



January 23, 2026

To,
Listing Department
BSE Limited
P.J Towers, Dalal Street,
Fort, Mumbai – 400 001

To,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E), Mumbai – 400 050

Scrip Code: **532375**

Symbol: **TIPSMUSIC**

Dear Sir/ Ma'am,

Sub: Transcript of Earnings Conference Call

In terms of the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of earnings conference call on Unaudited Financial Results for the quarter and nine months ended December 31, 2025 held on Monday, January 19, 2026.

You are requested to take this information on your record.

Thanking You,

For TIPS MUSIC LIMITED
(Formerly known as Tips Industries Limited)

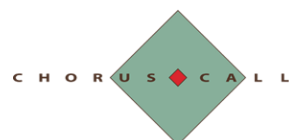
Bijal R. Patel
Company Secretary

TIPS MUSIC LIMITED
(Formerly known as Tips Industries Limited)

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CIN : L92120MH1996PLC099359



“Tips Music Limited
Q3 FY‘26 Earnings Conference Call”
January 19, 2026



MANAGEMENT: **MR. KUMAR TAURANI – CHAIRMAN AND MANAGING DIRECTOR – TIPS MUSIC LIMITED**
MR. GIRISH TAURANI – EXECUTIVE DIRECTOR – TIPS MUSIC LIMITED
MR. HARI NAIR – CHIEF EXECUTIVE OFFICER – TIPS MUSIC LIMITED
MR. SUSHANT DALMIA – CHIEF FINANCIAL OFFICER – TIPS MUSIC LIMITED

MODERATOR: **MS. AYUSHI GUPTA – MUFG INTIME**



Moderator: Ladies and gentlemen, good day and welcome to the Q3 FY26 Earnings Conference Call of TIPS Music Limited. As a reminder, all participants' 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 touch-tone phone.

Please note that this conference is being recorded. I now hand the conference over to Ms. Ayushi Gupta from MUFG Intime Private Limited. Thank you and over to you, Ms. Gupta.

Ayushi Gupta: Thank you. Good evening, ladies and gentlemen. I welcome you to the Q3 and 9-month FY26 earnings conference call of TIPS Music Limited. To discuss this quarter's performance, we have from the management, Mr. Kumar Taurani, Chairman and Managing Director, Mr. Girish Taurani, Executive Director, Mr. Hari Nair, Chief Executive Officer, and Mr. Sushant Dalmia, Chief Financial Officer.

Before we proceed with the call, I would like to mention that some of the statements made in today's call may be forward-looking in nature and may involve risks and uncertainties. For more details, kindly refer to the investor presentation and other filings that can be found on the company's website.

Without further ado, I would like to hand over the call to the management for their opening remarks and then we can open the floor for Q&A. Thank you and over to you, sir.

Kumar Taurani: Happy New Year. Good evening, everyone, and thank you for joining us for the Q3 and 9-month FY26 earnings call of TIPS Music Limited. We truly appreciate your time and continued support.

We are experiencing strong momentum of our content usage across all platforms. These encouraging trends support our 20% revenue growth guidance and allow us to upwardly revise our PAT growth guidance to 25% for this year from 20% earlier.

With these results, the Board has approved a dividend of INR5 per share amounting to INR63.91 crores with a total payout of INR166.18 crores in this year. With this, the company has fulfilled its commitment to return 100% of last year's PAT to shareholders. With that, I would now like to invite our CEO, Mr. Hari Nair, who will provide more details on our business. Hari, over to you.

Hari Nair: Thank you, sir. I wish everyone a happy new year. Our cumulative YouTube channel subscriber base has grown significantly to 145.3 million. Due to virality of few catalogue tracks on Instagram, we saw 100X spike in content creation, views, and streams on respective platforms. We are happy to announce our partnership with B4U TV as our broadcast partner, enabling wider reach to our rich catalogue among television audiences globally. I will now request Girish to share insights on the content business across platforms. Thank you, everyone.

