

## Q3 2021

### 1. Financial Performance

- **Narrative:** Saregama projected strong revenue growth across various business segments for the forthcoming fiscal year and beyond, driven by new strategic initiatives. Specific growth projections were given for music licensing (20-25%), the Films business (14-17%), and the Yoodlee business (14-16%). The company also aimed for a 20% increase in profits in the following quarter. Cost reduction initiatives were expected to yield a 10% decrease in operational costs over the next two quarters. Carvaan was projected to achieve breakeven or positive results going forward.

- **Management's Guidance:**

- Projected 15% revenue growth for the forthcoming fiscal year; Music licensing growth upwards of 20%; Films business growth between 14% and 17% year-on-year; Yoodlee business topline growth between 14% and 16% year-on-year; Aim to increase profits by 20% next quarter; 10% reduction in operational costs over the next two quarters; Carvaan to remain at breakeven or positive.

- **Actual Results:**

**['Q2', '2022']:**

- No Saregama data for Q3 2021 actuals is available in the provided dataset to compare against the stated guidance.

**['Q3', '2021']:**

- In Q3 2021, Saregama reported revenue from operations of INR 880 Mn. The music segment revenue grew by 20% year-on-year. Licensing income increased by 25%. Carvaan sales increased by 34% year-on-year, selling 138k units. EBITDA was INR 71 Mn, resulting in an EBITDA margin of 8.03%. Net profit was INR (15) Mn, a net profit margin of (1.74)%.

**['Q1', '2022']:**

- In Q1 2022, Saregama reported a 37% year-on-year revenue growth from operations and a 73% year-on-year growth in PAT. The core music business grew by 20%. While specific figures for Films and Yoodlee aren't directly provided, the overall strong performance suggests positive results across segments. Information on Carvaan's performance is not detailed enough to determine if it met the breakeven or positive results guidance.

**['Q4', '2021']:**

- In Q4 2021, Saregama reported overall revenue of 615 Crores and PBT of 204 Crores, both the highest ever. Music licensing revenue showed the highest year-on-year growth ever at 26%. Carvaan sales grew by 17% compared to FY2021, achieving breakeven for the year.

- **Evaluation:**

- {'evaluation': 'Partially Met expectations', 'evaluation\_reason': 'While music licensing exceeded expectations (25% vs 20-25% projected) and Carvaan performed strongly, the overall net profit was a loss, failing to meet the expectation of a 20% profit increase in the following quarter. Specific data for Films and Yoodlee businesses is unavailable to properly assess performance against the guidance.'}

### 2. Content Strategy and Production

- **Narrative:** Saregama planned aggressive investment in new content acquisition. They aimed for at least a 20% share of new content created in India that year. The company anticipated a resumption of film content acquisition by broadcasters in the following quarters, due to improving economic conditions. Increased spending on content and marketing was planned over the next 12-15 months.

- **Management's Guidance:**

- Aim for minimum 20% share of new content created in India; Anticipation of increased broadcaster acquisition of film content in the next few quarters; Increased spending on content and marketing costs over the next 12-15 months.

- **Actual Results:**

**['Q2', '2022']:**

- No Saregama data for Q3 2021 actuals is available in the provided dataset to compare against the stated guidance.

**['Q3', '2021']:**

- In Q3 2021, Saregama launched two Carvaan variants. Their YouTube channel, FilmiGaane, exceeded 46 million subscribers. Advertising spend in the first nine months of the year was INR 25 Crores. They also had 289 podcasts in production.

**['Q1', '2022']:**

- In Q1 2022, while specific data on market share isn't available, the 20% growth in the music licensing business suggests progress toward the content acquisition goal. There is no information on broadcaster acquisition of film content. The commentary mentions significant content investments, aligning with the planned increased spending.

**['Q4', '2021']:**

- No specific quantifiable actual results for content acquisition market share are available from the provided data for Q4 2021.

- **Evaluation:**

- {'evaluation': 'Cannot be Evaluated', 'evaluation\_reason': 'Q3 2021 actual results lack quantifiable data to assess progress against the 20% market share goal for new content or the anticipated increase in broadcaster film content acquisition. While increased spending on content and marketing aligns with guidance, specific figures for market share are missing.'}

### 3. Market Dynamics and Competition

- **Narrative:** Saregama aimed for a significant market share in the music licensing space over a longer-term horizon (10-20 years). They also projected the launch of an advertising business on the Carvaan platform within the next 18-24 months, based on a large enough user base with return paths.

- **Management's Guidance:**

- Aim to gather 10,000-12,000 songs within 10-20 years to achieve a significant market share; Launch of an advertising business on Carvaan within 18-24 months.

- **Actual Results:**

**['Q2', '2022']:**

- No Saregama data for Q3 2021 actuals is available in the provided dataset to compare against the stated guidance.

**['Q3', '2021']:**

- In Q3 2021, Shemaroo MarathiBana became the second most-watched movie channel in the Marathi genre. Saregama also became a leading Bhojpuri music player. One of their channels became the No. 4 channel in the Marathi genre within 3 months of launch.

**['Q1', '2022']:**

- In Q1 2022, Saregama's market share in Bhojpuri and Gujarati music exceeded 20% in terms of YouTube viewership. There's no information provided on the launch of the Carvaan advertising business or progress towards the long-term music licensing market share goal.

**['Q4', '2021']:**

- No specific quantifiable actual results regarding market share gains in music licensing or the launch of Carvaan advertising are provided in the Q4 2021 data.

**- Evaluation:**

- {'evaluation': 'Cannot be Evaluated', 'evaluation\_reason': 'Q3 2021 results show market share gains in specific genres (Marathi and Bhojpuri), but no data is available to assess progress toward the long-term music licensing market share goal or the launch of the Carvaan advertising business.'}