

Shivam Gupta
shivamgupta@rathi.com

Issue Details

Issue Details	
Issue Size (Value in ` million, Upper Band)	13,000
Fresh Issue (No. of Shares in Lakhs)	74
Bid/Issue opens on	119
Bid/Issue closes on	29-July-25
Face Value	31-July-25
Price Band	Rs. 1
Minimum Lot	640-675

Objects of the Issue:

- **Fresh Issue: ₹5,000 million**
 - Prepayment and/or repayment of all or a portion of certain borrowings availed by the company.
 - General corporate purposes.
- **Offer For Sale: ₹8,000 million**

Book Running Lead Managers	
ICICI Securities Limited	
IIFL Capital Services Limited	
Registrar to the Offer	
MUFG Intime India Private Limited	

Capital Structure (₹ million)	Aggregate Value
Authorized share capital	150.0
Subscribed paid up capital (Pre-Offer)	109.8
Paid up capital (post-Offer)	117.2

Share Holding Pattern %	Pre Issue	Post Issue
Promoters & Promoter group	93.1%	77.1%
Public	6.9%	22.9%
Total	100.0%	100.0%

Financials

Particulars (Rs. In Million)	FY25	FY24	FY23
Revenue from operations	31,119	27,824	22,845
Operating expenses	28,645	25,595	21,240
EBITDA	2,473	2,229	1,605
Other Income	111	135	110
Depreciation	311	157	89
EBIT	2,273	2,208	1,627
Finance cost	418	309	232
PBT	4,341	1,646	1,432
Tax	827	494	349
Consolidated PAT	3,514	1,152	1,083
EPS	30.0	9.8	9.2
Ratio	FY25	FY24	FY23
EBITDAM	7.9%	8.0%	7.0%
PATM	11.3%	4.1%	4.7%
Sales growth	11.8%	21.8%	

Company Description

Aditya Infotech Limited offers a comprehensive range of advanced video security and surveillance products, technologies, and solutions for both enterprise and consumer segments under their well-recognized 'CP PLUS' brand. Additionally, they provide solutions and services such as fully integrated security systems and Security-as-a-Service, delivered directly and through their distribution network, catering to end-customers across various sectors including banking, insurance, real estate, healthcare, industrial, defence, education, hospitality, manufacturing, retail, and law enforcement. Their business is primarily divided into: (i) manufacturing and trading activities; and (ii) trading activities. The manufacturing and trading segment includes the production and sale of CP PLUS products along with after-sales services, while the trading activities involve distribution of Dahua products. They were assigned the 'CP PLUS' brand in 2014 with the objective of expanding access to cost-effective security and surveillance products, solutions, and services.

Their product portfolio, including items sourced from third parties, incorporates a wide range of security technologies such as artificial intelligence (AI) and machine learning (ML) to enable Edge-based AI analytics, all developed in-house by their dedicated research and development (R&D) team. It also features an integrated Internet of Things (IoT) ecosystem for connected and smart homes, along with various cloud services, including health monitoring systems (HMS) and attendance management systems (AMS). Their product line includes high-definition (HD) analog cameras, digital video recorders (DVRs), internet protocol (IP) network cameras, network video recorders (NVRs), biometric and access control products, mobile surveillance solutions, body-worn cameras, thermal cameras, temperature screening systems, interactive displays, routers, cables, power supplies (SMPS), racks, and various accessories. They also collaborate with other companies and government agencies to develop indigenized innovations, such as Indian-made Systems on Chips (SoCs) and thermal cameras.

Valuation & Outlook:

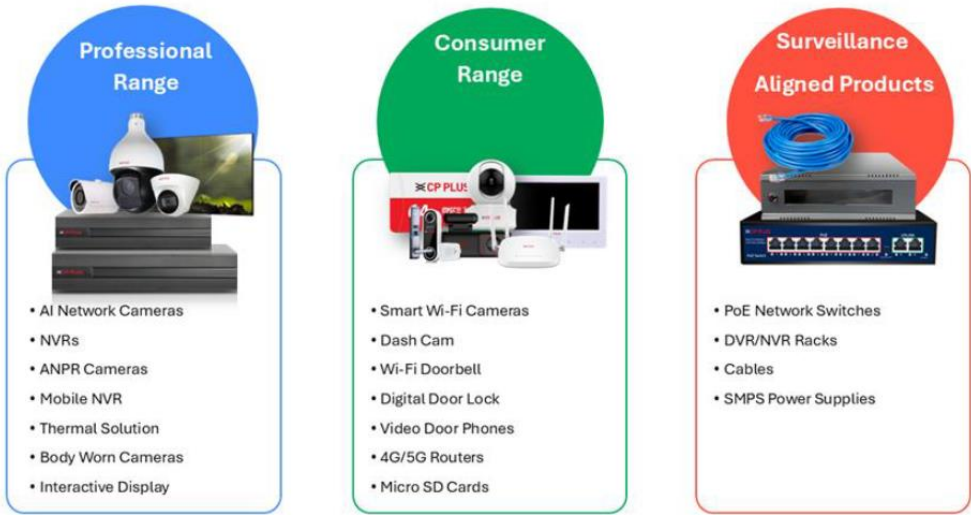
Aditya Infotech Ltd, also operating as Aditya Group Infotech, is the parent company behind CP PLUS, a leading brand in India's electronic security and surveillance space. They offer the most extensive portfolio in the surveillance sector, supported by in-house R&D, over 3,000 factory personnel, 1,000+ employees, 54 offices, 30,000+ partners, and 44 service centres nationwide.

They are India's leading provider of video security and surveillance products, solutions, and services by revenue, with a market share of 20.8% in Fiscal 2025. Their 'CP PLUS' and 'Dahua' brands rank among India's top CCTV and security product names, offering a wide range of solutions from smart IoT cameras to thermal and explosion-proof systems. The company is focusing on leveraging India's evolving cybersecurity regulations to reinforce its market leadership while expanding its product portfolio and upgrading existing offerings with next-generation, advanced technologies.

At the upper price band, the company is valued at a FY25 P/E of 22.5x, with a post-issue market capitalization of ₹79,118.9 million. The company holds a dominant position in the segment with minimal competition and has consistently reported growth in both revenue and profitability over the stated periods. Given these strengths, the IPO appears fully priced, and a "SUBSCRIBE – LONG TERM" recommendation is advised.

Description of Business

In Fiscal 2025, the company offered 2,986 stock keeping units (“SKUs”) and classify their products under the following categories:



With the aim of continuously improving their products and expanding their offerings, they also offer artificial intelligence (“AI”)-IoT based centralized surveillance services under their ‘OnVigil’ brand. The company’s offerings include:



They provide field management services that include annual preventive maintenance, quick response services, electric vehicle station management, IoT automation, door automation, and access control systems. These services are delivered through their network of partners, system integrators, and system assemblers to end-customers. Additionally, they support the design and execution of customized products and solutions tailored to a wide range of security needs. Recently, they launched CP PLUS AI, an AI-powered solution that enhances traditional CCTV systems with intelligent video analytics capabilities.

In Fiscal 2025, they sold products across more than 550 cities and towns in India, supported by a robust operational network comprising 41 branch offices and 13 Return Merchandise Authorization (RMA) centres as of March 31, 2025. Their surveillance products were distributed through a wide network of over 1,000 distributors and more than 2,100 system integrators across tier I, tier II, and tier III cities. To enhance distributor engagement and awareness, they conducted regular training programs and dealer meetings nationwide, focusing on the latest surveillance technologies. Structured workshops were also held at their branches to train third-party installers and technicians, enabling partners and system integrators to deliver their solutions more efficiently. Additionally, they expanded their retail presence through 69 dedicated CP PLUS Galaxy stores operated by their distributors across India as of March 31, 2025.

