

Date: 19-Sep-2022

To

**The Board of Directors  
 DCX Systems Limited**

Aerospace SEZ Sector, Plot Nos. 29, 30 and 107,  
 Hitech Defence and Aerospace Park,  
 Kavadasanahalli,  
 Bengaluru Rural – 562 110  
 Karnataka  
 India

**Re: Proposed initial public offering of equity shares of face value of Rs. 2 each (the “Equity Shares” and such offering, the “Offer”) of DCX Systems Limited (the “Company”)**

With reference to the captioned matter, we hereby accord our no-objection and our consent to our name, our report “**The Evolving Defence Technology Industry Base and Opportunities in the Defence Electronics Segment**” dated 19-Sep-2022 (the “**Report**”) and its contents or any extract thereof, being included in any documents issued by the Company in connection with the Offer, including the updated draft red herring prospectus intended to be filed by the Company with the Securities and Exchange Board of India (the “**SEBI**”) and the stock exchanges where the Equity Shares of the Company are proposed to be listed (the “**Stock Exchanges**”), the red herring prospectus and the prospectus that the Company intends to file with the SEBI and intends to register with the Registrar of Companies, Karnataka at Bangalore (“**RoC**”) and the Stock Exchanges in respect of the Offer, and in any other documents to be prepared, issued and used or filed in relation to the Offer including international supplements of the foregoing for distribution to investors outside India, preliminary international wrap, the international wrap, publicity or other materials, presentations, marketing material or press/ media releases or research reports or media releases prepared or issued in connection with the Offer by the Company or its advisers (collectively, the “**Offer Documents**”).

We agree that such disclosures would be made only as deemed fit by the Company and the book running lead managers appointed in connection with the Offer (the “**BRLMs**”) and this letter does not impose any obligation on the Company and/or the BRLMs to include in any Offer Documents all or any part of the information with respect to which consent for disclosure is being granted pursuant to this letter.

We confirm that all information contained in the “**The Evolving Defence Technology Industry Base and Opportunities in the Defence Electronics Segment**” published on 19-Sep-2022 has been obtained by us from sources believed by us to be true and reliable and after exercise of due care and diligence by us. We further confirm that we have, wherever required, obtained requisite consent that may be required from any governmental authority or other person in relation to any information used by us in our report “**The Evolving Defence Technology Industry Base and Opportunities in the Defence Electronics Segment**” published on 19-Sep-2022. We also authorize you to deliver this letter of consent to SEBI, the stock exchanges, the RoC or any other governmental or statutory or regulatory authority as may be required.

We confirm that we are not, and have not in the past, been engaged or interested in the formation, or promotion, or management, of the Company. We confirm that we are an independent agency and neither the Company, nor its directors or promoters (as give in Annexure A), subsidiaries and selling shareholder(s) participating in the Offer, nor BRLMs, is a related party to us as per the definition of “related party” under the Companies Act, 2013, as amended (“**Companies Act**”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended, as on the date of this letter. Further, we authorize you to include the Report and this letter as a “*Material Contract and Document for Inspection*” in the Offer Documents, as required and make the Report available for inspection in accordance with applicable law. We also consent to disclosure of the date of our appointment for the purpose of preparing this Report, in the Offer Documents.

Beijing  
 Mumbai

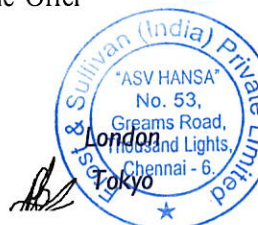
Bengaluru  
 New York

Chennai  
 Paris

Frankfurt  
 San Antonio

Jakarta  
 Silicon Valley

Kuala Lumpur  
 Singapore





We further confirm that as on the date of this letter, neither the Company, its directors (as given in Annexure A) or its promoters are related parties of Frost & Sullivan (India) Private Limited.

We declare that we do not have any direct/ indirect interest in or relationship with the Company or its promoters, directors or management as of the date of this letter, and also confirm that we do not perceive any conflict of interest in such relationship/ interest while issuing this the Report. We confirm that we and our associates do not hold any Equity Shares of the Company

We represent that our execution, delivery and performance of this consent have been duly authorised by all necessary actions (corporate or otherwise).

We agree to keep the information regarding the Offer strictly confidential.

This letter and the Report can be relied on by you, the book running lead managers appointed in relation to the Offer and the legal advisor to the Offer. We authorise you to deliver this letter of consent to SEBI and RoC, pursuant to Sections 26 and 32 and other applicable provisions of the Companies Act, 2013, as amended, the Stock Exchange(s) and any other regulatory or statutory authority as required.

