our 180,000-odd song catalog growing at close to 5,000 to 6,000 new releases every year is exactly the kind of asset that compounds value over decades. The push from digital platforms like Spotify, YouTube, JioSaavn, Amazon to build paid subscription revenue continues in the country with more and more labels working proactively along with the platforms to accelerate this process.

A recent Indian consumer study done by E&Y and the apex music body called IMI states that 64% of free music customers in India are ready to shift to a reasonably priced paid service if the free content stops. It just tells us what we always knew this is the success of the video streaming apps in the country or the paid television services like digital cable and DTH that Indian customer can afford to pay and is ready to pay provided they see value in it. And one of the biggest way of showing value is stop supply of free content.

At Saregama, we maintain a bullish position on subscription growth happening in the country. Just to put the things in perspective, paid streaming penetration is 67% in Sweden, a 57% in the U.S. Even a Brazil and a China are closer to 18%, while we are just 3%. When I say percentage, it means percentage of the total Internet users in the market. This is based on Goldman Sachs' estimates.

Every percentage point of penetration is growing over 10 million paying subscribers. We believe in Indian market, if the subscription is priced correctly, which means closer to Rs. 100 and if the supply of free content somewhere are curtailed, we should not have a problem touching 100 million paid subscription mark pretty soon. And this is a consensus that majority of the labels actually hold.

Let me talk about AI. Saregama's position on AI-based music remains that we support licensed innovation, but will continue our fight against unlicensed exploitation of our music. All our new digital licensing agreements are building protection against dilution of our rights and any potential fraud.

Also, as shared earlier, we have created 2 AI-dedicated teams in Saregama to optimize both cost and speed of delivery. The first is a content team that's using third-party GenAI tools to create neighboring audio content like podcast using Saregama's songs and also building new age music videos around our older songs.

The second team is looking at every process within the company with the objective to optimize the process using AI tools. We should be in a position to see the impact of these initiatives by the end of the year. While the global music majors are now talking about expanding the artist brands beyond streaming, we have been doing our part quietly over the last few years in this space.

And today, it's already becoming a meaningful revenue contributor through our work done on Artiste Management side, Live Events side and the Brand Partnership vertical. Artiste Management, the newest vertical under music, works by making the music-based artists popular through their content releases and then monetizing them via bookings for live events, weddings and brand endorsements from which Saregama earns a share.

At the end of this quarter, we represent 309 artists with more than 440 million follower and subscriber base for these artists on Instagram and YouTube combined. As our investment in new audio and video content grows, these artists are going to become bigger. And with digital advertising growing at 15% per annum, we believe artists and this influencer economy can be a big beneficiary, adding further to both our top line and bottom line.

Let me talk about video. This quarter saw the video vertical revenue declining by 52% to around Rs. 17 crores. Ladies and gentlemen, please keep in mind this is by design and not by chance. We have shared with you after our Bhansali acquisition that we are taking a conscious call to wind down our films business and make all our investments through the Bhansali Productions channel, which means the film segment revenue is eventually going to come down.

But we continue to grow our Gen Z targeted short form and content under FilterCopy as well as keep on focusing on TV and web shows. Live Events: FY '27 started with us expanding our Live Events vertical into multiple formats, helping us diversify our risk. We extended the Carvaan brand into smaller concerts under the Carvaan Live banner, targeting middle age and older audiences that enjoy sit-down premium music listening experience. 23 such shows were produced in quarter 1.

We further built up our devotional format with 22 shows featuring Manoj Muntashir, Backstage Siblings and Jaya Kishori during the quarter. We also staged 48 standard packs during this quarter. This year, we are increasing our focus on the American market. Our U.S. tour with South's Maestro Ilaiyaraaja is currently underway.

And in September, we plan to tour with the Punjabi Superstar Arjan Dhillon, by the way, with whom we are also leading in album. So it's a combined deal that we have done with Arjan. Globally, music labels are increasingly focused on monetizing superfans. Limited research shows superfans spend 100% more than the average listener and 73% of them end up buying physical merchandise.

Carvaan Live and Diaspora Tours target exactly this segment in the Indian context, older, financially comfortable, willing to pay a premium for curated experience with the -- connected to the artists that they grew up listening to. All this is going to help us further cement our position both in terms of being the revenue leader and help us improve our profitability.

Our long-term belief in the potential of Live Events keeps getting reinforced every quarter, and we continue increasing our investment here. As mentioned last time, we have put in a place a new vertical around brand partnerships, building an additional high-margin revenue stream alongside the licensing business by maximizing revenue from brands across music, live events and short-format video.

This quarter, we partnered with leading brands such as Hindustan Unilever, Godrej, Lux, etc. Regarding our partner companies, Pocket Aces reached breakeven in financial year '26 and is now moving towards profitability. This year, we should be seeing further building on the profitability of Pocket Aces. Bhansali Productions had no releases during the quarter.

The next set of releases are planned in quarter 4 of this financial year. Over the next few years, we will continue investing in new music content. This will contribute not only to immediate growth, but also set the company on a long-term growth path. For the music vertical, we maintain our medium-term guidance of 20% to 23% revenue growth and an annual music EBITDA margin guidance of 60% to 65%.

That will be our opening statement, ladies and gentlemen. We'll be very happy to take your questions now.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Abneesh Roy from Nuvama.