They currently operate 10 strategically located warehouses across India to ensure efficient inventory management. These facilities are situated in Delhi, Gurugram, and Noida in North India; Bhiwandi, Ahmedabad, and Indore in West India; Kolkata and Guwahati in East India; and Chennai and Bengaluru in South India. Among these, the warehouses in Noida, Bhiwandi, Kolkata, and Chennai serve as regional hubs to coordinate operations among stakeholders. The video surveillance industry in India has experienced growing emphasis on domestic manufacturing, driven by the ‘Make in India’ initiative. This government-led program encourages innovation-focused companies to manufacture within the country, supporting local economic growth and employment. It promotes self-reliance and aims to build indigenous capabilities, particularly in the video surveillance sector, helping reduce reliance on imports and strengthening India’s trade independence.

As of March 31, 2025, their manufacturing facility in Kadapa, Andhra Pradesh, has an installed capacity of 17.20 million units per annum and spans 204,157.36 square feet. The facility is equipped with advanced infrastructure, including high-speed surface mount technology (SMT) lines, assembly lines, and robust quality control systems. A dedicated quality control team ensures thorough inspections at every stage of the manufacturing process. To strengthen supply chain control, enhance margins, and offer end-to-end product solutions, they have backward integrated key manufacturing processes. In alignment with their environmental, social, and governance commitments, the company actively manages e-waste and operates wastewater and effluent treatment plants. Their audit framework—comprising both internal and external assessments—helps mitigate operational risks. Manufacturing efforts are further supported by a dedicated R&D facility in Noida, Uttar Pradesh, with a team of 86 employees as of March 31, 2025. This team focuses on product innovation, integrating customer feedback, and advancing technology, contributing to their leadership in the industry through integrated operations, technological capabilities, and customer-centric product development.

In 2017, they entered into a joint venture with Dixon Technologies (India) Limited, a leading electronic manufacturing services company, to establish a captive manufacturing facility and leverage Dixon's expertise in production processes. On September 18, 2024, the company acquired Dixon's stake in the joint venture. As part of the agreement dated July 8, 2024, Dixon received 7,305,805 equity shares of the company (₹1 face value each) in exchange. Going forward, they plan to continue collaborating with Dixon to enhance their manufacturing and supply chain capabilities, support business growth, and expand their customer reach both in India and overseas. They have demonstrated strong and consistent financial growth in recent years, with revenue from operations, EBITDA, and profit after tax increasing at a CAGR of 16.71%, 19.47%, and 80.11%, respectively, from Fiscal 2023 to Fiscal 2025. This upward trajectory reflects robust operational performance and improved profitability over the period.

Key Strengths:

➤ **Largest Indian Player in the Growing Indian Security and Video Surveillance Market focusing on Commercial and Consumers Segments with Strong Brand Recall**

They are the largest provider of video security and surveillance products, solutions, and services in India by revenue, holding a market share of 20.8% in Fiscal 2025. Their comprehensive suite of security offerings helps customers across India address varied surveillance needs while reducing operational and administrative costs. The Indian video surveillance market is undergoing a major transformation, driven by the adoption of advanced technologies and integrated systems, leading to smarter and more efficient solutions. In Fiscal 2025, the Indian video surveillance market was valued at ₹106.2 billion, and is projected to grow at a CAGR of 16.46%, reaching ₹227.4 billion by Fiscal 2030. Unit sales are also expected to increase from 39.7 million units in Fiscal 2025 to 74.6 million by Fiscal 2030. This growth is driven by rising security awareness, business and personal safety demands, and government-led initiatives such as smart cities. Since the launch of their flagship brand 'CP PLUS', the company has consistently invested in brand development—being the first to position a consumer brand in India's security industry. Their efforts include building product awareness, ensuring quality, and enhancing customer engagement through branded experience centres (CP PLUS World Centres), 69 CP PLUS Galaxy retail stores as of March 31, 2025, and comprehensive after-sales support via mobile apps, website, and multiple communication channels. Celebrity-led promotions and the popular tagline "Uparwala Sab Dekh Raha Hai" have further strengthened brand recall and profitability.

➤ **Pan-India Sales, Distribution and Service Network Catering to a Diversified Customer Base**

They attribute the scale of their operations to a strong and continuously expanding pan-India sales and distribution network, giving them the widest reach in the country's video surveillance market ecosystem. As of March 31, 2025, their products were sold in over 550 cities and towns, supported by 41 branch offices and 13 RMA centres. In Fiscal 2025, they distributed products through more than 1,000 distributors and over 2,100 system integrators across tier I, II, and III cities. This growth has been enabled by their deep understanding of the surveillance industry and strong relationships with stakeholders. With a workforce of 1,274 employees—the largest in India's security solutions space their sales and marketing team alone comprises 404 employees. The company also emphasizes skill development through training programs, webinars, and workshops on surveillance technologies. They maintain a strong customer service commitment via a dedicated contact center that supports customers across the entire product lifecycle, including installation, repairs, and technical support. Additionally, they offer convenient pickup and drop services for select customers and partners.



Beyond their CP PLUS Galaxy stores, their marketing strategy focuses on showcasing innovative products and reinforcing their commitment to quality and customer satisfaction. They actively engage with key influencers in the security and surveillance industry, including consultants, to promote the CP PLUS brand. Over time, they have built a robust marketing ecosystem that includes above-the-line campaigns, advertisements across television, radio, and print media, brand signage, in-film integrations, television show placements, training sessions, and participation in exhibitions and trade shows to enhance brand visibility and recall.

They serve a highly diversified customer base across various sectors, including companies such as Absolute Electrovision Private Limited, Bright Computers, Gaursons India Private Limited, and public sector clients like Delhi Government Schools, Madhya Pradesh Police Station, and Delhi Police Station. In Fiscal 2025, 2024, and 2023, they had 3,232, 3,072, and 2,814 customers respectively. As of March 31, 2025, they maintained relationships for over six years with their top 10 customers, underscoring both customer diversity and loyalty. This broad customer reach is supported by a balanced sales channel strategy that avoids dependency on any single medium. Customer acquisition is driven through multiple routes: a wide distributor network, system integration projects, direct retail sales, and online/e-commerce platforms. The company continues to focus on expanding its retail presence, contributing to a well-distributed and resilient sales structure. Set forth below are details of revenues earned from each of their sales channels, reflecting the evolution of their sales channel split in the three preceding Fiscals:

Channel	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in million)	Percentage of Revenue from Operations (%)	Amount (₹ in million)	Percentage of Revenue from Operations (%)	Amount (₹ in million)	Percentage of Revenue from Operations (%)
Distributors	24,723	79.6	22,427	80.6	18,531	81.1
System Integrated Operations / Projects	5,031	16.2	3,952	14.2	3,870	16.9
Retail and others	596	1.8	87	0.3	60	0.3
Online and e-commerce	768	2.5	1,359	4.9	385	1.7
Total Revenue from Operations	31,119	100.0	27,824	100.0	22,845	100.0

➤ **Comprehensive Portfolio of Electronic Security and Surveillance Products, Solutions and Services, Providing End to End Security Solutions Across Verticals**

As of March 31, 2025, their 'CP PLUS' and 'Dahua' brands are among the leading names in India's CCTV and security products market in terms of the diversity of offerings. Their comprehensive portfolio includes smart home IoT cloud cameras, HD analog and network cameras, DVRs and NVRs, mobile and onboard surveillance systems, body-worn and thermal cameras, temperature screening solutions, explosion-proof cameras, and integrated command and control software. They also provide AI and deep learning-based video analytics, access control systems, time-attendance and biometric devices, video doorbells and door-phones, health monitoring systems (HMS), attendance management systems (AMS), interactive displays, monitors, SD cards, cabling, racks, storage solutions, and various customized security products. In Fiscal 2025, they offered 2,986 SKUs across different price points and also developed localized software solutions—such as a real-time device health monitoring system—to help users proactively manage and troubleshoot complex security infrastructures.



