Aditya Infotech Limited

April 07, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term / Short Term Bank Facilities	-	-	Reaffirmed at CARE BBB+; Stable / CARE A2 and withdrawn
Long Term Bank Facilities	-	-	Reaffirmed at CARE BBB+; Stable and withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE has reaffirmed and withdrawn the outstanding ratings of 'CARE BBB+; Stable/CARE A2' [Triple B Plus; Outlook: Stable/ A Two] assigned to the bank facilities of Aditya Infotech Ltd with immediate effect. The above action has been taken at the request of the company and 'No Objection Certificate' received from the banks that have extended the facilities rated by CARE.

The reaffirmation of ratings assigned to the bank facilities of Aditya Infotech Limited (AIL) continues to reflect the company's strong market presence under its well-established brand name, CP Plus, in the surveillance equipment distribution sector. AIL benefits from an extensive distribution network across India, long-standing partnerships with reputed suppliers, a diverse customer base, and experienced promoters. Additionally, the ratings factor in the company's sustained operational growth, driven by consistent demand for surveillance equipment.

Further, the ratings remain constrained by moderate financial risk profile, working capital intensive nature of operations industry competition leading to modest operating margins, supplier concentration risk, and exposure to foreign exchange fluctuations.

Analytical approach: Consolidated approach; The analytical approach takes into account the acquisition of AIL Dixon Technologies Private Limited (erstwhile 50:50 Joint venture between AIL & Dixon Technologies Private Limited) on September 10, 2024. The details of subsidiaries consolidated are given in Annexure-6.

Outlook: Stable

CARE Ratings believes that the entity shall be able to sustain its growth in scale of operations over the medium to long-term considering the increasing demand of surveillance equipment.

Detailed description of key rating drivers:

Key strengths

Established brand in the surveillance equipment distribution business

AIL enjoys strong market position in India within electronic security segment (video surveillance), with majority of turnover being contributed by its indigenous brand, 'CP Plus', which is a leading flagship security and surveillance brand. The company is also engaged in distribution of products of Dahua Technology (under brand name 'Dahua') which is one of the leading global players in 'advanced video surveillance solutions' with operations in over 180 countries. AIL has a long-standing relationship of 14 years with Dahua Technology for which it acts as the exclusive distributor in India. The product profile is though concentrated towards cameras and Digital Video Recorders (DVRs), which contributed ~82% to revenue in FY24 and ~67% in 9MFY25 but with its strong brand recall AIL is expected to maintain its significant market share in India in the surveillance equipment industry. The company has been making efforts to add product portfolio comprising surveillance software, video door phone, time & attendance recording device, digital door lock, etc. but the camera and DVR remain the key products.

Country-wide distribution network in India

The company has a deep penetration in India with more than 500 channel partners spread across 500+ towns in India and a network of local service and support at 52 locations, pan India. The distributors are spread across various states including Maharashtra, UP, Delhi, Punjab, Haryana, West Bengal, Chhattisgarh, Orissa, Gujarat, Rajasthan, Kerala, Tamil Nadu, Karnataka, etc.

Long standing relation with supplier

AIL has a long-standing relation with principal supplier Dahua Technology Limited for which it acts as the exclusive distributor in India. AIL had also entered 50:50 Joint venture (JV) with Dixon Technologies (India) Limited in May'17 for captive manufacturing of security systems including CCTVs & DVRs under 'CP Plus's brand name. The JV, named AIL Dixon Technologies Private Limited, commenced manufacturing CCTVs and DVRs in Jan'18. AIL essentially purchases the products manufactured by JV and then sells them to its customers. The company imports ~40%-50% of its products from Dahua and rest is imported from other vendors in

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Singapore. During the current fiscal year, the company acquired balance 50 percent balance in AIL Dixon Technologies Private Limited to expand its manufacturing capacities and to gain better control over production. The acquisition was completed on September 10, 2024, through a share swap transaction, granting Dixon Technologies Private Limited 6.65% stake in AIL. The company aims to establish a comprehensive CP Plus campus, which is the second-largest facility outside China and potentially the largest in India.

Experienced management
AIL's promoters have been engaged in the business of computer software, IT hardware, and security products such as surveillance cameras and scanners for around 26 years, which has led to deep understanding of industry dynamics and technical know-how. The day-to-day business functions at AIL are spearheaded by Mr. Aditya Khemka, Managing Director, who has over twenty years of experience in the Indian Security and Surveillance industry. Mr. Aditya Khemka possesses technical competence and IT educational background. He is ably assisted by a qualified and professional management team with vast experience in the industry.