Abneesh Roy: Congrats. Two questions. First is on Slide number 11. So here, you have given the YouTube views. For 4 quarters, your -- that YouTube views was fairly stable, around 280 billion views. But suddenly, quarter-on-quarter in Q1, we have seen a very sharp scale up. Any one-off here which is driving this?

And related question on this slide is almost, I think, 19% of revenue comes from brand tie-ups and very strong brands, frankly speaking, you have given the names also. So I just wanted to understand, is this a systemic improvement wherein brands are taking your legacy songs and that is giving you a lot of revenue? So if you could tell us on the team size, which is targeting these kind of tie-ups with the brands. And what is the outlook on this?

Vikram Mehra: I'll happy to give you answers, which are not that specific. I can't put all our competitive advantages out in the public domain. Yes, building up the brand vertical is a very conscious call that has been taken within the company. In fact, both parts, the brand vertical as well as direct from customer vertical.

Traditionally, Saregama used to be only dependent on licensing from platforms. And now if you see our corporate presentation, and I think we have put it in our quarterly also, we are now building these 2 verticals in a significant fashion. The earlier way we people used to function in Saregama, brands are always there.

But the way we approach brands are very, very different. Each of the verticals was managing revenue from brands within the vertical. So Live Events was managing its own show, Music was managing its own show. FilterCopy was completely separate. All that we have done is now built it as a joint team, which is managing all brand-related selling within the company.

And this is an independent team with a network across the country. When they go to a brand, they are able to fulfill majority of the requirements of the brand, especially if they want to go back and talk to Gen Z. You were talking about catalog. Again, I'm reiterating. Please remember, 60% of Saregama's revenue comes from brand-new music, of which 45% actually comes from music release after 2020.

So some of the biggest hits that have happened right now in the recent times all belong to Saregama, and that music is also very much in demand as far the brands are concerned. You had a question on YouTube, listen, those kind of fluctuations do keep on happening, depending on which album is doing well at any particular time.

When you're looking at this data right now, please once again look at it on a 12-month rolling basis. When the numbers go up, we don't get very excited about it in a quarter. When the numbers go down a bit, we don't get very depressed about it. What we are seeing right now internally is that on a 12-month rolling basis, both the streams on audio platforms and the views on the video platforms should keep on going steadily up. And thankfully, that's happening.

Abneesh Roy: Sir, last question. Firstly, last 3 quarters, we have seen very good growth coming back for the company, and congrats on that and good consistency, strong numbers. Q2 also, again, music revenue, the base is soft. So one is, are you expecting good growth continue in Q2?

But more important question is what happens from Q3 because then generally, your music revenue base becomes higher because of the last three quarters of strong numbers. If you could tell us in terms of growth numbers, how you would expect from Q3? You have given out the specific content library, etc., but more from a numbers perspective.

Vikram Mehra: I feel a little wrong on our part to give guidance on a quarterly basis. We hold on to our short-to medium-term guidance that the Music vertical comprising Licensing, Artiste Management and Retail is going to grow between 20% to 23% year-on-year.

Moderator: The next question is from the line of Kavish Parekh from 360 ONE Capital.

Kavish Parekh: Congratulations on a solid set of numbers. Vikram, you highlighted a few AI-led initiatives such as podcasts and video creation. Could you also elaborate on the strategy behind these initiatives? What is the monetization road map? How should we think about the revenue model? What is the potential scale? What is the time line to probably get to a stage where this becomes a meaningful contribution?

Vikram Mehra: See, hopefully, another couple of quarters later, we'll be in a better position to answer this question. Right now, we are all experimenting with the AI technology to see that, can we create really good quality content at a very, very low incremental cost and at a speed that makes sense.

To give you a flavor of what we are trying to do, one, on the music video side, as you may be aware that the older catalog that Saregama owns, -- we own all the rights connected to the song except the right of the original music video. It was a movie of 60s and 70s at that time, original music videos were not sold to the music labels because there was no market for it. They were contractually not a part of the deal that happened with the labels and hence, they remain as a part of the movie negative and is controlled by whomsoever is controlling the movie negative.

So that's one of the weaknesses, if I may say, we have in the older catalog. So if you want to do a recreation, if you want to sing all those rights are sitting with Saregama but not the original music video.

So we try to create brand-new music videos but the incremental cost of actually shooting a music video was not making sense. With AI, we are now reaching a position that a very true to real kind of videos can now be created at a very, very low cost, which may start making financial sense.

If that experiment works, you literally can do both these things, create brand-new videos with the original audio to talk to Gen X, giving them more contemporary looking videos. And then you can also modify the audio a bit to make it sound more modern. That means change in the instrumentation while you are maintaining the composition and attach brand-new videos to talk to Gen Z.

So suddenly, we may be in a very, very strong position, taking care of the weakness that we only uniquely had. Nobody else has this kind of weakness because everybody else is a more modern time music label, we are the -- we literally have all the music of the yesteryears only sitting only uniquely with Saregama.

On the podcasting part, we are realizing that there are models that we have seen across in the market, which gives us the confidence that the market is building up, there's traction for spoken word. Our attempt is that how do we do spoken word in a unique fashion. And by unique, I mean we need to attach some of the biggest songs that we people own to this podcasting content, something nobody else can go back into.

So if you are talking of a story of a 50-year-old man or a woman who's thinking of days gone by, while you are reminiscing those days, can I, in your story, also build in some of the biggest music connected to romance or separation or friendship into those podcasts and make it uniquely Saregama's and then work out models right now, licensing it to third-party podcast companies too.

