



# ADITYA INFOTECH LTD.

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**June 03, 2026**

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza  
Plot no. C/1, G Block  
Bandra Kurla Complex, Bandra (E)  
Mumbai 400 051

**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001

Symbol: CPPLUS  
ISIN: INE819V01029

Scrip Code: 544466  
ISIN: INE819V01029

Dear Sir / Madam,

**Sub.: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Transcript of earnings call conducted on May 28, 2026.**

In furtherance to our disclosure dated May 28, 2026, pursuant to provisions of Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended, we are enclosing herewith the transcript of the earnings conference call on audited financial results (standalone & consolidated) of the Company for the quarter and financial year ended March 31, 2026, conducted on **Thursday, May 28, 2026**.

This disclosure will also be hosted on the Company's website viz. <https://www.adityagroup.com/>

Kindly take the same on record.

For and on behalf of **Aditya Infotech Limited**

**Roshni Tandon**  
Company Secretary & Compliance Officer  
Membership Number: A21150

**Encl: as above**



“Aditya Infotech Limited  
Q4 & FY26 Conference Call”  
May 28, 2026

*“E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded at the website of the Company on 28th May 2026 will prevail.”*



**MANAGEMENT:** **MR. ADITYA KHEMKA – MANAGING DIRECTOR**  
**MR. ANUP NAIR – DIRECTOR – STRATEGY & OPERATIONS**  
**MR. YOGESH SHARMA – CHIEF FINANCIAL OFFICER**  
**MS. DIPIKA DUBEY – HEAD INVESTOR RELATIONS**

**MODERATOR:** **MR. ANIRUDDHA JOSHI – ICICI SECURITIES**

**Moderator:** Ladies and gentlemen, good day and welcome to the Aditya Infotech Q4 FY26 Conference Call, hosted by ICICI Securities. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Aniruddha Joshi from ICICI Securities. Thank you and over to you, sir.

**Aniruddha Joshi:** Yes, thanks, Elerick. ICICI Securities is pleased to invite you all to Q4 FY26 and Full Year FY26 results conference call of Aditya Infotech Limited. We have with us today senior management represented by Mr. Aditya Khemka, Managing Director; Mr. Anup Nair, President - Strategy and Business Development; Mr. Yogesh Sharma, Chief Financial Officer; and Ms. Dipika Dubey, Head of Investor Relations. I congratulate the management for posting stellar set of numbers and solid increase in guidance amid such steep volatility in the business environment and markets.

Now I hand over the call to Adityaji for his initial comments on the quarterly and annual performance. Thanks, and over to you, sir.

**Aditya Khemka:** Thank you, everyone and good afternoon to all. Thank you for joining us today for our Q4 and full year FY 2026 earnings call. Financial year 2026 has been a defining year for Aditya Infotech and the Indian video surveillance industry, marked by regulatory transformation, market consolidation, accelerated localization, and the emergence of AI-led surveillance ecosystems.

Amidst these industry shifts, we strengthened our market leadership, expanded our manufacturing footprint, enhanced our technology capabilities, and laid a strong foundation for the next phase of long-term growth. At the outset of this journey, we held approximately 30% market share in the Indian video surveillance market, with almost 25% in our own brand CP PLUS.

At the time of our IPO, we projected that our own brand market share could expand to nearly 36% post-STQC implementation, assuming a meaningful consolidation of the Chinese players' market share among the Indian manufacturers.

The industry transition unfolded more favourably than anticipated. Our preparedness, robust localization strategy, manufacturing scale, and one of the industry's largest STQC-certified product portfolios enabled us to significantly exceed expectations. As of Q3 FY 2026, our market share reached approximately 45.4%, establishing us as the clear market leader in India's organized surveillance industry.

The global semiconductor and memory industry continues to face significant disruption due to ongoing supply-demand imbalances, geopolitical uncertainties, and manufacturing constraints. Critical components such as SoC, DDR, flash, and sensors remain under severe supply pressure, resulting in extended lead times and rising procurement challenges across industries. Furthermore, the US dollar continues to remain at historically high levels, increasing the landed cost of imported part of electronic components and the raw materials.

The ongoing geopolitical tensions and conflict in the Middle East have also led to a sharp rise in global insurance premiums and freight costs, adding further pressure to the overall supply chain and operating environment. To mitigate these risks, we have proactively adopted a multi-SoC product strategy, along with a diversified multi-supply chain procurement strategy to strengthen flexibility, reduce dependency risk, and ensure business continuity.

We are also focusing on forward procurement and long-term planning to secure component availability well in advance and minimize future disruptions. Nevertheless, given the sustained pressure on the global electronics ecosystem, the price escalation remains inevitable.

Industry trends indicate that costs are likely to continue rising until 2027. Despite these challenges, we remain committed to managing the impact responsibly by implementing price increase in a phased and gradual manner, ensuring long-term sustainability while continuing to support our customers and partners effectively.

Let me now take you through our FY 2026 strategic alliances and partnerships that are key to securing our supply chain and integrating advanced technologies into our products.

We have strategically partnered with Qualcomm Technologies to develop AI-enabled insight-driven video security solutions for industrial, enterprise, and public safety applications.

This partnership represents a significant transition from traditional hardware-led surveillance towards AI-powered analytics and intelligent edge computing ecosystems. The platform is currently in advanced trial and testing phases, and we expect commercial rollout in a phased manner going forward.

