



ARMOUR SECURITY (INDIA) LTD

Industrials

IPO Report

Apply

SME IPO

Price Band: ₹55 to ₹57 per share
Bidding: Jan 14, 2026 to Jan 19, 2026
Listing At: NSE SME
Listing Date: Jan 22, 2026

ESG Rating: Not Rated

ESG Initiatives

- Company has not disclosed ESG related activities

Details of the Issue

| | |
|--------------|-------------------------------------|
| Lead Manager | Sobhagya Capital Options Pvt.Ltd. |
| Market Maker | NNM Securities Pvt.Ltd. |
| Registrar | Skyline Financial Services Pvt.Ltd. |

Promoter Holding

| | |
|------------|--------|
| Pre-Issue | 96.80% |
| Post-Issue | 70.12% |

Offer Structure

| | |
|--------------|------------------|
| Market Maker | 2,34,000 shares |
| QIB | 46,000 shares |
| Retail | 21,80,000 shares |
| NII | 21,90,000 shares |
| Fresh Issue | 46,50,000 shares |
| Total Issue | ₹26.51 Cr |

Financial Summary (₹ in Lakhs)

| Particular | FY25 | FY24 |
|------------|----------|----------|
| Revenue | 3,565.54 | 3,293.29 |
| EBITDA | 496.86 | 367.29 |
| PAT | 397.35 | 261.76 |

Minimum Application

| Category | Lots | Shares | Amount |
|----------|------|--------------|---------------------|
| Retail | 2 | 4,000 | ₹ 228,000 |
| S-HNI | 3-8 | 6,000-16,000 | ₹3,42,000-₹9,12,000 |
| B-HNI | 9 | 18,000 | ₹ 1,026,000 |

Valuations

| | |
|----------------|-------|
| NAV(FY25) | 15.08 |
| EPS(Pre Issue) | 3.25 |
| P/E(Pre Issue) | 17.53 |

Promoters

Mr. Vinod Gupta and Mrs. Arnima Gupta.

Company Overview

Incorporated in 1999, Armour Security India provides comprehensive security, facility management, and manpower solutions across India, catering to commercial, residential, and institutional clients. Its offerings cover private security, housekeeping, event security, firefighting, training, and skilled to unskilled manpower across sectors such as corporate, banking, healthcare, government, and education. The company operates with a PAN India branch network and a workforce of over 1,300 personnel. Its competitive strengths lie in a diversified service portfolio, deep industry experience, strong compliance framework, high customer retention, and technology-driven operations.

Object of the Issue

- Funding of Working Capital requirements: ₹1,510.79 Lakhs
- Funding Capital expenditure requirements for purchasing of machinery equipment and vehicles: ₹161.27 Lakhs
- Pre-payment/re-payment of, in part or full, certain outstanding borrowings of our Company: ₹300.00 Lakhs

Price Band Analysis

Armour Security India Limited is valued at post issue P/E of 24.15x with a P/B of ~3.78 and RONW of 21.56%. Compared to Kapston Services, which trades at a higher ~34x P/E with similar return metrics, Armour's valuation appears moderate and reasonable, not expensive. The pricing reflects growth prospects and improved profitability, offering relative comfort rather than deep undervaluation.

Peer Comparison

| Company Name | EPS (₹) | NAV (₹) | P/E | RONW (%) |
|-------------------------------|---------|---------|-------|----------|
| Armour Security India Limited | 3.25 | 15.08 | 17.53 | 21.56 |
| Kapston Services Limited | 8.79 | 43.81 | 34.12 | 20.07 |

Risk Measures:

- The Company's improved profit margins may not be sustainable and could decline due to higher employee, compliance, finance, or operational costs. As a manpower-intensive business, any increase in wages, statutory expenses, or interest rates may adversely impact profitability.
- The Company operates in a manpower-intensive business, requiring upfront payments towards salaries, statutory dues, and compliance costs, while client payments are typically received later. This results in high working capital requirements and exposure to delays in receivables. Any slowdown in collections or increase in contract scale may lead to higher borrowings and finance costs. Consequently, adverse working capital management could impact the Company's cash flows, profitability, and financial position.