Girish Taurani: Thank you, Hari. Good evening, everyone. Wish you all a very happy New Year. I am excited to share some key highlights from the quarter. Our music content portfolio expanded by 108

new releases this quarter, comprising of 70 film and 38 non-film tracks. On YouTube, the performance was headlined by a new track from the film Soulmates titled Sheher Ghumawa and also Halki Halki Nami by B Praak, amassing a total of 7.1 million and 6.2 million YouTube views respectively.

Our catalogue also maintained a significant momentum on Instagram. “Soldier, Soldier Mithi Baatein Bolkar” from the film Soldier, generated 2.7 billion views, while Tere Liye from the film Prince reached 2.1 billion views creations this quarter. “Meri Kahani” which was from an album of Atif Aslam, became the personal anthem for many to express their young versions versus today.

It was used by our MD, Mr. Kumar Taurani, Virat Kohli, Ajay Devgan and many more on Instagram. Furthermore, as Instagram celebrated its 15th anniversary, we are extremely honored that song “Jeene Laga Hoon” from the film Ramaiya Vastavaiya was recognized as the only Indian song in the top 10 most-liked songs globally in the platform's history by an independent journalist. I will now be handing over the call to Sushant to take you through the financial performance in detail. Thank you everybody.

Sushant Dalmia:

Thank you Girish. Good evening everyone and welcome to the Q3 FY26 earnings call. Let me walk you through the financial highlights for the quarter. Our revenue for the quarter stood at INR 94.29 crores compared to INR77.7 crores in Q3 FY25 reflecting a Y-o-Y growth of 21%. Operating EBITDA for the quarter was INR74.5 crores versus INR55.6 crores in Q3 FY'25 that is a growth of 34%.

Operating EBITDA margins came in at 79% versus 72%. Employee expenses reflect a one-time impact of INR 96.7 lakhs related to the implementation of the new labour code. Profit after tax for Q3 FY'26 stood at INR58.7 crores compared to INR44.2 crores in Q3 FY'25 showing a healthy growth of 33%. PAT margins for the quarter were 62%.

For the 9-month period of FY'26, revenue was INR271 crores compared to INR232 crores in the same period last year, that is a growth of 17%. PAT for 9 months stood at INR157.7 crores versus INR136 crores previously which is a growth of 16%. With this, I conclude my opening remarks and open the floor for Q&A session.

Moderator:

Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Kavish Parekh from B&K Securities. Please go ahead.

Kavish Parekh:

Hi Team, very good evening. Thanks for the opportunity. Sir, your growth aspirations for the full year spread about 20-odd percent. Now that implies an ask rate of about 28%-29% for the 4th quarter. Is it fair to assume that the full year will end at somewhere around 18%-19%, because I think the 4th quarter and even the 3rd quarter did not really have any major Hindi releases. So, do we expect to end the year somewhere around 18%-19% odd or you still are confident of driving this 20% growth for the full fiscal year?

Kumar Taurani:

As of now, I am not changing this. I think we will achieve this 20% and we are very positive. Even this quarter responded well, YouTube, Spotify, we are doing well. So, I feel the 20% for

yearly guidance is maintained. We can achieve this and we are really pushing hard and working very hard to achieve that.

Kavish Parekh:

Sure. The content spends were fairly low this quarter, 9% this time and 9-month FY'26 number stands at about 17% odd which is lower than what we were guiding maybe at the start of the year. So, is there any revision in the guidance for the full year considering 4Q also does not have any major envy movie release?

Kumar Taurani:

No, content cost will be low this year. I think around 18% will be the content cost and actually we wanted to spend 25% but our one movie shifted to next year. So, that is why we are feeling that. Even if content is not there, then also we are maintaining these numbers. If that content would have come than maybe we would have surpassed 20% even. So, in our business that happens.