We have partnered also with L&T Semiconductor Technologies to focus on the supply of 9 million next-generation CCTV IP cameras over the next three years, powered with LTSCT's indigenously designed vision system-on-chip technology. This represents a major step towards building India's indigenous semiconductor and intelligent surveillance ecosystem. As part of our backward integration strategy, we entered into a joint venture agreement with Orient Cables for LAN and CCTV cable manufacturing.

We plan to set up a manufacturing facility in Rajasthan which will span approximately 1 lakh square feet, with commercial operations expected to commence between Quarter 2 and

Quarter 3 FY 2027.

The SoC partnerships: We have built strong partnerships with six leading non-Chinese SoC companies, including Ambarella, Qualcomm, Augentix , Innofusion, Novatek, and Realtek. The diversified strategy has strengthened our supply chain, reduced dependency risks, and improved our ability to deliver products consistently despite the global semiconductor challenges. Strong alignment with the top three sensor players, namely SmartSens, Sony, and SOI, has also ensured technology and supply continuity.

Our R&D capabilities continue to strengthen with our DSIR-certified in-house labs and a rapidly expanding innovation ecosystem. We are making strong progress in AI-powered video analytics, unified platforms, mobile applications, and multi-brand product development under the CP PLUS portfolio.

Alongside strengthening our presence in Noida and Ahmedabad, we are also expanding with an upcoming Bangalore centre and have successfully kick-started our Taiwan office and R&D operations. To support this growth, we are rapidly scaling our R&D teams and bringing in experienced global talent with over 20 years of expertise, further enhancing our technology leadership and innovation capabilities.

On manufacturing side, we have steadily advanced our localization and manufacturing initiatives to strengthen supply chain independence and operational efficiency. Significant progress has been made in localizing coaxial Cat6 camera and recorder cables, while our housing manufacturing capabilities, supported by an in-house plant with 50 machines along with strong partner ecosystems. We also plan to kick-start CCTV lens production very soon in our Kadapa facility.

Our manufacturing capacity has now reached 2.5 million units, marking a significant milestone in our operational growth. While manpower and supply chain challenges continue to evolve, we are actively improving efficiencies and strengthening execution across the ecosystems.

We are targeting 90% to 100% capacity utilization to maximize productivity and meet growing market demand. In line with our expansion strategy, HD analog job work is being planned to be moved to EMS players for further enhancing scalability and operational flexibility, with a proposed capacity of half a million units per month and scalable further subject to future growth requirements. In parallel, we are also evaluating further land acquisition opportunities in the North of India to enable our long-term growth strategy.

In Q4 and full year, the CP PLUS brand continued its strong trajectory, contributing 86% of overall AIL revenue. IP products made up 73% of CP PLUS portfolio, underscoring the sustained shift towards higher value IP solutions.

Let me now briefly walk you through our financial performance for the quarter and the full year FY 2026. On the quarterly side, revenue grew 45.5% year-on-year to INR1,422 crores,

driven by strong demand from our expanding portfolio of CP PLUS CTC technology products across all segments from retail to project and government.

EBITDA increased 162% year-on-year to INR258.3 crores with margins improving by 800 basis points to 18%, primarily due to favourable product mix, product and brand mix, higher localization, and better operational efficiencies.

Adjusted PAT stood at INR169.1 crores, up 207.7% year-on-year, attributed to lowering of finance cost by 38% and better cost efficiencies.

On the full year performance, revenue grew 35.6% year-on-year to INR4,220.8 crores, driven by market share gains across geographies.

EBITDA increased 124.1% to INR579 crores, with margins expanding by 540 basis points to 13.7%.

Adjusted PAT rose to INR368 crores, reflecting 166.1% year-on-year growth, aided by disciplined cost management and a 27.8% reduction in finance cost following debt repayment from IPO proceeds.

On FY 2026 growth and expansion timeline, we continue to make strong progress on our capacity expansion roadmap. The housing plant development is progressing as planned, with Phase-1 expected to become operational by Quarter 2 FY27 and Phase-2 by Quarter 4 FY27.

With the housing plant, we have targeted to achieve a production capacity of 30 million housing and enclosures per year. We are also commissioning a new lens assembly line with an initial capacity of 5 lakh lenses per month, scalable up to 1 million lenses monthly to support future growth.

At Kadapa, we propose to acquire additional land parcel and added another shed of 50,000 square feet of manufacturing space to further strengthening the manufacturing infrastructure. In Noida, we have proposed to secure a 3 lakh square feet facility in Sector 68, expected to be operational by Q4 FY 2027.

Looking ahead to FY28, our vision is to expand overall production capacity to 2x of the existing capacity, achieve complete backward integration across key components and establish a fully functional global R&D presence, including our Taiwan operations, in order to drive innovation and long-term growth.

Our brand building initiatives have strengthened our presence across India through celebrity partnerships, sports sponsorships, and high-visibility campaigns. Consumer engagement strengthened significantly with the launch of new brand campaigns featuring South superstars Vijay Sethupathi and Prithviraj Sukumaran, deepening our audience across South India.

Title sponsorship of Punjab Kings in the Indian Premier League, along with major airport campaigns and our largest ever presence in IFSEC India 2025 and title sponsorship of PACC

2025, has further strengthened our market presence and brand leadership across the country.

