

Q1 2021

1. Financial Performance

- **Narrative:** Management provided guidance on revenue growth, specifically focusing on the licensing business and overall company revenue. The licensing business showed exceptional performance in Q1, exceeding expectations. There was also discussion regarding the future revenue generation potential of the Carvaan platform through advertising. Profitability in the films business was highlighted as continuing from the previous year.

- **Management's Guidance:**

- Licensing business revenue growth: 15-20% for the year (03d9f5259680568a81e0920d7a7d4671, 6d75d57d8822f5085fd2cb27672f397e). Long-term target of 25% growth was also mentioned (ee4b68f5363d1e5cc998c680309e753b).
- Overall company revenue growth: 15% targeted for the next fiscal year (5d0d3f259c92ee2d5aa23db24ae1c12f).
- Carvaan platform advertising revenue: Expected within 18-24 months (fd767cd387a395277319aec186334c7e).
- Films business profitability: Expected to continue (0b5226b871973c2f56041c88f619135e).

- **Actual Results:**

['Q3', '2021']:

- In Q3 2021, Saregama reported revenue from operations of INR 880 Mn. Digital media revenue was INR 399 Mn and traditional media revenue was INR 481 Mn. Carvaan sales increased by 34% year-on-year, and music segment revenue grew by 20% year-on-year. Licensing income increased by 25%. EBITDA was INR 71 Mn (8.03% margin), and net profit was INR (15) Mn (-1.74% margin).

['Q4', '2021']:

- In Q4 2021, Saregama's overall revenue was INR 3,111 Mn. Digital media revenue contributed 48% to the total, significantly higher than the less than 10% contribution in FY14. Music licensing revenue showed the highest year-on-year growth ever of 26%, exceeding the 15-20% guidance. Carvaan sales reached 4 lakh units, a 17% year-on-year growth, suggesting progress towards advertising revenue generation, although the 18-24 month timeframe wasn't met. The 15% overall revenue growth target for the fiscal year wasn't explicitly stated as met or missed in available data.

['Q1', '2021']:

- Revenue from Operations for Q1 FY21 was INR 862 Mn, a significant decrease from Q4 FY20 (INR 1,227 Mn) and Q1 FY20 (INR 1,430 Mn). Other Income for Q1 FY21 was INR 3 Mn, considerably lower than Q4 FY20 (INR 11 Mn) and Q1 FY20 (INR 9 Mn). EBITDA for Q1 FY21 was INR (49) Mn, and Net Profit was INR (130) Mn. These results show a substantial downturn compared to the previous quarters and the management's guidance for growth.

['Q2', '2021']:

- In Q2 2021, Saregama reported a significant decrease in Revenue from Operations (50.4% decrease compared to H1 FY20, citing b47d98d7892cb545e7f4830acac09414 and f43c0c915c8196fcd5d283905b9390b0), and a substantial decline in Other Income (38.6% decrease compared to H1 FY20, citing f43c0c915c8196fcd5d283905b9390b0). Revenue from operations in Q2 FY21 was INR 593 Mn compared to INR 1,503 Mn in Q2 FY20 (479a579c1bd0d8fc99419d7ecebabb11). EBITDA margin was significantly negative at (3.86)% in H1-FY21 versus 20.59% in H1-FY20 (f43c0c915c8196fcd5d283905b9390b0). The company also reported a net loss. These results fall considerably short of the management's guidance.

- **Evaluation:**

- {'evaluation': 'Did not meet expectations', 'evaluation_reason': "The Q1 2021 financial results, showing significant revenue decline and substantial losses, fell considerably short of the management's guidance for revenue growth and continued profitability."}

2. Content Strategy and Production

- **Narrative:** Management discussed plans for expanding their movie library, aiming for a significant increase in the number of films available. There was also mention of podcast adoption targets for the Carvaan platform.

- **Management's Guidance:**

- Movie library expansion: Target of 40-50 movies in the next year (3b2821f5fe3f566c9a231599bf9da884).
- Carvaan podcast user growth: Target of sufficient users within 18-24 months (5f7b82467b00d676b40253af5fea7e7d).

- **Actual Results:**

['Q3', '2021']:

- In Q3 2021, Saregama launched two Carvaan variants and had 289 podcasts in production. No specific data on movie library expansion was provided.

['Q4', '2021']:

- Actual results for movie library expansion and Carvaan podcast user growth in Q4 2021 are not available in the provided data.

['Q1', '2021']:

- No specific quantifiable results regarding movie library expansion or Carvaan podcast user growth are provided in the data for Q1 2021.

['Q2', '2021']:

- No specific Q2 2021 results directly related to the expansion of the movie library or Carvaan podcast user growth are provided in the data.

- **Evaluation:**

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': "The provided data for Q1 2021 lacks specific quantifiable results on movie library expansion or Carvaan podcast user growth, preventing an evaluation against management's guidance."}

3. Management and Corporate Governance

- **Narrative:** Management acknowledged the challenging external environment and highlighted measures taken to optimize operations and rationalize impacted businesses.

- **Management's Guidance:**

- No specific forward-looking statements were made under this theme for Q1 2021, though the actions taken suggest a proactive approach to navigating market challenges. The citation (31ccb2dde35567aab66c58a710e60fe3) describes actions already taken, not future plans.

- **Actual Results:**

['Q3', '2021']:

- The Q3 2021 data does not provide specific information on the results of management's actions to optimize operations and rationalize businesses.

['Q4', '2021']:

- No specific Q4 2021 results related to this theme are available in the provided data.

['Q1', '2021']:

- The provided data does not contain specific quantifiable results related to management's actions to address market challenges in Q1 2021. However, the reduction in marketing costs from INR 31 Crores to INR 6 Crores and debt repayment suggest some success in operational optimization.

['Q2', '2021']:

- No specific Q2 2021 results are available to assess the impact of the management's actions to address market challenges.

- Evaluation:

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': "While the Q1 2021 data shows cost reduction and debt repayment, there's no specific management guidance or target against which to measure the success of these operational optimization efforts."}