We presume this film will come in this quarter but sometimes it shifts to another quarter. So, these things happen. But we are okay with this and we are not in a hurry as explained many times earlier. We do not want that, in haste or in panic mode we end up buying a wrong content. We are extremely careful and are buying very cautiously

Kavish Parekh:

Could you lay down the content release as planned for FY'27? This will help us get an idea of the growth trajectory for the fiscal year because only catalogue and regional music will be slightly difficult to drive 20%-22% plus growth solely on the back of catalogue and regional. So, could you name or list a few Hindi movies that you plan to release or acquire in the next fiscal year?

Kumar Taurani:

We have Imtiaz Ali, Diljit Dosanjh, Vedang Raina, Sharvari and A. R. Rahman's music and then there is a David Dhawan, Varun Dhawan movie "Hai Jawani Toh Ishq Hona Hai" Then there is a movie Siddhant Chaturvedi and Wamiqa Gabbi. Vikas Bahl is the director. And then there is a movie with Sunny Kaushal and many other actors, "Kahani Meh Twist Hai".

And then Shania Kapoor, Abhay Verma movie called JC. And there is so many non-film music slated for FY27. I think in FY27 we will achieve our target of that 25%-28% what we target every year. We will achieve that.

Kavish Parekh:

So, about 4-5 mid-size Hindi movies planned for the fiscal? Is that the right understanding?

Kumar Taurani:

Hindi movies we have. I think 2 are pretty big. That David Dhawan, Varun Dhawan is a bigger movie. And that Diljit Dosanjh and Imtiaz Ali, A. R. Rahman is a big movie. 3 you can say relatively mid-size movies. These 2 are not very big but pretty big you can say. So, we have these plus apart from these we have some regional films also. So, we will be releasing those also plus non-film music.

Kavish Parekh:

One last question from my side. Presentation mentions that there has been a negative growth in total views on YouTube which is on account of YouTube Shorts. Now, I do agree that from a revenue standpoint the contribution of YouTube Shorts will be fairly limited. But could you throw some light on why this impact?

Is it on account of the high base in 1Q FY25 which I think had the positive impact of Crew and Ishq Vishk Rebound? Is that the only reason why we have witnessed a decline in quarterly YouTube views or is there something more to it on YouTube Shorts?

Kumar Taurani: These things happen. One quarter you will see it come down. Next quarter you will see again there is a big jump. These things happen. So, we are not actually bothered and plus from this YouTube Shorts we are getting a lump sum money. We are not getting on a profit-sharing basis. So, we are okay with this.

Kavish Parekh: And when is the next step of negotiation due for YouTube Shorts? I believe that these happen on a 1-2 year basis?

Kumar Taurani: Next year. Coming year is due.

Kavish Parekh: All right. All right. Thank you so much, sir. All the best.

Moderator: Thank you. The next question is from the line of Jyoti Singh from Arihant.

Jyoti Singh: Thank you so much for the opportunity. Sir, like earlier quarter, this quarter also we have reported good EBITDA margin. So, going forward, just wanted to understand as the competition intensified. So, any kind of compression on the margin side we are seeing from here and also what is the target content cost to revenue ratio over the medium term and what lever that helped to protect margin in this competitive market?

Kumar Taurani: Jyoti, if you check our last, I think, 13, 14, 15 quarters, we are maintaining our EBITDA impact. So, going forward also we will maintain that. I am assuring you that. Plus, as told many times earlier, we are very focused on our content. We do not mind paying more, but our focus is on the quality content. So, we are not in that mad rush. So, let us be assured that we are very careful and very focused on what we want to buy. And we are only targeting those and we are buying those movies or non-film music.

Jyoti Singh: And sir, also like globally, like music companies, they are expanding. So, any, like this is very hypothetically, but any chances that Warner can buy, stake in Tips going forward?

Kumar Taurani: See, I mean, you only said it is a hypothetical question. So, what I can say? Everything is open. Anybody can talk anything, but at present there is nothing.