So early stages, we are experimenting a lot at Saregama. I think one of the clear directions we have from our Board is do a lot of experiments, do them small, fail fast, learn from it and then only go back and scale it. That's how we have attacked every product launch till now. That's how we are thinking our initiative right now on AI-based ancillary content.

Kavish Parekh: Pretty interesting. Would you want to call out the kind of investments that you would be making here? Where would it be expensed or capitalized? And I think you've been also highlighting the use of AI in content acquisition processes. It's been a while since we have been doing that, I mean. So any notable changes that you've seen in your content acquisition processes that you would like to call out?

Vikram Mehra: See, that's a predictive AI part of it, which we people have been doing now four years have gone by. So the real gamechanger in the room right now is generative AI. Predictive AI has been there for some time in the system. All I can say on predictive AI, our hit-to-flop ratio is better than any competitor in the market. And I don't think we give credit to anybody for the predictive AI models for that.

Kavish Parekh: And any quantum of investments that you would like to call out?

Vikram Mehra: These investments are -- whatever people are going to be doing, if it's audio or if it's related to music, will be within this Rs. 300 crores to Rs. 350 crores. So there's no additional investment one is asking for. But to be honest here, the investments -- the numbers that are needed out here are far, far, far, far small. They're that small right now that at this juncture, there's no point even talking about it. The cost of a music video, if it is done through AI can be Rs. 70,000 also.

So the numbers are that small at this moment. We want to test it out and see at scale that what kind of music works in which languages do AI, there's a higher adoption going in. We operate in 11 different languages. We have catalog sitting right now of over 18 different languages. We're experimenting across both pop music, filmy music as well as devotional music. As the results start coming out and gives us more confidence to scale it up in a very big fashion. That's the time I'll be happy to call out the investments.

Kavish Parekh: Fair enough. Secondly, on the live events piece, could you walk us through the event pipeline for the rest of the year? I was under the impression that Diljit's North America tour was scheduled this quarter. Anything on that? And what more is slated for next year?

And lastly, one question on accounting. What explains the sharp decline in other income this quarter?

Vikram Mehra: Abhishek could be in a better position to answer this, but the fact of life is that the cash that the people had right now has been diverted towards specific investments of us, namely Bhansali Productions. And that's why you see a reduction in the other income.

You have asked me about the pipeline of the events that are happening here. What I can tell you is completely, which is things that are there in public domain. We have a big Krishna show going on with Manoj Muntashir. We plan to do some 25 to 30 more of those. These are currently happening right now in Bombay, Delhi, we are moving into Indore. We have done successfully in Lucknow, Ahmedabad, Surat. We want to expand it. We also want to take it to U.S.

As we talked to you, we have just completed the first three shows of Ilaiyaraaja tour in U.S. We already announced a Arjan Dhillon tour that we people will be doing later in September. The Carvaan Live is a large enough property, which does in every city that we are in, we are doing a minimum of four shows every month. So Bombay itself is going to be seeing 48 such shows on a calendar year basis.

The next season of UN40, our music festival has already been announced and will be done on 13th and 14th of February in Bangalore. Some of the larger artiste-based shows, the moment we people firm it up with artistes, we have a confirmation that we can announce it. That's the time we'll make an announcement in the press.

Kavish Parekh: Understood. So Diljit tour didn't happen this quarter, is it?

Vikram Mehra: So Diljit, India tour is planned sometime in quarter three. It's still tentative. We were involved with Diljit in the America tour also in a limited enough fashion. That's all I can mention. But the U.S. tour was all under Saregama Live.

Moderator: The next question is from the line of Disha from Trinetra Asset Managers.

Disha: My question was, could you provide an update on the integration of Pocket Aces? And -- like what is the revenue contribution and cost synergies that we have already seen on the consolidated earnings? And over the next two to three years, how is this going to span out?

Vikram Mehra: Pocket Aces, we have always been very, very clear. We made this acquisition of Pocket Aces because we believe that in the days to come, the biggest differentiator we can get as a music label is to build a reputation as the most efficient marketing machine to talk to Gen Z. Biggest consumer of music is Gen Z.

When a film producer or a big artist has to decide whether they should work with Saregama or somebody else, the real decision doesn't happen only in terms of money. The bigger decision happens is that the producer wants the album to become hit so that it becomes hit and every artist wants an album to become hit so that they can think more and more in the live events or the wedding circuit.

So for them, the marketing ability of the label is very, very important. And what Pocket Aces brings to the table for us is a unique thing. They are the biggest brand today among Gen Z in the country. They between their -- the entire social media presence are controlling anything between 400 million to 450 million follower and subscriber footprint across Instagram, Facebook and YouTube.

Now that's something that none of our competitors at this juncture are able to compete on, which places us quite uniquely across languages in the country. But that does not mean that Pocket Aces is ever going to become a loss leader. Pocket Aces was able to achieve breakeven last year. And this year, we people are fairly confident right now that we will start seeing some amount of profit coming out of Pocket Aces.

Disha: So I wanted to understand beyond the traditional streaming, where is the greatest untapped opportunity for Saregama company like in the sense, is it international licensing that you said that you wanted to tap into international businesses or AI-related licenses and gaming or short-form content that you see could be monetization opportunity for us?

Vikram Mehra: Ma'am, the biggest revenue increase opportunity that we people see in front of us within music, streaming is going to be the biggest one. If you look at some of our competing international labels, they end up getting anything between 50% to 70% of their revenues coming from paid subscription.

