DCX SYSTEMS LIMITED
CIN: L31908KA2011PLC061686

An AS 9100D Certified

Regd. Off. Add.: Aerospace SEZ Sector, Plot Nos. 29,30 and 107,Hitech Defence and Aerospace Park, Kavadadasanahalli, Bengaluru Rural – 562110, Karnataka, India.

Email:cs@dcxindia.com
Tel: 080-67119555
Web:www.dcxindia.com

August 12, 2026

BSE Limited
P J Towers
Dalal Street, Fort
Mumbai – 400001

Scrip Code – 543650

National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051

Symbol – DCXINDIA

Dear Sir/Madam,

Sub: Monitoring Agency Report for the quarter ended June 30, 2026

Pursuant to Regulation 32(6) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Regulation 41(4) of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2015, we are enclosing herewith the Monitoring Agency Report for the quarter ended June 30, 2026, issued by CARE Ratings Limited, Monitoring Agency, with respect to utilization of proceeds of the Initial Public Offering (IPO) and Qualified Institutional Placement (QIP) of the Company.

You are requested to take the same on your records.

Thanking you,

Yours faithfully,
For **DCX Systems Limited**

GURUMURTHY HEGDE
Digitally signed by GURUMURTHY HEGDE
Date: 2026.08.12 17:46:20 +05'30'

Gurumurthy Hegde
Company Secretary, Legal and Compliance Officer

No. CARE/BRO/GEN/2026-27/1026

The Board of Directors
DCX Systems Limited
Aerospace SEZ Sector, Plot Nos.29,30 And 107,
Hitech Defence And Aerospace Park,
Kavadadasanahalli,
Bangalore Rural, Karnataka 562110

August 12, 2026

Dear Sir,

Monitoring Agency Report for the quarter ended June 30, 2026 - in relation to the Initial Public Offerings (IPO) of DCX Systems Limited ("the Company")

We write in our capacity of Monitoring Agency for the Fresh Issue of 1,93,23,671 shares for the amount aggregating to Rs. 400.00 crore of the Company and refer to our duties cast under 41 of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended June 30, 2026, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated September 29, 2022.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

Himanshu Jain
Associate Director
himanshu.jain@careedge.in

Report of the Monitoring Agency

Name of the issuer: DCX Systems Ltd
For quarter ended: June 30, 2026
Name of the Monitoring Agency: CARE Ratings Limited
(a) Deviation from the objects: No
(b) Range of Deviation: Nil

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature:
Name and designation of the Authorized Signatory: Himanshu Jain
Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer : DCX Systems Ltd
Name of the promoter : Dr. H S Raghavendra Rao, NCBG Holdings Inc and Raneal Technologies Private Limited
Industry/sector to which it belongs : Aerospace and Defence

2) Issue Details

Issue Period : October 31, 2022 to November 02, 2022
Type of issue (public/rights) : Public Fresh Issue
Type of specified securities : Equity Shares
IPO Grading, if any : Not applicable
Issue size (in crore) : Rs. 400.00 crore

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	No	RHP, Postal Ballot outcome published by the company on BSE on May 6, 2024, Board resolution dated February 12, 2026	There was change in the amount within the objects specified in the offer document for which required shareholder approval was taken. Also, purpose of investment in its subsidiary Renal Advanced System Private Limited (RASPL) has been revised to loan repayment as against capital expenditure mentioned in offer document. There has been a delay in the utilisation of GCP proceeds against the expected timeline of March 2026. However, on February 12, 2026, the company has obtained board resolution for the extension of the timeline in the utilization of general corporate purpose till FY29.	No comments
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Yes	Postal Ballot Outcome published by the company on BSE on May 6, 2024	As per postal ballot dated May 06, 2024, the company has sought shareholder's approval as per postal ballot dated May 06, 2024, for the reallocation of the funds as mentioned below: The amount to be invested in its subsidiary Raneal Advanced Systems Private Limited (RASPL) is reduced to Rs. 19.80 crore from Rs. 44.88 crore. Consequently, the amount towards general corporate purpose (GCP) increased from Rs. 58.15 crore to Rs. 83.23 crore.	No comments
Whether the means of finance for the disclosed objects of	No	Postal Ballot outcome published	None	No comments