Jyoti Singh: Okay. Okay. And sir, given Shorts currently drive high volume, but low monetization. So, what structural changes are required for Shorts to become a meaningful profit contributor for us?

Kumar Taurani: They should give us a profit-sharing basis. They should start monetizing that service, maybe by way of subscription or by way of doing more advertisement, or maybe the way of that blue tick they are offering. So, we must take some money from there. But I think whatever is happening with happening in the entire world, but that should, we are doing better than many other companies.

And our, majorly our content, whatever we have done from '88 till now, our entire content is selling very, very well. So, I think we are in a better zone, and we are very happy about it. And we'll maintain, there's nothing major going to change, but we are making, we are pretty well, I think, in that sense. So, we are happy.

Moderator: Thank you. The next question is from the line of Ravi Naredi from Naredi Investment Private Limited. Please go ahead.

Ravi Naredi: Thank you very much. Sir, yes, Spotify has increased subscription by 20% to 25%. So, how much revenue will we get benefited from this? Can you give the number?

Kumar Taurani: I can't share an exact number with you, but let me tell you, we are doing very well on Spotify, YouTube, and Instagram. The expectation what we have, we are achieving that. And Spotify, I'll tell you one more thing, that Spotify, who were saying for a long time that they want to increase their subscription, their subscription is increasing very fast. I think, compared to last year, this year, they have more than 50% subscribers. So, if it continues in this pattern, then what used to happen earlier, same as before we will achieve the growth of 30%, very soon, I think in the next 4, 6 quarters, we will come back to the 30% target.

Ravi Naredi: Right, right. Fantastic. Sir, please give detailed comments over paid subscription when rises in next few years, how much revenue of Tips may rise?

Kumar Taurani: Our top line target is , I think 372 . I feel at present 20 % growth is targeted. . So, next year our target is 450 or 455. Something like that. Which I think we will achieve.

And after that, I think in the next year, because the percentage, the number is increasing now. Now, it is not that if you did 30% at 200, then you have to do INR60 crores, and if you have to do 30% at 450, then I think you have to do 135. So, that number will increase a little.

Hari Nair: Base will increase.

Kumar Taurani: Yes, the base will increase. So, how much will it be? We will tell you when we talk to you next year.

Ravi Naredi: Sir, one more thing, how many design developers use our songs like Abhinav Mishra and Manish Malhotra for making their product popular?

Kumar Taurani: We do not allow anyone as a marketing tool, but we allow our fans to use it, use our content, make reels, create, on which we get money, so we do not allow any commercial person to promote their products, we knock them down.

Ravi Naredi: By using our songs, right?

Kumar Taurani: Yes, yes.



- Ravi Naredi:** And sir, the industry revenue rises 40% to 50% CAGR, you mentioned in the investor presentation, I'd write it. So, it is applicable for Tips to rise 40% to 50% top line in our industry?
- Kumar Taurani:** 40%-50% to say anything can happen. Please understand, like the target of the industry is that in the next 4 to 5 years, this industry should be of INR10,000 crores, which is now at present of INR3,500 crores, INR4,000 crores. So, there would come a time when such a big thing will come in 1-2 years in the middle, where we can reach directly from INR4000 crores to perhaps INR5,500 crores, INR6,000, it is possible. In this business there is such possibility.
- Ravi Naredi:** We wish this time comes soon. Thank you very much, sir. You are doing fantastic and we wish all the best to you and giving handsome dividend, it is really nice.
- Kumar Taurani:** Thank you.
- Moderator:** Thank you. The next question is from the line of Akshay Kolekar from Dalal & Broacha. Please go ahead.
- Akshay Kolekar:** Thank you for the opportunity. So, my first question is on industry side basically. So, we see recently the music company has acquired it seems like a big production house. So, do you see any structural changes happen in the industry like what are your views on this and are you looking for any opportunity in your near future?
- Kumar Taurani:** You are Akshay, no?
- Akshay Kolekar:** Yes.
- Kumar Taurani:** What is your good name?
- Akshay Kolekar:** Akshay Kolekar.
- Kumar Taurani:** Yes. Akshay we are the first company which has its own film company. So, we do not have to acquire anything, any other company. And we are not tying up or we are paying big money and taking a partnership in that company. We are just acquiring at arm's length we are acquiring only music rights.
- So, we in that zone, you can say we are the best. And we did this five years back. So, you can assume kind of a vision Tips has. In long term we have to have arrangement with some of our own company or some understanding with some other companies. So, touchwood we do not need anybody or any company whom we can tie up. There is no need.
- Akshay Kolekar:** Okay, I understand. So, and my second question is on like you gave a bifurcation of like how much revenue is contributed from legacy business for new music content. So, is there like any percentage kind of?
- Kumar Taurani:** As told you earlier, 85% of our business comes from a legacy Catalogue and our Catalogue is really, really extremely doing well for the last four, five years. Every year we are growing on



