

Aditya Infotech

BSE SENSEX
73,034

S&P CNX
22,722



CP PLUS

Bloomberg	CPPLUS IN
Equity Shares (m)	118
M.Cap.(INRb)/(USDb)	536.7 / 5.6
52-Week Range (INR)	4444 / 1301
1, 6, 12 Rel. Per (%)	17/129/231
12M Avg Val (INR M)	815
Free float (%)	28.2

Financials & Valuations (INR b)

INR b	FY26	FY27E	FY28E
Sales	66.4	87.6	108.8
EBITDA	10.0	14.1	18.1
Adj. PAT	6.9	9.9	12.7
EPS (INR)	58.2	83.9	107.7
Growth (%)	86.3	44.2	28.4
BV/Sh (INR)	217.4	301.3	409.0

Ratios

Net D:E	-0.0	-0.1	-0.3
RoE (%)	30.9	32.3	30.3
RoCE (%)	29.8	31.5	29.7
Payout (%)	0.0	0.0	0.0

Valuations

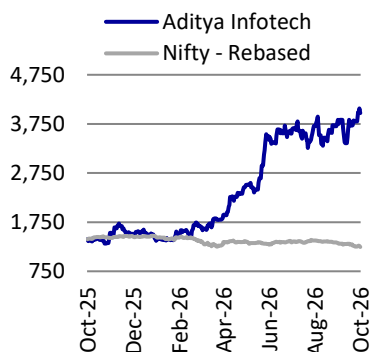
P/E (x)	74.7	51.8	40.4
EV/EBITDA (x)	51.4	36.0	27.7
FCF Yield (%)	-0.1	0.8	1.4

Shareholding pattern (%)

As On	Jun-26	Mar-26
Promoter	74.7	74.7
DII	13.6	14.8
FII	6.4	5.7
Others	5.3	4.8

FII includes depository receipts

Stock Performance (1-year)



CMP: INR4,377

TP: INR5,390 (+23%)

Buy

Scale, R&D and supply chain: Lead widening, runway extending

Aditya Infotech (AIL) holds ~43.3% market share in India's structurally underpenetrated surveillance market. The ongoing supply chain challenges have further crippled the competition, which has placed CP PLUS in a strong position to gain further share. Incrementally, AIL is strategically expanding its current TAM by adding new adjacent products and exploring expansion in overseas markets. Consequently, the company should continue to deliver a robust performance in the coming years.

- Supply-chain resilience is becoming a competitive advantage for AIL. Supply of critical components (SoCs, image sensors and memory) remains tight. CP PLUS has an edge here due to a diversified base of non-Chinese SoCs and sensor suppliers (Qualcomm, Ambarella, Augentix, Innofusion, Realtek SOC, Sony and others), ~10-15x the scale of domestic peers, with a balance sheet that can carry inventory (unlike peers).
- The company is working on several new growth levers beyond the core business. Recently, the company mentioned about the new product categories (machine vision, industrial AMRs (Autonomous Mobile Robots), smart home security, i.e., smart locks, video doorbells, door phones) and drone cameras, which are under various stages of development. These products can add over ~USD1b of addressable market today, growing at mid-to-high teens. AIL is also actively looking at expanding into international markets, which will open up a huge growth potential for the company and enable it to sustain the high growth trajectory.
- Tech advancement is further strengthening AIL's market positioning. The company is shifting from being a hardware assembler to a technology-led solution platform. AIL has R&D centers in Noida, Ahmedabad and Taiwan, and is now expanding in Bengaluru, developing new-age & AI-enabled products. Partnerships with Qualcomm and L&T Semiconductor add AI, embedded-software and silicon capability. AIL is way ahead of its peers in domestic markets and is now competing with global leaders in terms of quality and product efficiency.
- AIL's competitive moat is therefore increasingly led by the ecosystem, combining product breadth, manufacturing scale, distribution reach and technology capabilities to create a full-spectrum surveillance platform rather than a single-product security business.
- We estimate revenue/EBITDA/PAT CAGR of 37%/47%/50% over FY26-29. We reiterate our BUY rating on the stock with a TP of INR4,850.

