



IPO Note

TONBO IMAGING INDIA LIMITED

OCT 15th, 2026



Oct 15th, 2026**Details of the Issue**

Price Band	₹ 665 - ₹ 700
Issue Size	₹ 852 Cr
Market Cap	₹ 4,009.75 Cr
Face Value	₹ 2
Bid Lot	21
Listing on	BSE,NSE
Investment Range	₹ 13,965 - ₹ 14,700

Important Indicative Dates (2026)

Opening	15 - Oct
Closing	19 - oct
Basis of Allotment	21 - Oct
Refund Initiation	22 - Oct
Credit to Demat	22 - Oct
Listing Date	23 - Oct

Lead Manager

JM Financial Ltd

IIFL Capital Services Ltd

Offer Details

Offer Size	₹ 852 Cr
Fresh Issue	-
OFS	₹ 852 Cr

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	426	6.09	6.50	50
NII	128	1.83	1.95	15
Retail	298	4.26	4.55	35
Em- ploy.	-	-	-	-
Total	852	12.17	13.01	100

Invest Now**Company Profile**

Tonbo Imaging India Limited has a strong competitive position in defence electronics, supported by 100% ownership of its intellectual property since FY24, in-house R&D capabilities and an asset-light manufacturing model that enables capital-efficient growth, faster product development and competitive pricing. Its diversified portfolio of ITAR-free thermal imaging, electro-optic/infrared systems, AI-enabled targeting, missile guidance and directed-energy solutions caters to land, air, naval and tactical applications. The company deployed over 28,000 systems across 24 countries as of June 30, 2026, and ranked as India's largest thermal imaging systems manufacturer for government and defence agencies by sales value and largest exporter by volume, with a 94% share of Indian thermal imaging exports by units during FY24-FY26, according to the F&S Report. Its proprietary technologies, modular product architecture and ability to customise solutions for diverse operating environments position it to benefit from rising global defence spending, battlefield modernisation, autonomous warfare and growing demand for indigenous, export-unrestricted defence technologies.

GEPL's Insights & Investment Thesis:

- Tonbo Imaging India Ltd has an asset-light manufacturing model with faster product development and competitive pricing. diversified portfolio of ITAR-free thermal imaging, electro-optic/infrared systems, AI-enabled targeting, missile guidance and directed-energy solutions caters to land, air, naval and tactical applications.
- The company is expanding across South America, Southeast Asia, Africa, the Middle East and Europe.
- Based on FY26 earnings, the issue is priced at a P/E of 79x, which appears fairly valued. The company has reported healthy financial performance, asset light business model, expanding geographies, and a strong order book. Therefore, we recommend an **"Subscribe for listing gains"** rating for the issue.

Business Highlights & Services

Tonbo Imaging India Limited has established a differentiated position in the global defence electronics industry through its proprietary technology portfolio, in R&D capabilities and diversified product offerings. The company has owned 100% of its intellectual property since FY24, following the acquisition of IP from CEAQ Singapore for ₹183.19 crore in March 2024, reducing dependence on external technology partners and providing greater control over product development, technology roadmaps and commercialization. Its technology capabilities span advanced optics, infrared imaging engines, AI-powered image processing, target tracking and classification, multi-sensor fusion, laser ranging and stabilised gimbal systems, enabling the development of compact, high-performance and cost-effective defence solutions. The company's asset-light business model, wherein core product design and IP development are undertaken in-house while manufacturing is outsourced to EMS partners, supports capital efficiency, operational flexibility, faster time-to-market and a greater focus on innovation. Its Bengaluru R&D centre employs 130 engineers, representing approximately 38% of its workforce as of June 30, 2026, supporting the development of next-generation defence technologies and customised solutions for evolving battlefield requirements. The company has a diversified portfolio across tactical systems, platform systems and directed-energy solutions, catering to surveillance, reconnaissance, targeting and threat neutralisation across land, air, naval and missile platforms.



It offers a diversified portfolio of thermal imaging systems, weapon sights, EO/IR payloads, missile guidance systems, AI-enabled imaging and high-power microwave systems for counter-drone applications. Its modular technology architecture and ITAR-free products provide customisation flexibility and access to global markets with fewer export-control constraints. As of June 2026, the company had deployed over 28,000 systems across 24 countries and, according to the F&S Report, accounted for 94% of India's thermal imaging exports by volume during FY24-FY26, establishing its leadership in the segment. Rising global defence spending, military modernisation, autonomous warfare and demand for indigenous defence technologies offer growth opportunities, although execution, order conversion and customer concentration remain key risks.