Currently, we have 141 Brand Galaxy stores across Pan-India operational. These are exclusive CP PLUS stores dedicated to sell and promote our cameras and security equipment portfolio, operating under a co-funded business model to strengthen market reach and customer engagement.

On the profitability front, given an uncertain geopolitical environment coupled with persistent inflationary pressures, which have resulted in elevated raw material costs, the benefit of company's earlier low-cost inventory has now been exhausted, and replacement inventory is being procured at a higher cost.

While the company is passing on these increased costs to customers, there is an inherent time lag in the transmission of such price revisions. Therefore, profitability growth may not mirror the pace of the revenue growth. Nevertheless, the company remains focused on improving operational efficiencies, maintaining cost discipline, and sustaining its long-term objective of enhancing profitability performance.

We announced a price hike of 6% to 8% in January 2026, and further price rise is expected to keep continuing in this financial year. On the utilization of cash, the company continues to follow a prudent and value-oriented capital allocation approach.

Our key priority is to deploy available funds through capex and selective inorganic growth opportunities that align with our long-term strategic objective and have the potential to be EPS accretive. We are exploring opportunities that can further strengthen our technological expertise, broaden our product offerings, and enhance our positioning in fast-growing markets.

In particular, the company intends to focus on investments that bolster our research and development capabilities, as we believe continuous innovation and product enhancements are essential to sustaining long-term growth, improving differentiations, and reinforcing our competitive advantage in the industry. We have announced a dividend of INR1.6 per equity share on equity shares of face value of INR1 each.

The CCTV market is expected to show robust growth in terms of units in the range of 15% to 16%. We intend to surpass the industry growth rate and aim to grow in the range of 25% to 30% in the coming year. With the continued price rise in the market ASP and the shift in the product mix, the average per unit camera recovery is expected to rise by 20% to 25%.

Looking at the current market and the stability of the CCTV industry post-STQC mandate, we would like to set the tone for the upcoming financial year by upping our initial guidance for FY 2027, on the revenue side to INR6,000 crores to INR6,500 crores, which is almost 50% growth over the last year; EBITDA margin to 14% to 15%; and PAT around 8.5% to 9.5%. We remain confident, optimistic, and committed to building a stronger, more innovative, and future-ready organization.

I would like to thank all our employees, partners, customers, investors, and stakeholders for their continued trust and support throughout this journey. Thank you and we are now open for Q&A.

**Moderator:**

Thank you. We will now begin the question-and-answer session. The first question comes from the line of Ankur Sharma with HDFC Life. Please go ahead.

**Ankur Sharma:**

Yes. Hi, sir, good morning. Congratulations on a great set of numbers. I had a couple of questions. One on the gross margins, you know, for Q4 where we've seen a very sharp almost a 900 basis plus increase in the gross margins to almost 31.8%. So just trying to understand, is this primarily driven by better mix, more share of IP Cameras? Or is there also an element of maybe low-cost inventory there, which also would have helped you expand margins?

And then maybe -- Yes, so was it also an element of low-cost inventory which was utilized and maybe we don't get that benefit as, we start procuring inventory, obviously especially the memory side, at much higher prices? Just trying to understand what led to this big surge in gross margins and where do you really see this kind of settling down? Thanks.

**Anup Nair:**

Hi Ankur. Thanks for the question. This is Anup here.

So, you're right. It's been a combination of stuff. Like you said, we took a price rise in Q4 and we had of course low-cost inventory that was lying with us. And like we had mentioned in our earlier calls also, the projects SKUs, got STQC certified in H2.

So, the more high-end SKUs started coming in the Q3 and Q4. So, it's been a combination of all the factors that you said: low-cost inventory which was there with us, price rise in Q4, as well as the SKU mix that has happened.

The second part of your question in terms of the margin sustainability, I think we already called that out in the call saying that, we have almost exhausted all, our low-cost inventory and there is price increases in our raw material.

But in this year also, starting Q1, there is price rise which is already happening and this is a tapered price rise happening across the months. There might be a time lag in terms of how it is happening, but we thought it's our responsibility as market leaders to ensure that there is no sudden price rise and there is a gradual price rise which is happening into the market and there is acceptability on this.

So, we think the margins are sustainable, but if you see our guidance, we have factored for that, our guidance for the whole year is higher than our last year guidance but slightly lower than the Q4. So, we have factored for that. And we are fairly confident of delivering the same.

**Ankur Sharma:**

And just on the price hike, on the last call you did say about 6% to 8% was taken in January. So how much -- so I'm assuming you need another 25% odd, is that correct? I'm just trying to understand, how much of price hikes have already been taken and how much more,

assuming a status quo right now on the RM and the forex front, how much more ...

**Aditya Khemka:**

So, Ankur, what we have decided is we're doing it on a monthly scale instead of a abrupt price rise. And we've been, securing semiconductors and memories much ahead of competition at a, better cost optimizations.

So, we continue doing that. There are two things we are focusing: supply continuity as well as cost optimization and much ahead of the competition to source the semiconductor from different chipset makers as far as possible.

So, we're doing monthly price rise of few basis points every month. So, this is helping us & the market is not getting a sudden shock and each month in this quarter also and maybe in the coming quarter we will see a price rise happening.