Component dependence is the industry's key constraint; supply-chain strength is becoming CP PLUS's edge

- Imported components remain the industry's biggest structural weakness. SoCs, image sensors, memory and networking chips are largely imported, with sourcing shifting from China to Taiwan, South Korea, the US and Singapore. **SoCs account for ~25-35% of camera BOM, creating supply, forex and technology-dependence risks.**
- Robust demand from AI/data centers has created a global shortage for memory, resulting in a surge in pricing. The spike in prices of DRAM (Dynamic Random-Access Memory)/NAND Flash Memory can create margin pressure, especially in the price-sensitive mass market. Incrementally, suppliers are seeking long-term order visibility, which further deepens headwinds for smaller manufacturers.
- CP PLUS is relatively better positioned as AIL has diversified non-Chinese sourcing across SoC vendors (Ambarella, Qualcomm, Novatek, Realtek, Augentix, Innofusion) and sensor suppliers (Sony, SmartSens, SOI). At 10-15x the scale of peers, AIL enjoys greater purchasing power, inventory capacity and working-capital flexibility, strengthening its ability to navigate supply disruptions. Incrementally, AIL is moving toward reducing import dependency and is tied up with L&T Semiconductor for local chip sourcing, which will further strengthen AIL's positioning.

Structural growth and a widening addressable market support stable growth

- India's surveillance market remains underpenetrated, driven by urbanization, infrastructure spending, IP migration, AI adoption and replacement demand. Higher STQC barriers favor scaled players. CP PLUS holds ~43.3%+ share and is positioned for further gains amid limited peer capacity additions.
- The industry is moving toward IP (Internet Protocol), AI, VMS (Video Management System), storage and integrated solutions, and with CPPLUS's product offerings (IPs constituting 73% of company's product-mix), AIL is well positioned to benefit from this structural shift in industry.
- CP PLUS is also expanding into adjacent security and smart-device categories (machine vision, industrial AMRs, smart home security, i.e., smart locks, video doorbells, door phones) and drone cameras, leveraging its existing brand, distribution, integrator network and imaging/AI capabilities. These new categories will expand the company's TAM substantially (est. from current ~USD2b to USD3-3.5b+).
- Incrementally, AIL focuses on expanding its presence beyond the domestic market. With improving product quality, a strengthening brand image and robust manufacturing capabilities, the company is well positioned to tap export opportunities. **A successful scale-up in international markets could emerge as an additional growth lever, diversifying its revenue base and expanding its addressable market.**

Moving up the value chain: From surveillance hardware to a technology-led platform

- **R&D and not just capacity** is becoming AIL's strategic focus. Investments are shifting toward AI analytics, edge computing, embedded software and silicon. The company has established R&D centers in Noida, Ahmedabad, Taiwan, and one new center coming up in Bengaluru.
- The Taiwan R&D center focuses on SoC architecture, firmware, video analytics and compression, leveraging Taiwan's semiconductor ecosystem. Via Taiwan, the company has launched CP PLUS Pro series, targeting high-end government and enterprise customers and competing with global brands such as Axis and Bosch.
- Strategic partnerships have accelerated the AI-led transition for AIL. Its tie-up with Qualcomm supports AI-enabled video security solutions, which are currently under trials. In this partnership, AIL brings market scale, and partners bring specialized technology, accelerating localization and the shift toward integrated surveillance solutions. Consequently, tech advancement and high-end offerings have further strengthened AIL's competitive edge.

Unmatched breadth across products, price points and end-user segments

- From cameras to complete security ecosystems, CP PLUS is uniquely positioned to address the **widest spectrum of products, price points and end-user segments through a scale-led pan-India distribution and manufacturing platform.**
- Unlike players positioned predominantly around premium enterprise solutions or specific institutional segments, CP PLUS can address multiple price points and deployment sizes—from residential/SME surveillance to large government, infrastructure and enterprise projects.
- Accordingly, AIL can significantly broaden its addressable market and reduce dependence on any single customer segment or geography.

Valuation and view

- Alongside calibrated capacity additions to support incremental growth, AIL continues to step up investments in **R&D and technological capabilities**, with a focus on developing next-generation, AI-enabled surveillance products to address evolving industry requirements. Further, AIL's scale and established supply-chain ecosystem provide a meaningful competitive advantage, particularly amid persistent availability challenges for critical components, which continue to constrain the operating performance and growth capabilities of smaller peers. This, in our view, should further strengthen AIL's competitive positioning within the industry.
- We estimate AIL to deliver a revenue CAGR of 37% over FY26-29E, and with multiple margin levers, its EBITDA margin is likely to expand to 16.6% by FY29E from 13.4% in FY26. Owing to this, we expect EBITDA/PAT to grow 47%/51% over FY26-29.
- We value the company at a P/E of 50x on FY29E EPS to arrive at a TP of INR5,390. Reiterate our BUY rating.

