

Company Overview

Aditya Infotech Ltd., under its flagship brand CP PLUS, offers a comprehensive range of advanced video security and surveillance products catering to both enterprise and consumer segments. The company's operations are classified into two main segments: manufacturing and trading of its CP PLUS-branded products along with after-sales services, and trading of third-party products, primarily those of Dahua. The company's product line comprises high definition (HD)-analog cameras, digital video recorders (DVRs), internet protocol (IP) network cameras, network video recorders (NVRs), biometric products, access control products, mobile surveillance solutions, body-worn cameras, thermal cameras, temperature screening solutions, interactive displays, routers, cables, power supplies (SMPS), racks and other accessories and products. The company also partners with other companies and government agencies to develop indigenized innovations, including Indian-made Systems on Chips (SoCs) and thermal cameras. To continuously improve products and expand its offerings, the company also offers artificial intelligence (AI)-based IoT centralized surveillance services under the OnVigil brand. The company provides field management services that include annual preventive maintenance services, quick response services, electric vehicle station management services, IoT automation services, and door automation and access control systems. The company's services are made available through its partners, system integrators and system assemblers to their end customers. In FY25, the company sold its products in over 550 cities and towns across India through a robust network of 41 branch offices, 13 RMA centers, 10 strategically located warehouses, more than 1,000 distributors, and over 2,100 system integrators. Additionally, it has established 69 CP PLUS Galaxy stores, which its distributors operate. The company currently operates 10 strategically located warehouses spread across the country. As of March 31, 2025, the company's Kadapa manufacturing facility in Andhra Pradesh had an installed annual capacity of 17.2 million units.

Objects of the issue

The net proceeds from the fresh issue will be used towards the following purposes:

- ⇒ Prepayment and/or repayment of all or a portion of certain outstanding borrowings availed by the company;
- ⇒ General corporate purposes.

Investment Rationale

Dominant Player in the growing industry with a focus on commercial and consumer segments along with a strong brand recall

The company is the largest provider of video security and surveillance products, solutions and services in India in terms of revenues, with a market share of 20.8% in FY25. The company offers end-to-end solutions that enable its customers across India to meet their security and surveillance requirements. The Indian video surveillance market is undergoing a structural shift driven by the rapid adoption of technology, the integration of smart security systems, and increased demand from both individuals and institutions. According to Frost & Sullivan, the video surveillance market in India, estimated at Rs. 106.2 billion during FY25, is expected to grow at a CAGR of 16.4% till FY30, with the market size estimated to reach Rs. 227.4 billion. The number of video surveillance units sold, estimated at 39.7 million units in FY25, is expected to reach 74.6 million by FY30. Rising security awareness, government-led infrastructure investments, and innovative city initiatives underpin this strong momentum. Since the launch of the company's 'CP Plus' brand, the company has invested in enhancing the strength and appeal of the brand, becoming the first player to focus on creating a consumer brand for the security and surveillance industry in India. The company has also established 69 dedicated CP PLUS Galaxy stores operated by its distributors across India. Marketing initiatives include celebrity endorsements, social media campaigns, and the widely recognised tagline, Uparwala Sab Dekh Raha Hai. These efforts have translated into strong brand recall and improved profitability.

Pan-India sales, distribution and service network catering to a diversified customer base

The company has the widest pan-India reach within the video surveillance market ecosystem. The company's products are sold in over 550 cities and towns and through a network of 41 branch offices and 13 RMA centres across India, as of March 31, 2025. The company sold its surveillance products through a network of over 1,000 distributors in Tier I, Tier II, and Tier III cities, as well as over 2,100 system integrators in FY25. With 1,274 employees, the company has India's largest security solutions workforce, while a team of 404 employees leads its sales and marketing efforts as of March

Issue Details

Offer Period	29 th July, 2025 - 31 st July, 2025
Price Band	Rs. 640 to Rs. 675
Bid Lot	22
Listing	BSE, NSE
Issue Size (no. of shares in mn)	19.2
Issue Size (Rs. in bn)	13
Face Value (Rs.)	1

