



AJCONGLOBAL
YOUR FRIENDLY FINANCIAL ADVISORS



IPO note:

Aditya Infotech Limited - SUBSCRIBE

The company offers a comprehensive range of advanced video security and surveillance products, technologies, and solutions under its well-recognized 'CP PLUS' brand, catering to both enterprise and consumer segments. In addition, the company provides fully integrated security systems and Security-as-a-Service, delivered directly and through its strong distribution network that serves end-customers across sectors such as banking, insurance, real estate, healthcare, industrial, defence, education, hospitality, manufacturing, retail, and law enforcement.

The company's business is primarily classified into:

(i) Manufacturing and trading activities, which include the production and sale of CP PLUS products along with after-sales services and

(ii) Trading activities, which involve the distribution of Dahua products.

The 'CP PLUS' brand was assigned to the company in 2014 with the objective of making cost-effective security and surveillance products, solutions, and services widely accessible.

The company's product portfolio, including third-party sourced products, incorporates advanced technologies such as AI, ML, and Edge-based AI analytics developed by its in-house R&D team. The company, offers an integrated IoT ecosystem for smart homes and cloud services like HMS and AMS. The product line includes HD-analog cameras, DVRs, IP cameras, NVRs, biometric and access control products, mobile surveillance solutions, body-worn cameras, thermal cameras, temperature screening solutions, interactive displays, routers, cables, SMPS, racks, and accessories. The company also collaborates with partners and government agencies to develop indigenous innovations, including Indian-made SoCs and thermal cameras.

The company offers field management services such as maintenance, quick response, EV station management, IoT and door automation, and access control, delivered through partners and integrators. It also develops customized security solutions and recently launched CP PLUS AI for intelligent video analytics.

In FY2025, the company operated in 550+ cities, supported by 41 branches, 13 RMA centers, and 10 warehouses. Its network comprised 1,000+ distributors and 2,100 system integrators, complemented by training programs and dealer meetings to enhance engagement and share technology updates. As of March 31, 2025, the company operates a 204,157 sq. ft. manufacturing facility in Kadapa, Andhra Pradesh, with an installed capacity of 17.20 million units annually. The facility is equipped with advanced SMT lines, assembly lines, and strict quality control systems. The company has delivered consistent financial growth in recent years, with revenue from operations, EBITDA, and profit after tax recording CAGRs of 16.71%, 19.47%, and 80.11%, respectively, between FY2023 and FY2025.

The company's manufacturing is supported by an R&D facility in Noida, Uttar Pradesh, focused on new product development and technology upgrades, incorporating customer feedback. The dedicated R&D team comprises 86 employees as of March 31, 2025.

To enhance its offerings, the company has a joint service arrangement with Dahua Technology. Additionally, in 2017, the company entered a joint venture with Dixon Technologies (India) Limited to establish a captive manufacturing plant and leverage Dixon's expertise. On September 18, 2024, the company acquired Dixon's stake in this joint venture.

Investment Recommendation and Rationale: -

The company is backed by the trusted CP PLUS brand, Aditya Infotech is India's leading home-grown video security innovator—anchored by deep distribution, advanced manufacturing, and robust AI-powered solutions. At the upper price band of Rs. 675, the issue is priced at a P/E multiple of 22.52 of its FY25 post IPO EPS of Rs. 29.98. We give a 'SUBSCRIBE' rating to the issue for the following reasons: -

1. The company has a pan-India presence, a strong brand, and AI-driven growth, making it an attractive investment in the future of security.
2. By leveraging scale, technology, and innovation, the company is well-positioned to capture opportunities in India's expanding surveillance market.
3. With a robust network, a proven brand, and next-generation solutions, the company is strategically positioned for sustainable growth.
4. The company's growth is driven by an experienced leadership team and board, leveraging strong industry expertise and strategic guidance.

Issue Opens	29th July 2025
Issue Closes	31st July 2025
Type of Issue	Fresh Issue - 74,07,407 shares (aggregating up to Rs. 500.00 Cr) Offer for Sale - 1,18,51,851 shares of ₹1 (aggregating up to Rs. 800.00 Cr)
Issue size	Rs. 1,300 crores
Price Band	Rs. 640 to Rs. 675 per share
Bid lot/ Bid Size	22 shares/ Rs. 14,850
Issue structure	QIB-75%, HNI- 15%, Retail- 10%
Post issue equity shares	11,72,13,212
Promoters and Promoter Group Public	Pre Issue - 93.12% Post Issue – 77.12% Pre issue – 6.88% Post Issue- 22.88%
Post issue implied market cap	Rs. 7,911.89 crores
BRLMs	ICICI Securities Limited and IIFL Capital Services Limited
Registrar to the issue	MUFG Intime India Private Limited

Financial Summary (in ₹ million, unless otherwise indicated)

