



Retail Research	: IPO Note
Sector	: Media & Entertainment
Price Band (INR)	: ₹174 to ₹183
Issue Type	: Bookbuilding IPO

About The Company

Simca Advertising ka business aur strategy dekhkar ek cheez clear hai ki company ek transition phase me hai yani traditional hoardings wali company se ek full-service, tech-driven advertising player banne ki koshish kar rahi hai. Lekin jab hum isko industry ke context me rakhte hain, toh competition ka level kaafi intense dikhai deta hai.

OOH (Out-of-Home) advertising industry fundamentally ek highly competitive aur fragmented market hai jahan companies mainly 4 cheezon par compete karti hain location quality, pricing, creative execution aur service delivery. Simple language me samjho: jo company best traffic location secure kar leti hai, attractive ad bana deti hai, aur client ko sasta aur time par service de deti hai, wahi market me jeet ti hai. Simca ka current positioning yahi hai Mumbai me 100+ locations ke saath ek mid-sized player, jiska focus high-footfall areas par hai. Yeh unko ek base advantage deta hai, lekin yeh advantage sustainable tabhi hoga jab company continuously apna network aur quality improve kare.

Industry ka ek bada structural shift bhi chal raha hai static hoardings se digital aur interactive formats ki taraf. LED billboards, programmatic ads, AR-based engagement, aur data analytics jaise tools rapidly adopt ho rahe hain. Yahan par problem yeh hai ki Simca abhi largely planning stage me hai, jabki competitors already execution stage par pahunch chuke hain. For example, Signpost India Limited jaise players ke paas 16,000+ assets, pan-India presence, aur advanced analytics capabilities hain. Iska matlab yeh hai ki unke paas scale bhi hai aur technology bhi jo dono milkar unhe advertisers ke liye zyada attractive bana dete hain.

Dusri taraf, traditional strong players jaise Alakh Advertising & Publicity Private Limited aur Bright Outdoor Media Limited kaafi time se market me hain aur unhone strong client relationships build kiye hain. Yeh companies already diversified services offer karti hain railway ads, bus branding, cinema ads, etc. jo Simca ab future me plan kar rahi hai. Iska matlab Simca ko catch-up game khelna padega, jahan execution speed bahut important ho jaata hai.

Creative aur premium execution side par Minimax Ads Private Limited jaise players kaafi strong hain, jo large-scale campaigns (jaise Bandra Sea Link hoardings) handle kar chuke hain. Isi tarah Capital World Media Services Private Limited jaise integrated players already OOH + digital + events ka combo offer kar rahe hain exactly wahi direction jahan Simca jaana chahti hai. Yani jo strategy Simca future ke liye plan kar rahi hai, woh competitors ke liye already present reality hai.

Ab agar risk angle se dekhein, toh Simca ke saamne 4 major competitive challenges hain. Pehla, scale disadvantage 100 assets vs thousands of assets wale players. Dusra, technology gap jab industry data-driven ho rahi hai, Simca abhi initial stage par hai. Teesra, pricing pressure zyada competition ka matlab margins squeeze hona. Aur chautha, low entry barrier OOH business me koi bhi naya player lease model par entry kar sakta hai, isliye competition continuously badhta rehta hai.

Issue Details	
IPO Open Date	08-May-26
IPO Close Date	12-May-26
Listing Date	15-May-26
Price Band (Rs)	₹150 to ₹158
Lot Size	600 Shares
Issue Size (Rs Cr)	31,71,600 shares
Face Value	₹10 per share
Sales Type	Fresh capital only
Issue Type	Bookbuilding IPO
Listing At	NSE SME
Share Holding Pre Issue	88,00,000 shares
Share Holding Post Issue	1,19,71,600 shares

Shareholding Pattern (%)	
Fahim Batliwala	99.99%

Objects of the Issue	Estimated Amount (INR Cr.)
Purchase and installation of LED (“Light-emitting diode”) screens	12.72
Funding for strategic collaboration with Capital World Media Services Private Limited (“CWM”) for monetization of 20 LED digital advertising screens	5
Funding the incremental working capital requirements	23.5

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GROWTH DRIVERS

➤ DOOH (Digital Out-of-Home) = Core Growth Engine

Sabse powerful driver yahi hai

Traditional hoardings me ek time par sirf 1 client ka ad chalta hai, lekin digital LED screens me:

- Ek hi screen par multiple ads rotate hote hain
- Time slots ke hisaab se pricing hoti hai
- Dynamic content update possible hota hai

Business Impact:

- Same asset → multiple revenue streams
- Yield per location significantly increase hota hai

Reality Check:

- High initial capex
- Utilization (fill rate) critical hai
- Agar ads fill nahi hue → ROI gir jayega

➤ Integrated Advertising Model = Wallet Share Expansion

Company ka goal hai:

“Sirf hoarding seller nahi, full marketing partner banna”

Isme include hoga:

- TV & Radio planning
- Digital marketing (Google, Meta ads)
- Influencer campaigns
- On-ground activations

Strategic Benefit:

Client ek hi agency ko pura budget de sakta hai

Impact:

- Per client revenue increase
- Cross-selling opportunity
- Long-term relationships strong

Risk:

- Har segment me already strong competition hai
- Execution capability build karna padega

➤ Media Asset Expansion = Direct Revenue Growth

Simple but powerful driver

- Zyada hoardings
- Zyada locations
- Zyada inventory

Business Logic:

Advertising business = inventory game

Impact:

Revenue almost linear grow karta hai assets ke saath

Risk:

- Lease model dependency
- Premium locations mehenga milta hai
- Regulatory approvals lagte hain

➤ Mumbai Urbanization Tailwind

Company ka core market: Mumbai (high density city)

Mumbai me:

- Traffic continuously badh raha hai
- Infrastructure projects (metro, highways) expand ho rahe hain
- Daily commuters ka base huge hai

Insight:

OOH advertising ka biggest driver = eyeballs

Impact:

Natural demand growth without extra effort

Limitation:

Geographic concentration risk bhi hai

➤ Programmatic Advertising = Yield Optimization

Future me OOH bhi digital ads jaisa ho jayega

- Time-based ads
- Location-based targeting
- Audience-based scheduling

Impact:

- Better pricing
- Higher utilization
- Premium inventory monetization

Risk:

- Tech investment + data integration required

➤ OOH = High ROI Medium (Structural Advantage)

OOH ka unique benefit:

- 24/7 visibility
- Skip nahi kar sakte
- Mass awareness strong

Industries jo heavily use karti hain:

- Real estate
- FMCG
- E-commerce
- Govt campaigns

Impact:

Stable demand base

Limitation:

Performance measurement historically weak raha hai (ab improve ho raha hai)

➤ Events & Activation Business = High Margin Add-on

Company experiential marketing me enter kar rahi hai

- Mall activations
- Exhibitions
- Product launches
- Sampling campaigns

Impact:

- High-margin business
- Client engagement deeper

Risk:

- Execution-heavy business hai
- Scale karna difficult hota hai

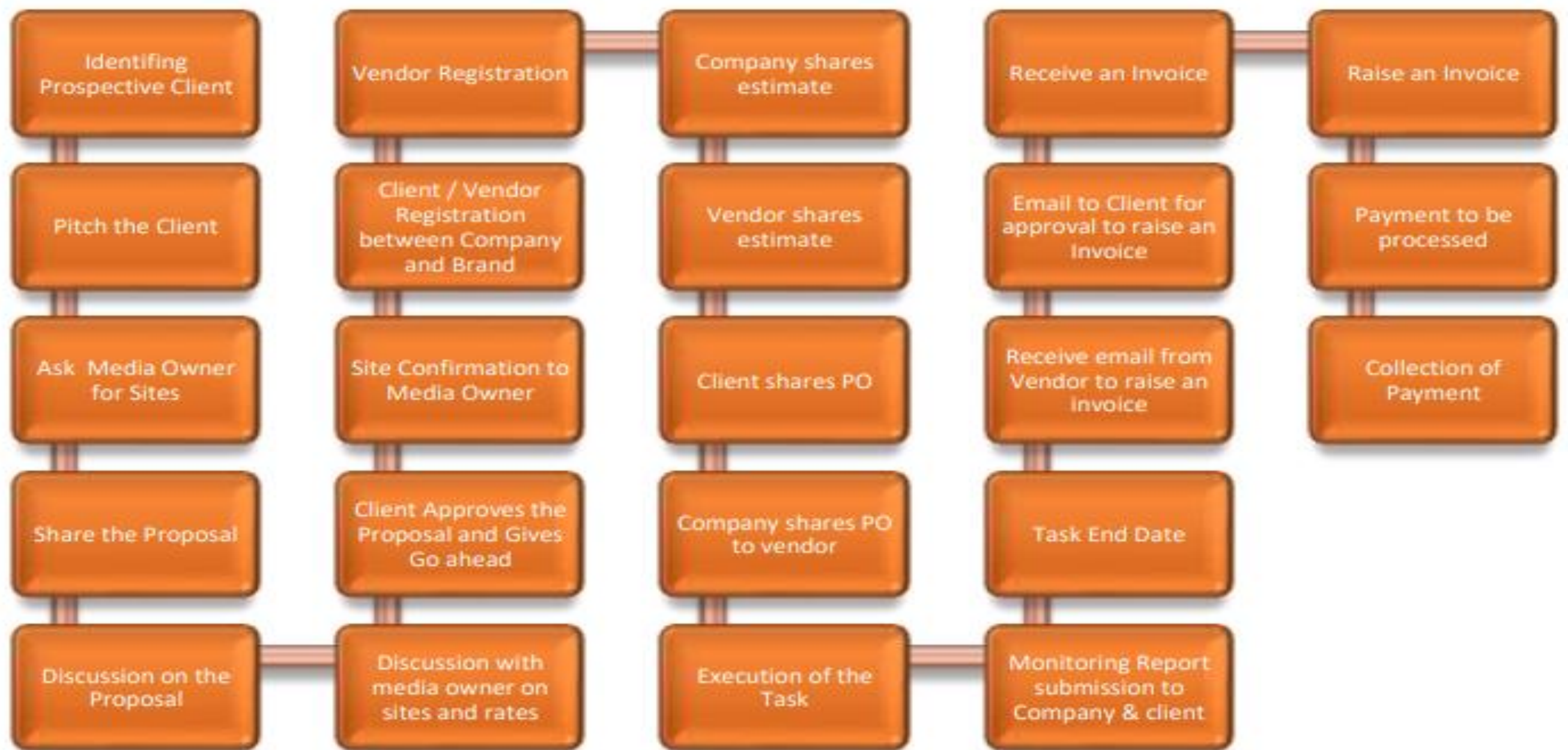
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RISK