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Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
the issue have changed?		by the company BSE on May 6, 2024.		
Is there any major deviation observed over the earlier monitoring agency reports?	No	Monitoring agency report dated May 11, 2026, Board resolution dated February 12, 2026.	No deviations.	No comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Management certificate, RHP	No approvals were required as per RHP	No comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Management certificate, RHP	No such collaboration was required as per RHP	No comments
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Management certificate	None	No comments
Is there any other relevant information that may materially affect the decision making of the investors?	No	Management certificate, Stock exchange disclosures	The company has incurred losses at PAT level of Rs. 0.98 crore as on March 31, 2026, as against profit of Rs. 3.34 crore as on March 31, 2025. In FY24, the company incorporated Niart Systems Limited as a wholly owned subsidiary in Israel. While the subsidiary has not yet commenced commercial operations, it has been incurring expenses related to product development activities. Prolonged delay in commissioning operations of this subsidiary might adversely impact credit profile of DCX.	No comments

**Chartered Accountant certificate from NBS & Co Chartered Accountants dated July 27, 2026, bearing UDIN No. 26046940FTCQSY5900.*

#Where material deviation may be defined to mean:
a) Deviation in the objects or purposes for which the funds have been raised
b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

4) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
1	Repayment/Prepayment, in full or part of certain borrowings availed by the company	Chartered Accountant certificate*, Final Prospectus	110.00	Not Applicable	No revision	No comments	No comments	No comments
2	Funding working capital requirements of Company	Chartered Accountant certificate*, Final Prospectus	160.00	Not Applicable	No revision	No comments	No comments	No comments

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Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
3	Investment in wholly owned Subsidiary, Raneal Advanced Systems Private Limited, to fund its capital expenditure expenses	Chartered Accountant certificate*, Final Prospectus, Postal Ballot Outcome published by the company on BSE on May 6, 2024.	44.88	19.80	As per Postal Ballot Outcome published by the company on BSE on May 6, 2024, the amount to be invested in its subsidiary Raneal Advanced Systems Private Limited (RASPL) is reduced to Rs. 19.80 crore from Rs. 44.88 crore. Consequently, amount towards general corporate purpose (GCP) increased from Rs. 58.15 crore to Rs. 83.23 crore.	No comments	No comments	No comments
4	General corporate purposes (GCP)	Chartered Accountant certificate*, Final Prospectus, Postal Ballot Outcome published by the company on BSE on May 6, 2024.	58.15	83.22		No comments	No comments	No comments
Total			**373.03**	**373.03**				

** Chartered Accountant certificate from NBS & Co Chartered Accountants dated July 27, 2026, bearing UDIN No. 26046940FTCQSY5900.*

(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Revised cost as per postal ballot dated May 06, 2024, in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Repayment/Prepayment, in full or part of certain borrowings availed by the company	Chartered Accountant certificate*, Bank statements	110.00	110.00	110.00	0.0	110.0	0.0	Amount under the object has already been utilized.	Not applicable	Already incurred
2	Funding working capital requirements of our Company	CA certificate, Bank statements,	160.00	160.00	160.00	0.0	160.0	0.0	Amount under the object has already been utilized.	Not applicable	Already incurred
3	Investment in our wholly owned Subsidiary, Raneal Advanced Systems Private Limited, to fund its capital expenditure expenses	Chartered Accountant certificate*, Bank statements	44.88	19.80	19.80	0.0	19.80	0.0	Amount under the object has already been utilized.	Not applicable	Already incurred
4	General corporate purposes (GCP)	Chartered Accountant	58.15	83.23	45.73	21.50	67.23	16.00	The company incurred GCP expenses through its current account	No comments	Company will utilize the

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Revised cost as per postal ballot dated May 06, 2024, in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
		certificate*, Bank statements							during Q1FY27 and has reimbursed ₹21.50 crore by liquidating FDs created from IPO funds.		pending GCP amount towards working capital expenses
Total			**373.03**	**373.03**	**335.53**	**21.50**	**357.03**	**16.00**			

** Chartered Accountant certificate from NBS & Co Chartered Accountants dated July 27, 2026, bearing UDIN No. 26046940FTCQSY5900.*

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. Crore)	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
1.	Fixed Deposits with Axis Bank Limited					
a.	FD No. 923040103735537	3.50	28-12-2026	-	6.15%	6.48
b.	FD No. 923040103736080	12.50	28-12-2026	-	6.15%	15.74
Total		**16.00**				