Health Monitoring System

Real-time Health Statistics of Your Surveillance Devices



Real-time Progress
& Cost Saving



Reliable assurance
& real-time issue tracking



Quick issue resolution
& reduced downtime



Easy database management
& performance tracking



Performs on both
LAN & WAN

The HMS has been developed as a local customized software solution that enables instant reporting of live events, reduces system downtime through the possibility of prompt redress, offers daily system support and live status pages. Similarly, they have developed an AMS, which is a cloud-based facilitation tool for employers and employees to record and track attendance, leaves, holidays, arrival and departure times, as well as conveyance time and cost on a regular basis. The company's arrangement with Dahua ensures that they have access to their products and solutions that comprise a wide range of features, including video management software and security cameras. Dahua's dual emphasis on constant technological innovations and client support helps them deliver quality products to both end users and reseller partners. Set forth below is the revenue generated from sales of products supplied by Dahua for the periods indicated:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from sale of products supplied by Dahua (₹ in million)	7672	7906	7327
Revenue from sales of products supplied by Dahua, as a percentage of revenue from operations (%)	24.7	28.4	32.1

➤ **Advanced Manufacturing and Research and Development Capabilities with Focus on Quality**

They have actively leveraged the 'Make in India' initiative to strengthen their manufacturing operations. Initially established through a joint venture with Dixon Technologies in 2017, they set up India's largest CCTV manufacturing facility in Tirupati, Andhra Pradesh, which was later relocated to Kadapa, Andhra Pradesh in Fiscal 2024. Notably, they were the first player in the Indian security and surveillance industry to localize production. The Kadapa facility is now the third-largest CCTV manufacturing plant globally in terms of units manufactured in Fiscal 2025, with an annual capacity of 17.20 million units as of March 31, 2025. Spanning over 204,157.36 sq. ft., the facility employs more than 3,200 personnel, including both on-roll and contractual staff. It is equipped with advanced infrastructure such as six high-speed SMT lines, IP and HD camera assembly lines, packaging units, manual insertion lines, and integrated circuit programming stations. The manufacturing setup is supported by a strong, localized supply chain, with an in-house sourcing team focused on procuring components from within India. Further enhancing their innovation capabilities, the company operates an R&D center in Noida, Uttar Pradesh, staffed by 86 employees as of March 31, 2025, dedicated to developing new technologies and products.

They have developed a range of cloud-based software-as-a-solution (SaaS) offerings, including Health Monitoring System (HMS), Attendance Management System (AMS), and Customer Relationship Management (CRM) software. In the field of AI and machine learning, they have introduced several intelligent surveillance features such as Automatic Number Plate Recognition (ANPR) for vehicle detection, triple riding detection on two-wheelers, reverse direction alerts for wrong-way driving, no-helmet detection, smart motion sensing for identifying movement in defined zones, intrusion detection in restricted areas, and parking violation alerts. Their consistent product development and cost-effective manufacturing have earned them multiple industry certifications, including Bureau of Indian Standards approval, CMMI Level 3 and 5, IP67, and IK10—key qualifications for government tenders. In line with MeitY's mandate requiring all CCTV cameras sold in India post-April 9, 2025, to be STQC certified for trust, quality, and privacy

assurance, some of their product lines have already obtained this certification. Their Kadapa facility is ISO:9001 certified and houses specialized quality assurance infrastructure such as reliability test equipment, dark rooms for aging tests, and leak detection machines. A dedicated quality control team of 64 employees, as of March 31, 2025, ensures that only defect-free products reach the end customer.

➤ **Entrenched Relationships Augmenting Technology Competencies and Sourcing Capabilities**

They collaborate with a range of technology partners to design and develop innovative products and deliver solutions tailored to specific customer needs. These partnerships enhance their manufacturing capabilities, technological expertise, and access to global innovations. Historically, their joint venture with Dixon Technologies, a leading Indian electronics manufacturing services company, played a key role in expanding their manufacturing footprint. On September 18, 2024, the company acquired Dixon's stake in the joint venture, and under agreements dated July 8, 2024, Dixon subscribed to 7,305,805 equity shares of the company at a face value of ₹1 each. In line with their commitment to the 'Make in India' initiative, they signed a master collaboration agreement with L&T Semiconductor Technologies Limited to develop indigenous Indian IP SoCs and a range of advanced AI-based CCTV products for both domestic and global markets. Additionally, they partnered with VVDN Technologies Private Limited for product engineering, design, and manufacturing, focusing on embedded systems, IoT, networking, cloud, and 5G technologies. They also have an exclusive distribution arrangement with Dahua India for Dahua's products in the Indian market.

Key Strategies:

➤ **Leverage India's Regulatory Framework for Cybersecurity to Strengthen Market Leadership**

The Government of India has implemented a comprehensive regulatory framework requiring all internet-connected CCTV devices sold in the country—regardless of origin—to obtain cybersecurity certifications from government-approved labs, effective April 9, 2025. Spearheaded by MeitY and enforced by the BIS, this initiative aims to reduce the risks associated with foreign surveillance technologies. To secure the mandatory STQC certification, manufacturers must comply with stringent protocols, including hardware and firmware testing, source code audits, factory inspections (including overseas units), and validations for encryption and tamper-proof enclosures. This development aligns with their long-standing focus on providing secure, reliable, and domestically manufactured surveillance products. Some of their product lines are already STQC certified, demonstrating compliance with these cybersecurity standards. They believe the new regulatory environment will give a strong boost to Indian manufacturers and position the company to expand its market share. With integrated manufacturing operations, strong R&D capabilities, and a commitment to quality, they are well-placed to capitalize on this shift and support the government's vision of a secure, self-reliant digital ecosystem.

➤ **Continue to Innovate and Introduce New Products and Next Generation of Existing Products, Developing an Ecosystem for Commercial and Consumer Use**

They plan to further expand their product portfolio and upgrade existing offerings with next-generation, technologically advanced solutions. In the past, they have collaborated with third parties to access technologies used in developing thermal cameras and intelligent interactive displays. Additionally, they have partnered with an external technology solutions provider for internet protocol camera development. Moving forward, they aim to continue fostering collaborations between their in-house R&D team and specialized external agencies to support new R&D projects, expand their product line with innovations such as interactive whiteboards and dashboard cameras, and enhance current products. They also intend to enter the energy management services space. To bring AI-driven functionality to a wider audience, they have launched AI-powered solutions that extend traditional CCTV capabilities through intelligent video analytics. In collaboration with SparkCognition, they are integrating AI algorithms into their surveillance ecosystem under the CP PLUS.AI platform, specifically targeting SME end users through resale arrangements. These AI enhancements are designed to deliver not just improved security, but also operational efficiency, at a competitive cost. Over the next three years, the company also plans to pursue various software and hardware development projects, continuing its innovation-led approach through a combination of internal expertise and strategic partnerships.

The management of the company are focused on advancing and expanding their digital solutions to remain ahead in the fast-changing technology landscape. Key to this strategy is the enhancement of mobile applications such as EzyLiv/EzyKam+, CP Partner, and CP Plus IntelliServe. The EzyLiv/EzyKam+ apps provide seamless live video streaming, delivering user-friendly surveillance access across all product categories, including consumer, enterprise, and dashcam users. The CP Partner app strengthens engagement with channel partners by offering real-time product updates, support, and information. Meanwhile, CP Plus IntelliServe supports efficient system monitoring, maintenance, and troubleshooting. These digital tools are designed to expand product capabilities and enhance user experience. Additionally, they are in the process of developing a unified mobile app and an AI-powered platform to integrate all product lines, aiming to boost customer satisfaction and drive future growth.