- ❑ Yeh company ke risks ko agar ek clear, structured aur analytical paragraph form me samjhein, toh overall picture kaafi serious aur layered lagti hai sirf ek-do nahi, balki multiple interconnected risks hain jo business aur investors dono ko impact kar sakte hain.
- ❑ Sabse pehla aur core risk hai iska asset-light business model, jahan company apne hoardings own nahi karti balki lease ya sub-lease par depend karti hai. Iska matlab yeh hai ki company ke paas long-term control nahi hai agar lease renew nahi hua ya transfer issue aa gaya (especially proprietorship se company structure me), toh existing sites lose ho sakti hain, jo directly revenue ko hit karega. Iske saath hi promoter dependency risk bhi kaafi high hai, kyunki major media assets promoter ke hi proprietorship se lease par liye gaye hain, aur promoter parallel similar businesses me bhi involved hai yeh conflict of interest create karta hai aur minority shareholders ke liye concern ban jata hai.
- ❑ Dusra major concern hai working capital stress, kyunki company ke assets ka bada hissa trade receivables me atka hua hai, aur clients ka payment cycle 100–120 din tak ka hai. Iska simple matlab hai ki accounting profit dikh sakta hai, lekin actual cash flow tight ho sakta hai jo daily operations aur growth funding dono ko affect karega. Iske alawa no long-term contracts hone ki wajah se revenue visibility weak hai clients campaign-based kaam karte hain, aur kabhi bhi cancel ya delay kar sakte hain, jisse earnings unpredictable ho jati hain.
- ❑ Company ka geographical concentration Mumbai (MMR) me hona bhi ek risk hai agar local economic slowdown, regulatory change ya demand dip hota hai, toh poora business impact ho sakta hai. Saath hi, vendor dependency aur limited suppliers ka hona bhi operational risk create karta hai agar key vendor ya site owner withdraw ho jaye, toh execution delay ya cost increase ho sakta hai.
- ❑ Legal aur compliance side par bhi kaafi red flags hain promoter ke tax-related litigations, pending trademark approval for “SIMCA” brand, aur ROC filing delays all yeh indicate karte hain ki regulatory risk present hai. Agar inme se koi adverse decision aata hai, toh financial aur reputational damage ho sakta hai. Isi tarah, company ke financials peer-reviewed CA ne prepare kiye hain, na ki statutory auditor ne yeh credibility concern raise karta hai.
- ❑ Industry level par bhi challenges hain OOH sector highly competitive hai jahan pricing pressure high hai aur entry barriers low hain. Saath hi, industry fast shift ho rahi hai digital OOH (LED, programmatic ads) ki taraf, aur agar company timely invest aur execute nahi kar paayi, toh market share lose ho sakta hai. Yeh transition khud me capital intensive hai, jisse cash flow aur balance sheet par pressure badhega.
- ❑ Operational risks me seasonality, short-duration campaigns, aur execution quality bhi important hain festive ya event-based demand hone ki wajah se revenue uneven hota hai, aur agar execution me koi mistake hoti hai, toh client disputes aur brand damage ho sakta hai. Iske alawa, hoardings environmental exposure (rain, heat, pollution) me rehte hain aur limited insurance coverage hone ki wajah se physical damage ka risk bhi company ko bear karna pad sakta hai.
- ❑ Strategic level par, company diversification (digital, events, integrated advertising) ki taraf badh rahi hai, lekin yeh bhi guaranteed success nahi hai new initiatives fail ho sakte hain aur capital waste ho sakta hai. Saath hi, expansion into new cities execution risk lekar aata hai, kyunki har market ka dynamics alag hota hai.
- ❑ IPO aur investor perspective se dekhein toh aur bhi risks add hote hain valuation assumptions par based hai, jo listing ke baad justify na ho paye; promoters ne shares lower cost par liye hain, jisse unka downside limited hai; future dilution, selling pressure, aur stock volatility ka risk bhi high hai, especially kyunki yeh newly listed company hogi jiska active trading market develop hone me time lag sakta hai. Dividend bhi guaranteed nahi hai, aur Indian regulatory framework me shareholder rights comparatively limited hote hain.
- ❑ Macro level par, business India-specific uncertainties (policy changes, economic slowdown, political factors), natural disasters, aur external shocks se bhi affected ho sakta hai, jo overall demand aur operations dono ko impact karte hain.
- ❑ Yeh company ek aise business model par kaam karti hai jahan growth potential toh hai (especially digital OOH ke through), lekin risks ka concentration bhi kaafi high hai particularly lease dependency, promoter influence, weak cash flow structure, aur execution challenges. Isliye yeh ek typical “high opportunity but equally high risk” case hai, jahan sirf growth story dekhna kaafi nahi, balki ground-level execution aur governance ko closely evaluate karna zaroori hai.

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BUSINESS PROCESS FLOW FROM DEAL ORIGATION TO COMPLETION OF PROJECT



REVENUE CAN ALSO BE FURTHER DIVIDED ON THE BASIS OF SECTOR WISE CONTRIBUTION

(₹ in Lakhs)

Particulars	For the Nine months period ended December 31, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations
Private Sector	7,340.38	94.38%	6,984.71	93.20%	4,930.50	100.00%	1,195.56	100.00%
Government Sector	437.30	5.62%	509.75	6.80%	-	-	-	-
Total	7,777.68	100.00%	7,494.46	100.00%	4,930.50	100.00%	1,195.56	100.00%

*As certified by M/s Khandelwal Jain & Associates. Chartered Accountants, by way of their certificate dated April 10, 2026.

REVENUE CAN ALSO BE FURTHER DIVIDED ON THE BASIS OF TYPES OF OOH MEDIA ASSETS

(₹ in Lakhs)

Particulars	For the Nine months period ended December 31, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations
OOH	4,977.30	63.99%	5,770.74	77.00%	4,215.57	85.50%	1,195.56	100.00%
DOOH	2,800.38	36.01%	1,723.72	23.00%	714.93	14.50%	-	-
Total	7,777.68	100.00%	7,494.46	100.00%	4,930.50	100.00%	1,195.56	100.00%