Component dependence is the industry's key constraint; supply chain strength is becoming CP PLUS's edge

Components sourcing a key constraint for industry:

- Imported components remain the key structural constraint, with SoCs, image sensors, memory and networking chips largely sourced overseas. SoC sourcing is diversifying toward Taiwan, South Korea, the US and Singapore. **SoCs alone account for ~25-35% of camera BOM, making chip availability and pricing critical.**
- SoCs and image sensors are difficult to substitute, as changes can require firmware, PCB, image-tuning and product revalidation. Availing security certification further limits flexibility of manufacturers.
- Inflation in memory prices remains a margin risk as sharp DRAM/NAND price increases can impact margins, particularly in the price-sensitive mass-market CCTV segment, where cost pass-through is difficult.

Scale and balance-sheet strength create a structural moat, placing AIL distinctly ahead of smaller peers

- AIL has diversified its sourcing, which strengthens its resilience against inflationary pressure. AIL has multiple non-Chinese SoC suppliers, i.e., Ambarella, Qualcomm, Augentix, Innofusion, Novatek and Realtek—and sensor partners, including SmartSens, Sony and Sol. Its L&T Semiconductor partnership could further support localization and semiconductor capabilities over the medium term.
- AIL's tie-up with L&T Semiconductor Technologies (LTSC) involves co-developing an India-designed Vision SoC specifically for CCTV/IP cameras. SoC will power CP PLUS cameras, with AIL providing surveillance-domain expertise, product requirements and validation support. CP PLUS plans to manufacture ~9m IP cameras over three years using the LTSC chip. Strategically, this can reduce dependence on imported SoCs, improve supply-chain resilience and enable greater customization of AI-enabled cameras and video analytics. Overall, the partnership marks a shift from camera assembly toward deeper technology and semiconductor integration.
- Scale at which AIL operates provides an advantage to the company. AIL's larger revenue base enables higher procurement volumes, greater inventory capacity and stronger working-capital flexibility, helping them to navigate supply disruptions, which is inverse for peers.
- Procurement requirements favor larger players, as in some cases, memory suppliers are increasingly seeking up to ~52 weeks of order visibility, with pricing sometimes fixed close to dispatch. This can disproportionately pressure smaller players with lower volumes and limited balance-sheet capacity, whereas manufacturers like **AIL have been navigating efficiently through this, further enabling them to strengthen their dominant share in the industry.**

Exhibit 1: Key components and suppliers globally

Component	Function	Criticality	% of BoM (est.)	Key sources	Sourcing risk
SoC (ISP + video encoder + AI/NPU)	Brain of the camera: image processing, H.265 compression, analytics, firmware/security	Very high	20–25%	Ambarella (US), Novatek, Realtek, Augentix (Taiwan), Innofusion (Singapore), Qualcomm	STQC bars Chinese SoCs; few approved vendors; fab capacity tilted to AI
CMOS image sensor	Converts light to signal; sets resolution and low-light performance	Very high	10–14%	Sony (Japan), SmartSens, SOI	Concentrated; some China exposure
Memory (DDR DRAM + NOR/NAND flash)	Frame buffer, firmware and OS storage	High	8–12% (rising to ~15%+)	Samsung, SK Hynix, Micron, Taiwanese DRAM makers	Legacy DDR3/DDR4 being phased out; 2026 price spike
Lens & optics (lens, IR-cut filter)	Field of view, focus, day/night switching	Med–high	8–10%	China/Taiwan optical clusters; CP PLUS lens assembly at Kadapa	Lead times; quality consistency
PCB/PCBA & passives (MLCC, resistors, connectors)	Board, power regulation, signal integrity	Medium	15–20%	Taiwan, China	Commodity, but MLCC cycles and freight
Network PHY / PoE / power module	Ethernet connectivity, power over cable	Medium	5–7%	Realtek, Taiwan/US analog vendors	Moderate
IR LEDs / illumination	Night vision, color-at-night	Low–med	3–5%	Taiwan, China, India	Low
Housing & mechanicals	Weather-proofing (IP66/67), heat dissipation	Low	8–10%	Localized: in-house housing plant	Low; localization under way
Cables, adaptors, packaging	Installation accessories	Low	3–5%	Localized: Orient Cables JV	Low