the strength of our repertoire or catalogue. And I can assure you another next 15 years, 20 years we are very, very safe and are in best position. I feel there is a lot of potential where our Catalogue can really progress very well and give us a very big revenue. So, touchwood, 85% comes from there and 15% you can say from new releases.

- Akshay Kolekar:** Yes, okay, cool. Thanks.
- Moderator:** Thank you. The next question is from the line of Robert Marshall-Lee from Cusana Capitals. Please go ahead.
- Robert Marshall-Lee:** Hello, can you hear me okay?
- Kumar Taurani:** Yes, we can hear you.
- Robert Marshall-Lee:** So, just a couple of questions. So, firstly on the impact of the labor costs, is there a significant one-off impact there or is that expected to be a sustained level going forward?
- Sushant Dalmia:** So, Robert, this would be a one-off impact and recurring we do not see any substantial impact coming now.
- Robert Marshall-Lee:** Okay, thank you. And secondly, just in terms of when you are thinking about market share, is market share something you are kind of very mindful of either by particular outlets, for example, on YouTube, etcetera., but more broadly across the streaming space and what are the trends that you are seeing in terms of market share?
- Hari Nair:** Yes, I think market share, we do not normally think too much about that because what we see is that our metrics, what are we doing in our views, in our subscribers, in our streams. So, we measure ourselves with ourselves. That is what we do. But having said that, on a revenue market share, we will be around 7% to 8% and on the growth side as you see our results, it is steadily growing every quarter.
- Robert Marshall-Lee:** Sorry your market share is growing every quarter?
- Hari Nair:** Yes.
- Robert Marshall-Lee:** Okay, that was all. Thank you.
- Hari Nair:** Thank you.
- Moderator:** Thank you. The next question we have is from the line of Saket Mehrotra from Tusk Investments. Please go ahead.
- Saket Mehrotra:** Thank you. Sir, congratulations on a fantastic set of numbers. Just wanted to understand for this quarter, if you were to break down three or four reasons on the growth, just trying to understand what the growth bridge is. Is it our Catalogue content? Is it any of the platforms? Is it PPL? It

would be great if we can understand that our growth has turned, what would be the avenues of that?

Kumar Taurani:

Saket, let me tell you, when music is sold, it is sold everywhere. And as told earlier, our repertoire of the 90s is really, really doing well. Our so many songs get trendy, and sometimes the songs which we all had even forget also gets in trend. And then we support those songs to have more revenue. So, I can give entire credit to my repertoire. Because of that, we are growing. And as said earlier, we feel like we are not in our full potential, our catalogue still have the potential which you will be seeing in the next 15-20 years.