(iv) Delay in implementation of the object(s) –

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual*		Reason of delay	Proposed course of action
Repayment/Prepayment, in full or part of certain borrowings availed by the company	March 31, 2023	Fully utilized till December 31, 2022	-	No comments	No comments
Funding working capital requirements of Company	March 31, 2023	Fully utilized as on March 31, 2023	-	No comments	No comments
Investment in wholly owned Subsidiary, Raneal Advanced Systems Private Limited, to fund its capital expenditure expenses	March 31, 2025@	Fully utilized as on June 30, 2024	-	No comments	No comments
General corporate purposes (GCP)	Rs. 58.15 crore by March 31, 2023, and Rs. 24.08 crore by March 31, 2026	Ongoing	Exact number of days of delay is not ascertainable. As per Board resolution dated February 12, 2026, entire amount is estimated to be utilized by FY29.	No comments	Company will utilize the pending GCP amount towards working capital expense

**In case of continuing object(s), Please specify latest/ Revised estimate of the completion date*

@Revised to March 31, 2025, as per the postal ballot outcome published on BSE on May 6, 2024.

Note: The above details were verified from the Information shared by DCX systems, final prospectus and the Chartered Accountant certificate from NBS & Co Chartered Accountants dated July 27, 2026 bearing UDIN No. 26046940FTCQSY5900.

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head^	Amount in Rs. Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	General Corporate Purpose	21.50	CA certificate*	Company has utilized amount for salary payment, transportation expense, material purchases, etc.	No comments
	Total	**21.50**			

*Note: *Verified with Chartered Accountant certificate from NBS & Co Chartered Accountants dated July 27, 2026 bearing UDIN No. 26046940FTCQSY5900.*

^Section from the offer document related to GCP:

"Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹ 581.46 million, towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilize Net Proceeds include, without limitation, meeting ongoing general corporate purposes or contingencies, strengthening marketing capabilities and brand building exercises, enhancing our technology-related infrastructure, strategic initiatives and acquisition and/or funding any shortfall in any of the abovementioned objects. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.
In addition to the above, our Company may utilize the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilizing surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes."

Section from Postal Ballot related to incremental GCP:
"Company proposes to utilize the remaining amount of ₹250.83 million towards general corporate purposes, as set out in the Issue Documents. These include, without limitation, meeting ongoing general corporate purposes or contingencies, strengthening marketing capabilities and brand building exercises, enhancing our technology related infrastructure, meeting working capital requirement of our Company, strategic initiatives and acquisition and/or funding any shortfall in any of the revised objects of the Issue as set out in this explanatory statement. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. In addition to the above, our Company may utilize the funds allocated towards general corporate purpose towards other activities considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act, 2013. The total amount proposed to be utilized towards general corporate purpose (including the amount already allocated to such purpose in the Prospectus) shall not exceed 25 percent of the gross proceeds from the Issue.

The company obtained board approval on September 2, 2025, to reallocate and utilize the unutilized IPO proceeds of ₹65.99 crore, earmarked for general corporate purposes as of June 30, 2025, for the general corporate purposes towards working capital expenditures and capital expenditures to the extent of Rs.10.00 Crores to meet the business exigency requirement of the Company.

Disclaimers to MA report:

a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as **"Monitoring Agency/MA"**). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.

b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditor appointed by the Issuer believed by it to be accurate and reliable.

c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.

d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from statutory auditors, lawyers, chartered engineers or other experts, and relies on in its reports.

e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

No. CARE/BRO/GEN/2026-27/1027

The Board of Directors
DCX Systems Limited
Aerospace SEZ Sector, Plot Nos.29,30 And 107,
Hitech Defence And Aerospace Park,
Kavadadasanahalli,
Bangalore Rural, Karnataka 562110

August 12, 2026

Dear Sir,

Monitoring Agency Report for the quarter ended June 30, 2026 - in relation to the QIP of Equity shares of DCX Systems Limited ("the Company")

We write in our capacity of Monitoring Agency for the Fresh Issue of 14,662,756 for the amount aggregating to Rs. 500.00 crore of the Company and refer to our duties cast under 173A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended June 30, 2026, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated January 15, 2024.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

himanshujain

Himanshu Jain
Associate Director
himanshu.jain@careedge.in

Report of the Monitoring Agency

Name of the issuer: DCX Systems Limited
For quarter ended: June 30, 2026
Name of the Monitoring Agency: CARE Ratings Limited
(a) Deviation from the objects: Nil
(b) Range of Deviation: Not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature: himanshujain
Name and designation of the Authorized Signatory: Himanshu Jain
Designation of Authorized person/Signing Authority: Associate Director