India is just at the beginning of the start of that cycle. Just imagine the amount of headroom that all of us have in the industry and the Saregama in a leadership position in India should be able to capitalize on it hopefully better than anybody else in the market today.

Then we also see a great revenue maximization opportunity sitting in the short-format content. Today, most of the short-format apps are on a fixed fee model with the music labels with an assurance and with time they are going to move on to a share of advertising opportunity, which means the revenue can really go up in the days to come.

Third, models like video streaming companies like YouTube, if the GDP of the country keeps on steadily growing at the rate that it's growing, more advertising is going to flow in and we people end up getting a straight share of the advertising revenue that these platforms end up making. These are some of the biggest levers that we people have on the music side.

There is one more on the music side that is public performance. It is a relatively untapped opportunity in India. By public performance, I mean whenever music is played in a commercial place, the entity needs to go out there and take a separate license and that license money is distributed amongst the people whose music is played. We believe that's a large opportunity, which is not fully tapped in the market. That is also going to open up.

In developed countries, this is a big enough revenue line. We believe that should be able to give us another very, very big kick. The moment they go out of music, short-format on its own, what we people are doing with FilterCopy, I think that should become even larger. In the days to come, for any brand to talk to Gen Z, it's going to become increasingly difficult because Gen Z is not reading that much of newspaper or is listening to radio or is going on a conventional television.

The video content that they are watching are all through paid subscriptions where no ads are being thrown. So, if you want to talk to Gen Z, chances are you will have to catch these guys more and more on the short-format apps.

And what Pocket Aces is uniquely bringing as trends to us is the footprint on the short format app, either directly controlled by us or by some of the artistes that we people are managing today. That also has a potential to become very, very big. And the third part of our business, which is the live events part of our business.

As a society, more and more we are glued on to our mobile phones, more we start getting disconnected with people around, greater the need for an affluent middle class or upper middle class to go out and spend some time enjoying themselves with other like-minded people, which makes Live Events as a huge opportunity in front of us with all the right moves being made by the central and the state governments who are also looking at live events in a very aggressive fashion.

We believe in the days to come, infrastructure is going to improve a lot and Live Events will become a substantial opportunity the way it is there in other parts of the world. I hope I've answered your question.

Disha: Yes, sir, I have totally understood here. Thank you so much, sir.

Vikram Mehra: Thank you.

Moderator: Thank you, ma'am. The next question is from the line of Akshay Kolekar from Dalal & Broacha. Please proceed with your question.

Akshay Kolekar: So, when I analyze your segment-wise revenue, the core Music segment grew by around 32% year-on-year. So, which has appeared to be the highest growth in the last 8 quarters. At the same time, your peers has reported only 21% growth. So, could you just help us to understand what is the key driver behind this outperformance in the core Music segment?

Vikram Mehra: So, all I can say when you're looking at the core Music, please keep in mind, the way we report our music is Licensing plus Artiste Management plus Retail. I started my opening statements by saying that our numbers are pretty healthy, but please judge us only on a rolling 12-month basis. And as I go forward and if I have to make a projection for the entire financial year or for the next few years, I maintain that the Music will grow between 20% to 23%.

Akshay Kolekar: Okay. Understood. Yes. That's it.

Moderator: Thank you, sir. The next question is from the line of Lokesh from Vallum Capital. Please proceed with your question.

Lokesh: Yes. Great. Vikram, my question was just continuing on the AI piece in terms of how it is helping us revise, you know, get the whole catalog of the video format. Now, if I look at the revenues from songs pre-2020, annually, the last 3 years have been subdued. So, do you see this AI initiative of yours getting those growth rates back at least to the industry or beating the industry levels once you are completed with your experiment out there?

Vikram Mehra: So, I'm sorry, I have a disagreement on your analysis and what you derived from it. Catalog revenue on an apple-to-apple basis every year has been growing at very high single digits or very low double digits. When you – see percentages, what it hides is percentage of the share of new content has gone up because new content is growing at a substantial pace. Your catalog cannot compete with the performance of a Rocky Aur Rani Kii Prem Kahani or Stree 2 or a Dhurandhar. But on its own, catalog is constantly growing.

The only issue we people have faced, which was an industry-level issue we are all faced is that FY '25 onwards, a lot of platforms in the country had shut down. but the platforms continue to be there right now. That's I'm saying apple-to-apple. So, the platform that was there, whether it was a Spotify or a Gaana or a YouTube or a Saavn, if I look at catalog content, it's steadily been growing year-after-year. We have never seen on the catalog side.

But the bigger question that you had asked, that's the entire attempt that can we grow our catalog at an even faster pace. We are realizing in India and globally, there is this complete resurgence of anything which is connected to nostalgia. If you took out the Western music also, many of the artistes who are very big in '60s and '70s and '80s are making very big comeback. Something similar is happening here. If you see the number of older songs that end up on Instagram, it surprises us also.

So, there is a constant work happening both in terms of marketing as well in terms of getting newer derivatives of the older content. The end objective being can we further improve the amount of money that we can make from the assets that have been fully charged off?

Lokesh: Understood. My second question was, you know, in this time's presentation, you have given a breakup revenue from different distribution networks, which is, you know, the platform revenue, the brands and the direct to customer. So, for brand and direct to customer, can you share year-on-year growth rates? Can you call that out if possible? Just a sense how they're growing.