So, people are able to pass it on gradually. And there is no shock given to the customers in a very big way. So, it will be a single-digit price rise every month sort of a thing. Again, it depends on product category-to-product category depending upon the input cost rise.

**Anup Nair:**

And Ankur, we have actually flagged it as an ASP increase, so that will also be contributed by SKU mix further enhancing, as further projects come into and also as the CP PLUS portfolio continues to expand. So, it's not 100% driven by only price rises, it's also been driven by a brand mix and also by the SKU mix within the brand.

**Ankur Sharma:**

Understand, perfect. Okay. And just on the memory side specifically, given the global shortages and a lot of that memory being diverted away to AI data centers, how well-placed are you, in terms of memory, SoC, when you look at say the next 6-9 months?

Or is it because we are the largest player we actually have a competitive advantage over some of the smaller players and we can actually increase our share gains given the smaller guys would typically struggle to get that?

**Aditya Khemka:**

So, see what has happened is memory DDR, there are 6-7 large global manufacturers. I'm talking about outside China. And half of them have stopped making DDR3 because of these major AI demand leading them to shift all their capacities to DDR5 and above. So that is where the gap of memory is coming up.

But any situation where there is a demand-supply imbalance, I have seen and we are seeing in our industry even now that, the big get bigger and the smaller tail is the largely affected one.

And that's what is happening here also. We are actually with the strong purchasing power that we have, the volume we have, and the relationships we have with all these guys, are securing our supplies much ahead of, as I said, competition.

So we are, securing it from multiple supply chains, direct from the fab makers, the fab guys and the chipset guys, their distributors, open market, all kinds of places, so ensuring that we

have enough supplies at the right cost to provide in the market. And I think that will be probably one of our advantage in this year because of the sheer market size and the volume that we have.

**Ankur Sharma:** Perfect. And just one last one if I may, on market share itself. So, you said you're close to 46% market share, which I think is brilliant given where we started off maybe a couple of quarters back.

One, how much more do you think, have a target in mind where you can go? And who are the other sizable players? Just trying to understand, except you who are the other Indian large players? Obviously Chinese share has come down significantly, but something on that, yes.

**Aditya Khemka:** So see, there are about 30 brands across as per the current certified list. A dozen of the global brands are certified, but their share overall is about 10% of the market, which is all the big names of the global brands. And then there are about one and a half dozen domestic brands.

But nobody out of that plays in all the vertical market segments of home, consumer, small-medium businesses, enterprise, government, all the sectors. So, in every sector we have different competition and most of them are probably one tenth of our size at the moment or even lower.

So, they are all evolving, they're all scaling up, but I think it will take their own time to scale up on all fronts of R&D, manufacturing, localization, organization. Supply chain is again now a big deterrent in the current demand-supply situation because of the semiconductor and the memory. So I think, if you ask me a single large number two, I can't peg a one single large number two across the sectors.

**Anup Nair:** And just to add, we are not targeting any specific market share, but like we called out, we plan to outgrow the industry growth rate. So of course, there will be a market share gains.

**Ankur Sharma:** Yes.

**Anup Nair:** But that will happen naturally and we are focused on more building our capacities and ensuring supply, but we are not targeting any specific numbers in terms of market share, but that will happen automatically.

**Ankur Sharma:** Perfect, got it. Great, that's very helpful, and all the best.

**Aditya Khemka:** Thank you.

**Moderator:** The next question comes from the line of Dhruv Jain with Ambit Capital. Please go ahead.

**Dhruv Jain:** Thanks a lot for the opportunity and congratulations to the team for great numbers. So, my first question is on margin side, right? So, with respect to backward integration, whatever initiatives that you're doing, my guess is that most of the -- I mean the full year annualized benefits would come in FY 2028.

So just wanted to understand what kind of benefits, in terms of margins we'll see in FY 2028 with respect to the housing plant and, various other initiatives that you're doing.

**Aditya Khemka:**

So, Dhruv, I think valid point. we are right now, investing heavily. So, in terms of housing enclosures right now is third-party supply chain. With our own plant coming in, of course there will be, some addition to the bottom line. I can't peg exact overall basis points, but I'm sure there will be enough contribution on the housing cost itself.

So does the cable, because same we are right now sourcing third-party or importing. Once we make in-house, and the two things or rather three things we achieve, when we do this localization in-house: one is quality consistency, second is supply consistency, third is contribution to the EBITDA basis points.

So, all these things and then the lens, so these three things will definitely contribute in FY 2028. Marginally impact may come in later part of this year, but early times to say what level of, contribution will come. But yes, I can say yes, there will be contribution.

**Dhruv Jain:**

Sure, okay. And so, my second question is on market demand, right? So, in your presentation you mentioned that, you expect market volumes to grow by 15% to 17%. Now in categories like say mobile phones, laptops, we've seen that, the demand has fallen off because the ASP hikes have really hurt the end market demand.

So just wanted to your sense in terms of what is the level of confidence or what are the factors that you still see that, despite the sharp inflation, we will see that kind of demand growth in the market.

**Aditya Khemka:**

So again, very good question, Dhruv. So, I think, see we were expecting a high pent-up demand in this year post the transition last year because we believe last year the growth wasn't that great in terms of market.

