



IPO INSIGHTS



DCX SYSTEMS LIMITED

Issue Dates - Opens: 31-10-2022 | Closes: 02-11-2022

IPO Note	<ol style="list-style-type: none"> 1. Preferred Indian Offset Provider for aerospace and defence industry with global accreditation 2. Beneficiary of Make In India and Atmanirbhar Bharat 3. High Debt to Equity Ratio 4. Reasonably Priced
Rating	★★★ (GOOD)

IPO SNAPSHOT

Issue Size	₹ 500 Crores
Issue Type	Fresh and Offer For Sale
Fresh Issue	₹ 400 Crores
Offer for Sale	₹ 100 Crores
Face Value Per Share	₹ 2
Price Band Per Share	₹ 197 - ₹ 207
Minimum Lot Size	72 shares
Listing On	BSE,NSE

Registrar to the Issue

Link Intime India Private Limited

IPO SNAPSHOT – DCX Systems Ltd.

About the Company	<ul style="list-style-type: none"> ▪ Incorporated on December 16, 2011 ▪ Among the leading Indian Players manufacturing electronic subsystems and cable harnesses in terms of manufacturing capability and revenue in the defence and aerospace sector ▪ Primarily engaged in system integration and manufacturing a comprehensive array of cables and wire harness assemblies, also involved in kitting ▪ One of the largest Indian Offset Partner (IOP) for ELTA systems Ltd Systems and Israel Aerospace Industries Ltd ▪ Undertake System Integration in the areas of radar systems, sensors, electronic warfares, missiles and communication systems ▪ Operates through their manufacturing facility located at the Hi-Tech Defence and Aerospace Park SEZ in Bengaluru, Karnataka ▪ Customers include domestic and international OEMs and private and public sector undertakings in Defence and Aerospace Industry ▪ As of June 30, 2022, it had 26 customers in Israel, US, Korea and India, including certain Fortune 500 companies, MNCs and Start-Ups 																														
Competitive Strengths	<ul style="list-style-type: none"> ▪ Preferred “Indian Offset Partner” for the defence and aerospace industry with global accreditations ▪ Strategically located in aerospace Special Economic Zone with an advanced and modern manufacturing facility ▪ Technology enabled and scalable end-to-end capabilities ▪ Well-positioned to capitalize on industry tailwinds 																														
Financials (₹ in Crores)	<table border="1"> <thead> <tr> <th>Particulars</th> <th>31-3-2020</th> <th>31-3-2021</th> <th>31-3-2022</th> <th>Y-o-Y</th> </tr> </thead> <tbody> <tr> <td>Revenue from Operations</td> <td>449.2</td> <td>641.1</td> <td>1102.2</td> <td>71.9%</td> </tr> <tr> <td>EBITDA</td> <td>6.6</td> <td>10.0</td> <td>66.9</td> <td>569%</td> </tr> <tr> <td>EBITDA Margin</td> <td>1.5%</td> <td>1.6%</td> <td>6.1%</td> <td></td> </tr> <tr> <td>Profit After Tax</td> <td>9.74</td> <td>29.56</td> <td>65.61</td> <td>122.3%</td> </tr> <tr> <td>Profit After Tax Margin</td> <td>2.2%</td> <td>4.6%</td> <td>6.0%</td> <td></td> </tr> </tbody> </table> <p>Debt to Equity = 4.2</p>	Particulars	31-3-2020	31-3-2021	31-3-2022	Y-o-Y	Revenue from Operations	449.2	641.1	1102.2	71.9%	EBITDA	6.6	10.0	66.9	569%	EBITDA Margin	1.5%	1.6%	6.1%		Profit After Tax	9.74	29.56	65.61	122.3%	Profit After Tax Margin	2.2%	4.6%	6.0%	
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Valuation	<ul style="list-style-type: none"> ▪ Based on Consolidated FY22 performance asking P/E = 30.53 																														
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Promoters	<ul style="list-style-type: none"> ▪ Dr. H.S. Raghavendra Rao, NCBG Holdings & VNG Technologies Pvt Ltd 																														
Objects of the issue	<ul style="list-style-type: none"> ▪ Repayment/ prepayment of certain borrowings ▪ Funding working capital requirements ▪ To fund the capex expenditure of its wholly own subsidiary Raneal Advanced Systems Pvt. Ltd. 																														

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