**Given below is the disclaimer to be used in the Offering Materials.**

*"The Evolving Defence Technology Industry Base and Opportunities in the Defence Electronics Segment" dated 19-Sep-2022 has been prepared for the proposed initial public offering of equity shares by DCX Systems Limited.*

*This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("Frost & Sullivan") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.*

*Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged*

*Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.*

*In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction."*

Yours faithfully,

**For and on behalf of Frost & Sullivan (India) Private Limited**



Authorized Signatory

Beijing      Bengaluru      Chennai      Frankfurt      Jakarta      Kuala Lumpur  
 Mumbai      New York      Paris      San Antonio      Silicon Valley      Singapore



Name: Benoy CS  
Designation: Vice President & Business Unit Head - ICT  
Place: Chennai, India

**Cc:**

**Edelweiss Financial Services Limited**

6th Floor, Edelweiss House,  
Off C.S.T. Road,  
Kalina,  
Mumbai – 400 098  
Maharashtra, India

**Axis Capital Limited**

1st Floor, Axis House,  
C-2 Wadia International Centre  
P.B. Marg, Worli,  
Mumbai – 400 025  
Maharashtra, India

**Saffron Capital Advisors Private Limited**

605, Center Point,  
Andheri Kurla Road, J B Nagar,  
Andheri East,  
Mumbai – 400 059  
Maharashtra, India

**J. Sagar Associates**

Sandstone Crest,  
Opposite Park, Plaza Hotel,  
Sushant Lok – 1,  
Gurgaon 122 009,  
Haryana, India

**Khaitan & Co**

3<sup>rd</sup> floor, Embassy Quest,  
45/1 Magrath Road,  
Bengaluru –560 025  
Karnataka, India

**Hogan Lovells**

50 Collyer Quay  
#10-01 OUE Bayfront  
Singapore - 049321

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Frankfurt  
San Antonio

Jakarta  
Silicon Valley

Kuala Lumpur  
Singapore



## Annexure A

## List of Co. Board of Directors

S.No	Name	Director Identification No.	Designation	Start Date
1	Raghavendra Rao Hosakote Shamarao	00379249	Chairman and Managing Director	January 16, 2012
2	Neal Jeremy Castleman	05159412	Director	March 14, 2012
3	Sankar Krishnan Ramalingam	00078459	Whole-Time Director	January 28, 2022
4	Kalyanasundaram Chandrasekaran	00936289	Independent Director	January 28, 2022
5	Panchangam Nagashayana	00907296	Independent Director	January 28, 2022
6	Lathika Siddharth Pai	00420102	Independent Director	February 02, 2022




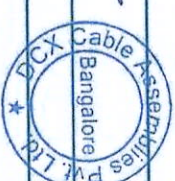
## LETTER OF AGREEMENT

By signing this Acceptance Certificate, we enter into a contract with Frost & Sullivan, comprising of this document, proposal dated November 15, 2021 and the mentioned Terms & Conditions.

Report Title : Industry report for Aerospace and Defence Industry  
 Project Value : INR 20,00,000/- [Indian Rupees Twenty Lakh Only] + Applicable Taxes, if applicable  
 Invoicing Terms : 50% on confirmation  
 : 50% on delivery of the final report

Whether PO is mandated by client before sending the invoice ? No

### Parties to this Contract:

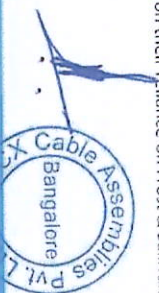
Frost & Sullivan (India) Private Limited ASV Hansa No. 53 Greams Road Thousand Lights, Chennai – 600 006, Tamil Nadu Phone: 91.44.61606666 Fax: 91.44.42300369 CIN-U74140TN1999PTC079226 GSTIN* : 33AAACF4252A1ZE	DCX Cable Assemblies Pvt Ltd Plot#29,30&107 Aerospace SEZ Park, KIADB Industrial Area, Devanahalli, Bengaluru, Karnataka 562110 GSTIN / UIN (Mandatory)* : 29AAECD0685R2ZW CIN - U31908KA2011PTC061686
Signature: Shylesh Narayanan1 <small>Digitally signed by Shylesh Narayanan1                  Date: 2022.01.07 16:41:32 +05'30'</small>	Signature:  
Name: Shylesh Narayanan Title: : Vice President & Client Engagement – South Asia Date: January 7, 2022	Name : Dr. H S Raghavendra Rao Title: Mangging Director Date: January 7, 2022

## Terms and Conditions (1/2)

DCX Cables, is hereinafter referred to as the "The Client."