Particulars	2025	2024	2023
Total Income	31,229.26	27,959.60	22,955.56
Revenue from Operations	31,118.72	27,824.26	22,845.47
Revenue Growth (YoY)	11.84%	21.79%	38.78%
EBITDA	2,583.87	2,364.77	1,810.45
EBITDA Margin (%)	8.27%	8.46%	7.89%
PAT	3,513.69	1,151.72	1,083.11
PAT Margin (%)	11.25%	4.12%	4.72%
RoE (%)	34.53%	27.15%	34.76%
ROCE (%)	33.27%	23.57%	23.07%
Debt/Equity	0.41	0.96	1.31
Net Debt/EBITDA	0.89	1.42	0.21

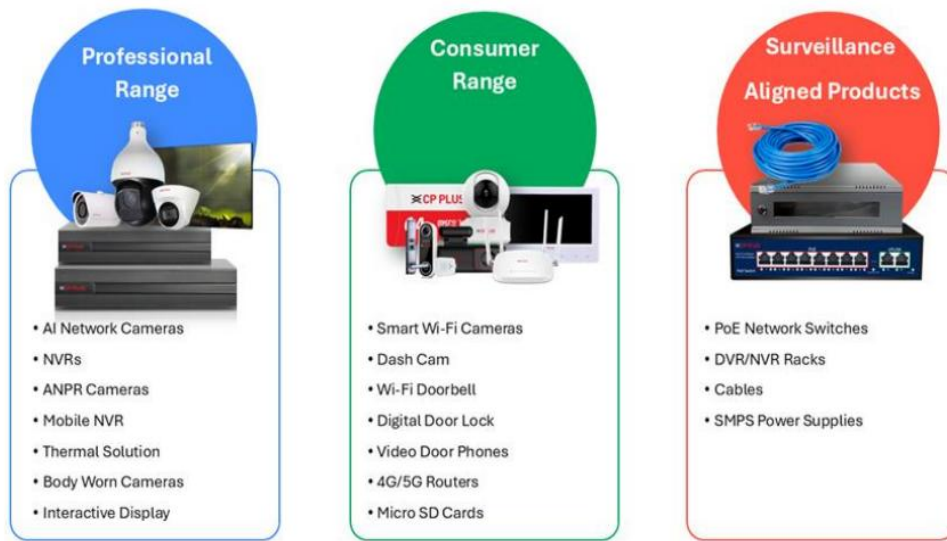
Operational KPIs	2025	2024	2023
Installed Capacity (in units) #	17,201,664	15,586,500	10,068,000
Capacity Utilisation#	77.04	64.09	72.66
Number of Distributors*	1,012	842	974
Number of System Integrators*	2,178	2,208	2,018

Source: Red Herring Prospectus (RHP)

The installed capacity and capacity utilization figures pertain to AIL Dixon Technologies Pvt. Ltd., which was a joint venture during the stated periods but became a material subsidiary of the Company post March 31, 2024

*There are 90, 44 and 178 common parties for the Fiscal Years 2025, 2024 and 2023, respectively, who are distributors as well as system integrators.

Product Portfolio:



Geographic presence:



Source: Red Herring Prospectus (RHP)



Objects of the issue

Fresh Issue - 74,07,407 shares (aggregating up to Rs. 500.00 Cr) and Offer for Sale - 1,18,51,851 shares of ₹1 (aggregating up to Rs. 800.00 Cr)

Company proposes to utilise the Net Proceeds from the Fresh Issue towards the following objects:

1. Prepayment or repayment of all or a portion of certain outstanding borrowings availed by the Company
2. General Corporate Purposes.

Source: Red Herring Prospectus (RHP)

Peer Comparison

Not applicable as there are no listed companies in India that engage in a business similar to that of Aditya Infotech Limited.

Competitive Strengths

1. Leading Indian player in the fast-growing security and video surveillance market, with a strong presence across both commercial and consumer segments and robust brand recall.
2. Wide pan-India sales, distribution, and service network serving a diversified and growing customer base.
3. Offers a comprehensive range of electronic security and surveillance products, solutions, and services, enabling end-to-end security across multiple industry verticals.
4. Strong in-house manufacturing and R&D capabilities with a consistent focus on quality and innovation.
5. Entrenched relationships with global technology partners enhancing product innovation and sourcing capabilities.
6. Led by an experienced management team and supported by a dedicated and skilled employee base.

Source: Red Herring Prospectus (RHP)

Growth Strategies

1. Leverage India's evolving regulatory framework for cybersecurity to reinforce market leadership in the security and surveillance industry.
2. Drive innovation by launching new products and upgrading existing ones to build a comprehensive ecosystem for both commercial and consumer applications.
3. Expand retail footprint by setting up additional experience centres and branded stores across key locations.
4. Strengthen focus on a service-led business model and deepen engagement with enterprise customers.
5. Enhance manufacturing output by scaling up operations at the Kadapa facility.