Source: MOFSL, Company

Exhibit 2: Application of components in a CCTV



Source: MOFSL, Company

Robust industry growth and expanding TAM provide multiple avenues for stable growth

- India's surveillance market remains underpenetrated and demand is growing rapidly with rising security needs, urbanization, infrastructure spending, analogue-to-IP migration, AI adoption and replacement demand. Growth is shifting toward IP cameras, AI analytics, VMS, storage and integrated solutions, expanding the opportunity beyond conventional CCTV.
- STQC (Standardization Testing and Quality Certification) requirements have raised entry barriers, favouring scaled and compliant players. With 43.3%+ market share, continued manufacturing, localisation and R&D investments, **CP PLUS is positioned to capture incremental demand amid limited capacity additions by peers.**
- IP migration and premiumization are increasing the value per installation. With ~73% IP mix and high-end products from its Taiwan R&D program, CP PLUS can drive growth through volume, pricing and premiumisation, supported by demonstrated cost pass-through.
- **AIL also focuses on international expansion**, which will offer a new growth avenue. Over the years, AIL has developed advanced products, which will now compete with global leading peers. Moreover, with upcoming capacity additions and growing brand image, AIL is well positioned to foray into export markets. This will enable the company to maintain robust growth trajectory.
- **Adjacent security and smart-device categories provide additional optionality**, leveraging CP PLUS's existing brand, distribution, system-integrator network and imaging/AI capabilities without requiring an entirely new ecosystem. AIL has recently mentioned about few product categories, which are under various stages of development. This category expansion will further expand AIL's TAM to ~USD3-3.5b. Following are the new product categories:
 1. **Machine vision: One of the largest industrial opportunity**-> India's market is already sizeable at USD626–748m (INR5,000–6,500cr) in 2025 (IMARC, MarketsandMarkets, Grand View Research). About 68% of the market (~68%) is hardware, which suits a company that manufactures cameras. The core capabilities overlap directly: image sensors, optics, embedded systems and AI analytics.
 2. **Industrial AMRs (autonomous mobile robots):** The opportunity may seem small today, but it is growing rapidly. The market is estimated at USD153m (2025) → USD542m by 2034, ~15% CAGR (IMARC). MarketsandMarkets sees ~17.6% CAGR through 2031. Vision is a core part of how AMRs perceive their surroundings and navigate. CP PLUS does not need to build the whole robot. Supplying camera/vision modules and AI perception systems is a lower-risk way into warehouses, factories and logistics.
 3. **Smart home security: the most natural extension of the core business.** Smart locks: USD65m (2025) → USD334m by 2034, ~27% CAGR (CMI). Grand View Research's estimate is similar (~USD57m, ~27% CAGR). Video doorbells: USD65m → USD218m by 2034, ~14% CAGR (IMARC). Video door phones: ~USD120m (~INR1,000cr) → USD250m by 2033, ~8.5% CAGR. The key point is the bundle, not any single market size. Cameras, doorbells, door phones, smart locks, access control and AI analytics can be sold as one

integrated home-security platform. That raises revenue per customer and makes customers more likely to stay.

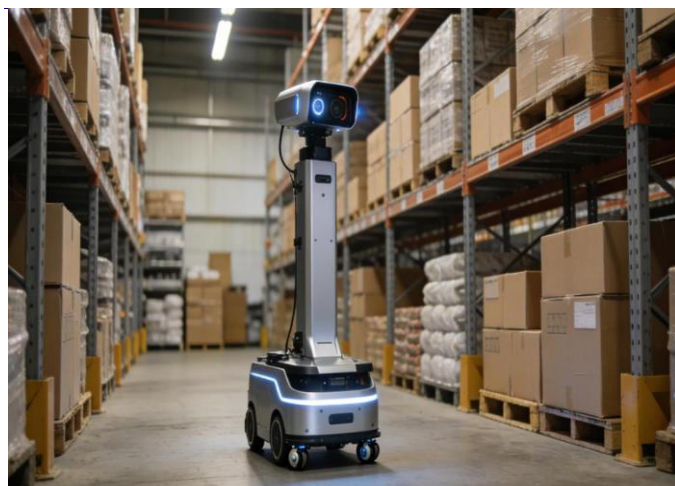
4. **Drone cameras:** Though this is at an early stage, The addressable market depends on the application, the type of drone and how much of the camera value chain CP PLUS captures. **It is attractive over time because drones are being adopted across defense, surveillance, industrial inspection, agriculture and logistics.** CP PLUS's existing strengths carry over directly: imaging, camera modules, embedded systems and AI video analytics.