➤ **Expand Retail Presence through Additional Experience Centres and Stores**

They are actively working to expand their sales channels and strengthen their retail footprint. As of March 31, 2025, their products were sold in over 550 cities and towns across India. To further boost revenues, they plan to grow their retail customer base and online sales. A key focus is the expansion of CP PLUS World experience centres, which showcase the full range of their products to distribution partners who then promote these offerings to end consumers. With five experience centres already established, they aim to launch additional centres, especially in tier II and tier III cities and towns. They also plan to open more CP PLUS Galaxy and partner stores to build direct engagement with retail customers and improve brand recall. Their presence in tier II and III markets is steadily increasing through this store network and distributor partnerships. Additionally, they aim to attract more retail customers through advertising campaigns and celebrity endorsements, while growing their online presence through targeted ads and digital marketing. This effort will be supported by expanding their product portfolio in categories like Wi-Fi cameras, 4G cameras, smart doorbells, digital locks, and dash cams.

➤ **Focus on Service Led Model and Enterprise Customers**

They collaborate with system integrator partners to undertake large-scale projects that require customized security and surveillance solutions tailored to clients' specific needs. The solutions provided are designed based on the customer's industry vertical, business requirements, and insights gathered through on-site assessments. Past projects have included the implementation of attendance management systems with features like geofencing and

They are dedicated to strengthening India's manufacturing ecosystem, especially under the 'Make in India' initiative. To meet growing demand, they plan to scale up manufacturing operations by increasing unit production. Their Kadapa Facility, with an installed capacity of 17.20 million units per annum as of March 31, 2025, is strategically positioned for this expansion. As demand rises, they intend to utilize this additional capacity to drive higher output and revenue. With the rapid growth of the security and surveillance industry, the need for durable, high-quality cameras and recorders has surged. In this context, the development of plastic and metal housings is crucial for product durability, especially in outdoor and industrial environments. These housings offer protection from corrosion, dust, and water, and also present an opportunity within India's evolving manufacturing sector and increasing global outsourcing trends. To support this initiative, they have already placed orders for required machinery and are setting up the necessary manufacturing infrastructure.

➤ KEY MILESTONES

Between 2010 to 2017, the Company was primarily engaged in trading security surveillance products. The infographic sets out key milestones in their operational journey:



➤ Product Portfolio



Industry Snapshot:

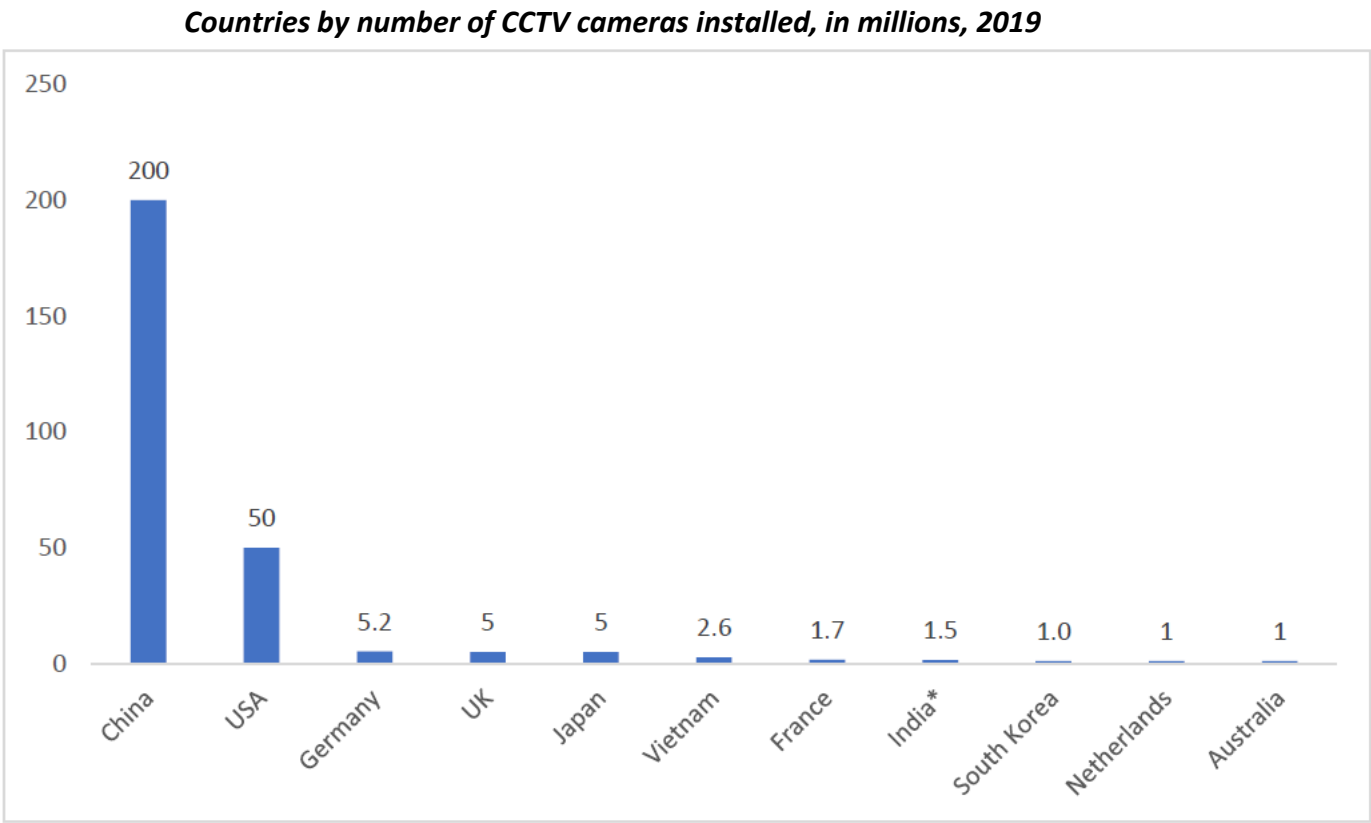
➤ **Global Video Surveillance and Security Market:**

➤ **Market introduction**

The global video surveillance and security market has experienced a significant transformation, marked by the adoption of advanced technologies (like artificial intelligence), integration with complementary security systems, and a shift towards service-based models. The developments have led to more intelligent, efficient, and comprehensive surveillance solutions catering to the evolving security needs of diverse end-users, driving robust growth and innovation in the industry.

