

Saturday, 7 March 2026

CM RATING 35 /100

# Innovision

## Manpower intensive operations

### IPO is to fund working capital and for repayment of debt

Innovision provides manpower services, toll plaza management, and skill development training to clients across India.

Innovision's business of manpower services focuses on providing manned private security services, integrated facility management (IFM) services, manpower sourcing and payroll services.

The company employs over 6,900 security personnel and provides IFM services such as housekeeping, building maintenance, electrical work, waste management, and other facility support functions.

Innovision's toll plaza management operations comprise of user fee collection and other related services on toll plazas awarded to it by the relevant authority, subsequent to a tender based competitive bidding process. Furthermore, the company is also empanelled with National Highways Authority of India (NHAI) for toll collection services at its various toll plazas. As of January 2026, the company operates 9 toll plazas and has undertaken 60 projects, including 24 toll plaza management assignments, primarily for the NHAI.

The company also provides skill development training as a training partner for various central and state government schemes. The skill development initiatives cover diverse sectors, including management & entrepreneurship, media & entertainment, healthcare, telecommunications, electronics, beauty & wellness, construction, apparel, logistics, BFSI, and retail. These training programs are conducted in collaboration with sector skill councils, state missions, and other recognized entities, ensuring alignment with industry standards and requirements. It provides skill training to Indian youth to enable them to acquire industry relevant skill that will help them in securing a better livelihood.

Through its wholly owned subsidiary, Innovision International Private Limited (Innovision International), the company provides services in respect of recruitment, placement consultancy and visa facilitation services. It also provides remote pilot training courses to enthusiasts and budding drone-operations through its subsidiary, Aerodrone Robotics.

As at January 15, 2026, the company served more than 180 clients across various sectors and rendered its services at more than 1,000 client premises. Some of the key clients include Max Healthcare Limited, Stellar Value Chain and Sequel Logistics.

### Object of the offer

The Rs 322.84 crore IPO comprises a fresh issue of 46,53,285 equity shares to raise Rs 255 crore and an offer for sale (OFS) of up to 12,38,000 equity shares worth up to Rs 67.84 crore at higher price band of Rs 548. Promoter group members Lt Col Randeep Hundal and Udaypal Singh will offload 619000 shares each.

Innovision will utilise Rs 51.0 crore from the net fresh issue proceeds for repayment of its borrowings, Rs 119 crore for working capital requirements and the remaining funds will be utilised for general corporate purposes.

### Strengths

Being diversified manpower service provider, the company does not have dependence on single revenue source, which in turn extends stability to its financial position.

The company has a wide geographical with 39 offices spread across India. The company has operations in 23 states and 5 union territories.

Innovision has implemented standardized recruitment, training, deployment, operations and services related quality measurement and business analysis systems and processes that enable the company to develop a scalable business model, with quality service delivery.

The company has an in-house team of more than 100 persons and a large database of staffing candidates. Its in-house team and sales force are streamlined to specific business verticals and industry segments, which has enabled the company to strengthen client engagement and develop deeper domain knowledge. Further, the company has extensive knowledge of labour regulations.

The company is led by a qualified and dedicated management team under the guidance of its Board of Directors. Its promoter Lt Col Randeep Hundal and Uday Pal Singh have an experience of over fifteen years each in the manned private security services industry and have been instrumental in the company's growth and development.

### **Weaknesses**

Business is manpower-intensive and depends on the availability of skilled personnel.

Innovision has high dependence on NHAI contracts for revenue in the toll management segment. NHAI has issued an order dated July 25, 2025 against the company, debaring the company from undertaking new projects with NHAI. The said debarment order has been stayed by the Hon'ble High Court of Delhi. Continuance of said debarment order, may impact the business of the company.

The Indian security service industry comprises few organised players and large number of unorganised players. With the increasing number of domestic and foreign security agencies operating in the country, the Government of India (GoI) felt the need for regulating the industry and passed 'Private Security Agencies Regulation Act' (PSARA) in 2005. With presence of players, the company has limited bargaining power which exerts pressure on its margins.