Exhibit 3: Machine Vision



Source: Company, MOFSL

Exhibit 4: Industrial AMRs



Source: Company, MOFSL

Exhibit 5: Door Bell camera



Source: Company, MOFSL

Exhibit 6: Drone camera



Source: Company, MOFSL

CP PLUS is not merely adding manufacturing capacity; it is building an R&D and technology ecosystem aimed at moving up the surveillance value chain.

- Technology and R&D are becoming a bigger strategic focus than capacity expansion. CP PLUS is investing in AI, edge computing, embedded software and video intelligence to move beyond conventional camera hardware.
- R&D footprint is expanding as AIL has strategically established R&D centers in Noida, Ahmedabad and Taiwan, with one more is planned in Bengaluru. Taiwan provides access to the semiconductor ecosystem and focuses on SoC architecture, firmware, AIoT, edge computing and hardware-software

integration. From this R&D center, the company launched the CP PLUS Pro series, which will target high-end government and enterprise applications.

- CP PLUS has introduced Trusted Core Technology (CTC), a security framework built into its surveillance products. CTC covers: cybersecurity, data security, network security, application security, operational security and the security of critical components. It is meant to protect devices, video data and communication channels from changing cyber threats, which the company sees as key to building reliable and trusted surveillance infrastructure. With CTC, **CP PLUS aims to take surveillance beyond simply monitoring and toward assured security, with protection built into every system from the design stage.**
- Strategically, rising R&D intensity could be more important than capacity expansion alone. Investments in AI, software, analytics and high-end engineering can help CP PLUS evolve from a hardware-led player into an integrated, technology-driven surveillance solutions platform.

Exhibit 7: Application of components in a CCTV



Source: MOFSL, Company

Unmatched breadth across products, price points and end-user segments

- From cameras to complete security ecosystems, CP PLUS is uniquely positioned to address the widest spectrum of products, price points and end-user segments through a scale-led pan-India distribution and manufacturing platform.
- AIL's key competitive differentiation lies in the breadth and scale of its operating platform rather than in any single product category. CP PLUS has built one of the industry's broadest surveillance portfolios spanning cameras, recording systems, thermal and mobile surveillance, access control, AI/video analytics and integrated security solutions, while addressing consumer, SME, enterprise, industrial and government applications.
- **This portfolio breadth is complemented by a pan-India ecosystem of 30,000+ channel partners, 1,800+ system integrators and 54 branch/RMA centers,** enabling AIL to address both high-volume mass-market deployments and large institutional projects.
- While peers have established capabilities in selected product categories, AIL's differentiation is the simultaneous combination of product breadth, price-point coverage, domestic manufacturing scale, distribution reach and customer-segment penetration.

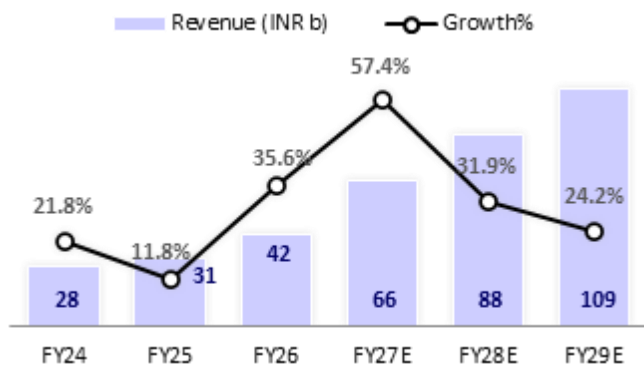
Exhibit 8: Market positioning of key players