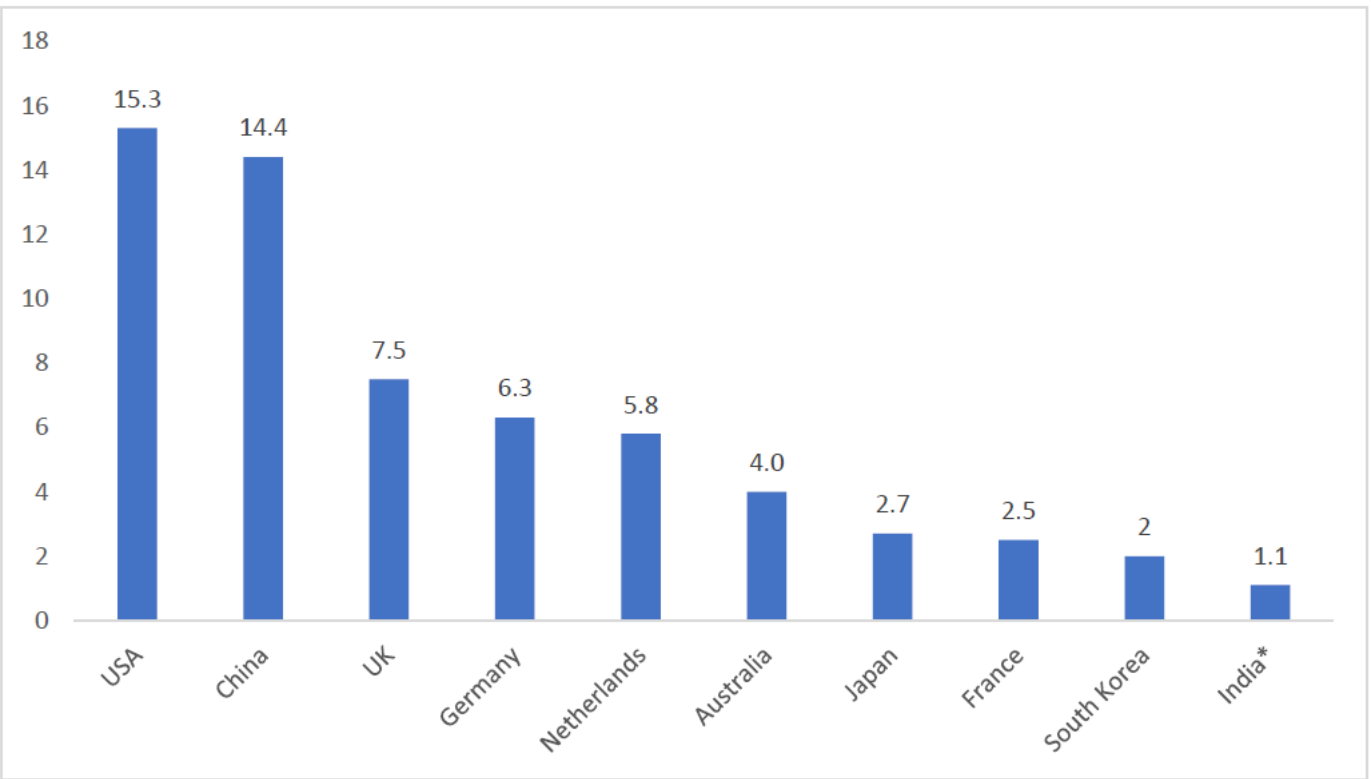
➤ **Global CCTV adoption**

Video surveillance has been in use for over two and half decades now. While some countries like China have been the largest users of video surveillance/CCTV systems, the United Kingdom (UK) was among the first countries to have widely adopted CCTV surveillance. It is estimated that around 5,238 cameras were already in use in the UK across 167 different schemes by 1997. Initially, the European countries were resistant to the acceptance of CCTV cameras due to privacy concerns, however, following terror attacks like 9/11 and the Madrid and London bombings, many nations in the region slowly started to install CCTV cameras. China has the highest number of CCTV cameras installed followed by USA, Germany and the UK.



**This is the number of CCTV cameras installed across 15 cities in India*

In terms of number of CCTV Cameras per 100 individuals, the USA topped the chart. China was a close second and UK a distant third in the list.



➤ **Market size and forecast by revenue and volume**

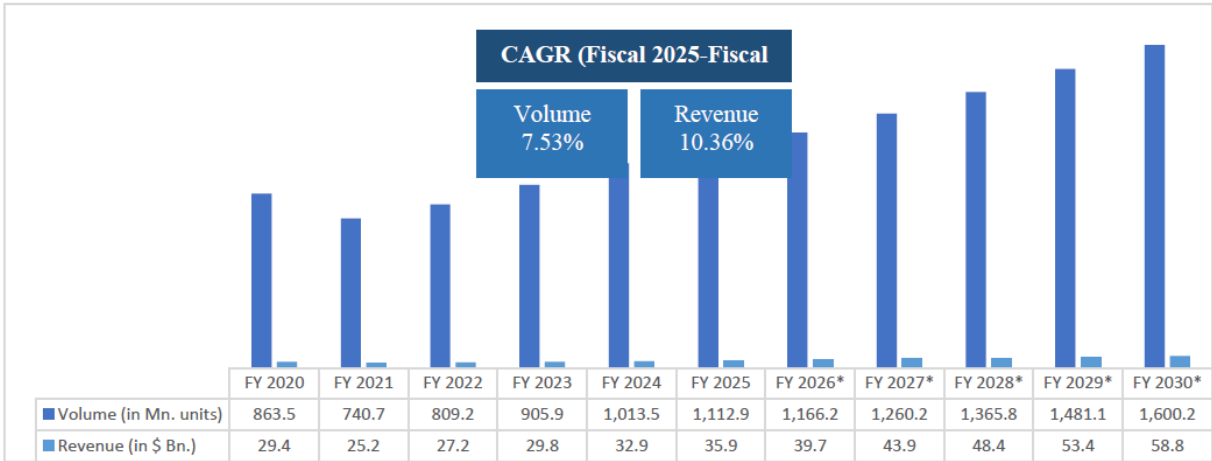
Video surveillance is a fast-growing market driven by the need for improved safety and security. The industry has seen rapid advancements in the last two decades and the modern video surveillance setup is AI driven with capabilities like video analytics, face recognition, motion detection, high resolution video, remote access and monitoring, and flexibility and integration. While some of the countries and industry verticals have mandates and regulations for the use of CCTV cameras, others install cameras for better protection and operational use cases. No matter what, video surveillance is now considered as a basic infrastructure element with wide adoption across most industry vertically.

➤ **Global**

The global video surveillance market to be valued at U.S.\$35.9 billion in Fiscal 2025. The market (in terms of revenue) is estimated to grow by compound annual growth rate (CAGR) of 10.36% from Fiscal 2025 till Fiscal 2030. Correspondingly, video surveillance volume is also expected to grow from 1,112.9

million units in Fiscal 2025 to 1,600.1 million units in the next five years. In this research study, video surveillance definition includes CCTV cameras (analog and IP), recorders (NVR and DVR), encoders, and software. The market size does not include video storage, video analytics, and VMS – that is offered by a third party either through a partnership with the camera vendor or procured separately by the customer. The revenue numbers also do not include emerging models of video surveillance like cloud video surveillance/VSaaS, and managed video surveillance service (MVSS). The market size numbers are based on revenues clocked in by only the camera vendors. Also please note, market size of a country refers to billing or revenue recognized in that country. Any revenue that is not accrued by the vendor in the country despite the project/work being executed in the land, is not considered while estimating the total market size of that country. A mix of top-down and bottoms-up approach has been used to evaluate and validate the revenue estimates.

Video surveillance market size (in U.S.\$ Billion) and volume (in Million units), global, Fiscal 2020-Fiscal 2030



➤ USA

There is high adoption of video surveillance systems in USA as the government and enterprises focus on enhanced security, and crime prevention. CCTV cameras placed across freeways, roads and streets help stop potential crimes as the mere presence of surveillance cameras acts as a strong deterrent making it less likely for individuals to engage in activities like theft, vandalism, or break-ins. CCTV cameras enable real-time monitoring thereby helping users to view live footage from any location. For post crime scenarios, CCTV gathered video data is used as evidence by law enforcement agencies and remains submissible in the court. Frost & Sullivan estimates the USA video surveillance market to be sized at U.S.\$8.8 Billion in Fiscal 2025 and likely to touch U.S.\$13.3 Billion by the end of Fiscal 2030. Revenue growth is projected at 8.66% during the five-year period. In terms of volume, the number is expected to grow from 271.7 Million units in Fiscal 2025 to 361.6 Million units in Fiscal 2030.