In the next 3-4 years, you will really see that we are on a different scale we are doing business. So, I think the only reason is the catalogue. If the catalogue is trending on Instagram, then numbers come on Spotify. Let me give you a small example. 15-20 days ago, we had an old song, "Sanu Nehruwali Pulte Bula Ke"

It's a very old song. Suddenly, on Instagram, someone made 2-4 reels and the song started trending. On Spotify, there were 1,000 streams earlier. Then the next day, there were 6,000 streams. By doing this, within 5-7 days, it reached 100,000 streams. And now it may even reach millions.

So, this is a trend. So, touchwood music is so good. The old hard work is coming in handy. And I feel no one has such a catalogue. And our target audience is ours. It's our catalogue. So, I feel that's a big reason. So, that's the major reason. Okay.

Saket Mehrotra:

Sir, can you tell us about the song?

Kumar Taurani:

Okay. Sorry?

Saket Mehrotra:

No, sorry. Sir, you were saying something.

Kumar Taurani:

One of our songs, "Meri Kahani" was popular, which was not popular before. And suddenly, people started making reels. Even Virat Kohli made a reel of it. You know what Virat Kohli's following is andnd Ajay Devgn. Virat Kohli, I think number one on Instagram. He also made it. I made the story myself. So, that song was also very popular.

It also got a lot of revenue. So, by doing this, some or the other song of ours, in every quarter, 5-10-15 songs of ours, keep trending like this, keep happening on their own. So, that's the old hard work is coming in handy. You can say. Yes, you were saying something.

Saket Mehrotra:

Yes, yes. Sir, two more questions on this. One, I think you just told a participant that 85% of our revenue is coming from catalogue content. Did I understand that correct?

Kumar Taurani:

Yes, it will be 80%-85%. Sushant, confirm it.

Sushant Dalmia:

Its 85%

- Saket Mehrotra:** And sir, next year's guidance, you mentioned 25 and 30. Is it on sales or on PAT?
- Kumar Taurani:** No, we are doing 20% of the top-line right now. Like this, the current year, we had already told that we will have guidance of 20%-20%. Next year also, the guidance is of 20%-20%. But this year our PAT is coming 25%. I think it will go up more. It will go above 25%.
- But conservatively, we are maintaining that it will be 25%. So, but I feel that maybe it will reach 28%-30%. But at present, you take 25%. And next year also, you take 20%-20%. Then what happens in the first quarter and what happens in the last quarter of this year, we will keep on guiding you on.
- Saket Mehrotra:** And sir, where is the content cost for next year? Should it be towards the higher side, 25%-30%?
- Kumar Taurani:** No, 25%-28%. That is our maintenance. But I told you earlier that if we get a good opportunity and if the content increases by 2%-5%, then we can explain you. Because our policy is very rigid. We write-off the entire content cost in the same quarter. So, we will earn the profits for the next 100 years. So, there should be no problem.
- We should get content. We are very keen and eager to have good content. And if content comes, then there will be some revenue as well. In the first year, 20%, 30%, 40% will come. And in the first year, you know that the revenue of new content is very high in the first year. So, I think we are very keen to acquire content. But getting the correct content at the correct price is a struggle. But we are working hard.
- Saket Mehrotra:** Okay. And the final question, a housekeeping question. Sushant, if you could tell us what is the cash balance as on December? Like cash plus investment, your liquid balance, what would that amount be as on Q3?
- Sushant Dalmia:** As on December end, it is around INR303 crores.
- Saket Mehrotra:** Okay. Thank you and wish you all the best. Thank you.
- Moderator:** Thank you. The next question is from the line of Rohit Singh from Nvest Analytics Advisory LLP. Please go ahead.
- Rohit Singh:** Good evening and congrats for a good set of numbers. Sir, just one question. On next year outlook, you mentioned about 20% top line and 20% bottom line. At the same time, we are saying we will be acquiring more content next year because this year we are falling short of our guided number.
- So, if we are acquiring the content in next year, how are we sure like on a 20% top line growth, we will be maintaining the bottom line growth of 20%? Technically, it should fall, right? And this should be like 15% kind of growth on account of higher acquisition, isn't it?
- Sushant Dalmia:** Rohit, there are two things. One, let us mention content gets acquired and get released. Am I audible?