We as company grew our market share, but the overall market consumption was muted because of the transition which happened from the pre-STQC to the post-STQC era. This year we were expecting a much higher market growth, because of the shift of the last year's pent-up demand coming in this year.

We again brought it to a muted level of 15% in our, planning and guidance, factoring the ASP cost rise on the products. And here again, you see what is going to happen is the ASP cost rise on medium-to-higher end on the percentage side is not that high.

So, in enterprise project sector is not going to be that bad. There will be rise but not that bad, but the entry-level market in the network cameras and recorders are higher. So, I think it will be a mix. Some places there will be some reduction in consumption, shifting to maybe some analog cameras where the cost rise is much lesser compared to the entry-level IP.

So, we did all that simulation and then figured out that overall quantity of 15% may grow,

which earlier we were expecting more than 20% with using the, keeping the pent-up demand in mind. So, we have factored that a little bit in our planning.

**Anup Nair:** And also, if you're talking about mobiles and all, you're talking about generally the entry-level consumer spends. In our category, the consumer purchases are still less than 10% of the overall business.

This is still essentially a B2B led businesses where like Aditya was mentioning there is pent-up demand from last year and there is still, supplies which have not been done. So we believe that will still be strong on the commercial sides with the new projects coming up and what we see the vacuum, the consumption will still be there.

And, our growth is factored in it almost 25%-30% kind of unit growth and rest is due to the ASP rise. And we believe the industry will still grow in units in about 15%-16%, which like we just mentioned should have been higher considering the pent-up growth over if you consider the last year and this year.

**Dhruv Jain:** So in that context, if I'm not wrong, there should also be, value growth which also helps your margins because I'm guessing there will be some bit of migration that happens from IP level cameras to premium-end cameras because the, ASP hikes if I'm not wrong in the premium-end would be lower.

**Anup Nair:** Yes. So, the whole when we are saying that the ASP would be higher by about 25%, it's not coming all from price rise, it's coming from what you just mentioned, it's coming from the portfolio mix as well and the overall IP percentage of the portfolio constantly going up.

**Dhruv Jain:** Got it. And sir, if you could just last question, if you could just call out the capex numbers for FY27-'28.

**Aditya Khemka:** We had planned for INR200 crores odd plus minus few numbers, but I think as we are upping the guidance, we feel we might require a little more. Plans are being worked upon compared to the new expansions that we have planning, but I think it will fall in that range of INR 200 to 300 crores kind of thing and we will largely be funding it from internal accruals or some debt maybe say, for the plant and machinery.

**Dhruv Jain:** All right. Thanks a lot sir and all the best.

**Aditya Khemka:** Thank you.

**Moderator:** The next question comes from the line of Nikhil Kale with Invesco Mutual Fund. Please go ahead.

**Nikhil Kale:** Yes. Thank you for taking my question. Firstly, hearty congratulations on a very strong set of numbers and the upping the guidance. So, my question was more on the cash flow generation. So obviously we have had a stellar year and with the significant growth that we've seen, we've also seen increase in working capital which has impacted our cash flow

generation.

So going forward, how should we think about it, especially you alluded to the fact that you might be procuring components in advance, so probably inventory days might inch up, you might also need to pay creditors more -- I mean you might need to pay your suppliers more quickly, so the payables might also kind of get impacted.

So, considering these two aspects, how should we think about cash flow generation for the next year? And then will that be enough to kind of fund our capex plans and also the land acquisition that you're thinking about?

**Anup Nair:**

Yes. So, Nikhil you're right. We have been razor-focused on our operational efficiencies and we have improved on our inventory levels and the debtors have also improved gradually. But yes, the cash conversion cycle has slightly increased and like you rightly pointed out, that has mainly got to do with us, having to procure the chips and memory, some of it, we are blocking and we are having to make some possibly advance payments.

So, the cash conversion cycle is essentially slightly gone up due to the creditors coming down because of what we are doing in terms of, securing our supplies. This at least in the shorter term we see this going, because our first priority is ensuring supplies and we, on the supply side we are consistent and we are secured.

So, this will sort of continue, but we have factored that in our working capitals, working for this year. And we have already called out your capex numbers. And yes, we have upped our guidance in terms of revenue. So yes, there will be a working capital needs, but at the moment I think it's sort of pretty okay.

We will see if there are further growth possibilities and if there are further capex requirements, how to fund it, at the moment we are looking at funding it with mostly from internal accruals and some debt and we are pretty comfortable.

**Nikhil Kale:**

Got it. That answers my question. Thank you.

**Moderator:**

Thank you. The next question comes from the line of Neel with Equirus Securities. Please go ahead.

**Neel:**

Yes. Hi sir. Congratulations for solid set of numbers. Sir, I have a couple of questions. So sir first is related to the chipset that we have almost now six suppliers on board. How are our agreements placed? It's a more of a volume-bound agreements or a time-bound agreements and if the prices of chipset let's say increase, how much time it takes to pass into the customers?

**Aditya Khemka:**

Hi Neel, in the agreement you normally have supply agreements only and it's right now the situation is most of the agreements if you talk about across the industry are going haywire because the supply-demand is totally going haywire, the cost is rising on every fortnight,

weekly basis.

So, it's a question of even if you pay advances sometimes the contract gets invalidated sometimes because of the very sort of a force majeure kind of a situation. So, this is very unprecedented times, I have not seen these kind of things in the last two-three decades of my business career.