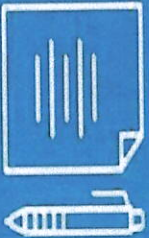
1. All invoices are due upon receipt. All subscription charges for third party data will be paid for by the Client. All travel and other out-of-pocket costs related to the project will be billed separately at cost. Unpaid invoices may be subject to a 1.5 percent late fee per month past due.
2. Any change in the scope or content of work from that stated in the project scope will be reflected in a change of work order, agreed upon by both the Client and Frost & Sullivan. The revised scope may reflect additional billing as required and may result in a revised invoice or be reflected in a time and expenses billing. This additional work will begin only when the change order signed by the Client is received by Frost & Sullivan.
3. The stated project fee includes the delivery to the Client at the project's completion of electronic copies of the research deliverables for this project in either PowerPoint, Word or Excel formats.
4. This project is done on a multi client basis. Frost & Sullivan will have the ownership of these reports. Client cannot resell or distribute the material to third parties without written consent from Frost & Sullivan.
5. Frost & Sullivan retains the right to use market related knowledge from this project as part of its ongoing research, with the exception of confidential materials that provide or relate to Client information, customized metrics and strategic recommendations developed specifically for the Client in the context of this project.
6. Written deliverables may be reproduced in printed and electronic format for distribution within the client organization. Any part of this report that is used in public domain communications (e.g. press releases) be reviewed and approved by Frost & Sullivan prior to their publication. This is to assure that any data or conclusions are presented in the proper context, to avoid any misunderstanding by the reader or audience, and to ensure the accuracy of the data.
7. Neither the Client nor its parent or any subsidiary organization will actively solicit to employ any Frost & Sullivan employee connected to this project for a period of 12 months following project completion. Should such an event occur, The Client agrees to damages of two times the person's annualized salary, due and payable immediately to Frost & Sullivan.
8. Frost & Sullivan will always strive to provide first-rate work. However, there is no representation of certainty, express or implied, by Frost & Sullivan, except in the case of demonstrable negligence on the part of Frost & Sullivan. This is because the markets we study have varying degrees of fragmentation. The Client acknowledges this and accepts this point. The Client waives any claim to actual, consequential, or punitive damages against Frost & Sullivan based on their reliance on Frost & Sullivan's work, except in the case of demonstrable negligence on the part of Frost & Sullivan.





## Terms and Conditions (2/2)

DCX Cables, is  
hereinafter referred to  
as the  
"The Client"



9. Some data may be considered proprietary or sensitive by companies and/or individuals to be interviewed or surveyed, and they may be unwilling to divulge any given piece of information or data to Frost & Sullivan. All research and analysis will therefore be executed on a "best efforts" basis.
10. The Client shall have 10 business days following the final presentation of the project results to request clarifications or submit questions that are reasonable and within the original scope of the project. Additional work beyond the scope of the project or the 10 business days will be billed on a time and expenses basis.
11. The Client may terminate this agreement provided there is a reasonable basis and that an agreement is signed in writing by both parties. Work on the engagement will cease on the day that the request to terminate is received by Frost & Sullivan. The Client agrees to pay Frost & Sullivan
  - a) a pro rata fee for tasks accomplished, plus related direct expenses incurred prior to termination
  - b) a cancellation penalty of 10% of the full contract value.
  - c) any costs Frost & Sullivan has incurred and/or any non-refundable portion of committed costs incurred prior to Frost & Sullivan receiving the engagement termination request.
  - d) Termination charges will be invoiced to the Client and must be paid in full immediately.
12. Frost & Sullivan shall not be liable for delays or failures in performing its obligations resulting from any cause beyond Frost & Sullivan's reasonable control. In the event of any material delay, Frost & Sullivan will notify the Client and specify the revised schedules as soon as practicable.
13. Both parties must agree upon any change, extension or reduction in the scope of the project in writing. The revised scope will be reflected via either a revised letter of engagement or a time and expenses billing, which will reflect additional billing as required to complete additional work.
14. The Client may request Frost & Sullivan to make additional presentations of results of this project beyond what has been specified in the project scope. Frost & Sullivan will bill the Client on a time and expenses basis, including preparation, presentation and travel costs and time.
15. All of our material is by default written in English, unless it has been specifically agreed in the context of the project definition that our material would be written in another common language. In case the Client wishes to have our material translated in an additional language all translation costs will be charged to the Client.
16. Frost & Sullivan will deliver scope of work outlined in the proposal within the agreed timelines and cost. Frost & Sullivan will undertake to update within the scope of study based on query coming in from SEBI limited to one or two sections of the study based on recent updates that has been published in the public domain within a period of 90 days from the date of delivery of the report. Any updates exceeding the update in one or two sections will be reviewed by Frost & Sullivan with additional cost. Any update request coming after 90 days will be reviewed and any associate cost will be presented to the client for evaluation and sign off.