➤ Europe

Despite the lack of regulation or mandates in Europe in terms of use of video surveillance systems across industry verticals, the acceptance has been high. Almost all European Union (EU) institutions and bodies have video surveillance in operation on their premises. However, a balance has been maintained between security and privacy when using video surveillance. The European Data Protection Supervisor (EDPS) has guidelines on processing of personal data through video surveillance systems, emphasizing the need for clear policies, data minimization, and timely deletion of footage. The European video surveillance market is estimated to become U.S.\$14.2 Billion by the end of Fiscal 2030. Currently, the market stands at U.S.\$8.7 Billion In terms of volume units, the market is expected to grow close to 1.5x in the next 5 years.

➤ China

China remains on the top for the most surveilled countries in the world. In fact, the country is home to nine out of the top 10 most surveilled cities globally. Mass surveillance is conducted in China through a network of monitoring systems used by the Chinese central government to monitor its citizen. Surveillance is controlled through the government, although enterprise/corporate surveillance in connection with the Chinese government is also reported. Mass surveillance in the country is expanded under the PRC Cybersecurity Law and with the help of local companies like Tencent, Dahua Technology, Hikvision, SenseTime, ByteDance, Megvii, Yitu Technology, Huawei, ZTE, and others. Secondary sources report, mainland China had installed over 700 million CCTV cameras by August 2023, one lens for every two citizens. The exponential rise in camera installations increased till the Covid-19 pandemic after which new installations saw a linear growth. the Chinese video surveillance market to be sized at U.S.\$7.4 Billion in Fiscal 2025 and estimated to grow at CAGR 10.0 % till Fiscal 2030.

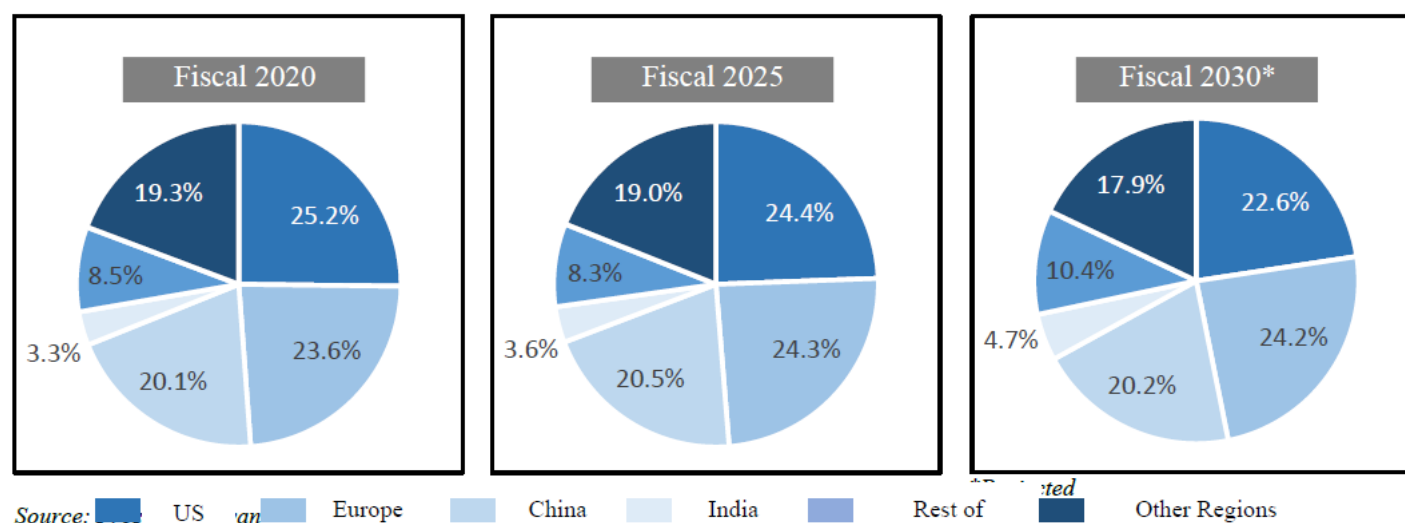
➤ India

India is one of the fastest growing major economies in the world. There has been significant focus from the government on infrastructure with initiatives like Smart Cities, Digital India, PM Gati Shakti Scheme, Bharatmala Scheme, etc. Security and safety remain critical in any of these initiatives and hence the installation of video surveillance systems is important. The private sector, enterprises and businesses, deploy CCTV systems for not just surveillance but also for other use cases like people counting, energy management, automatic number plate recognition, etc. From close to U.S.\$1.0 Billion in Fiscal 2020, the video surveillance market in India reached U.S.\$1.3 Billion in Fiscal 2025 with growth until 2030 estimated at CAGR 16.46%.

➤ Rest of APAC

APAC is the fastest growing region in the global video surveillance market. While China remains the biggest, and India is among the fastest growing within the geography, the ASEAN region is also expected to grow at a similar pace as that of the APAC average. Rest of APAC includes ASEAN countries, South Korea, Japan, and Australia among others. North Korea which has very limited information in the public domain, remains highly surveilled as digital technology in the country is progressively evolving and impacting society in many ways. Based on estimates, the video surveillance market in Rest of APAC currently stands at U.S.\$3.0 Billion in Fiscal 2025 and likely to touch U.S.\$6.1 Billion by Fiscal 2030.

Video surveillance market construct (in terms of revenue), select countries and regions, Fiscal 2020 – Fiscal 2030



➤ India Video Surveillance and Security Market

➤ Market introduction

The security and video surveillance market in India has witnessed a notable change, with the adoption of advanced technologies and the integration of diverse security systems. This shift has led to the development of smarter, more efficient surveillance solutions that meet the changing needs of various users. These changes have brought significant growth and innovation to the industry, showing a strong effort to keep up with India's evolving security needs.

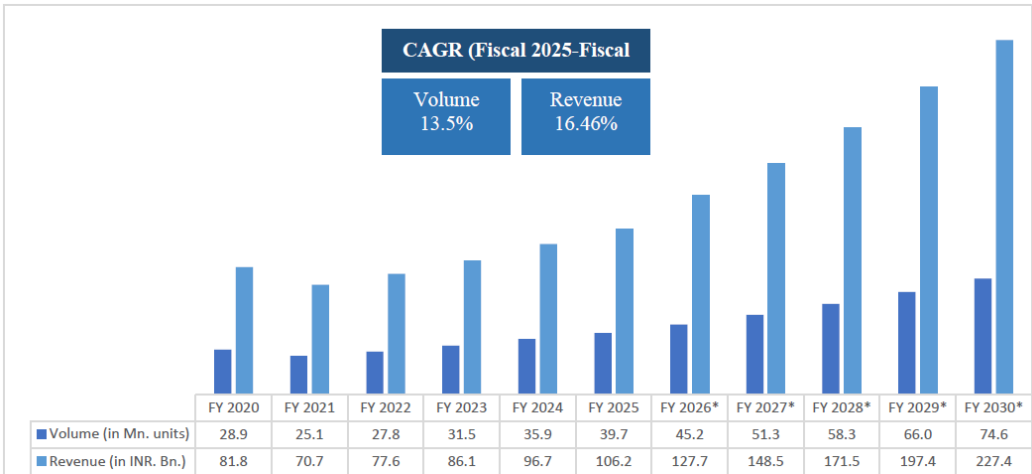
➤ CCTV adoption in India

India has experienced several security incidents in the past some of which includes the 2001 Indian Parliament attack, the 2008 Mumbai attacks, 2010 Pune bombing at a German bakery, 2016 Pathankot attack, 2016 Uri attack, and 2019 Pulwama attack. Given the security concerns that the country has experienced, the Indian government has prioritized increasing security measures, one of which is through CCTV surveillance. Video surveillance in urban areas has improved the security posture thereby reducing security threats to a certain extent. The Indian government has also been using CCTV across all its Smart Cities to enhance public safety, optimize urban management, and integrate with advanced technologies. In airports, cameras are being used in initiatives like Digi Yatra which uses facial recognition technology during airport check-ins. Enterprises and retailers also use CCTV for security as well as for enabling use-cases of video analytics. Hyderabad, Indore, Bengaluru, Delhi, Chennai, and Pune are the most surveilled cities in India as per the 2025 Comparitech data. Hyderabad is estimated to have approximately 9,00,000 CCTV cameras in the city for a population of 1,13,37,900 in 2025. This translates to approximately 79.38 cameras per 1,000 people. Indore has an estimated 72.21 cameras per 1,000 people as compared to 40.66 for Bengaluru and 9.04 for Delhi. However, given the seriousness around security and the benefits that video surveillance offers, it is most likely that several of the Tier I and Tier II Indian cities would be covered under the purview of CCTV cameras.