Parameter	Aditya Infotech	Sparsh	Prama	Prizor
Market positioning	Broad-based Indian surveillance platform	Indian surveillance player	Indigenous manufacturing-focused surveillance player	Smaller Indian security/technology player
Customer segments	Consumer + SME + enterprise + industrial + government	Majorly Govt	Limited post STQC implementation	Consumer/SME + selected enterprise
Geographical reach	Pan-India	More limited relative to AIL	Pan-India but smaller channel footprint	Smaller scale
Manufacturing in India	Yes (largest)	Yes	Yes	Yes
Camera portfolio	Very broad: IP + analogue + PTZ + thermal + mobile + body-worn etc.	Primarily surveillance	Broad surveillance	IP/4G/selected surveillance
Recording	DVR + NVR + storage	Yes	DVR + NVR	DVR/NVR
Access control	Yes	Limited/less broad	Yes	Limited
VMS / analytics	Yes + AI analytics + command & control	More limited	Yes	AI/VMS
Thermal / specialized surveillance	Yes	More limited	Yes	More limited
Mass-market distribution	Core strength	Smaller	Moderate	Smaller
Government projects	Strong	Strong in selected projects	Strong	Selective
Enterprise presence	Strong	More selective	Strong	Selective

Source: MOFSL

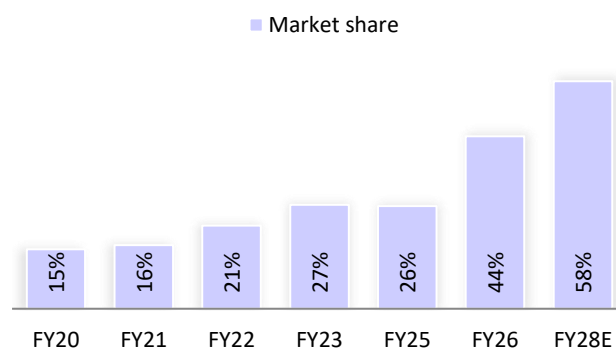
Story in charts

Exhibit 9: Expect strong revenue growth



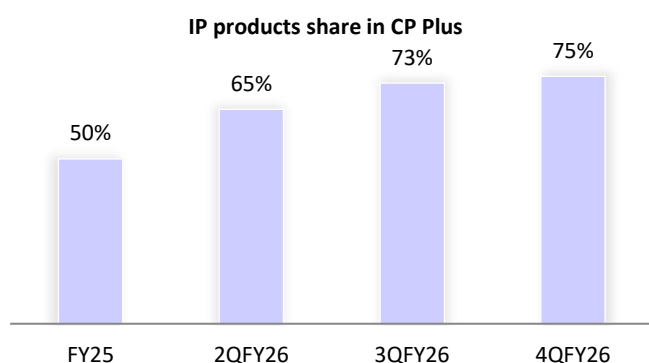
Source: Company, MOFSL

Exhibit 10: Market share expected to expand



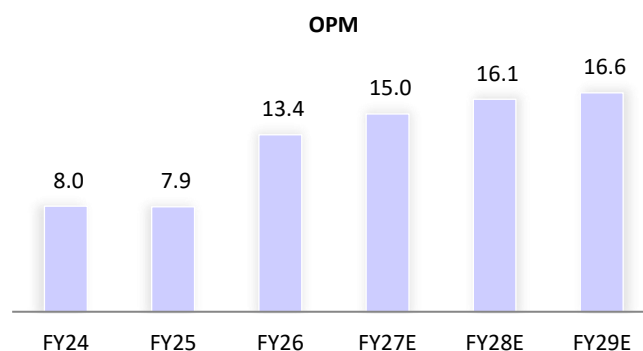
Source: Company, MOFSL

Exhibit 11: Share of high-value products improving



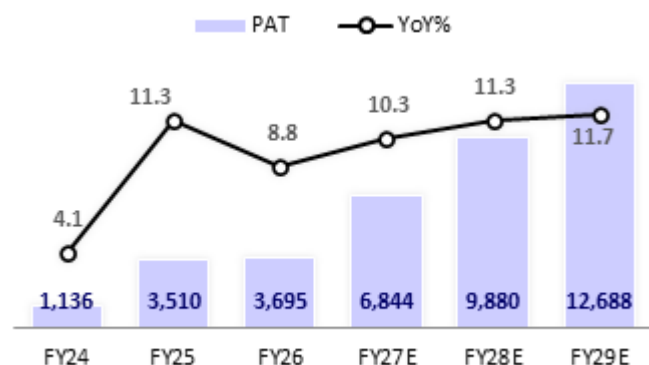
Source: Company, MOFSL

Exhibit 12: OPM set to improve



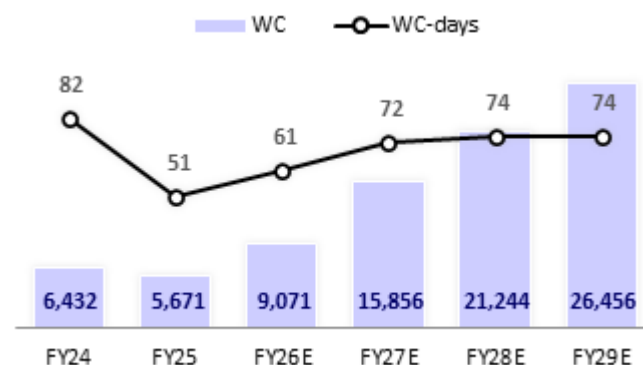
Source: Company, MOFSL

Exhibit 13: Stellar growth in profitability



Source: Company, MOFSL

Exhibit 14: Working capital movement



Source: Company, MOFSL

Financials and Valuation

Consolidated - Income Statement

(InRM)

Y/E March	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
Total Income from Operations	22,845	27,824	31,119	42,208	66,425	87,586	1,08,787
Change (%)	38.8	21.8	11.8	35.6	57.4	31.9	24.2
RM Cost	18,991	22,719	24,424	30,069	46,498	61,311	75,607
Employees Cost	1,032	1,339	2,033	3,429	5,314	6,569	8,159
Other Expenses	1,217	1,537	2,188	3,049	4,650	5,606	6,962
Total Expenditure	21,240	25,595	28,645	36,547	56,461	73,485	90,728