Vikram Mehra: Yes. Sharing this data right now and we'll be updating it on an annual basis just to give -- I think the whole objective of sharing this data was that as a company, we are very conscious of the fact that at no juncture should we ever become overdependent on any one making money or one technology or one partner. So, we are very well diversified.

If for whatever reason, there is a short-term hiccup that happens in any new technology or a business model, I'm sure it will affect us also, but it will affect us far lower than any of our competitors. That's the whole objective. We have been trying to move the company in a more balanced portfolio approach over the last few years. And we thought we are now in a position that we are somewhere comfortable. We want to further improve our numbers that are coming, which are from brands and direct to customer without at all compromising on the numbers that we're doing from platform because that's our core business.

You will see this data getting updated on an annual basis that should give you some comfort.

Lokesh: Great, sir.

Vikram Mehra: The other part -- remember, if I have to grow my revenue between 20% to 23%, you cannot have any verticals lagging down.

Lokesh: Correct. Just to get a sense of, yes, how the revenue from different distribution networks are moving. Thank you, Vikram. Wish you all the best.

Vikram Mehra: Thank you.

Moderator: Thank you, sir. The next question is from the line of Yash Bajaj from Lucky Investments. Please proceed with your question.

Yash Bajaj: Yes. Good afternoon, sir. And thanks for the opportunity, and congratulation on a great set of numbers.

Vikram Mehra: Thank you.

Yash Bajaj: My first question is, sir, on the music EBITDA for this quarter, it has come off by 1% on a year-on-year basis. I understand it's a small number, but I just want to understand the factors behind the music EBITDA, taking into consideration that music as a segment has grown 40%, 43% on a year-on-year basis. That's my first question.

Vikram Mehra: So, when you are looking at year-on-year, also please just see the mix of the Music segment. If you see the segmental results that people have declared, you will see Artiste Management piece is also growing. And Artiste Management is always a lower margin. It takes zero investments. Artiste Management part of the revenue is always a lower margin part.

So, it's just a mix change that is happening. On the core Music Licensing business, we don't see any change happening right now at the EBITDA level. Obviously, at the margin level, there will be impacts on the short runs coming in as we keep on increasing our content investment.

Let me give you the comfort that the FY '25, '26, '27, we had announced Rs. 1,000 crores investment on the newer music. We were doing a step function increase in the amount of investments that we are making. Say, from '28 onwards, you will see us now tempering the rate of growth in terms of the music investment. We will still fight for a 25% to 30% market share, but we have almost reached there, and we are comfortable holding on to that position for some time. So, in the long run, you will see the EBITDA growth and the bottom line growth starting to catch up with the revenue growth that you're seeing on the Music segment.

Yash Bajaj: Understood. And my second question is, specifically again on the Music net margins. Again, from the point of view of that the segment has grown at a much higher clip versus if you would have compared Q1 '26 numbers. So, is the content charge slightly more aggressive this quarter compared to Q1 '26?

Vikram Mehra: I've told you, please evaluate us on a 12-month basis. Quarterly, we are trying to find trends in quarterly, they aren't any. All depends which release got pushed to which particular quarter. So that said, please go back and evaluate us on a 12-month basis. When our numbers look good also, I tell you 12 months when our numbers are not looking good, then also tell you 12 months.

Yash Bajaj: Understood, sir. Okay. I'll just rephrase my question. So, if we have to compare FY '26 net margins of the music business and if we kind of extrapolate that for FY '27, will it be fair to assume that we will incrementally be better in FY '27 in terms of net margins versus FY '26, even though we are spending Rs. 300 crores, Rs. 350 crores this year on marketing and new content?

Vikram Mehra: See, I think we have already gone out there and shared with you. I'm not going to say -- I'm not answering your question directly. We have shared with you that our annual music EBITDA guidance is 60% to 65%, and I'm holding on to that.

Yash Bajaj: Okay. Sure. That's all from my side. Thank you.

Vikram Mehra: Thank you.

Moderator: Thank you, sir. The next question is from the line of Saania Jain from Care PMS. Please proceed with your question.

Saania Jain: Hi. Thank you for the opportunity, and congratulations on the good set of numbers. I just had one question regarding the Artiste Management business. So, for the past 3 quarters, you have followed a revenue run rate of Rs. 40 crores per quarter. Could you please help me understand what would be the key growth drivers for this business? And how do we see the revenue going forward for this?

And regarding the EBITDA margins on this business, it is currently at 10%. Is there a scope for expansion in this margins?

Vikram Mehra: So, the growth rate that you're seeing in Artiste Management because we were at the stage of still building this entire vertical up has been very, very rapid over the last few quarters. This is going to temper down. Though I'm maintaining my bigger number, Music vertical, which is Licensing plus Artiste Management plus Retail will grow between 20% to 23%. And we are not changing that guidance of us at all on a short- to medium-term basis. That's the overall vertical part.

Since you asked some specific on Artiste Management, the jumps have been more rapid because the vertical was getting built. It's reaching that kind of a stage where there will be some stability that will be coming in as we move to another couple of quarters. Artiste Management margins, yes, there is a lot of work happening there to see how can we go back and improve the margin percentages out here even further.

Remember, what often happens here is that you go back and create a lot of content for the artistes, the revenue that you're making from the content from the artiste is sitting out there in the respective music vertical. While since you're investing that much on the artiste, you also tell the artiste that whatever revenue, Mr. Artiste, you make through brand endorsements or anything else, the revenue will flow through us, and we will keep our margins through that.