Issue Structure

QIB	75%
NIB	15%
Retail	10%

BRLM	ICICI Securities Ltd., IIFL Securities Ltd.
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Registrar	MUFG Intime India Ltd.
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Particulars	Pre Issue %	Post Issue %
Promoter & Promoter Group	93.12	77.12
Public	6.88	22.88
Total	100.00	100.00

(Assuming issue subscribed at higher band)

Research Team - 022-61596138

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31, 2025. In addition to the CP PLUS World Centres and CP PLUS Galaxy stores, the company also focuses on post-sale customer service. The company offers comprehensive maintenance, troubleshooting and technical assistance services to address customer requirements and resolve customer concerns. The company's diversified customer base across sectors includes Absolute Electrovision Pvt. Ltd., Bright Computers, Gaursons India Pvt. Ltd., Intra-Tech Computers Pvt. Ltd., IR Focus CCTV, Kiran Electro Systems, Lightforce BuildINT Pvt. Ltd., Local Head Office of Jaipur - State Bank of India, Total Security Solution, and Vasp Infotech. Furthermore, the customer base also includes Delhi Government Schools, Madhya Pradesh Police Stations, and Delhi Police Stations. In FY25, the company had 3,232 customers and maintained business relationships with its top 10 customers for over six years. Over the years, large-scale turnkey projects have been successfully executed, encompassing the design, supply, installation, and maintenance of integrated surveillance systems. With a horizontally integrated model and diversified revenue streams, synergistic solutions have been delivered across sectors, enhancing customer value while optimizing operational efficiency.

Valuation

The company has achieved a dominant 20.8% revenue market share in India's growing video surveillance industry (as of FY25), positioning itself well to sustain leadership through a combination of scale, technological innovation, and deep market penetration. Its integrated business model spanning product development, manufacturing, distribution, and services enables it to serve both enterprise and consumer markets efficiently. The CP PLUS brand enjoys strong recall and trust, supported by a retail network of over 1,000 distributors and 2,100 system integrators, a presence in 550 cities, and dedicated experience centres and Galaxy stores that continue to expand, especially across Tier II and III regions. The company plans to scale up its manufacturing operations to produce a larger number of units, catering to the growing demand for its product offerings. The Kadapa facility is well-positioned to facilitate this growth, as it has scope for capacity expansion from its current installed capacity of 17.20 million units per annum, as of March 31, 2025. On the financial front, the company reports revenue EBITDA/PAT at a CAGR of 16.7%, 24.1%, and 80.1%, respectively, which has demonstrated stable and improving performance over the past three years. The company's backwards integration into housing production, combined with a robust quality assurance process, provides better margin control and product reliability. Its in-house R&D capabilities, augmented by strategic collaborations, have enabled the launch of AI-powered products, cloud-based services, and vertical-specific solutions for sectors including real estate, BFSI, education, law enforcement, and public infrastructure. The company is also strategically doubling down on retail-led growth, service-oriented enterprise solutions, and expanding its product ecosystem through the integration of AI and IoT. With a strong foothold in India, certification-aligned manufacturing, and digital-first applications, it is well-positioned to evaluate global expansion and provide long-term growth visibility for the business. **The issue is valued at a P/E ratio of 20.4x based on the upper price band, using FY25 earnings which is at deemed fair. We, thus, recommend a "SUBSCRIBE" rating for this issue.**

Key Risks

- ⇒ The company's financial performance is significantly reliant on the sale of CCTV cameras, NVRs, DVRs, and PTZ cameras. Any decline in demand due to technological advancements, the emergence of alternative surveillance solutions, rising competition, pricing pressures from increased manufacturing costs, or regulatory changes could adversely impact its revenue.
- ⇒ The company relies on a limited number of suppliers for its parts, materials, and products. Any disruption in the supply chain, due to delays, shortages or other issues, could adversely impact its business operations, financial performance, cash flows, and overall financial condition.
- ⇒ The company imports a portion of its parts and materials primarily from China. Any import restrictions, geopolitical tensions, or fluctuations in global commodity prices affecting these inputs could adversely impact its business operations, financial results, cash flows, and overall financial condition.