Source: Red Herring Prospectus (RHP)

Key Risks

1. Revenue is significantly dependent on CCTV cameras, NVRs, DVRs, and PTZ cameras, which contributed 77.47% in Fiscal 2025, exposing the business to demand and preference shifts.
2. Dependence on a limited number of suppliers for critical parts, materials, and products poses a risk of supply chain disruptions.
3. A portion of imports is sourced from China, exposing the Company to risks from import restrictions and global commodity price fluctuations.
4. 24.65% of revenue in Fiscal 2025 was generated from products supplied by Dahua, and any disruption or termination of agreements with Dahua could significantly impact business performance.
5. Operations rely heavily on manufacturing synergies with AIL Dixon Technologies and Dixon Technologies (India) Ltd., and any strain in these relationships could negatively affect operations.

Source: Red Herring Prospectus (RHP)


Disclosure under SEBI Research Analyst Regulations 2014:

Sr.no.	Particulars	Yes/No
1)	Research Analyst or his/her relative's or Ajcon Global Services Limited financial interest in the subject company(ies):	No
2)	Research Analyst or his/her relative or Ajcon Global Services Limited actual/beneficial ownership of 1% or more securities of the subject company (ies) at the end of the month immediately preceding the date of publication of the Research report	No
3)	Research Analyst or his/her relative or Ajcon Global Services Limited has any other material conflict of interest at the time of publication of the Research Report	No
4)	Research Analyst has served as an officer, director or employee of the subject company(ies)	No
5)	Ajcon Global Services Limited has received any compensation from the subject company in the past twelve months	No
6)	Ajcon Global Services Limited has received any compensation for investment banking, or merchant banking, or brokerage services from the subject company in the past twelve months	No
7)	Ajcon Global Services Limited has received any compensation for products or services other than investment banking, or merchant banking, or brokerage services from the subject company in the past twelve months	No
8)	Ajcon Global Services Limited has received any compensation or other benefits from the subject company or third party in connection with the research report	No
9)	Ajcon Global Services Limited has managed or co-managed public offering of securities for the subject company in the past twelve months	No
10)	Research Analyst or Ajcon Global Services Limited has been engaged in market making activity for the subject company(ies)	No

Disclaimer

Investment in securities market are subject to market risks. Read all the related documents carefully before investing. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Ajcon Global Services Limited is a SEBI registered Research Analyst entity bearing registration Number INH000001170 under SEBI (Research Analysts) Regulations, 2014.

Individuals employed as research analyst by Ajcon Global Services Limited or their associates are not allowed to deal or trade in securities that the research analyst recommends within thirty days before and within five days after the publication of a research report as prescribed under SEBI Research Analyst Regulations.

Subject to the restrictions mentioned in above paragraph, We and our affiliates, officers, directors, employees and their relative may: (a) from time to time, have long or short positions acting as a principal in, and buy or sell the securities or derivatives thereof, of Company mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage.

Ajcon Global Services Limited is a fully integrated stock broking, investment banking, merchant banking, corporate advisory, commodity and currency broking Company. It may therefore have commercial relationship for the above said services with the Company covered in this Report. Ajcon Global Services Limited research analysts responsible for the preparation of the research report may interact with trading desk personnel, sales personnel and other parties for gathering, applying and interpreting information.

Ajcon Global Services Limited encourages independence in research report preparation and strives to minimize conflict in preparation of research report. Ajcon Global Services Limited or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither Ajcon Global Services Limited nor Research Analysts have any material conflict of interest at the time of publication of this report.

Ajcon Global Services Limited or its associates may have commercial transactions with the Company mentioned in the research report with respect to advisory services.

The information and opinions in this report have been prepared by Ajcon Global Services Limited and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of Ajcon Global Services Limited. While we would endeavour to update the information herein on a reasonable basis, Ajcon Global Services Limited is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Ajcon



Global Services Limited from doing so. This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed.

This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Ajcon Global Services Limited will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Ajcon Global Services Limited accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Ajcon Global Services Limited or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

It is confirmed that or any other Research Analysts of this report has not received any compensation from the company mentioned in the report in the preceding twelve months. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Ajcon Global Services Limited or its subsidiaries collectively or Directors including their relatives, Research Analysts, do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Ajcon Global Services Limited may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. Neither the Research Analysts nor Ajcon Global Services Limited have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on Ajcon Global Services Limited by any Regulatory Authority impacting Equity Research Analysis activities.

Analyst Certification

I Divya Makwana research analyst, author and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view (s) in this report.

For research related queries contact:

Divya Makwana - Research Analyst at research@ajcon.net

CIN: L74140MH1986PLC041941

SEBI registration Number: INH000001170 as per SEBI (Research Analysts) Regulations, 2014.

Website: www.ajcononline.com

Registered and Corporate office

408 - (4th Floor), Express Zone, "A" Wing, Cello – Sonal Realty, Near Oberoi Mall and Patel's, Western Express Highway, Goregaon (East), Mumbai – 400063. Tel: 91-22-67160400, Fax: 022-28722062