AI

ARMEE INFOTECH LIMITED

IT services / software   Mainboard

Rs. 350 - 375

23 Sep 2026 - 25 Sep 2026

Issue size	Where the money goes	Earnings per share
Rs. 300 cr	**All fresh issue**	**Rs. 19.16**
	the document states no offer for sale - p.1	issuer disclosed

WHAT STANDS OUT

High leverage - Debt-to-equity is 0.96, above the 0.5× mark used for it services / software.

Profit not converting to cash - Operating cash flow is 27% of profit after tax. Less than half of reported profit arrived as cash — usually receivables or inventory build.

Margins compressing - EBITDA margin declined across the reported years.

WHAT THE COMPANY DOES

The Company is an IT infrastructure and IT managed services provider that has also ventured into the retail sales space through Experience Zones and the renewable energy sector, including solar EPC projects, solar PPAs, and Battery Energy Storage Systems (BESS).

We provide IT hardware and software, work on the installation and integration of hardware and software, and provide maintenance of the IT Infrastructure. We also provide technical manpower, skill development training, and offer annual maintenance services, alongside solar EPC and PPA projects.

WHERE THE MONEY GOES

How the fresh proceeds are to be spent, as stated in Objects of the Offer.

Funds for the purpose of securing... 70%   Funding our working capital requi... 27%   Prepayment or repayment of certai... 3%

PROMOTER HOLDING

92.7% before > **—** after

AGAINST LISTED PEERS

Company	P/E	Revenue	Source
Dynacons Systems & Solutions Limited	16.4x	Rs. 1,424 cr	p.120
Orient Technologies Limited	243.2x	Rs. 870 cr	p.120
KPI Green Energy Limited	12.8x	Rs. 2,696 cr	p.120
Oriana Power Limited	9.6x	Rs. 1,814 cr	p.120
Industry average	70.6x	—	issuer

Figures as printed in the offer document. This page does not say whether that is expensive or cheap. That judgement is yours.

FINANCIALS, RS. CRORE

	2024	2025	2026	2Y CAGR
Revenue	1,021	1,313	1,397	+17.0%
EBITDA	72	59	76	—
Profit after tax	50	42	45	-4.8%
Net worth	95	137	182	—
Total debt	27	48	174	—

READING THESE NUMBERS AS IT SERVICES / SOFTWARE

What actually diagnoses this business: Attrition - Client concentration - Utilisation - Revenue per employee - USD revenue growth.

Debt to equity
0.96x
bar set at 0.5x

IT services is asset-light and listed peers typically carry near-zero net debt. Any material borrowing here is unusual and worth understanding — the threshold is deliberately tighter than the market default.

Revenue growth	
— read with care	Check whether growth is volume or currency: a falling rupee flatters INR revenue for an exporter. Client concentration is the main fragility.

DOES THE PROFIT TURN INTO CASH

	2024	2025	2026
Operating cash flow	55	-18	12
Capital expenditure	2	12	23
Financing	-13	16	104

Operating cash flow is 27% of profit after tax. The rest is sitting in receivables or inventory.

WHEN LOCKED SHARES CAN BE SOLD

Each date releases shares that could not previously be traded.

+1 months	+3 months	+6 months	+18 months
Anchor, first half	**Anchor, remainder**	**Promoter**	**Promoter**
50.0%	50.0%	72.7%	20.0%

THE DOCUMENT'S OWN CASE, FOR AND AGAINST

STRENGTHS IT CLAIMS

1. Proven track record in executing projects for Government / PSU clients (p.218)
2. Consistent track record of financial performance (p.219)
3. Ability to service clients and projects across diverse sectors (p.219)
4. Experienced Board of Directors and management with extensive domain knowledge (p.219)

RISKS IT DISCLOSES

1. Most of our business operations are concentrated in the states of Gujarat, Maharashtra and Tamil Nadu. (p.21)
2. We depend on orders from the Government/PSU clients. (p.23)
3. Our in-house procurement operations for renewable energy space projects expose us to certain risks. (p.24)
4. We are dependent on our Technology Partners for various hardware and software products which we provide to our clients. (p.24)
5. Most projects we operate have been awarded primarily through a

Both columns are the offer document's own words, not this page's assessment.

THE INDUSTRY, AS THE DOCUMENT DESCRIBES IT

a 4.7% CAGR.

Drivers it names: Digital transformation, rising global outsourcing demand, and increasing investments in cloud, AI, and cybersecurity technologies..

Constraints it names: Cyber Security Threats including Ransomware Attacks, Data Breaches, and Supply Chain Attacks.; Technological Disruptions and rapid advancements requiring continuous modernization.; Economic and Political Factors such as economic slowdowns and geopolitical risks..

> These industry figures come from a NASSCOM, Industry Articles, D&B Research and Estimates report commissioned and paid for by the issuer. It is not neutral research.

THE WIDER GROUP

Arrow Powertech Private Limited (promoter-group)	—

Extracted from the PROSPECTUS at https://www.saffronadvisor.com/files/offer-documents/Red_Herring_Prospectus.pdf by gemini-3.5-flash on 2026-09-18. Figure verification was skipped. The source text was not available to check against.