Steady growth in scale of operations
During FY25 (referring to the period from April 01, 2024, to March 31, 2025), the company at a consolidated level reported y-o-y growth in the total operating income by ~12%, which stood at Rs.3,112.17 crore (PY: Rs. 2,783.33 crore). This growth is driven by volume expansion, capacity build-out, market leadership gains, and underlying industry growth, reinforced by shifting toward IP products with higher price points. The operating margin of the company stood almost stagnant at 7.96% in FY25 (PY: 8.04%) owing to input cost inflation and compliance cost increases which offset scale benefits.
9MFY26 (refers to the period from April 01, 2025 to December 31, 2025): During 9MFY26, the company reported further growth in scale by ~31% which stood at Rs.2,798.78 crore (PY: Rs.2,134.44 crore). This growth came mainly from expanding its manufacturing capacity. The Kadapa plant operated at full capacity after adding another 6 million units, and the company also started building a new plant that can produce 30 million housing/enclosure units. The PBILDT margin improved by 406 bps and stood at 11.05% in 9MFY26 (PY: 7%). The same was on account of change in product mix, higher localization and backward integration and economies of scale.

Key weaknesses

Moderate financial risk profile
The total debt of the company stood at Rs.594.51 crore as on March 31, 2025, which primarily comprised of term loan of Rs.39.41 crore, liability on account of finance lease of Rs.44.47 crore and working capital loan of Rs.510.64 crore. The overall gearing ratio stood almost stagnant at 1.30x as on March 31, 2025 (PY: 1.30x). The same stood elevated above 1x over the past 3 fiscals owing to significant utilization of working capital limits. The debt coverage indicators also stood slightly moderate with interest coverage (PBILDT/Interest) of 6.05x (PY: 7.34x) and total debt to GCA of 4.44x (PY: 4.22x) owing to higher interest expenses owing to elevated utilization levels.

Competition in electronic surveillance products industry
Electronic surveillance equipment industry in India is competitive with top 3 brands, viz., CP Plus, Dahua, and Hikvision commanding ~70-75% market share while other brands like Zicom, Panasonic, Bosch, etc. make the remaining 25%. The lack of differentiation in the product offerings made the vendors adopt competitive pricing strategies. Hence, to tackle the competitiveness of the market, AIL has historically invested in building the brand CP Plus and its wide distribution network.

Working Capital Intensive nature of operations
The company's distribution business is highly working-capital-intensive. The company allows 2.5 – 3-month credit period to its customers due to competitive nature of the industry and avails a 120-days credit period from Dahua. Due to the same, the company has high dependence on working capital borrowing. However, the bargaining power of AIL vis-vis Dahua stems from the strategic importance it holds for the latter as its exclusive distributor and procurer of its components.

Foreign exchange fluctuation risk
Though AIL's sales are almost entirely domestic, it's subsidiary imports 85% of its requirement for CCTV cameras and other materials in unassembled form from China, thus, exposing it to forex risk indirectly. However, the company enters hedging contracts, largely covering currency fluctuation risks. Additionally, AIL follows the policy of considering extra buffer in the 'product costing' to hedge any risk of unanticipated adverse movement in forex rates. While the risk remains, the overall high dependence of the industry on Chinese supplies and the fact that there have been no major supply disruptions provide comfort. The company reported gain of Rs.0.30 crore in FY25 (PY: loss of Rs.0.91 crore) due to foreign currency fluctuation.

Liquidity: Adequate
The liquidity of the company is adequate, reflected by expected gross cash accruals of more than Rs.200 crore in FY26 as against the scheduled term loan repayment of Rs.16.34 crore. The average month-end utilization of limits for the trailing 12- months stood moderately low at 43%. The company had cash and bank balance to the tune of Rs.135.94 crore as on March 31, 2025.

Applicable criteria

[Definition of Default](#)
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Withdrawal Policy
Short Term Instruments
Consolidated

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Consumer Durables	Consumer Durables	Consumer Electronics

Aditya Infotech Limited (AIL), incorporated in 1995, is engaged in providing technology-enabled security and safety solutions with specialization in electronic video surveillance. AIL's indigenous brand, "CP Plus" is one of the leading brands in video security in India with a healthy market share. Its offerings include intelligent video surveillance, analog HD camera, home security, access control & access management solutions, and other accessories. The company is spearheaded by Mr. Aditya Khemka, promotor and MD who holds 55.66 % stake in the company, along with his father, Mr Hari Shankar Khemka (17.96%) and his brother Mr Rishi Khemka (13.40%). With 40 plus offices, 10 plus service centres, and 970+ employees, the company has 800+ partners across 500 + towns of India. AIL had entered JV with Dixon Technologies (India) Limited in May'17 for manufacturing of security systems including CCTVs & DVRs under 'CP Plus' brand name. The JV, named as AIL Dixon Technologies Private Limited, commenced manufacturing of CCTVs and DVRs in Jan'18. AIL essentially purchases the products manufactured by the JV and then sells it to its customers. However, in September 2024, it acquired entire stake in the JV through a share swap transaction, granting Dixon Technologies Private Limited a 6.65% stake in AIL. Further, AIL has a long-standing relation with principal supplier Dahua Technology Limited for which it acts as the super distributor for India.