That's the Artiste Management business vertical as such. We are now trying various ways in which we can help the artiste even further to become bigger and stronger and charge greater amount of money from the market. As that happens, we should be able to go back and improve our negotiation position also, and we should be able to improve by another few percent.

At this juncture, I'm not giving any guidance on what percentage will we be able to go back and improve it. Currently, the focus is just get the full juice out of the Artiste Management vertical in terms of it firing in its full capacity.

Saania Jain: Okay. And just one question. Could you please spell out what would be the revenue contribution in the music licensing segment for the subscription part?

Vikram Mehra: Ma'am, we don't share that specific data. It's competition sensitive data.

Moderator: Thank you ma'm. The next question is from the line of Pallavi from Sameeksha Capital.

Pallavi: Just wanted to get back on this revenue growth, right, 43%. Would that include the Haryanvi catalog, so that's an acquisition growth? And so, what would be the organic number there if any there is?

Vikram Mehra: Ma'am, obviously, we are picking up newer organic content as well as picking up the inorganic catalogs. So both the numbers are combined in this. We are not declaring the numbers separately. But yes, that's a conscious call at any particular time when the team has got $100 to go out there and spend, they make a conscious call to decide whether it should be spent on a very strong catalog or should that be spent right now on organic opportunities in terms of newer content. Both the things are evaluated and we take a call.

When we report the numbers also and we evaluate ourselves also and our Board also evaluates us, it's all on the basis of the total amount of money spent. It doesn't matter whether it's an organic or on catalog.

Pallavi: Right. But the organic has this tailwind to it, right? It's already been listened to in fact -- my second question -- yes.

Vikram Mehra: Yes. Please.

Pallavi: My second would be this -- the Video segment, right? It's still running the losses. So, when do we see a wind down of that segment completely?

Vikram Mehra: So, we had announced it in February and then again in May that it's a conscious call taken by the company that we will go ahead and start winding down our Films business. Whatever films which are there in the pipeline, they're all going to get cleared up.

We were in Films business primarily to acquire the music of those films. Going forward, that requirement of ours is going to be met through our investment in Bhansali studios. So, you will see the numbers are going to remain in this space only.

You will see over the year video business be completely releasing all the films that are sitting right now on our balance sheet maybe over the next three to four quarters.

Pallavi: And lastly, it would be on the content cost. I know you've given us a guidance of 65% -- to 65% on the EBITDA margin, but anything that you can share with us on content cost directionally, is it going up this year?

Vikram Mehra: I have told you the amount of money that we'll be spending on new music content. It will be between Rs. 300 crores to Rs. 350 crores.

Moderator: Thank you, ma'm. The next question is from the line of Rohan Nagpal from Helios Capital.

Rohan Nagpal: So, on the cash flow statement that you've published, Q4 presentation has a content spend of Rs. 186 crores and the Q1, the latest presentation has a content spend of Rs. 265 crores. Could you just help me reconcile the difference in the two numbers?

Vikram Mehra: I'll request Abhishek or Kuldeep to please take this.

Abhishek Kapoor: Rohan, can you repeat your query?

Rohan Nagpal: So, the presentation published this quarter has -- in the cash flow statement has a Rs. 265 crores line item on the new content. And the Q4 fiscal '26 presentation, the cash flow statement has a conference spend line item of Rs. 186 crores. Why is there a difference between those two?

Abhishek Kapoor: Q4. Are you talking about Q4?

Rohan Nagpal: Yes, Q4, Q4 '26 and Q1 '27.

Pankaj Kedia : Rohan, I don't have the presentation ready available with me, we'll take this offline.

Moderator: The next question is from the line of Ravi Naredi from Naredi Investment.

Ravi Naredi: Shri Vikram ji, good afternoon.

Vikram Mehra: Good afternoon, sir.

Ravi Naredi: How are you?

Vikram Mehra: It's your blessings, sir.

Ravi Naredi: Sir, your blessings too. How much earnings bifurcation old and new songs revenue can you tell us, how much revenue from new song, how much revenue from old song?

Vikram Mehra: Right. Now if you see the part in our corporate presentation, I think we released it around a week ago, we people have given by decade our composition in each decade, how many songs were released, of the of the 180,000 songs, how many songs belong to which decade and what revenue they contribute. So the rough numbers are 60% of all the revenue that we made in music side came from the content released after 2000, of which 45% was after 2020. So your favourite catalog company is also becoming the biggest new age IP company.

Ravi Naredi: Okay. And sir, this quarter, how much advertisement songs we have sold and revenue earned?

Vikram Mehra: We don't get into those specifics. These are all very, very competition-sensitive information. All of us compete in the same market, go to similar brands. But all I can say is we're the only company which has got a full flywheel going on. We have a Music business.

We have an Artiste Management business. We have a Live Events business also going on at the same time, and we have a short format Content business. So when we go to the brands we tell them that if you want to talk to people aged 25 to 30, we can give you a music license, we can make songs for you, we can make short-format content that goes on Instagram for you, if you want sponsorship in events that are connected to our Gen Z, whether it is UN40, or Backstage Siblings concert happening, we can give sponsorship in that too. Which places us very, very uniquely for any brand in the market that wants to talk to the younger people.

Ravi Naredi: Right. And sir, when this free song stop, how much subscription we can raise in our company according to your view?