1) **Issuer Details:**

Name of the issuer : DCX Systems Limited
Name of the promoter : Dr. H S Raghavendra Rao, NCBG Holdings Inc and Raneal Technologies Private Limited
Industry/sector to which it belongs : Aerospace and Defense

2) **Issue Details**

Issue Period : January 15, 2024, to January 19, 2024
Type of issue (public/rights) : Qualified Institutional Placement
Type of specified securities : Equity shares
IPO Grading, if any : None
Issue size (in crore) : Rs. 500.00 crore

3) **Details of the arrangement made to ensure the monitoring of issue proceeds:**

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	No	Letter of Offer, Management certificate	As per the Letter of Offer, the Company had planned to utilise ₹100 crore each during FY25 and FY26 towards investment in joint ventures and/or subsidiaries; however, the amount remained unutilised as of June 30, 2026. Similarly, the funds allocated for General Corporate Purposes (GCP) also remained unutilised as of the stated deadline of March 31, 2026. It is pertinent to note that, as per the earlier Monitoring Agency Report dated May 11, 2026, the Board of Directors had indicated that the payments would be executed in three tranches over the next three years.	No comments
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicabl e	Management Certificate	Not applicable	No comments
Whether the means of finance for the disclosed objects of the issue have changed?	No	Management Certificate	None	No comments
Is there any major deviation observed over the earlier monitoring agency reports?	Yes	MA Report dated May 11, 2026	None	No comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	In progress	Management certificate	In line with its stock exchange filing of April 21, 2025, Company has established a Joint Venture Company (JVC) -ELTX Systems Private Limited (ELTX)- for conducting the business in the areas of Airborne Maritime Radar System, Fire Control Radar System and other Radar Systems for Airborne and Land applications under "Make in India" projects. ELTX has been allotted land in Tamil Nadu for the establishment of a manufacturing facility. Prior to commencing construction, the company is required to obtain various statutory approvals and permits from the relevant authorities. ELTX has applied for the requisite approvals through the State's Single Window	All Government/ statutory approvals are in progress

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
			Clearance mechanism and is currently awaiting clearance. Upon receipt of the necessary approvals, construction activities will commence. In anticipation of project execution, the company has already appointed the required vendors and contractors for undertaking the planned capital expenditure activities.	
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes	Discussion with management, Management certificate	ELTX has signed technology license agreement with ELTA Systems Limited.	All Government/ statutory approvals are in progress
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Discussion with management, Management certificate	While there is delay in investment in JVC, there is traction in project in recent quarters. As per BSE announcement dated July 15, 2026, DCX has infused Rs. 84 crore into ELTX as part of the rights issue.	No comments
Is there any other relevant information that may materially affect the decision making of the investors?	Yes	Discussion with management, Management certificate, Stock exchange disclosures	Investment in JVC is likely to be completed during FY29 as against original timeline of FY26. This may result in delayed envisaged benefits from the investment to the investors. Also, as per board approval dated February 12, 2026, the unutilized GCP proceeds will be utilized within a period of three financial years, starting from the financial year 2026-27 and concluding no later than March 31, 2029. The company has incurred losses at PAT level of Rs. 0.98 crore as on March 31, 2026, as against profit of Rs. 3.34 crore as on March 31, 2025. In FY24, the company incorporated Niart Systems Limited as a wholly owned subsidiary in Israel. While the subsidiary has not yet commenced commercial operations, it has been incurring expenses related to product development activities. Prolonged delay in commissioning operations of this subsidiary might adversely impact credit profile of DCX.	No comments

** Chartered Accountant certificate from NBS & Co Chartered Accountants dated July 27, 2026, bearing UDIN No. 26046940AJIQAN2911.*

4) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
1	Investment in Subsidiary, NIART Systems Ltd	Chartered Accountant certificate*, Placement document^	209.00	Not Applicable	Not Applicable	No comments	No comments	No comments
2	Investment in joint ventures and/or subsidiaries	Chartered Accountant certificate*, Placement document ^	200.00	Not Applicable	Not Applicable	No comments	No comments	No comments

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
3	General corporate purposes (GCP)	Chartered Accountant certificate*, Placement document ^	77.65	Not Applicable	Not Applicable	No comments	No comments	No comments
Total			**486.65**	**486.65**				

** Chartered Accountant certificate from NBS & Co Chartered Accountants dated July 27, 2026, bearing UDIN No. 26046940AJIQAN2911.*
^Pg No: 88 of Placement document filed by the company with SEBI on January 19, 2024.