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KEY OPERATIONAL INDICATORS

Indicator	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
No. of clients	133	133	131	61
No. of repeated clients	33	64	49	-
No. of static billboards in use	78	73	74	86
No. of LED billboards in use	72	54	36	-
No. of clients in Government Sector	3	2	-	-
No. of clients in Private Sector	130	131	131	61
Project Turnaround Time ⁽¹⁾	Average 14 days - Starts from 7 - 21 days			
Average contract duration	Average 14 days - Starts from 7 - 21 days			
Average Duration of Campaigns ⁽²⁾	Average 14 days - Starts from 7 - 21 days			
Campaign Turnaround Time ⁽³⁾	1 to 7 Days			
Rotational frequency of LED per LED Billboard per day ⁽⁴⁾	900	900	900	-
Client Retention Rate (%) ⁽⁵⁾	24.81%	48.85%	70.49%	-
Billing Cycle Turnaround ⁽⁶⁾				
– Agency	30 - 60 days			
– Direct client	0 - 30 days			
Realization Rate ⁽⁷⁾	73%	70%	88%	98%
Ad Placements Utilization Rate & Occupancy Rate (Per Location) (%) ⁽⁸⁾	77.96%	77.25%	71.15%	57.92%
Total Number of Media Assets ⁽⁹⁾	150	127	110	86

Note:

- (1) Project Turnaround Time denotes the duration from campaign confirmation to display execution.
- (2) Average Duration of Campaign means average number of days per campaign.
- (3) Campaign Turnaround Time means Time from client brief to media execution.
- (4) Rotational Frequency of LED per LED Bill Board per Day means No. of Rotations made per Day per LED Bill Board (Each LED Bill Board makes 1 Rotation per minute and the LED Bill Board is Operational for 15 hours per day).
- (5) Client Retention Rate is calculated as No. Repeated clients in the current year from the client list of previous year divided by No. of clients in previous year.
- (6) Billing Cycle Turnaround Time means Time taken from Campaign Execution to Billing the client.
- (7) Realization rate is calculated as collection of payment divided by Billing to the client.
- (8) Utilization rate is calculated as Actual Sales divided by Total Potential Sales
- (9) Each LED board is counted as six media assets based on its slot-based ad structure.

KEY FINANCIAL INDICATORS

Indicator	December 31, 2025*	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations (₹ in Lakhs) ⁽¹⁾	7,777.68	7,494.46	4,930.50	1,195.57
– Traditional Outdoor Advertising	4,932.62	5,761.74	4,215.57	1,195.57
– Digital Out-of-Home Advertising	2,800.38	1,723.72	714.93	-
– Event Sponsorships & Campaigns	44.68	9.00	-	-
EBITDA (₹ in Lakhs) ⁽²⁾	1437.45	1,348.89	772.29	211.48
EBITDA Margin (%) ⁽³⁾	18.48%	18.00%	15.66%	17.69%
PAT (₹ in Lakhs) ⁽⁴⁾	1067.84	997.52	577.58	156.61
PAT Margin (%) ⁽⁵⁾	13.73%	13.31%	11.71%	13.10%
Return on equity (%) ⁽⁶⁾	38.08%	57.44%	78.14%	96.91%
Return on capital employed (%) ⁽⁷⁾	50.89%	76.57%	104.50%	127.47%
Trade Receivables (days) ^{(8)#}	118	103	116	168
Trade Payables (days) ^{(9)#}	109	92	83	103
Working Capital cycle (days) ⁽¹⁰⁾	9	11	33	65

* Not Annualised

Notes:

- (1) Revenue from operations is calculated as revenue from sale of services.
- (2) EBITDA is calculated as restated profit before tax, extraordinary and exceptional items plus finance costs, depreciation and amortisation expense minus other income.
- (3) EBITDA margin is calculated as a percentage of EBITDA divided by revenue from operations.
- (4) PAT represents total profit after tax for the year/period.
- (5) PAT margin is calculated as a percentage of PAT divided by revenue from operations.
- (6) Return on Equity (ROE%) is calculated as a percentage of PAT divided by Total Equity at the end of the year /period, whereas Total equity is calculated as an aggregate of equity share capital and reserves and surplus.
- (7) Return on Capital Employed (ROCE%) is calculated as a percentage of EBIT divided by Capital Employed at the end of the year /period. EBIT is calculated as restated profit before tax and exceptional items plus finance costs. Capital Employed is calculated as an aggregate of Equity minus DTA plus DTL, Long Term Borrowings and Short-Term Borrowings.
- (8) Trade Receivables (days) is calculated as trade receivables divided by revenue from operations multiplied by 365.

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