But we are mitigating it. And we're mitigating it I think so far so well touch wood. And we hope that we can be, with this multi-supply chain, multi-sourcing strategy, multi-product R&D, we will be able to mitigate this risk.

The price rise is a decision we are doing on a gradual phase. So again, we are averaging our sourcing and averaging the price rise and like I said we are passing it on a monthly basis, every month raising it.

So over the quarter I think the price rise can be easily passed to the market, but what we are more conscious of right now is that we don't want a shock in the market and the consumption or the flow of material and the sales out, cash flow, all that get affected too much. So, I think we are more bothering that and the market share and then managing the cost optimization and passing of the price.

**Neel:** Okay. And sir, last question is let's say in total FY26 numbers, if we were to bifurcate the volume-led growth and value-led growth, what would that be ratio?

**Anup Nair:** You're talking about FY26?

**Neel:** Right sir.

**Anup Nair:** Yes. So, we think the volume growth would be about roughly 18%-20% and rest would be the ASP growth. But that is again majorly driven by the mix. The price rise was essentially only in Q4.

In the other three quarters, the post-STQC materials were at a higher price and the mix of CP PLUS to internally that mix has changed and IP-to-HD the mix has changed. So, if there's a 33% growth, almost 18% to 20% would be volume growth and rest would be the ASP growth.

**Neel:** Okay sir. And in FY27, I know sir it's very difficult to say but any kind of ballpark number you would like to put what kind of grossly price hikes we can see in FY27?

**Anup Nair:** So, we have called out that the ASP growth will be roughly about 25%.

**Anup Nair:** And the volume growth will be roughly between 25% and 30%. But it's difficult to do it category-wise, so that's why we've just called out the general ASP growth and the quantity growth.

**Neel:** Perfect sir. Thank you so much, and congratulations, again, for a solid set of numbers.

**Aditya Khemka:**

Thank you.

**Moderator:**

Thank you. The next question comes from the line of Naushad Chaudhary with Aditya Birla Mutual Fund. Please go ahead.

**Naushad Chaudhary:**

Yes. Hi. Thank you and congrats on a very good set of numbers. Just one clarification on the margin side, sir, till last quarter we had a view of this business is expected to do 12% to 13% kind of margins for us and within a quarter it has, moved up to 14%-15% expectation.

So, in last one year just wanted to understand last one-two quarter what has changed which is leading to this kind of expectation and this 14%-15% is a new normal for your business or could FY 2028 be different?...

**Aditya Khemka:**

So, I would say Naushad, this should be the new normal for this business. And you see, we were working on this only. We didn't want to speak early ahead of the situation. You know, many things of localization, cost optimization, the shift towards medium to higher-end products, enterprise business, premiumization, all that gradually was contributing and inching us towards this direction. So Q4 was a little higher than this, but that was a one-off. But I think 14%-15% should be the new normal FY27, FY28 as we move forward.

**Naushad Chaudhary:**

Perfect. And last, so initially on the export side we had a view that we are -- our hands are full and tight for the domestic demand, so we may think after two-three years we may think of export opportunity. Any thoughts and development that side, and how it could look like in next 3-4 years?

**Aditya Khemka:**

So, I think we will start some action hopefully in this year. At the moment with so much happening, Naushad, in capacity, R&D, localization, inorganic options that we are working on, and in the supply chain disruptions, I think the energies are all moving here to ensure that we first feed the demand, which is in the domestic market.

But export will be the focus. The timing is something you know, we had thought of doing it in the coming year, but let's see if we can kick-off some actions in the coming year. Some thoughts are on underway, but how much will materialize is early time to make a statement.

**Naushad Chaudhary:**

Sure, Aditya. Thank you. All the best for the future.

**Aditya Khemka:**

Thank you.

**Moderator:**

Thank you. The next question comes from the line of Anuj Kashyap with A3 Capital. Please go ahead.

**Anuj Kashyap:**

Hello. Am I audible?

**Aditya Khemka:**

Yes, Anuj. Hi. You're audible.

**Anuj Kashyap:**

Let me start with a congratulations for your good set of numbers. Sir, just my question is with

a caveat like it's a forward-looking in nature, sir. Just I wanted to know your head -- I mean like what do you think -- what is the thought process regarding like the cameras have become from omnipresent to omniscient, like the pure integration with the Qualcomm or your partnership with the Qualcomm is about AI or the cameras becoming the active decision makers down the line. So as in for organization, so how do you look at it? Just I want to know your thought process.

**Aditya Khemka:** So, I did not understand the entire question, Anuj.

**Anup Nair:** You're asking about the AI cameras, AI going into cameras is it?

**Anuj Kashyap:** Yes sir. Just as they were omnipresent before, cameras are everywhere now. Cameras have become decision makers also sir in some ways like due to the data processing by them.

**Aditya Khemka:** So Anuj, let me explain. See basically the industry started as just a viewing, then it went into recording, then it went into intelligence a little bit of video analytics, which is already part of our current systems that we offer.

Moving forward, you know, more and more video analytics and AI will come in. And let's say, whether you are in a hospital or an educational institute or a building, now in that the guys need a report, what immediate triggers, action -- call to actions. And camera is the sensing device which can capture the metadata, the AI on the other device can trigger the process, the data, trigger an action. And similarly call to actions can happen or a report can be generated.