Brief Financials (₹ crore) (Consolidated)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total operating income	2,783.27	3,066.27	2798.78
PBILDT*	223.83	238.22	309.38
Profit after tax (PAT)	144.60	135.30	264.81
Adjusted PAT	-	@102.74	-
Overall gearing (x)	1.27	0.76	-
Interest coverage (x)	7.34	5.85	NA

A: Audited UA: Unaudited; Note: these are latest available financial results; NA: Not Applicable
*PBILDT: Profit before interest, lease rentals, depreciation and tax
@ Adjusted on account of extraordinary income of Rs.248.63 crore.

Status of non-cooperation with previous CRA: Not Applicable
Any other information: Not Applicable
Rating history for last three years: Annexure-2
Detailed explanation of covenants of rated instrument / facility: Annexure-3
Complexity level of instruments rated: Annexure-4
Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	-	0.00	Withdrawn
Fund-based - LT-Working Capital Demand loan		-	-	-	0.00	Withdrawn
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG		-	-	-	0.00	Withdrawn
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG		-	-	-	0.00	Withdrawn
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG		-	-	-	0.00	Withdrawn
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG		-	-	-	0.00	Withdrawn

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History				
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST	-	-	1) CARE BBB+; Stable / CARE A2 (07-Apr-26)	1) CARE BBB+; Stable / CARE A2 (04-Jun-25) 2) CARE BBB+; Stable / CARE A2 (09-Apr-25)	1)CARE A-; Stable / CARE A2+ (01-Apr-24)	1)CARE A-; Stable / CARE A2+ (05-Apr-23)	-
2	Fund-based - LT-Working Capital Demand loan	LT	-	-	1) CARE BBB+; Stable (07-Apr-26)	1)CARE BBB+; Stable (04-Jun-25)	1)CARE A-; Stable (01-Apr-24)	1)CARE A-; Stable (05-Apr-23)	-

						2)CARE BBB+; Stable (09-Apr-25)			
3	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST	-	-	1) CARE BBB+; Stable / CARE A2 (07-Apr-26)	1)CARE BBB+; Stable / CARE A2 (04-Jun-25) 2)CARE BBB+; Stable / CARE A2 (09-Apr-25)	1)CARE A-; Stable / CARE A2+ (01-Apr-24)	1)CARE A-; Stable / CARE A2+ (05-Apr-23)	-
4	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST	-	-	1) CARE BBB+; Stable / CARE A2 (07-Apr-26)	1)CARE BBB+; Stable / CARE A2 (04-Jun-25) 2)CARE BBB+; Stable / CARE A2 (09-Apr-25)	1)CARE A-; Stable / CARE A2+ (01-Apr-24)	1)CARE A-; Stable / CARE A2+ (05-Apr-23)	-
5	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST	-	-	1) CARE BBB+; Stable / CARE A2 (07-Apr-26)	1)CARE BBB+; Stable / CARE A2 (04-Jun-25) 2)CARE BBB+; Stable / CARE A2 (09-Apr-25)	1)CARE A-; Stable / CARE A2+ (01-Apr-24)	1)CARE A-; Stable / CARE A2+ (05-Apr-23)	-
6	Fund-based - LT-Term Loan	LT	-	-	1) CARE BBB+; Stable (07-Apr-26)	-	1)Withdrawn (01-Apr-24)	1)CARE A-; Stable (05-Apr-23)	-
7	Fund-based - LT-Term Loan	LT	-	-	1) CARE BBB+; Stable (07-Apr-26)	1)CARE BBB+; Stable (04-Jun-25) 2)CARE BBB+; Stable (09-Apr-25)	1)CARE A-; Stable (01-Apr-24)	1)CARE A-; Stable (05-Apr-23)	-

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT-Working Capital Demand loan	Simple
3	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	AIL Dixon Technologies Private Limited	Full	Wholly-owned subsidiary

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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About us:

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