- Rohit Singh:** Yes. Yes. Now you are.
- Sushant Dalmia:** So, let us say all the content get released during next year. We will see more revenue from that and the revenue could be higher than 20%. And PAT, at least we will get that 20%. So, there would be let us say all the content getting released on time and everything, that factors would play in.
- Rohit Singh:** Understood. And sir, how the revenue growth shaping up particularly from the Warner partnership? Is it in the trajectory that we anticipated at the time of entering this partnership or maybe it is on an underperforming side? How do you look at that?
- Sushant Dalmia:** It is going as per our expectation this year.
- Rohit Singh:** And in this quarter, what kind of revenue did we make from that deal, that partnership?
- Sushant Dalmia:** We do not give let us say platform wise or partner wise breakup, but it is in line with our expectation.
- Rohit Singh:** Okay. Okay. I think that is from my side and all the best for the future.
- Moderator:** Thank you. The next question is from the line of Yashowardhan Agarwal from IIFL Capital Asset Management Limited. Please go ahead.
- Yashowardhan Agarwal:** Hi, sir. Thank you for this opportunity. Congratulations. Good sets of numbers. A few questions from my side. Is it possible to share the revenue growth from the paid subscribers versus the revenue from advertisement?
- Hari Nair:** So, if you see the paid subscribers have grown more than 50% from last year, if you compare that. And advertisement revenues are on the similar trajectory. So, both are growing in the same one. But I think on the subscription side, it is growing faster. That is the only thing that we can say now.
- Yashowardhan Agarwal:** Okay. So, sir, overall subscriber base has grown by 50%, right? I am talking about the revenue that flows to us. At what rate it has grown?
- Sushant Dalmia:** So, it is definitely that revenue growing, for the paid subscription, around that 40%-50%. And let's say ads growing at the average rate.
- Yashowardhan Agarwal:** Okay. And out of the total revenue, how much would be coming from the paid subscribers?
- Sushant Dalmia:** So, paid subscription, let's say, on an overall basis would be roughly around 10% of revenue.
- Yashowardhan Agarwal:** 10%. Overall total revenue, 10% is coming from paid subscribers. And that is growing at more than 40%.
- Sushant Dalmia:** Yes, in that range.



Yashwardhan Agarwal: Okay. Thank you. And the second question is again on the profit margins of the next year. You have clarified earlier, but I still need more clarity on it. So, assuming 20% revenue goes for FY '27, right? And it includes the new content that we are going to acquire in next year?

And so, this year, our content acquisition cost is around 18%, which we have added earlier to be around 25% for next year. Sir, which leads to around mid-teen profit growth. So, how are we guided for 20% PAT growth? Could you please elaborate more on that?

Sushant Dalmia: Yes, I will reiterate. Let's say, if all the planned movies get released as per schedule, we could see a higher revenue growth. And similarly, , the profit growth could be in that range of 20%. I understand your question in terms of, I, currently, let's say the margins are higher given the low content cost. But I, next year, if all the movies get released as per the schedule, we could see a higher revenue growth and a better profitability.

Yashwardhan Agarwal: Okay. So, in that scenario, the content acquisition cost will be lower, even though in absolute terms, it will grow. Is that the right way to think about it?

Sushant Dalmia: Somewhat, yes.

Yashwardhan Agarwal: Okay. So, my last question would be on the monetization from shorts. So, in our presentation, we have shared that monetization could grow since it will migrate to shares and advertising revenue. This is for YouTube. It is supposed to be renegotiated in second quarter of FY '27. So, sir, it is fair to assume that this statement is regarding our business and not a general statement on the industry side?

Sushant Dalmia: So, , in case of shorts, we are saying over a medium to long term, that model would move from a fixed fee to a revenue share. It won't happen on an immediate basis, but on a medium to long term, it would happen.

