

Agile Security Force Private Limited

August 08, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	67.00	CARE BB+; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BBB; Stable and moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	33.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*	Downgraded from CARE BBB; Stable / CARE A3+ and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd. has been seeking information from Agile Security Force Private Limited (ASFPL) to monitor the rating(s) vide e-mail communications dated May 15, 2025 to July 28, 2025 among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating. The rating on ASFPL's bank facilities will now be denoted as CARE BB+; Stable /CARE A4+; ISSUER NOT COOPERATING*.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings have been revised on account of non-availability of requisite information due to non-cooperation of Agile Security Force Private Limited with CARE's effort to undertake a review of the outstanding ratings as CARE views information availability risk as key factor in its assessment of credit risk profile.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings Limited (CARE Ratings) believes that the entity will continue to benefit from its long-standing presence in the industry and diversified clientele with growing revenue from operations.

Detailed description of the key rating drivers:

At the time of last rating on July 26, 2024, the following were the rating strengths and weaknesses (updated for the information available from FY24 audited financials)

Key weaknesses

Extension of loans and advances to its subsidiary

The company has a wholly owned subsidiary, Agile Entertainment Private Limited, which owns the "Hyderabad Hunters" team that participated in the Premiere Badminton League. Currently, the subsidiary is not operational as the league did not achieve the expected success. The company anticipates selling the franchise when approached by potential investors and has funded the subsidiary through loans and advances amounting to ₹22.59 crore. Since the league failed to meet expectations for success, the management plans to sell the team going forward. Adjusting this investment from the net worth moderates the adjusted overall gearing to 1.22x as on March 31, 2024, from an overall gearing of 0.88x as on the same date.

Revenue concentration and working capital intensive operations

The company provides housekeeping and security manpower services to its diversified clientele, which includes Bengaluru Metro Rail Corporation Limited, HHL Infratech, MP State Tourism Development Corporation, area hospitals, government hospitals, NIT Warangal, HDFC, SBI, ITC, Laurus Labs, and others. Despite this diversification and its operations across eight states, including Madhya Pradesh, Maharashtra, and all states in south India, revenue concentration from government-related entities remains high at around 75%. The collection period for private companies is around 30 days, whereas for government entities, it extends upto three months, leading to increased working capital borrowing needs to cover operational payments, primarily salaries to staff. This has resulted in a negative CFO of ₹37.76 crore for FY24.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Tender-based nature of operations

The tender-based nature of the company's operations introduces several risks, including revenue uncertainty due to dependence on securing contracts through competitive bidding, intense competition leading to potential margin erosion, and the risk of non-renewal of three-year contracts. Government undertakings, hospitals, agencies, corporations, and PSUs contribute a major share of the company's revenue. Educational institutions and hospitals served by the company are government-owned, resulting in approximately 75% of the revenue coming from government-related entities. Contracts with these entities typically span three years, while contracts with private companies are for one year. Although contracts with government entities provide revenue stability, they also involve tender-based operations risk.

Exposure to intense competition in industry The manpower security guarding services industry is characterised by intense competition due to the presence of numerous unorganised players and a few organised ones. The low entry barriers in this industry facilitate the easy establishment of new companies, leading to significant pricing pressure. Unorganised players, with their regional presence, often offer services at lower costs, creating challenges for organised players who incur higher overheads to maintain quality standards. The industry also faces a high employee attrition rate, exacerbated by the prevalence of unorganised players. This high turnover can lead to workforce availability challenges, potentially straining client relationships and adversely impacting revenue and profitability.

Key strengths

Improvement in scale of operations with stable profitability margins

The company's revenue from operations has grown at a CAGR of 16.8% over last four years. In FY24, the company's revenue grew by around 46% y-o-y, from ₹249.27 crore in FY23 to ₹363.85 crore. This improvement in the scale of operations is due to the addition of more clients across different sectors and states. The company has maintained stable profitability margins, with PBILDT margins ranging between 6.5% and 8%. In FY24, PBILDT margin improved to 8.44% from 6.64% in FY23 due to marginal decline in the employee cost as a percentage of revenue and better absorption of overheads.

Long-standing presence and experienced management team

The company has been in operation for over 30 years, serving a diversified clientele. Dr V. R. K. Rao, the founder, has extensive experience of 16 years in the Indian Air Force and over 30 years in the security industry. The directors, V. Amarnath, V. Meena Kumari, V. Geeta, and Shyam Sunder Reddy Gopu, each have more than a decade of experience in the security field.

Satisfactory capital structure

The company's capital structure stands satisfactory, marked by a below unity overall gearing. Other debt coverage indicators are also comfortable, with an interest coverage ratio of 4.68x and total debt/PBILDT of 2.34x for FY24. The major component of the total debt comprises working capital borrowings. The TNW stands at around ₹81.40 crore as on March 31, 2024, which moderates to around ₹58 crore after adjusting the loans and advances given to the subsidiary.

Liquidity: Adequate

The company maintains an adequate liquidity position, supported by gross cash accruals (GCA) of ₹19.02 crore for FY24, free cash and bank balance standing at ₹9.59 crore and current ratio of 1.33x as on March 31, 2024. The company's reliance on bank borrowings for working capital purpose is high marked by average working capital limit utilisation of 82% for the 12 months ended February 29, 2024. Negative CFO of ₹37.76 crore for FY24 is considering increase in the receivables outstanding due to delay in collections from Government-related entities due to elections.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Commercial Services & Supplies	Consulting Services

ASFPL was founded in 1994 by Dr V. R. K. Rao, who has extensive experience of 16 years in the Indian Air Force and over 30 years in the security industry. Headquartered in Hyderabad, the company is ISO 9001:2015, ISO 14001:2015, and OHSAS 18001:2007 certified. It is managed by a team of ex-servicemen, senior police officers, and security professionals. Agile Security Force operates four business verticals: Security Services, Facility Management Services, Integrated Security Solutions, and Remote Monitoring Systems. Additionally, the company runs the Agile Security Force Training Academy, which is recognised and certified by the Private Security Agencies (Regulation) Act, Government of Telangana, and the National Skills Development Corporation (NSDC), for training prospective security professionals.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	210.99	249.27	363.85
PBILDT	17.88	16.55	30.69
PAT	9.46	9.17	16.58
Overall gearing (times)	0.32	0.42	0.88
Interest coverage (times)	8.25	5.51	4.68

A: Audited; Note: 'these are latest available financial results'

Status of non-cooperation with previous CRA: ACUITE vide its press release dated February 24, 2025, has placed ratings of Agile Security Force Private Limited under "Issuer Not Cooperating" category because of lack of adequate information.

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	67.00	CARE BB+; Stable; ISSUER NOT COOPERATING*
Non-fund-based - LT/ST-Bank Guarantee	-	-	-	-	33.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Cash Credit	LT	67.00	CARE BB+; Stable; ISSUER NOT COOPERATING *	-	1)CARE BBB; Stable (26-Jul-24)	-	-
2	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	33.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING *	-	1)CARE BBB; Stable / CARE A3+ (26-Jul-24)	-	-

*Issuer did not cooperate; based on best available information.

LT: Long term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable**Annexure-4: Complexity level of the instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - LT/ ST-Bank Guarantee	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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