➤ Market size and forecast by revenue and volume

India, as one of the prominent economies in South Asia, has experienced a significant rise in the adoption of video surveillance systems. With a growing emphasis on enhanced security, crime prevention, and response mechanisms, individuals, organizations, and authorities have started to leverage video surveillance as a key tool to ensure personal and public safety. Increasing incidents of terrorism and rising crime figures have created the need for advanced security measures, leading to an uptick in the deployment of surveillance technology across the country. In India's current security systems landscape, video surveillance has become indispensable. The market has witnessed a shift from traditional analog cameras to IP/network-based cameras, driven by technological advancements. Currently, most of the video installations are noticed in west, south and north India, however the eastern part of India, while still developing, presents high potential for growth in the video surveillance market. Several key drivers fuel the growth of the CCTV camera market in India. Growing concerns about security and crime rates, increasing urbanization, the need for monitoring public spaces, and the growing number of use-cases for video analytics beyond security (eg. people counting, occupancy management, energy management, parking management, etc.) have been instrumental in prompting the recognition of the significance of CCTV cameras. Frost & Sullivan estimates that the video surveillance market in India is experiencing a surge, with a market value estimated at ₹. 106.2 billion during Fiscal 2025. This growth is expected to continue at a CAGR of 16.46% annually until Fiscal 2030, with the market size estimated to reach ₹. 227.4 billion by then. The number of video surveillance units sold is also positioned for significant growth, with an estimated volume of 39.7 million units in Fiscal 2025 and expected to reach 74.6 million units by Fiscal 2030. This growth can be credited to various factors. An increasing emphasis on security for individuals and businesses, coupled with government endeavors such as the promotion of enhanced security infrastructure in smart city initiatives, are likely contributing to this trend. Advances in video surveillance technology, including high-definition cameras and analytics software, would make the systems more attractive.

Video surveillance market Size (in ₹. Billion) and volume (in Million units), India, Fiscal 2020-Fiscal 2030



➤ Comparison with listed entity

There are no listed companies in India that engage in a business similar to that of the Company.

Key Risk:

- The company’s financial performance is primarily dependent on the revenue from sale of closed-circuit television (“CCTV”) cameras, network video recorders (“NVRs”), digital video recorders (“DVRs”) and pan-tilt-zoom (“PTZ”) cameras which collectively contributed to 77.47% of their revenue from operations in Fiscal 2025. Variations in demand and changes in consumer preference towards CCTV cameras, NVRs, DVRs, PTZs cameras and other surveillance equipment could have an adverse effect on their business, results of operations, cash flows and financial condition.
- They depend on the limited number of suppliers for parts, materials and products. Any interruption in the availability of parts, materials and products could adversely affect their business, results of operations, cash flows and financial condition.
- The company import a portion of their parts and materials primarily from China. Any restrictions on imports or fluctuation in global commodity prices that affect their parts and materials could adversely affect their business, results of operations, cash flows and financial condition.
- The company’s manufacturing facility is in Andhra Pradesh, which exposes their operations to potential risks arising from local and regional factors such as adverse social and political events, weather conditions and natural disasters.
- A significant portion of the company’s revenue from operations is generated from sales of products supplied by Dahua which contributed 24.7% of their revenue from operations in Fiscal 2025. Any disruption in the supply of products for sale by Dahua on commercially viable terms, or demand thereof, may adversely affect their business, results of operations, cash flows and financial condition. Further, their distribution agreements with Dahua have certain restrictive covenants and can be terminated without cause, which could negatively impact their business, results of operation and financial condition.
- The company rely primarily on their synergies with AIL Dixon Technologies India Private Limited and Dixon Technologies (India) Limited, for the manufacture of their products. Any disruption in the company’s relations may adversely affect their business, results of operations, cash flow and financial condition.
- The company may be restricted from offering their products in certain geographical regions pursuant to arrangement with CP Plus FZE, UAE, which may adversely affect their business, results of operations, financial condition and cash flows.
- They are subject to strict quality requirements, and the sale of their products is dependent on their quality controls and standards. Any failure to comply with quality standards may adversely affect their business, results of operations, cash flows and financial condition.
- Any disruption or shutdown of their warehouse facilities, or failure to achieve optimal capacity utilization at such facilities could adversely affect their business, results of operations and financial condition.
- Their branch offices, service centers and experience centers are located on leased premises. They cannot assure that the lease deeds governing their premises will be renewed upon termination or that they will be able to obtain other premises on same or similar commercial terms.

Valuation & Outlook:

Aditya Infotech Ltd, also operating as Aditya Group Infotech, is the parent company behind CP PLUS, a leading brand in India’s electronic security and surveillance space. They offer the most extensive portfolio in the surveillance sector, supported by in-house R&D, with over 3,000 factory personnel, 1,000+ employees, 54 offices, 30,000+ partners, and 44 service centres nationwide.

They are India’s leading provider of video security and surveillance products, solutions, and services by revenue, with a market share of 20.8% in Fiscal 2025. Their ‘CP PLUS’ and ‘Dahua’ brands rank among India’s top CCTV and security product names, offering a wide range of solutions from smart IoT cameras to thermal and explosion-proof systems. The company is focusing on leveraging India’s evolving cybersecurity regulations to reinforce its market leadership while expanding its product portfolio and upgrading existing offerings with next-generation, advanced technologies.

At the upper price band, the company is valued at a FY25 P/E of 22.5x, with a post-issue market capitalization of ₹79,118.9 million. The company holds a dominant position in the segment with minimal competition and has consistently reported growth in both revenue and profitability over the stated periods. Given these strengths, the IPO appears fully priced, and a **“SUBSCRIBE – LONG TERM”** recommendation is advised.

DISCLAIMER:**❑ Analyst Certification**

The views expressed in this Research Report accurately reflect the personal views of the analyst(s) about the subject securities or issuers and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst(s) in this report. The research analysts are bound by stringent internal regulations and also legal and statutory requirements of the Securities and Exchange Board of India (hereinafter "SEBI") and the analysts' compensation are completely delinked from all the other companies and/or entities of Anand Rath, and have no bearing whatsoever on any recommendation that they have given in the Research Report.

Anand Rath Ratings Definitions

Analysts' ratings and the corresponding expected returns take into account our definitions of Large Caps, Mid-Caps & Small Caps as described in the Ratings Table below:

	Buy	Hold	Sell
Large Caps (Top 100 companies)	>15%	0%-15%	Below 0%
Mid-Caps (101st-250th company)	>20%	0%-20%	Below 0%
Small Caps (251st company onwards)	>25%	0%-25%	Below 0%

Research Disclaimer and Disclosure inter-alia as required under Securities and Exchange Board of India (Research Analysts) Regulations, 2014

Anand Rath Share and Stock Brokers Ltd. (hereinafter refer as ARSSBL) (Research Entity, SEBI Regn No. INH000000834, Date of Regn. 29/06/2015) is a subsidiary of the Anand Rath Financial Services Ltd. ARSSBL is a corporate trading and clearing member of Bombay Stock Exchange Ltd (BSE), National Stock Exchange of India Ltd. (NSEIL), Metropolitan Stock Exchange of India Ltd. (MSE), and also depository participant with National Securities Depository Ltd (NSDL) and Central Depository Services Ltd. (CDSL), ARSSBL is engaged into the business of Stock Broking, Depository Participant, Mutual Fund distributor.