So, you can say, they are the eyes, ears, and sound now because the camera can have audio out, you can talk from the camera, you can hear the sound also, you can view. So, in a way, it has become the eyes, ears, and tongue. Now the brain has to be the AI, which is the edge boxes and the recorders and the processing of that, and then take the action with your arms and legs. So that's how the whole system will prevail. But cameras will be the integral part of the whole AI ecosystem as we progress.

**Anuj Kashyap:** Sir, you have exactly, means, you gave exactly the answer I was hoping for. Sir, I wanted -- I mean, I wanted to ask, sir, for an organization like ours, regarding our service component - - specifically, given that today we are solely a hardware company, so will there be some revenue that we can hope so that it can also be derived from our service sector -- that is, from the service component?

**Aditya Khemka:** So, we are working on two things. We already announced cloud for our home market. So just as you currently record on-premises, if someone were to simply take away your recorder, all your data would be lost.

So, one is a redundancy backup on the cloud, like just as you handle your SAP and ERP systems, you will handle video surveillance in the same manner. So, we are optimizing it to become a mass-market product. We are optimizing our platform to make it more and more

cost-effective and affordable before we go mass scale to offer that as a redundancy backup.

Post that, AI as a security and service model, SaaS model, is once you have that data you can start working and giving AI intelligence with edge devices on-premise and cloud AI on the back. So, we are also working on this SaaS model, which is where the Qualcomm partnership is working on, and as I mentioned the platform is under trials and development and hopefully, this year we might go to market very soon.

**Anuj Kashyap:** And sir, just add on to it, sir will that be margin accretive? That, of course, it will be margin accretive, do you have the numbers in your mind, how much margin accretive that component can be?

**Aditya Khemka:** Too early, it's a new market creation, so it's too early to.

**Anuj Kashyap:** But sir, that market is going to boom.

**Aditya Khemka:** Absolutely it's going to boom, so we are investing on that cloud also and the AI SaaS model also. But if I look at 5 years, hence, yes, that is an investment we are doing today, it will pay off in the near future.

**Anuj Kashyap:** Okay. And sir, just one more question. Sir, like out of the total revenue, what percentage do you have the breakup like what is the B2C or what is the like government business we are getting? Is there some breakup we can get?

**Aditya Khemka:** I think maybe later on the IR team can pass you some information on that, they will share you.

**Anuj Kashyap:** Okay sir. Thank you, sir. So, best of luck for the future.

**Aditya Khemka:** Thank you.

**Anup Nair:** Thank you.

**Moderator:** The next question comes from the line of Vedanta Bhadania with Canara Bank Securities. Please go ahead.

**Vedanta Bhadania:** Hello sir. Sir, first of all congratulations for great set of numbers.

**Management:** Thank you.

**Vedanta Bhadania:** And I have two questions. First question is regarding the two other brands which we launched. So, what is the status on that and whether we have received the STQC certification on those brands or not?

**Aditya Khemka:** So, we announced two brands, Nexivue and Eyra. Nexivue is already certified for the first set of products and more are underway. We've already started shipping those products in the

markets from last month, April. This is end of April we started shipping post certification and this month more products are getting produced and launched.

And as we now progress month-on-month, more certifications will happen and more, you know, volume will keep growing. Eyra, due to the supply chain disruption, some reworking in the R&D had to happen. So hopefully, we'll get certified in another two months and next quarter that may go to market.

**Vedanta Bhadania:** Understood sir. And the second question is regarding what kind of demand we are seeing from government-backed projects?

**Aditya Khemka:** So, it's very difficult to say. Suddenly things happen, suddenly things go slow. But I think the market is 15%-20% government. So, we plan in our business also similar, nothing no rockstar situation on the government side. So, 15%-20% of our revenue come through govt or large government projects or through tenders via the System Integrators or PSUs. I think that should be the situation this year also.

**Vedanta Bhadania:** Okay. Thank you, sir.

**Aditya Khemka:** Thank you.

**Moderator:** The next question comes from the line of Udit Gajiwala with Motilal Oswal. Please go ahead.

**Udit Gajiwala:** Yes. Hi sir. Good afternoon. Congratulations on a great set of numbers. Just one question in terms of, you know, competition. I believe that, you'll are way ahead of the curve, but just wanted to understand the certification process, which was going on very slow around October-November, that seems to have picked up for even some of your peers who have been pointing it out. So do you see any, you know, threat or any such thing maybe not this year but, you know, from 2028 onwards or something like that?

**Aditya Khemka:** Udit, I think we are preparing ourselves for any eventual competition. This year seems slow because one is, you know, people are slowly getting certified, they have to scale up as I said, on various fronts. We are far ahead than most of them, be it localization or capacity or R&D or product range or supply chain.

Second is the supply chain itself this year is a big deterrent for anybody to compete really. I think they were unable to feed their own demand at the moment. So, I think that's another one. And I believe this will continue till the next year. So. we have a good, you know, head start with respect to our preparedness.

We are further consolidating on all fronts. We are further expanding on all fronts, multi-brand strategy is further augmenting market share growth and their position at different positions of, you know price positions so as to take on any possible threat, competition which comes on any level.