Vikram Mehra: Sir, my -- this is a personal view of mine. I believe Indian market can easily turn into 100 million subscribers at Rs. 100 per month if the free supply is done. and this can happen in a period of 12 to 18 months. We had done a study at Saregama a while ago: do the younger people, are they comfortable with the idea of not listening to music? And we got very solid feedback that the people under 30 cannot live without music.

Now, EY and the IMI together have done research on 15,000 people, which is available in public domain if you go back and search it, in which 60% to 64%-odd people have gone back and said that if you stop music for free, then we will go out there and pay. So, I think there's a large opportunity sitting in.

Video companies have taught us that Indian consumer is not cheap; if you give value to the Indian consumer, the Indian consumer is ready to pay. And we believe now all the right moves are happening, all the big international labels are also talking about this, the streaming platforms are talking about this, because for everybody, India is now the last peak market which is yet to be tapped.

Ravi Naredi: Right, right. And you are saying wrong, sir, that people under 30 cannot live without song. I am in 60, I cannot live without music.

Vikram Mehra: But you're 25 or 30 at heart, so that counts.

Ravi Naredi: Thank you very much, sir.

Vikram Mehra: Thank you, sir.

Moderator: Thank you, sir. The next question is from the line of Kumar Saurabh from Scientific Investing.

Kumar Saurabh: Congrats on a good set of numbers, sir. My question is on the Event and Artiste Management. Like in the Subscription business, you told 3% penetration and you have a data to compare globally. If you have any analysis, sir, how big this industry can be? That is my one question.

And the second question is we are managing so many artistes and some of them can really become very, very big. But from a business model strength perspective, what is it which will hook these artistes to us so that they don't go to competition or they don't grow on their own? These are the two questions I have.

Vikram Mehra: The question is a very solid and a fair question. That's why I don't talk about Artiste Management separately. Artiste management is connected to the content business that we are in. So, if you see all my competing Artiste Management agencies if you keep on seeing in the country, all of them are standalone Artiste Management companies. Their job is to represent the artist, get them some work, whatever money comes in, they keep a percentage.

We are uniquely placed as the only company that also is investing in its own content. Hence, every artiste that we are managing, we are also ensuring they get a chance to either appear in our music videos, or sing music songs right now for our some of our brand-new songs, or even appear in the music videos of FilterCopy, which ensures that we not only make help artist make more money, but we are also helping artist become bigger.

That's why if you see the churn which is happening from our catalog, and artiste names I'm not declaring, but big artiste names you'll get in public within us who are with us, you are not going to find churn, because we are uniquely helping artists to become that much bigger. I'll give you an example. I have one artist, Viraj Ghelani. Now, with Viraj we are doing music, with Viraj we do all stand-up comedy live events. With Viraj, last year we also did a movie, and Viraj's artist management is also done by us.

We have a young artist called Maahi. Maahi sings for our songs, Maahi appears in our music videos, Maahi appears in FilterCopy series also, Maahi's Live Events are also managed by us, and when a big concert happens, like Himesh Reshammiya's concert, opening was done by Maahi. So, this is a this is a unique flywheel ecosystem that we are able to offer to the artist, which in in the country, honestly, nobody else is in a position to do it.

Hence, we consider Artiste Management not a separate vertical, but an integral part of our core content business.

Kumar Saurabh: Very interesting, sir. Glad to hear. The other question was on the opportunity size. If you can give any color on how big this opportunity can be and where is India and where are we standing?

Vikram Mehra: So, Artiste Management piece is the extent to which we are managing it is bigger, but Artiste Management is a normal part of majority of our international peers also. So, as our music industry grows, artist management industry will also grow.

Artiste Management's real money comes in right now from singing in weddings, or performing in weddings. That's a wedding, corporates, and then brands. This is a large enough space. Bigger those markets become, bigger is the fee these artistes can charge. We through our content give artist more opportunities to become bigger. As they grow bigger, they'll charge more; as they charge more, our percentage keeps on going up.

As for Live Events is concerned, see, it's still an industry which for all practical purposes has opened up in India only post COVID. Pre-COVID time, Live Events didn't have that much focus in our country. Now with the Gen Z and the Millennials, with this very clear-cut spirit that they want to spend less on product, more on experiences, FOMO is becoming a very important part, people want to be seen at the right places and put their photographs of their presence in those places on various social media, all that is driving the live events space in a very, very substantial fashion.

Jury is still out as to how big it can be, but we believe Live Events may be the fastest-growing vertical. The real challenge in the Live Events business is going to be as we go forward, not growing the top line, but improving the margin profile of the live events business. That's why at Saregama, we are keeping a tight balancing act between working with artistes on artiste-based concepts. They drive revenue, but they are very relatively lower-margin products.

We balance it with our own IPs that we people are generating. IPs in the short run have a pressure on the bottom line, because you have to establish the IPs in short-term, losses will happen, but long run, they become very heavy-margin products. That's why launch of a music festival call UN40, launch of this show called Krishna with Manoj Muntashir, launch of Carvaan Live property in all these places, artiste becomes incidental, it's a show and the concept, which is the primary thing which allows us to go back and improve our margins. Have I answered your question, sir?

Kumar Saurabh: Yes, sir. Surely. Sir, last question is on the demographics of the audience which pays the subscription fee. I know we don't directly connect Spotify and all. But do you get this kind of demographic data in terms of age band because you are stressing on Gen Z and the E&Y survey and all.