The research analysts, strategists, or research associates principally responsible for the preparation of Anand Rath research have received compensation based upon various factors, including quality of research, investor client feedback, stock picking, competitive factors and firm revenues.

General Disclaimer: - his Research Report (hereinafter called "Report") is meant solely for use by the recipient and is not for circulation. This Report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. The recommendations, if any, made herein are expression of views and/or opinions and should not be deemed or construed to be neither advice for the purpose of purchase or sale of any security, derivatives or any other security through ARSSBL nor any solicitation or offering of any investment /trading opportunity on behalf of the issuer(s) of the respective security (ies) referred to herein. These information / opinions / views are not meant to serve as a professional investment guide for the readers. No action is solicited based upon the information provided herein.

Recipients of this Report should rely on information/data arising out of their own investigations. Readers are advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by ARSSBL to be reliable. ARSSBL or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views.

While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of ARSSBL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information / opinions / views contained in this Report. The price and value of the investments referred to in this Report and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance. ARSSBL does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding taxation aspects of any potential investment.

Opinions expressed are our current opinions as of the date appearing on this Research only. We do not undertake to advise you as to any change of our views expressed in this Report. Research Report may differ between ARSSBL's RAs and/ or ARSSBL's associate companies on account of differences in research methodology, personal judgment and difference in time horizons for which recommendations are made. User should keep this risk in mind and not hold ARSSBL, its employees and associates responsible for any losses, damages of any type whatsoever.

ARSSBL and its associates or employees may; (a) from time to time, have long or short positions in, and buy or sell the investments in/ security of company (ies) mentioned herein or (b) be engaged in any other transaction involving such investments/ securities of company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) these and other activities of ARSSBL and its associates or employees may not be construed as potential conflict of interest with respect to any recommendation and related information and opinions. Without limiting any of the foregoing, in no event shall ARSSBL and its associates or employees or any third party involved in, or related to computing or compiling the information have any liability for any damages of any kind.

Details of Associates of ARSSBL and Brief History of Disciplinary action by regulatory authorities & its associates are available on our website i.e. www.rathionline.com

Disclaimers in respect of jurisdiction: This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject ARSSBL to any registration or licensing requirement within such jurisdiction(s). No action has been or will be taken by ARSSBL in any jurisdiction (other than India), where any action for such purpose(s) is required. Accordingly, this Report shall not be possessed, circulated and/or distributed in any such country or jurisdiction unless such action is in compliance with all applicable laws and regulations of such country or jurisdiction. ARSSBL requires such recipient to inform himself about and to observe any restrictions at his own expense, without any liability to ARSSBL. Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in India.

- ☐ **Statements on ownership and material conflicts of interest, compensation - ARSSBL and Associates**
- ☐ **Answers to the Best of the knowledge and belief of ARSSBL/ its Associates/ Research Analyst who is preparing this report**

Sr. No.	Statement	Answers to the Best of the knowledge and belief of the ARSSBL/ its Associates/ Research Analyst who is preparing this report
1	Research analyst or research entity or his associate or his relative has any financial interest in the subject company and the nature of such financial interest.	NO
2	ARSSBL/its Associates/ Research Analyst/ his Relative have actual/beneficial ownership of one per cent or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report?	NO
3	ARSSBL/its Associates/ Research Analyst/ his Relative have actual/beneficial ownership of one per cent or more securities of the subject company	NO
4	ARSSBL/its Associates/ Research Analyst/ his Relative have any other material conflict of interest at the time of publication of the research report?	NO
5	ARSSBL/its Associates/ Research Analyst/ his Relative have received any compensation from the subject company in the past twelve months	NO
6	ARSSBL/its Associates/ Research Analyst/ his Relative have managed or co-managed public offering of securities for the subject company in the past twelve months	NO
7	ARSSBL/its Associates/ Research Analyst/ his Relative have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	NO
8	ARSSBL/its Associates/ Research Analyst/ his Relative have 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
9	ARSSBL/its Associates/ Research Analyst/ his Relative have received any compensation or other benefits from the subject company or third party in connection with the research report	NO
10	ARSSBL/its Associates/ Research Analyst/ his Relative have served as an officer, director or employee of the subject company.	NO
11	ARSSBL/its Associates/ Research Analyst/ his Relative has been engaged in market making activity for the subject company.	No

NOTICE TO US INVESTORS:

This research report is the product of Anand Rathi Share and Stock Brokers Limited, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated person(s) of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances, and trading securities held by a research analyst account.

Research reports are intended for distribution only to Major U.S. Institutional Investors as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act of 1934 (the Exchange Act) and interpretations thereof by the U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this research report is not a Major U.S. Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated, and/or transmitted onward to any U.S. person which is not a Major U.S. Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major U.S. Institutional Investors, Anand Rathi Share and Stock Brokers Limited has entered into a Strategic Partnership and chaperoning agreement with a U.S. registered broker-dealer: Banc Trust Securities USA.

Transactions in securities discussed in this research report should be affected through Banc Trust Securities USA.

1. ARSSBL or its Affiliates may or may not have been beneficial owners of the securities mentioned in this report.
2. ARSSBL or its affiliates may have or not managed or co-managed a public offering of the securities mentioned in the report in the past 12 months.
3. ARSSBL or its affiliates may have or not received compensation for investment banking services from the issuer of these securities in the past 12 months and do not expect to receive compensation for investment banking services from the issuer of these securities within the next three months.
4. However, one or more of ARSSBL or its Affiliates may, from time to time, have a long or short position in any of the securities mentioned herein and may buy or sell those securities or options thereon, either on their own account or on behalf of their clients.
5. As of the publication of this report, ARSSBL does not make a market in the subject securities.
6. ARSSBL or its Affiliates may or may not, to the extent permitted by law, act upon or use the above material or the conclusions stated above, or the research or analysis on which they are based before the material is published to recipients and from time to time, provide investment banking, investment management or other services for or solicit to seek to obtain investment banking, or other securities business from, any entity referred to in this report.

© 2025. This report is strictly confidential and is being furnished to you solely for your information. All material presented in this report, unless specifically indicated otherwise, is under copyright to ARSSBL. None of the material, its content, or any copy of such material or content, may be altered in any way, transmitted, copied or reproduced (in whole or in part) or redistributed in any form to any other party, without the prior express written permission of ARSSBL. All trademarks, service marks and logos used in this report are trademarks or service marks or registered trademarks or service marks of ARSSBL or its affiliates, unless specifically mentioned otherwise.

As of the publication of this report, ARSSBL does not make a market in the subject securities.

Registration granted by SEBI, Enlistment as RA and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Additional information on recommended securities/instruments is available on request.

Compliance officer-Deepak Kedia, email id - deepakkedia@rathi.com, Contact no. +91 22 6281 7000.

Grievance officer-Madhu Jain-email id- grievance@rathi.com, Contact no. +91 22 6281 7191

ARSSBL registered address: Express Zone, A Wing, 10th Floor, Western Express Highway, Diagonally Opposite Oberoi Mall, Malad (E), Mumbai – 400097.

Tel No: +91 22 6281 7000 | Fax No: +91 22 4001 3770 | CIN: U67120MH1991PLC064106.