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Income Statement (Rs. in millions)

Particulars	FY23	FY24	FY25
Revenue			
Revenue from Operations	22,845	27,824	31,119
Total Revenue	22,845	27,824	31,119
Expenses			
Cost of raw materials consumed	-	-	7,038
Purchases of stock-in-trade	21,084	22,699	18,032
Changes in inventories of stock-in-trade and finished goods	(2,093)	21	(645)
Employee benefit expenses	1,032	1,339	2,033
Other expenses	1,217	1,537	2,188
Total Operating Expenses	21,240	25,595	28,645
EBITDA	1,605	2,229	2,473
Depreciation and Amortization expenses	89	157	311
Other income	110	135	111
EBIT	1,627	2,208	2,273
Finance costs	232	309	418
Exceptional Item	58	252	(2,486)
PBT	1,337	1,646	4,341
Total tax	349	494	827
PAT	1,083	1,152	3,514
Diluted EPS	10.6	11.2	33.0

Source: RHP, BP Equities Research

Cash Flow Statement (Rs. in millions)

Particulars	FY23	FY24	FY25
Cash Flow from operating activities	558	-1,804	272
Cash flow from investing activities	-1219	1,165	-12
Cash flow from financing activities	1,091	-443	-190
Net increase/(decrease) in cash and cash equivalents	430	-1,082	71
Cash and cash equivalents at the beginning of the period	1,046	1,476	1,289
Cash and cash equivalents at the end of the period	1,476	395	1,359

Source: RHP, BP Equities Research

Aditya Infotech Ltd.

Balance Sheet (Rs. in millions)

Particulars	FY23	FY24	FY25
Assets			
Non-Current Assets			
Property, plant and equipment	264	215	1,318
Capital work in Progress	2	2	167
Right of Use assets	369	477	613
Intangible Assets	0	0	5,350
Other intangible assets	310	12	116
Intangible assets under development	64	153	135
Financial assets			
Investments	5	6	5
Other financial assets	179	47	119
Non-Current Tax Assets	8	8	29
Deferred tax assets (net)	67	80	183
Other non current assets	42	111	151
Total Non current assets	1,309	1,110	8,186
Current Assets			
Inventories	5,111	5,092	8,705
Trade Receivables	6,150	7,343	10,393
Cash and cash equivalents	1,476	395	1,359
Other Bank Balance	2,238	312	459
Others financial assets	633	1,814	1,964
Loans	0	83	0
Other current assets	171	294	678
Total Current Assets	15,779	15,332	23,559
Total Assets	17,088	16,442	31,745
Equity & Liabilities			
(a) Equity Share Capital	21	21	110
(b) Other Equity	3,095	4,222	10,067
Total Equity	3,116	4,242	10,177
Liabilities			
Non-current liabilities			
Borrowings	428	280	150
Lease Liabilities	97	179	285
Provisions	73	89	125
Other financial liabilities	0	0	76
Financial Liabilities			
Borrowings	3,668	3,774	3,979
Lease Liabilities	76	129	160
Trade Payable	9,090	6002	13,948
Other financial liabilities	248	1,360	2,087
Current tax liabilities	34	26	115
Provisions	65	85	94
Other current liabilities	194	274	551
Total Current Liabilities	13,374	11,651	20,933
Total Liabilities	13,972	12,200	21,569
Total Equity and liabilities	17,088	16,442	31,745

Source: RHP, BP Equities Research

Disclaimer Appendix

Analyst (s) holding in the Stock : Nil**Analyst (s) Certification:**

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Corporate Office:

4th floor,
Rustom Bldg,
29, Veer Nariman Road, Fort,
Mumbai-400001
Phone- +91 22 6159 6464
Fax-+91 22 6159 6160
Website- www.bpwealth.com

Registered Office:

24/26, 1st Floor, Cama Building,
Dalal street, Fort,
Mumbai-400001

BP Wealth Management Pvt. Ltd.
CIN No: U67190MH2005PTC154591

BP Equities Pvt. Ltd.
CIN No: U67120MH1997PTC107392