Investment Rationale:

- Revenue from operations increased by 8.27% to ₹3,565.54 lakhs in FY 2025 from ₹3,293.29 lakhs in FY 2024. The growth was primarily driven by favorable industry conditions and strong client retention. Improved execution efficiency, timely project delivery, and an expanded scope of services under existing contracts also contributed to higher revenues. Additionally, increased demand supported by government-led initiatives and continued focus on service quality and client relationships aided growth.
- The Company proposes to utilize ₹161.27 lakh from the net IPO proceeds towards capital expenditure for acquiring security equipment and vehicles to expand its event-based security services. This investment will strengthen integrated security capabilities and enable participation in higher-value tenders. The proposed CAPEX is expected to support business diversification and scalable growth.
- The Company operates in a working capital intensive, manpower-driven business where expenses are incurred upfront while client payments are received with a delay, particularly in government contracts. The proposed utilisation of ₹1,510.79 lakh from the net IPO proceeds will help bridge this timing gap and ensure timely payment of salaries, statutory dues, and tender-related deposits. This infusion will reduce dependence on short-term borrowings and support execution of larger government and institutional projects. Adequate working capital is critical to sustain growth, operational stability, and service quality.

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

| Particular | FY23 | FY24 | FY25 |
|------------------------------------|----------|----------|----------|
| Revenue From Operations | 2,884.64 | 3,293.29 | 3,565.54 |
| EBITDA | 311.81 | 367.29 | 496.86 |
| EBITDA Margin (%) | 10.81 | 11.15 | 13.94 |
| PAT | 225.66 | 261.76 | 397.35 |
| PAT Margin (%) | 7.82 | 7.95 | 11.14 |
| EPS | 4.16 | 3.67 | 3.25 |
| Return on Equity (RoE%) | 64.65 | 18.10 | 21.56 |
| Return on Capital Employed (RoCE%) | 70.20 | 22.26 | 24.47 |
| Debt to Equity Ratio | 0.24 | 0.12 | 0.25 |

Source: RHP

Service Wise Revenue Bifurcation (₹ in Lakhs)

| Particulars | FY23 | FY24 | FY25 |
|---|-----------------|-----------------|-----------------|
| Security Manpower Personal Services | 1,274.64 | 1,550.79 | 1,677.79 |
| Other Manpower and Supervision Services | 517.19 | 818.97 | 1,142.81 |
| Housekeeping Services | 1,092.82 | 923.53 | 744.94 |
| Total | 2,884.65 | 3,293.29 | 3,565.54 |

Customer concentration (% of Revenue)

| Particulars | FY23 | FY24 | FY25 |
|------------------|-------|-------|-------|
| Top 5 Customers | 64.06 | 59.28 | 63.85 |
| Top 10 Customers | 76.88 | 74.45 | 76.48 |

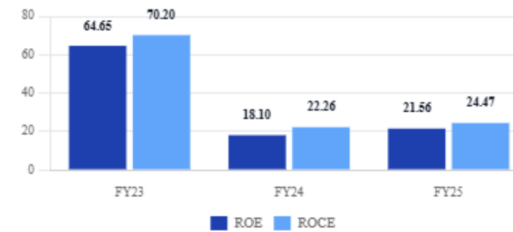
About The Founder



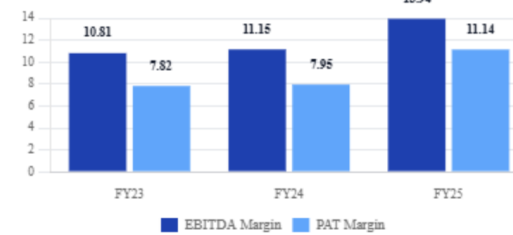
Mrs. Arnima Gupta (41 years) is a Promoter and Managing Director of the Company, holding a Bachelor of Arts degree from Chaudhary Charan Singh University, Meerut, and over 15 years of experience in the manpower industry. Associated with the Board since July 1, 2008, she has served as Executive Director, later as Non-Executive Woman Director, and was appointed Managing Director on February 18, 2025. She oversees the Company's overall management, including strategy, business development, financial decisions, and risk management.

FINANCIAL HIGHLIGHTS

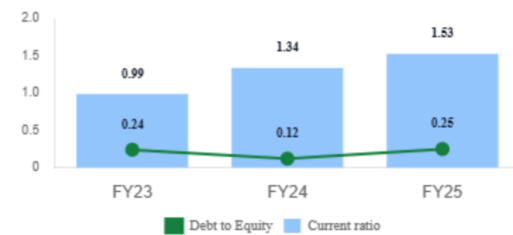
Ratios



EBITDA and PAT Margin



Profitability Ratios:



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