% of Sales	93.0	92.0	92.1	86.6	85.0	83.9	83.4
EBITDA	1,605	2,229	2,473	5,661	9,964	14,101	18,059
Margin (%)	7.0	8.0	7.9	13.4	15.0	16.1	16.6
Depreciation	89	157	311	560	853	1,097	1,389
EBIT	1,517	2,072	2,162	5,101	9,111	13,005	16,669
Int. and Finance Charges	232	309	418	302	136	124	113
Other Income	110	135	111	128	202	350	435
PBT bef. EO Exp.	1,395	1,899	1,855	4,927	9,178	13,231	16,991
EO Items	-59	-252	2,486	0	0	0	0
PBT after EO Exp.	1,336	1,646	4,341	4,927	9,178	13,231	16,991
Total Tax	349	494	827	1,248	2,324	3,351	4,303
Tax Rate (%)	26.1	30.0	19.1	25.3	25.3	25.3	25.3
Minority Interest	95	0	0	0	0	0	0
Reported PAT	1,082	1,152	3,514	3,680	6,854	9,880	12,688
Adjusted PAT	1,126	1,328	1,501	3,680	6,854	9,880	12,688
Change (%)	-93.2	18.0	13.0	145.1	86.3	44.2	28.4
Margin (%)	4.9	4.8	4.8	8.7	10.3	11.3	11.7

Consolidated - Balance Sheet

(INR m)

Y/E March	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
Equity Share Capital	21	21	110	118	118	118	118
Eq. Share Warrants & App. Money	0	0	0	0	0	0	0
Total Reserves	3,095	4,222	10,067	18,651	25,493	35,371	48,058
Net Worth	3,116	4,242	10,177	18,769	25,610	35,489	48,176
Minority Interest	0	0	0	0	0	0	0
Total Loans	4,096	4,055	4,128	1,129	1,129	1,129	1,129
Deferred Tax Liabilities	0	0	0	0	0	0	0
Capital Employed	7,212	8,297	14,305	19,898	26,740	36,618	49,305
Gross Block	333	289	1,735	2,875	4,875	6,375	7,875
Less: Accum. Deprn.	68	74	417	977	1,829	2,926	4,316
Net Fixed Assets	264	215	1,318	1,898	3,046	3,449	3,559
Capital WIP	2	2	167	710	710	710	710
Total Investments	304	10	9	11	11	11	11
Curr. Assets, Loans&Adv.	16,149	15,738	24,289	31,127	46,675	65,664	87,497
Inventory	5,111	5,092	8,705	11,037	17,322	23,177	28,581
Account Receivables	6,150	7,343	10,393	14,044	22,101	29,142	36,196
Cash and Bank Balance	3,715	706	1,819	1,996	1,339	5,807	13,552
Loans and Advances	1,175	2,597	3,372	4,050	5,912	7,538	9,168
Curr. Liability & Prov.	9,876	8,145	17,440	20,012	29,865	39,380	48,636
Account Payables	9,090	6,002	13,427	16,010	23,567	31,075	38,321
Other Current Liabilities	648	1,969	3,794	3,664	5,767	7,604	9,444
Provisions	137	174	219	338	532	701	871
Net Current Assets	6,274	7,593	6,849	11,115	16,809	26,284	38,861
Appl. of Funds	7,212	8,297	14,305	19,898	26,740	36,618	49,305