Yashwardhan Agarwal: Okay. So, the next thing which is supposed to be renegotiated for what period of time would it be happening? The tenure of the contract.

Sushant Dalmia: Too early to say.

Yashwardhan Agarwal: Yes, sir. Please continue.

Sushant Dalmia: We will update, once it gets renewed.

Hari Nair: So, this depends on the platform and us both. The platform needs to decide when they will share the profits with us. And there revenues from the advertisement should also grow equally. Till then, the platforms may opt in for a fixed fee kind of model. And we may continue with that.

Yashwardhan Agarwal: And even if it remains to be a fixed fee, do we anticipate a substantial growth in this number?

Hari Nair: Yes, definitely a very good growth on that.

- Yashowardhan Agarwal:** Sir, that's it for my side. Thank you, so much and good luck. Thank you.
- Moderator:** Thank you. The next question is from the line of Bhargav from Ambit Asset Management. Please go ahead.
- Bhargav:** Yeah, good afternoon team and congratulations on a good performance. Sir, my first question is that in this revenue growth guidance, are we building in any monetization on YouTube Shorts or that would be an additional kicker once we come to know?
- Hari Nair:** It is part of the growth plan. It is already captured.
- Bhargav:** Okay. Secondly, sir, when we see this presentation of Saregama, we are seeing a significant growth in terms of YouTube views. But they have put in an asterisk saying that YouTube has changed methodology. So, in our presentation, when we see that there is a decline for nine months, is there any base effect or how should we read between you and Saregama in terms of presentation data?
- Kumar Taurani:** Bhargav, you are talking about us, we will tell you about ourselves. Let's not compare us with Saregama. We will reply to them. Now, Sushant is replying you. Yes, Sushant.
- Sushant Dalmia:** Bhargav, we are continuing with the old methodology in terms of YouTube reporting. The sense is, let's say when anyone views for 30 seconds, then only the view gets counted. So, we are continuing with that old methodology. I think now YouTube has started reporting both the views that is less than 3 seconds also get counted as views in YT shorts. But we continue to do with the old methodology because we think that's fair.
- Bhargav:** So, is it fair to say that if we also use the new methodology, then our growth will also look very good?
- Sushant Dalmia:** In terms of views, yes.
- Kumar Taurani:** Then the game will change. It will become very big.
- Bhargav:** Yes, because people compare both. So, it is not apple to apple. It will be right to say that, right?
- Kumar Taurani:** So, touch wood, apple is ours. What do you think about the rest?
- Bhargav:** No, I understand. Basically, if we also use the new methodology, then our growth will also look good. That's what I wanted to basically understand. And lastly, sir, is it fair to say that when we go towards monetization of YouTube Shorts, to start with, it will be a fixed fee and then maybe revenue share will happen next time. How should we think about it?
- Hari Nair:** Yes, it will be the same. You are right on that. First, it will be a fixed fee model for one to two years and then it will move to a revenue share model.



- Bhargav:** And is it fair to say that once the monetization cycle starts, we will put in more efforts to increase our views on YouTube Shorts because then we obviously get paid in the subsequent revenue share cycle?
- Hari Nair:** Yes, you are absolutely right. We will definitely do that.
- Bhargav:** Okay, because right now it doesn't make sense to put in effort because we will not get anything. So, there is no point in...
- Hari Nair:** Correct.
- Bhargav:** Okay. Great, sir. Thank you very much and all the very best.
- Moderator:** Ladies and gentlemen, due to time constraints, this was the last question. I would now like to hand the conference over to Ms. Ayushi Gupta for closing comments.
- Ayushi Gupta:** I would like to thank the management for taking the time for their conference call today and also thank all the participants. If you have any queries, please feel free to contact us. We are MUFG Intime Private Limited, Investor Relations Advisors for Tips Music Limited. Thank you so much.
- Moderator:** On behalf of Tips Music Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.