Tonbo Imaging India Limited is focused on strengthening its competitive position through continuous R&D investment, product innovation and strategic collaborations with defence institutions, public sector OEMs and international technology partners. Its customer-driven and in-house innovation strategy supports the development of proprietary, scalable and cost-effective defence technologies, while its planned expansion into autonomous platform systems, loitering munitions, remote weapon stations and high-altitude reconnaissance platforms offers growth opportunities beyond its existing product portfolio. A key initiative is WaveStrike, its high-power microwave (HPM) system designed to counter drone swarms at ranges exceeding 3 km. The company has developed several underlying technology components, been selected for an iDEX grant and is working towards a prototype contract, while exploring the independent commercialisation of subsystems. Its modular product architecture enables customisation across tactical, land, naval, aerial and missile applications, while collaborations with government defence laboratories and public sector OEMs could facilitate early integration into large procurement programmes and support repeat orders. Additionally, its partnership-led model of supplying electro-optic cores, sensors and technology modules to domestic and international OEMs enables geographical expansion through local manufacturing and white-labelling arrangements without significant overseas capital investment, although such arrangements may involve lower per-unit margins than direct sales. Geographically, Tonbo is expanding across South America, Southeast Asia, Africa, the Middle East and Europe, supported by dedicated sales and marketing resources, an order from an African customer for telescopic weapon sights and discussions with European system integrators regarding NATO-related procurement opportunities. Overall, sustained R&D investment, commercialisation of next-generation defence technologies, deeper OEM partnerships and international expansion provide multiple avenues for long-term growth; however, the pace of growth will depend on successful product development, conversion of prototypes and business discussions into firm orders, timely execution and the ability to establish lasting relationships with global customers and system integrators.

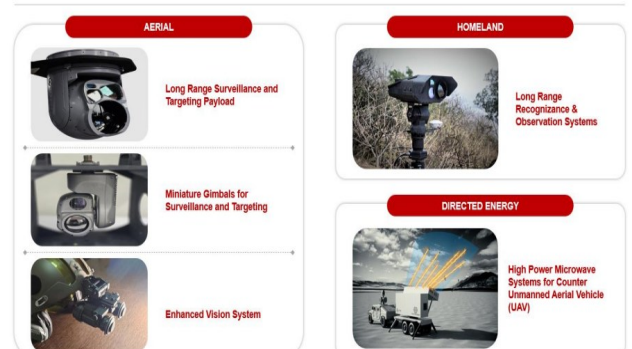
Product wise revenue breakup

Particular	FY26		FY25		FY24	
	INR (in Cr)	% of revenue	INR (in Cr)	% of revenue	INR (in Cr)	% of revenue
Tactical system	212	58%	362	77%	359	84%
Platform system	145	40%	101	22%	13	3%
Other	1	0.33%	1	0.22%	11	2.58%
Other Operating Revenue	5	1.37%	5	1.00%	45	11%
Total	363	100%	469	100%	428	100%

Products



Products





Customer wise revenue breakup

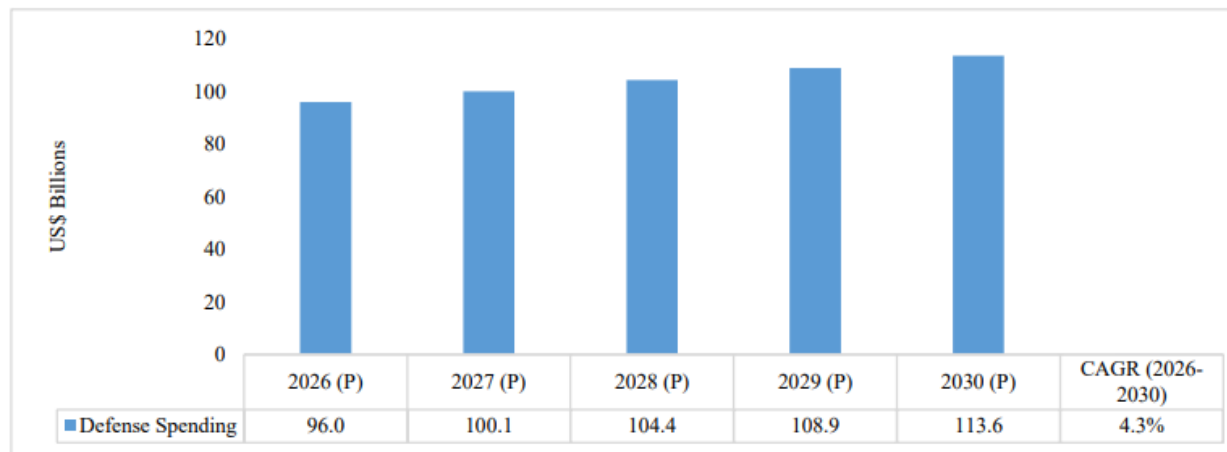
Particular	FY26		FY25		FY24	
	INR (in Cr)	% of revenue	INR (in Cr)	% of revenue	INR (in Cr)	% of revenue
Private System Integrators	87	24%	45	10%	31	7%
Indian Government	258	71%	152	32%	163	38%
Foregin Government	12	3.34%	268	57.07%	189	44.11%
Other Operating Revenue	5	1.37%	5	1.00%	45	11%
Total	363	100%	469	100%	428	100%