Because if it is the Gen Z audience, then the chances it will get converted very, very soon. So do you have any demographic breakup?

Vikram Mehra: I'll tell you right now. We don't get the data, but because we were getting the research done, we have seen the research data coming in. It's not that Spotify is sharing that data with us. From the research data, it's coming out very, very distinctly clear: 50 years and above people don't pay. Because this entire generation grew up knowing digital is free.

The entire growth is coming from Gen Z and Millennials. That that generation is born with knowing that digital has to be paid for. The older people always found digital to be the freeway of consuming stuff. Changing them is going to take much longer, the younger generation is very comfortable to pay as long it's making financial sense, it's affordable.

Kumar Saurabh: Great. And it's very admiring to see how you are building each of the new business pieces. My best wishes.

Moderator: Thank you, sir. The next question is from the line of Kavish Parekh from 360 ONE Capital.

Kavish Parekh: The scale-up in Artiste Management business has been impressive, also evident by the kind of discussions we've had in the call earlier today with the segment today contributing about 17%

revenues this quarter. Now as we look ahead, of course, from a growth rate point of view, you have mentioned that broadly Music, Retail, Licensing and Artiste Management will grow at 20% to 23% CAGR. But we have a few levers to drive this growth.

We onboard more artistes that's, of course, happening. But two more levers where you could give some more color, which is increase in monetization or wallet share from the existing roster or by underlying growth in the artiste earnings. How can we think about these two drivers? And you also highlighted that at some point, of course, till now growth was pretty strong due to a low base as the segment was being set up. But at what scale, what level do you see the segment sort of saturating?

Vikram Mehra: So, again, I don't see the wedding and the corporate market saturating. I'm sure many of you guys are also tracking the size of the wedding market, and one of the biggest things that happen in each of these weddings in India is that artistes are called out there to go out there and perform. Earlier that used to happen for one function, now it's typically happening in two to three functions.

So, I see a very long road ahead, but please I again repeat: when you look at Artiste Management vertical, see it as a byproduct of the main content business that we people are in. If we were not into content business, we wouldn't have been there in artist management vertical on its own.

It does not make sense because there is no clear moat that we have in Artiste Management if we are a standalone company. Our moat is single fact that we are able to give opportunities to these artistes to become big by appearing in our music or videos or live events. That's what is drawing some of the biggest artists to go back and work with us.

Yes, we have taken a conscious call that we are going to stay completely away from Bollywood, we are very comfortable working with non-filmy actor- side part, because they're not into films, we are not going to add any value to their life, that's why we are staying away from it. Everywhere else, we add serious value to their life, which is going to ensure a lower churn and, in the long run, improvement in margins.

Kavish Parekh: Understood. And any comments -- of course, we have to look at this in tandem with -- any comments on these two drivers that I spoke about increasing wallet share from existing artistes and/or underlying growth in artiste. And then lastly, on the competition, my understanding is that this space remains highly fragmented with several emerging companies sort of competing for the same pool of talent. Beyond these emerging or relatively small-scale players, do you also see competition from any larger players?

Vikram Mehra: No, actually, there is serious competition, which is sitting there, people representing film actors. But that's a space we are very, very clear we are not getting ourselves into because anything where we don't have a moat, we will not get into. Films, we don't make films. So why should we go back and represent artistes there? We will not be able to help them become big.

Answer to your question, the first question, I thought I gave the more we will be in a position to help artistes to become bigger better will become a negotiation power from the artiste to take a higher percentage of his commissions. At the end of the day, unless the artiste grows, I don't think we have the moral right also to go back and ask for more money.

Our philosophy in the company is it's the artiste first, help artistes become bigger, then you can go out there and charge a higher commission because in that case, artiste is not going from -- it's not going out of his earnings. He is also making more money, and he or she will be very willing to go back and share a larger commission with us.

Kavish Parekh: Understood. Very helpful. Thanks, Vikram.

Moderator: Thank you. The next question is from the line of Pallavi from Sameeksha Capital. Ms. Pallavi, your line has been unmuted. Please proceeded with your question. As there is no response, ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to management for closing comments.

Vikram Mehra: Thank you. Thank you for your faith and confidence in the Board and the management team of Saregama. Saregama's growth narrative will remain steady over the medium to long term, driven by rising digital consumption, both new customers entering the market and existing customers consuming more. With over 618 million internet users in India internet footprint in India, our cash reserves, our professional manageable debt and access to the sound tracks of the best films, we can drive earnings not just for the next two to three years, but for next 20 to 30.

India is at an early stage of global streaming curve, which is fortunately a feature and not a bug. It means our growth is going to be driven for a very, very long term. We are not at the end of it like the Western market. Our growth is going to be driven by subscriber expansion as well as ARPU expansion. And more importantly, the format diversification will also start happening.

We are seeing in the more developed markets, there is a saturation in terms of subscriber expansion. There's limited upside available on ARPU expansion. They are working more on format diversification. We have all three opportunities open in front of us.

To summarize, we operate in the world's most underpenetrated large music market with a high-margin structure an own IP catalog growing at 4,000 to 5,000 releases a year, an unmatched in-house entertainment flywheel, an extremely supportive and forward-looking promoter and a strong balance sheet.

Every global trend, subscription growth, ARPU expansion, superfan monetization, catalog M&A and beyond streaming diversification has a long runway in India than anywhere else in the world. And Saregama is the cleanest way to own these trends in the country. We look forward to your continued support. Thank you, and good evening.

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