

## IPO NOTE

### Issue Details

**Price Band:** ₹ 640 to ₹ 675  
**Employee Discount:** ₹ 60/Share  
**Issue Opens on:** July 29, 2025  
**Issue Closes on:** July 31, 2025  
**Lot Size:** 22 Shares & in Multiples thereafter

### Issue Highlights

**Issue Size:** ₹ 1,300 Cr.  
**Face Value:** ₹ 1

### Offer Structure

Issuance	₹ in Cr.
Fresh Issue	500.00
Offer for Sale	800.00
<b>Total</b>	<b>1,300.00</b>

### Issue Breakup

Reservation for	% of Issue	₹ in Cr. (at upper band)
QIB	75	970.50
HNI	15	194.10
RETAIL	10	129.40
Employee	-	6.00
<b>TOTAL</b>	<b>100</b>	<b>1,300.00</b>

### Listing

**BSE & NSE**

### Lead Managers

- ICICI Securities Limited  
 - IIFL Capital Services Limited

### Registrar

**MUFG Intime India Private Limited**

### Contact Details

#### Analyst

**Swapneel Mantri**

[swapneel.mantri@sushilfinance.com](mailto:swapneel.mantri@sushilfinance.com)  
 022-40936034

#### Sales

**Manan Divan**

[manan.divan@sushilfinance.com](mailto:manan.divan@sushilfinance.com)  
 022-40936091/+91 9819819979

## COMPANY OVERVIEW

Aditya Infotech offers a comprehensive range of advanced video security and surveillance products, technologies and solutions for enterprise and consumer segments under 'CP PLUS' brand which has strong recall value. In addition, they offer solutions and services such as fully integrated security systems and Security-as-a-Service directly and through their distribution network who address the requirements of end-customers engaged in a broad range of sectors such as banking, insurance, real estate, healthcare, industrial, defence, education, hospitality, manufacturing, retail and law enforcement.

The business is primarily classified as: (i) manufacturing and trading activities; and (ii) trading activities. The product portfolio, including products that they source from third parties, deploy wide variety of security technologies such as artificial intelligence ("AI") and machine learning ("ML") to deliver Edge-based AI analytics, all developed inhouse.

In Fiscal 2025, they offered 2,986 stock keeping units and sold products in over 550 cities and towns in India. The company currently operates 10 strategically located warehouses spread across the country. To expand the breadth of the offerings, they have a joint service arrangement with Dahua Technology ("Dahua") and in 2017 they entered into a joint venture agreement with Dixon Technologies (India) Limited ("Dixon").

### HIGHLIGHTS

1. Largest Indian player in the growing Indian security and video surveillance market focusing on commercial and consumers segments with strong brand recall
2. Pan-India sales, distribution and service network catering to a diversified customer base
3. Comprehensive portfolio of electronic security and surveillance products, solutions and services, providing end to end security solutions across verticals
4. Advanced manufacturing and research and development capabilities with focus on quality
5. Entrenched relationships augmenting technology competencies and sourcing capabilities

### OBJECTS OF THE ISSUE

1. Prepayment and/or repayment of all or a portion of certain outstanding borrowings availed by the Company (₹ 375 Cr.)
  2. General corporate purposes
- Offer for Sale of equity shares aggregating up to ₹ 800 Cr. The company will not receive any proceeds from the Offer for sale.

### OUR VIEW

Incorporated in 1995, Aditya Infotech started as a technology distribution company. They have the widest pan-India reach within the video surveillance market ecosystem. They have established leadership position in the security and surveillance solutions market in India and horizontally integrated business model.

The company's various streams of the business are synergized to cater to different needs of customers across an array of sectors. The brand tagline "Uparwala Sab Dekh Raha Hai" has helped CP PLUS achieve high consumer recall. In the electronics industry, particularly in the video surveillance segment, India has witnessed a significant emphasis on domestic manufacturing as part of the 'Make in India' initiative. This can help company gain more market share.

However, risks to consider are intense competition, change in demand for surveillance equipment, dependence on a limited number of suppliers, economic and political regulations for imports, concentrated revenue, reliance on Dixon Technologies, quality maintenance, and financial risks merit cautious consideration.

On the financial front, the company has shown consistent financial growth in recent years, with revenue from operations, EBITDA and PAT having grown at a CAGR of 16.71%, 19.47% and 80.11%, respectively, from FY23 to FY25. The company operated on an EBITDA margin of 8.27%, ROE of 34.53% and ROCE stands at 33.27% at FY25. It's Debt to Equity ratio is 0.41x.

The issue is priced at a P/BV of 7.06 based on its NAV of Rs. 95.64 as at FY25, and is asking price is at P/E of 21x.

Aditya Infotech's business model is designed to scale with India's evolving surveillance needs. The IPO valuation looks attractive with healthy margins, low debt, growth potential in India's growing electronics and first mover post listing. Looking at all the factors, risks, opportunities and valuation, investors can subscribe for long term horizon.

### Brief Financials

PARTICULARS	₹ in Million		
	FY '25	FY '24	FY '23
Total Income	31,229.26	27,959.60	22,955.56
Total Expenditure	29,374.74	26,061.05	21,560.74
EBITDA	2,583.87	2,364.77	1,810.45
Profit before Tax	4,340.82	1,646.19	1,431.82
Profit after Tax	3,513.69	1,151.72	1,083.11
E.P.S. (Diluted)	33.02	11.24	10.57
P/E (x) (Diluted)	21	-	-
RONW (%)	34.53	27.15	34.76

### PRICE CHART (@ ₹ 675) (Retail Category)

LOT SIZE	Amount
22	14,850
44	29,700
66	44,550
88	59,400
110	74,250
132	89,100
154	103,950
176	118,800
198	133,650
220	148,500
242	163,350
264	178,200
286	193,050

### HNI Payment Chart

Category	No. of Shares	Minimum Bid Lot Amount (Rs.)
Small HNI	308	207,900
Big HNI	1,496	1,009,800

### Indicative Time Table

Tentative Events	Indicative Dates
Finalisation of Basis of Allotment with the Designated Stock Exchange	1/8/2025
Initiation of refunds/unblocking ASBA Fund	4/8/2025
Credit of Equity Shares to demat accounts of Allottees	4/8/2025
Commencement of trading of the Equity Shares on the Stock Exchanges	5/8/2025

For more details, Please refer RHP,  
[https://nsearchives.nseindia.com/content/ipo/RHP\\_CPPLUS.zip](https://nsearchives.nseindia.com/content/ipo/RHP_CPPLUS.zip)

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