Innovision business significantly depends on projects awarded by government or government-owned clients, which subjects the company to a variety of risks. Also, the ability to service contracts with public sector undertakings or governmental may be affected by political and administrative decisions. Also, changes in government policy, budget, criteria, political and / or administrative factors, may impact the availability of such projects.

High employee attrition may increase recruitment and training costs.

Delays in statutory filings or regulatory compliance may lead to penalties.

The operations of the company are working capital intensive with high receivable days.

Had negative cash flows in the past. If unable to generate adequate revenue growth and manage its expenses than the financial condition will be affected.

Contingent liabilities as on Sep 30, 2025 stood at Rs 43.8 crore.

### **Valuation**

Net profit stood at Rs 20.0 crore on net sales of Rs 480.0 crore in the six months ended September 2025.

Consolidated sales were up by 75.0% Rs 893.13 crore in Fiscal 2025. Revenue growth was primarily on account of increase in contribution from toll plaza vertical due to securing new toll plaza. Operating profit margin (OPM) expanded from 3.50% to 5.48%, leading to a 174.0% increase in operating profit to Rs 48.94 crore. Other income inclined 56.3% to Rs 2.82 crore. Interest cost inclined 46.5% to Rs 10.18 crore and depreciation cost inclined by 44.4% to Rs 2.52 crore. PBT stood at Rs 39.05 crore up 256.2%. Net profit was up by 182.5% to Rs 29.02 crore when compared to net profit of Rs 10.27 crore in FY2024. Tax expense was Rs 10.03 crore in FY2025 as against tax expense of Rs 0.69 crore in FY2024.

At the higher price band of Rs 548, the offer is made at a P/E of 44.47 times FY2025 EPS (of Rs 12.3).

As of September 30, 2025, total consolidated borrowings of the company stood at Rs 112.39 crore. The company proposes to pay off Rs 51 crore borrowings from the net proceeds from fresh issue. Repayment of the borrowings will reduce the interest cost to Rs 3.15 crore. The annualised EPS for H1FY26 works out to Rs 18.9 if its interest cost is reduced, keeping all other items, including tax rate, same. The re-worked P/E at the upper price band moderates to 29.03 times of its annualised H1FY26 EPS.

**Listed peers include Kristal Integrated Services, Updater Services, SIS and Quess Corp. In comparison Kristal Integrated Services trades at 14.8times P/ TTM EPS, Updater Services trades at 10.7 times P/TTM EPS, SIS trades at 12.9 times P/TTM EPS and Quess Corp trades at 12.5 times P/ TTM EPS.**

<b>Innovision: Issue Highlights</b>	
Fresh issue (in Rs crore)	255.0
Offer for sale (in Rs crore)	32.25-33.92
Offer for sale (in number of shares)	
- in Upper price band	619000
- in Lower price band	619000
Price Band (Rs)	521-548
For Fresh Issue Offer size (in no of shares)	
- in Upper price band	4653285
- in Lower price band	4894434
<b>Post issue capital (Rs crore)</b>	
- in Upper price band	23.55
- in Lower price band	23.79
<b>Post issue Promoter and Promoter Group shareholding</b>	
-On higher price band (%)	77.62%
-On lower price band (%)	76.83%
Bid Size (in No. of shares)	27
Issue open date	10/03/2026
Issue close date	12/03/2026
Listing	BSE, NSE
<b>Rating</b>	<b>35/100</b>

<b>Innovision : Consolidated Financials</b>				
	2303 (12)	2403 (12)	2503 (12)	2509 (6)
Sales	255.57	510.33	893.13	480.00
OPM (%)	5.60	3.50	5.48	5.69
OP	14.30	17.86	48.94	27.31

Other inc.	2.06	1.80	2.82	3.11
PBIDT	16.36	19.66	51.75	30.42
Interest	5.15	6.95	10.18	5.77
PBDT	11.21	12.71	41.57	24.65
Dep.	0.90	1.75	2.52	1.08
PBT	10.31	10.96	39.05	23.57
Total Tax	1.43	0.69	10.03	3.57
Net Profit	8.88	10.27	29.02	20.00
EPS (Rs)*	3.8	4.4	12.3	#
EPS is on post issue equity capital of Rs 23.55 crore of face value of Rs 10 each				
Figures in Rs crore				
Source: Innovision Issue Prospectus				