So, I think we are fairly poised and we are quite cognizant of possible competition coming

in. We have some head start of information, thanks to our connects with all the SoC guys of who's preparing products or not. So, I think we are fairly poised with respect to competition and all.

**Udit Gajiwala:** Fair enough, sir. Yes. That's it, sir. Thank you and all the best.

**Aditya Khemka:** Thank you.

**Moderator:** The next question comes from the line of Vivek Gautam with GS Investment. Please go ahead.

**Vivek Gautam:** Congratulations, sir, on excellent set of numbers. Big wealth creation for the lucky investor who got the allotment in the IPO, so I just wanted to know about the opportunity size for us and the expected growth rate and the differentiator for our company, especially dash cams and other being made compulsory a sort of for preferred not compulsory at least but preference-wise also sir?

**Aditya Khemka:** Vivek, yes. So, the industry, like we said, you know, has been growing at generally about 15%-16% CAGR and we as an organization, if you see before 2025, we have been growing at a CAGR of almost 21%-22%. So, we have almost beat the industry growth rate consistently.

As per all predictions, this industry should continue to grow at 15%-16% in quantity terms easily. I think last year was slightly muted essentially due to the transitions to STQC and supply side issues. So, most of the market research agencies were factoring that, you know, this year and next few years should be higher than 20% in terms of quantity growth.

But, you know, the supply side constraints still continue. But we don't see any challenge in terms of, you know, the industry sustaining growth rates, because these growth rates, I don't think, has factored in the upgrade markets from HD to IP, and also the penetration still there is a long way to go. And we believe that we will always beat the industry.

And in line with that for this year, we have factored in a 25%-30% quantity growth. So, I think this should continue, we should beat the industry growth rate as well as us beating the industry should continue.

**Vivek Gautam:** And what about the differentiator for us, sir, differentiating factor for us?

**Aditya Khemka:** So again, there are a lot of factors, but mainly, I would say, first and foremost is the brand. You know, even if in this segment if you still go out and check, I think now we have become sort of synonymous with the brand CP PLUS. Earlier also it was, but now with our advertising campaigns on the airports, on IPL, and the film stars, I think this would possibly be the only brand, which is there right at the end consumption level.

And even in the other segments, which is the consultants, large customers, and SIs, there also we have been doing lot of work, doing B2B shows. So clearly the brand's recall and presence

is a big differentiator. And of course, then the other moats that we spoke about the manufacturing, I don't think anybody has such a large scale integrated manufacturing setups.

Product range across all segments, you know. The market is a mixture of SMB, large enterprises, government, consumer, and again when you map out the competition, you will not see anybody relevant across all these segments. So that's again a big factor for us, we are possibly one of the only brands which are across all the segments.

Then, we have been in business almost two decades and most of the teams have been with us for a long time. So experienced teams who are ground connected, R&D, I don't think anybody is invested such deep into R&D whether it's in India or offshore. So, it's a multiplicity of factors: our distribution reach, relationship with partners. So, all that is playing out.

**Vivek Gautam:** Thank you, sir. Keep up the good work.

**Aditya Khemka:** Thank you.

**Moderator:** The next question comes from the line of Darshil Jhaveri with Crown Capital. Please go ahead.

**Darshil Jhaveri:** Yes. Hi. Thank you so much for taking my question. Firstly, congratulations on a great set of results. Lot of my questions have already been answered. Just wanted to get your view, like we think we are doubling our capacity by FY28, so by when will we, you know, be at full utilization?

Because if you are saying industry is growing at 20%, but if we are doubling it by next year only, so are we expecting like a higher volume growth than the --much higher growth than the 15%-20% that's happening, because that will only help us utilize our capacities better. So, what are your views, sir?

**Aditya Khemka:** So see, we are building the capacity in next 2 years, FY 2028, not FY 2028 but 2028 and to double. So, right now we are in 2026, so 2028 we plan to double. So, looking at a 3-year horizon, we will see how much growth we will do in our quantity. But should we continue to grow at 25%-30%, we will see what capacity utilization will come.

And we are building it should tomorrow our export market comes up or ODM-OEM market comes up, you know, people have been approaching us to make products for them. Right now we are saying, we are utilizing the semicons for our own needs rather than making it for them, because of the shortage. So, I think we are just building that capacity, keeping that in mind, we will see by when the whole thing will get into full utilization.

**Darshil Jhaveri:** And sir, you're targeting over the next two years and like the amount of money that you're investing in this, so?

**Aditya Khemka:** Yes. So, we mentioned the INR200 crores to INR300 crores this year. The next year ones are still the plans are underway. But the strategy is what I shared what we are doing. We feel that

the capex plans should be good enough to and the growth plans should be good enough to fund from our internal accruals, and largely the company is at a very minimal debt-equity ratio. So even if some requirement is there, we could look at some debt and fund it on a temporary basis.

**Darshil Jhaveri:**

Okay, okay. Yes, yes. That's it from my side. Thank you so much, sir.

**Aditya Khemka:**

Thank you.

**Moderator:**

Thank you. Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to the management for their closing remarks.

**Anup Nair:**

Just want to thank everyone for joining the call, and hope you have, sort of, you know, met up to the expectations, and we look forward to joining all of you guys joining in the next call. Thank you.

**Moderator:**

Thank you, sir. Ladies and gentlemen, on behalf of ICICI Securities, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.