Order Book details

Particular	No. of Project	INR (in Cr)
Domestic Customer	30	231.87
Overseas Customers	6	82.68
Total	36	314.55

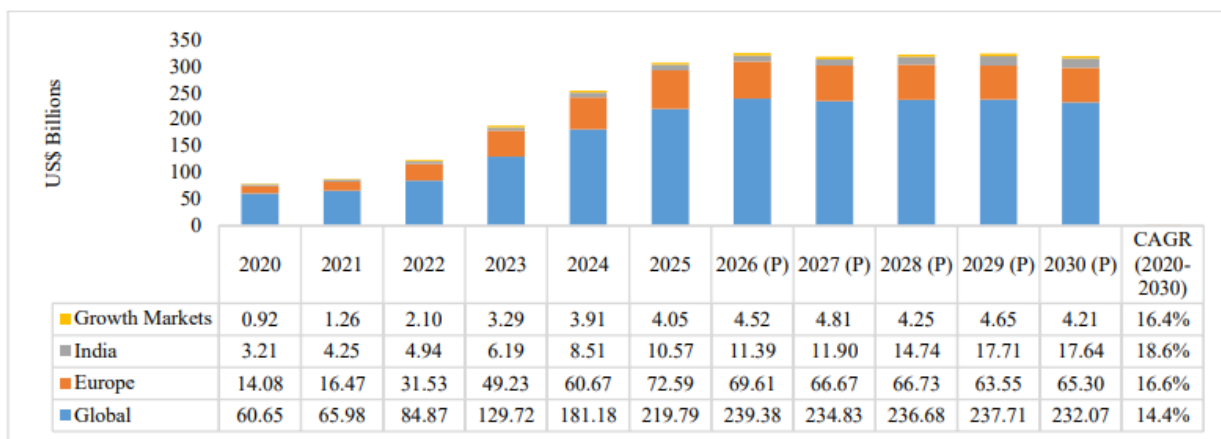
Industry Outlook

Figure 14: India Defence Spending Forecast, FY2026-FY2030



Source: Frost & Sullivan

Figure 25: Defence Electronics Market Forecast, Global & Growth Markets, CY2020-CY2030



Peers comparison

Name of the company	Face Value (₹)	Total Revenue (₹ Cr)	EPS	NAV (₹)	P/E (x)	RoNW(%)
Tonbo Imaging Ltd	2	363	8.88	96.57	NA	9.75
Peers Group						
Paras Defence and Space Technologies Ltd	5	477	10.93	90.02	117	12.4
Data Patterns (India) Ltd	2	925	48.47	310	87.29	17
Astra microwave Products Ltd	2	1,163	20.27	138	83.92	16
Zen Technologies Ltd	1	688	21.52	209	73.44	10.7
Bharat Electronics Ltd	1	27,610	8.29	32.82	45.70	27.4

Company's Competitive Strength

- Leading defence technology solutions provider with pioneering proprietary technologies.
- Driving innovation in defence electronics through in-house R&D with an asset light business model.
- Among the few defence electronics OEMs with a wide acceptability across the globe.
- Diversified defence product portfolio with deployability across all domains.
- Sound financials with healthy performance.
- Experienced and dedicated promoters and key managerial personnel with extensive domain knowledge.

Key Strategies Implemented by Company

- Continued investment in R&D to achieve defence modernization through development of new products.
- Continued diversification of product portfolio.
- Pursue strategic partnerships with OEMs.
- Increasing the customer base through expansion into new geographies.

Particular (INR in Cr)	FY26	FY25	FY24
Equity Capital	11	1	0.30
Reserves and Surplus	542	489	169
Net Worth	553	490	230
Revenue	363	469	428
Growth (%)	-23%	10%	
EBITDA	105	139	112
EBITDAM (%)	28.85%	29.65%	26.23%
PAT	51	73	69
PATM (%)	14.0%	15.5%	16.0%
ROE (%)	9.8%	20.2%	52.7%



Notes

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