



Yaap Digital Limited

Communication Services

IPO Report

May Apply

SME IPO

Price Band: ₹138 to ₹145 per share

Bidding: 25 Feb to 27 Feb, 2026

Listing At: NSE SME

Listing Date: Mar 5, 2026

Details of the Issue

Lead Manager	Socradamus Capital Pvt. Ltd.
Market Maker	Giriraj Stock Broking Pvt. Ltd.
Registrar	MUFG Intime India Pvt. Ltd.

Promoter Holding

Pre-Issue	80.19%
Post-Issue	59.02%

Offer Structure

Market Maker	2,80,000 shares
QIB	Not more than 50%
Retail	Not less than 35%
NII	Not less than 15%
Fresh Issue	55,25,000 shares
Total Issue	₹80.11 Cr

Financial Summary (₹ in Lakhs)

Particular	Upto Dec'25	FY25
Revenue	9,018.78	15,254.49
EBITDA	1,249.97	1,564.99
PAT	920.55	1,193.24

Minimum Application

Category	Lots	Shares	Amount
Retail	2	2,000	₹ 290,000
S-HNI	3-6	3,000-6,000	₹4,35,000-₹8,70,000
B-HNI	7	7,000	₹ 1,015,000

Customer Concentration (% of Revenue)

Particulars	FY24	FY25	Upto Dec'25
Top 1 Customer	72.40	56.42	15.10
Top 10 Customers	88.87	84.41	64.51

Valuations

NAV(FY25)	14.83
EPS(Pre Issue)	7.95
P/E(Pre Issue)	18.24

Promoters

Atul Jeevandharkumar Hegde, Sudhir Menon and Subodh Menon

Company Overview

Incorporated in 2016, Yaap Digital Limited (YAAP) is a digital content and marketing services agency operating across India, the UAE, and Singapore, delivering integrated solutions across design, discovery, and distribution.

Object of the Issue

- Funding part payment of purchase consideration for the proposed acquisition of GoZoop Online Private Limited ("GoZoop"): 3,400.00 lakhs
- Funding capital expenditure to be incurred for Establishment of an AI-Led Short-Form Content Production Hub ("ACP Hub"): ₹400.75 lakhs
- Funding our incremental working capital requirements: ₹1,600.00 lakhs
- Funding inorganic growth through unidentified acquisitions and general corporate purposes

Price Band Analysis

At the issue price of ₹145, the company is valued at 25.44x post-issue P/E based on EPS of ₹5.70 and 9.78x P/B, placing it at the higher end of the valuation spectrum for listed digital marketing peers. While industry demand remains supportive, execution and client concentration risks persist, and peer comparison attractiveness hinges on the company's ability to deliver scalable growth, maintain margins, and manage working capital effectively post listing.

Peer Comparison (as of FY25)

Company Name	EPS (₹)	NAV (₹)	P/E	RONW (%)
Yaap Digital Limited	7.95	14.83	18.24	53.63
Vertoz Limited	3.01	22.34	17.12	13.48
Digicontent Limited	4.18	4.70	6.78	88.95

Risk Measures:

- Revenues are highly dependent on specific industry verticals, primarily BFSI (68.59% in FY25), Travel and Tourism, and FMCG.
- A significant portion of revenue is concentrated among a limited number of clients, with approximately 84.41% contributed by the top ten customers in FY25.

Investment Rationale:

- The company has demonstrated significant growth, with revenue from operations increasing from ₹7,757.93 lakhs in FY23 to ₹15,254.49 lakhs in FY25. More importantly, it turned around from a net loss of ₹259.89 lakhs in FY23 to a PAT of ₹1,193.34 lakhs in FY25.
- A key use of IPO proceeds (₹3,400 lakhs) is the acquisition of GoZoop Online Private Limited, strengthening the company's capabilities in branding and performance marketing. The transaction is expected to expand service offerings, enhance client solutions, and support scalable growth across the digital marketing value chain.
- Trade receivable days increased from 36 days in FY23 to 153 days as of December 31, 2025, while payable days also rose from 64 to 149 days, keeping the working capital cycle contained at 4 days. Despite this, the sharp rise in receivables highlights collection risk and potential cash-flow pressure.
- Yaap Digital Limited has high revenue seasonality, with around 69.41% of FY25 revenues generated in H2, increasing quarterly volatility. Coupled with a relatively high valuation and significant client concentration, this calls for cautious assessment of earnings visibility and execution post listing.

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Financials (₹ in Lakhs, Except for Percentage & Ratios)

Particular	FY24	FY25	Upto Dec'25
Revenue From Operations	11,254.65	15,254.49	9,018.78
EBITDA	597.84	1,564.99	1,249.97
EBITDA Margin (%)	5.31	10.26	13.86
PAT	250.66	1,193.24	920.55
PAT Margin (%)	2.23	7.82	10.21
EPS	1.71	7.95	6.28
Return on Equity (RoE%)	29.23	74.11	34.43
Return on Capital Employed (RoCE%)	21.55	45.07	26.43
Debt to Equity Ratio	2.29	1.02	0.81

Source: RHP

Sector wise Revenue Bifurcation (₹ in Lakhs)

Particulars	FY24	FY25	Upto Dec'25
BFSI	8,648.61	10,463.44	2,851.31
Travel and Tourism	717.57	1,049.38	792.07
FMCG	143.96	820.25	711.63
Media & Marketing Agencies	325.75	792.51	2,010.26
Lifestyle	386.72	486.54	529.89
Technology	364.84	421.40	253.58
Healthcare	169.72	273.78	291.20
Others	498.68	947.18	1,578.84
Total	11,255.85	15,254.48	9,018.78

About The Founder



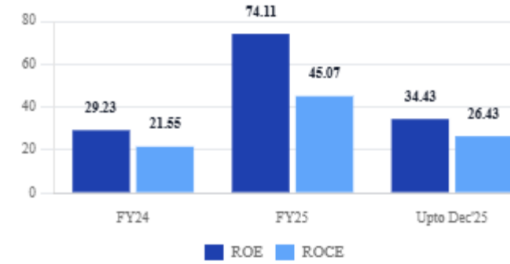
Atul Jeevandharkumar Hegde is the Chairman and Managing Director of the Company, with over 25 years of experience in digital marketing and academic credentials from the University of Mumbai, INSEAD, and Galgotias University.

ESG Lens:

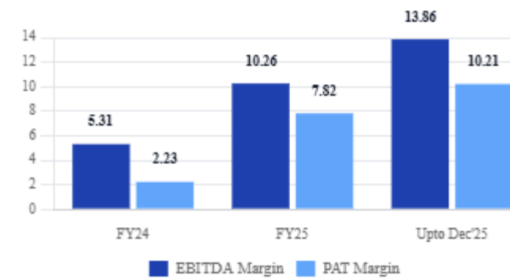
ESG centres on data/cloud energy efficiency and renewable use. Social risk is data privacy and responsible content. Governance depends on strong data security and influencer disclosures; scale must lower resource intensity while protecting trust.

FINANCIAL HIGHLIGHTS

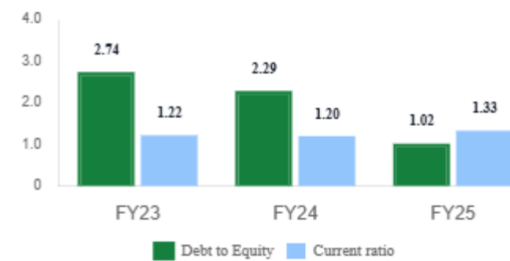
Return Ratios



EBITDA and PAT Margin



Key Ratios:



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