



Press Release

DCX Systems Limited (formerly known as DCX Cable Assemblies Private Limited)

April 22, 2025

Ratings

Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Facilities	480.00	IVR BBB+/ Negative, ISSUER NOT COOPERATING*/ (IVR Triple B Plus with Negative Outlook; ISSUER NOT COOPERATING*)	IVR A-/ Stable (IVR A Minus With Stable Outlook)	Rating Downgraded, moved to ISSUER NOT COOPERATING* Category and Outlook revised	Simple
Short Term Facilities	530.00	IVR A2/ ISSUER NOT COOPERATING*/ (IVR A Two; ISSUER NOT COOPERATING*)	IVR A2+ (IVR A Two Plus)	Rating Downgraded, moved to ISSUER NOT COOPERATING* Category	Simple
Total	1010.00 (Rupees One Thousand and Ten Crore only)				

**Issuer did not cooperate; based on best available information.*

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics has downgraded the ratings assigned to the bank facilities of DCX Systems Limited which reflects lack of adequate information available about the performance of the company, non-payment of annual surveillance fees and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy. The rating outlook has been revised from 'Stable' to 'Negative'



Press Release

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the rating revision.

Note on non-cooperation

Infomerics has been regularly following up with the company to provide the information to monitor its assigned rating to the bank facilities, vide most recent mail communications dated April 15, 2025. However, despite repeated requests by Infomerics the company has not provided information to complete the surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the ratings assigned to the bank loan facilities of DCX Systems Limited aggregating to INR 1010.00 crore to the 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BBB+/ Negative Outlook; ISSUER NOT COOPERATING for the long-term bank facilities and IVR A2; ISSUER NOT COOPERATING for the short-term bank facilities.

Analytical Approach: Consolidated

For arriving at the rating, Infomerics has taken the consolidated approach by combining financial profiles of DCX Systems Ltd and its subsidiaries Raneal Advanced Systems Pvt Ltd and NIART Systems Ltd. The consolidation is on account of common management, and significant operational and financial linkages.

Applicable Criteria

[Rating Methodology for Manufacturing Companies](#)

[Criteria on assigning rating outlook](#)

[Policy on Default Recognition and Post-Default Curing Period](#)

[Complexity Level of Rated Instruments/Facilities](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Policy on Issuer Not Co-operating](#)

[Criteria on Consolidation of companies](#)



Press Release

About the Company

DCX Systems Limited (formerly known as DCX Cable Assemblies Private Limited) was incorporated in the year 2011 having registered office in Bangalore. DCX is one of the leading Indian Offset Defense players offering a full service and manufacture of military and aerospace system integration, cable harness business and is well known for its innovation in connection product range with a discerning list of customers in India and Offshore. The company became listed entity upon successful listing in NSE/BSE dated 11th November 2022. 2nd round of equity funding through QIP was successfully completed on 19th January 2024.

DCX is a 100% Special Economic Zone Company and have leading quality certifications including AS9100 Rev C & ISO 9001:2008 and is Qualified & Proven IOP (Indian offset partner) under Industrial license by DPITT, GOI based out of Bengaluru. One of company's core strength is its Global network of Suppliers & Customers and its entire operations are based on Advanced ERP system (SAP) implemented for all production activities. Company is fully equipped to cater to Aerospace, Defence, Marine and Extended Industrial Applications.

Financials (Consolidated):

	(Rs. crore)	
For the year ended/ As On*	31-03-2023	31-03-2024
	(Audited)	(Audited)
Total Operating Income	1253.63	1423.58
EBITDA	83.67	79.89
PAT	71.68	75.78
Total Debt	509.48	290.60
Tangible Net worth	562.31	1123.89
EBITDA Margin (%)	6.67	5.61
PAT Margin (%)	5.59	5.14
Overall Gearing Ratio (x)	0.91	0.26
Interest Coverage (x)	3.26	2.68

*As per Infomerics' standards

Status of non-cooperation with previous CRA: Nil

Any other information: Nil



Press Release

Rating History for last three years:

S I. N o.	Name of Instrumen t/ Facilities	Current Rating (Year 2025-26)			Rating History for the past 3 years				
		Type	Amou nt outsta nding (INR. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023- 24	Date(s) & Rating(s) assigned in 2022- 23	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2022-23
					-	Date (Feb 19, 2024)	Date (22 Dec 2022)	Date (18 Aug 2022)	Date (01 Aug 2022)
1	PCFC	Short Term	520.00	IVR A2/ ISSUER NOT COOPERA TING*	-	IVR A2+	IVR A2+	IVR A3+ Credit watch with Positive Implication	IVR A3+
2	Advance Bank Guarantee	Long Term	480.00	IVR BBB+/ Negative, ISSUER NOT COOPERA TING*	-	IVR A-/ Stable	IVR A-/ Stable	IVR BBB/ Credit watch with Positive implication	IVR BBB/ Stable
3	LER	Short Term	10.00	IVR A2/ ISSUER NOT COOPERA TING*	-	IVR A2+	IVR A2+	IVR A3+ Credit watch with Positive Implication	IVR A3+

**Issuer did not cooperate; based on best available information.*

Analytical Contacts:

Name: Ms. Rekha Chokkalingam
Tel: (022) 62396023
Email: rekha.chokkalingam@infomerics.com

About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for



Press Release

research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure I: Details of Facilities:

S. No.	Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crore)	Rating Assigned/ Outlook
1	PCFC	-	-	-	-	520.00	IVR A2; ISSUER NOT COOPERATING*
2	Advance Bank Guarantee	-	-	-	-	480.00	IVR BBB+/ Negative; ISSUER



Press Release

							NOT COOPERATING*
3	LER	-	-	-	-	10.00	IVR A2; ISSUER NOT COOPERATING*

**Issuer did not cooperate; based on best available information.*

Annexure 2: Facility wise lender details: Not Applicable

Annexure 3: Detailed explanation of covenants of the rated facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/combined analysis:

Name of the Company	Extent of Consolidation
DCX Systems Ltd	Full*
Raneal Advanced Systems Pvt Ltd	Full*
NIART Systems Ltd	Full*

**Intercompany transactions have been adjusted as per Infomerics standard.*

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com