(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount utilised in Rs. Crore			Unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Investment in Subsidiary, NIART Systems Ltd	Chartered Accountant certificate*, Bank statements	209.00	209.00	0.00	209.00	0.00	Amount has already been utilized	None	Already incurred
2	Investment in joint ventures and/or subsidiaries	Chartered Accountant certificate*, Bank statements	200.00	0.00	0.00	0.00	200.00	No utilization during the quarter	No comments	Company has signed the JV agreement, and payment will be processed in 3 tranches over next 3 years
3	General corporate purposes (GCP)	Chartered Accountant certificate*, Bank statements, Board resolution dated February 12, 2026	77.65	0.72	0.00	0.72	76.93	No utilization during the quarter As per management, GCP amount would primarily be utilized towards investment in the objects mentioned above.	No comments	Will be utilized for investment in subsidiary and JV
Total			**486.65**	**209.72**	**0.00**	**209.72**	**276.93**			

** Chartered Accountant certificate from NBS & Co Chartered Accountants dated July 27, 2026, bearing UDIN No. 26046940AJIQAN2911.*

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter*
1	FD-Axis Bank	91.61	09-02-2027	1.39	6.90%	93.00

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter*
2	FD-Axis Bank	61.00	27-02-2027	9.65	6.25%	71.63
3	FD-HDFC Bank	125.0	10-02-2027	0.95	7.15%	125.95
4	FD-HDFC Bank	0.13	03-04-2026	0.01	6.65%	0.14
5	ICICI MONITORING Account	0.11	NA	0.00	0.00	0.11
6	Less: Issue expense not spent	0.92	NA	-	-	-
	Total	**276.93**		**12.98**		**290.82**

** Where the market value is not feasible, provided NAV/NRV/Book Value of the same*

(iv) Delay in implementation of the object(s) –

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
Investment in Subsidiary, NIART Systems Ltd	March 31, 2024 & March 31, 2025	Fully utilized as on May 14, 2025.	43 days	No comments	No comments
Investment in joint ventures and/or subsidiaries	Rs. 100 crore till March 2025 Rs. 100 crore till March 2026	Ongoing	Delayed (Exact number of days of delay not ascertainable)	No comments	Company has signed the JV agreement, and payment will be processed in 3 tranches over next 3 years
General corporate purposes (GCP)	March 31, 2026	Ongoing	Delayed (Exact number of days of delay not ascertainable). As per Board resolution, entire amount is estimated to be utilized by FY29.	No comments	None

The above details were verified from the information shared by DCX systems, final prospectus and the CA certificate from NBS & Co. Chartered Accountants dated July 27, 2026, bearing UDIN No. 26046940AJIQAN2911.

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head^	Amount	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	General Corporate Purposes	0.00	Chartered Accountant certificate*	No comments	No comments
	Total	0.00			

** Chartered Accountant certificate from NBS & Co Chartered Accountants dated July 27, 2026, bearing UDIN No. 26046940AJIQAN2911.*

^ Section from the offer document related to GCP:

"*Our Company proposes to deploy ₹776.55 million out of the Net Proceeds towards general corporate purposes, subject to the amount allocated towards general corporate purpose not exceeding 25% of the Gross Proceeds, in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by NSE and circular no. 20221213-47 dated December 13, 2022, issued by BSE. We will have flexibility in utilizing the Net Proceeds for general corporate purposes, including but not restricted to, strategic initiatives, further investment in existing or future joint ventures or subsidiaries, investments, repayment and pre-payment penalty on loans, as applicable, meeting exigencies and expenses incurred by our Company, as may be applicable, funding any shortfall in any of the objects set forth above, or such other purposes as may be determined by the Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act. The quantum of utilisation of funds or the deployment towards each of the above purposes will be determined by our Board or a committee thereof, based on the amount actually available under this head and the business requirements of our Company, from time to time.*".

Disclaimers to MA report:

a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as **"Monitoring Agency/MA"**). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.

b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditor appointed by the Issuer believed by it to be accurate and reliable.

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