Financials and Valuation

Ratios

Y/E March	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
Basic (INR)							
EPS	9.6	11.3	12.7	31.2	58.2	83.9	107.7
Cash EPS	59.2	72.5	16.5	36.0	65.4	93.2	119.5
BV/Share	152.0	206.9	92.7	159.3	217.4	301.3	409.0
Valuation (x)							
P/E	454.9	385.5	341.1	139.2	74.7	51.8	40.4
Cash P/E	73.4	60.0	263.4	120.8	66.4	46.6	36.4
P/BV	28.6	21.0	46.9	27.3	20.0	14.4	10.6
EV/Sales	3.9	3.3	15.4	12.1	7.7	5.8	4.6
EV/EBITDA	55.7	41.5	193.9	90.3	51.4	36.0	27.7
FCF per share	23.8	-91.1	0.1	-10.4	-6.1	36.0	63.0
Return Ratios (%)							
RoE	72.2	36.1	20.8	25.4	30.9	32.3	30.3
RoCE	33.3	19.9	16.3	22.8	29.8	31.5	29.7
RoIC	70.2	26.9	17.6	25.8	32.5	35.5	38.2
Working Capital Ratios							
Asset Turnover (x)	3.2	3.4	2.2	2.1	2.5	2.4	2.2
Inventory (Days)	98	82	130	134	136	138	138
Debtor (Days)	98	96	122	121	121	121	121
Creditor (Days)	175	96	201	194	185	185	185
Leverage Ratio (x)							
Current Ratio	1.6	1.9	1.4	1.6	1.6	1.7	1.8
Net Debt/Equity	0.0	0.8	0.2	0.0	0.0	-0.1	-0.3

Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
OP/(Loss) before Tax	1,432	1,646	4,341	4,927	9,168	13,231	16,991
Depreciation	89	157	311	560	853	1,097	1,389
Interest & Finance Charges	201	279	377	237	-67	-226	-322
Direct Taxes Paid	-422	-510	-510	-1,138	-2,324	-3,351	-4,303
(Inc)/Dec in WC	-610	-3,574	-1,886	-4,771	-6,351	-5,008	-4,832
CF from Operations	689	-2,001	2,633	-184	1,279	5,743	8,924
Others	-132	197	-2,360	319	0	0	0
CF from Operating incl EO	558	-1,804	272	135	1,279	5,743	8,924
(Inc)/Dec in FA	-70	-64	-262	-1,363	-2,000	-1,500	-1,500
Free Cash Flow	487	-1,868	10	-1,228	-721	4,243	7,424
(Pur)/Sale of Investments	0	0	0	0	0	0	0
Others	-1,149	1,229	250	-42	202	350	435
CF from Investments	-1,219	1,165	-12	-1,406	-1,798	-1,150	-1,065
Issue of Shares	0	0	0		0	0	0
Inc/(Dec) in Debt	2,188	-50	11	-2,988	0	0	0
Interest Paid	-201	-279	-377	-226	-136	-124	-113
Others	-57	-103	355	4,958	0	0	0
CF from Fin. Activity	1,891	-443	-190	1,564	-137	-126	-115
Inc/Dec of Cash	1,230	-1,082	71	293	-657	4,468	7,745
Opening Balance	1,046	1,476	1,289	1,359	1,996	1,339	5,807
Closing Balance	2,276	395	1,359	1,653	1,339	5,807	13,552

Investment in securities market is subject to market risks. Read all the related documents carefully before investing

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	$\geq 15\%$
SELL	$< -10\%$
NEUTRAL	$-10\% \text{ to } 15\%$
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>. As per Regulatory requirements, Research Audit Report is uploaded on www.motilaloswal.com > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement. The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

- Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies). MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
Nature of Financial interest is holding equity shares or derivatives of the subject company
- Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
MOFSL has 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 Research Report: No
- Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
- Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
- Research Analyst has not served as an officer, director or employee of subject company(ies).
- MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
- MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
- MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
- MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
- MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, it does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential 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 MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

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. This report and information herein is solely for informational purpose and may 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. 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. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed 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, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

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

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN : 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dp grievances@motilaloswal.com.