



Office of the Development Commissioner
Cochin Special Economic Zone (CSEZ)
EOU's & SEZs in Karnataka
Ministry of Commerce & Industry, Department of Commerce
Government of India,
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Dated the 4th July 2025

To

M/s DCX Systems Limited,
Plot Nos.29,30 & 107, Aerospace SEZ Sector,
KIADB-Hitech, Defence and Aerospace Park,
Devanahalli Taluk, Bengaluru Rural – 562 110

Subject: Application for grant of Industrial License under IDR Act 1951 from M/s DCX Systems Limited for manufacture of Production, Assembly and Testing of Radar Systems and EW Systems, Repair of Radar and EW Systems Apparatus viz., providing Warranty Support and Carrying out Repair of Airborne, Ship borne and Ground Based Systems (which shall include Installation and Commissioning Support) and Integration and Manufacture of Avionics & Defence Electronic Equipment falling under Scheduled Industry No.37 (Defence) – reg.

Sirs,

Please refer to your application for grant of Industrial License under IDR Act, 1951 for manufacture of the following items was considered by the Board of Approval (BoA) in the 129th meeting held on 6th June 2025:-

Sl.No.	Item Description
1	Production, Assembly and Testing of Radar Systems and EW Systems
2	Repair of Radar and EW Systems Apparatus viz. , providing Warranty Support and Carrying out Repair of Airborne, Ship borne and Ground Based Systems (which shall include Installation and Commissioning Support)
3	Integration and Manufacture of Avionics & Defence Electronic Equipment

2. The proposal was considered by the Board of Approval (BoA) in its 129th meeting held on 6th June 2025. After due deliberations, the BoA approved the proposal in respect of the following manufacturing activities:-

Sl.No.	Item Description
1	Production, Assembly and Testing of Radar Systems and EW Systems
2	Integration and Manufacture of Avionics & Defence Electronic Equipment

3. This permission is subject to the following conditions:-

- Obtaining other relevant clearances from any other statutory/regulatory bodies; and
- All security instructions architecture prescribed in the Category 'A' of the Security Manual for Licensed Defence Industries issued by Ministry of Defence (MoD) from time to time are strictly adhere to in coordination with MoD and Ministry of Home Affairs.

4. Further, it is observed by the Board that activity of 'Repair of Radar and EW Systems Apparatus viz., providing Warranty Support and Carrying out Repair of Airborne, Ship borne and Ground Based Systems (which shall include Installation and Commissioning Support)' is not licensable as it is covered under Maintenance, Repair, and Operations (MRO).

5. The manufacture of the above mentioned items shall be undertaken in your existing industrial unit located at Plot Nos.29,30 & 107, Aerospace SEZ Sector, KIADB-Hitech, Defence and Aerospace Park, Devanahalli Taluk, Bengaluru Rural – 562 110.

6. The Industrial License will also be subject to the following conditions:-

- (a) Adequate steps shall be taken to the satisfaction of the Government to prevent Air, Water and Soil pollution. Further, such anti-pollution measures taken must conform to the effluent and emission standards prescribed by the State Government in which the factory of the Industrial undertaking is located. In addition, adequate industrial safety measures as provided in the Factories Act shall be undertaken to the satisfaction of the State Government in which the factory of the industrial undertaking is located.
- (b) You shall comply with the existing laws on employment of child labour.
- (c) The management of the Company owning the Industrial License should be in Indian hands with majority representation on the Board as well as the Chief Executive of the Company, being resident Indians.
- (d) The Government of India shall not give purchase guarantee for products to be manufactured.
- (e) Adequate safety and security procedures would need to be put in place by the Licensee. The Indian Licensed Defence Companies (ILDC) shall comply with the security guidelines applicable to them as per Security instructions/Architectures prescribed in Security Manual for License Defence Industries available at www.ddpmod.gov.in based on their categorization. The ILDC is required to give an undertaking before commencing production of Defence products for the company as well as its supply chain that it shall comply with the provisions of the Security Manual. The products to be manufactured by the Licensee have been categorized under Category (A) in the Security Manual.
- (f) The Standards and testing procedures for equipment to be produced under license from foreign collaborators or from indigenous R&D will have to be provided by the Licensee to the Government nominated quality assurance agency. The nominated quality assurance agency would inspect the finished products and would conduct surveillance and audit of the quality assurance procedures of the Licensee. Self Certification would be permitted by the Ministry of Defence on case to case basis, which may involve either Industrial items or a group of items manufactured by the licensee. Such permission would be for a fixed period and subject to renewal.
- (g) Arms and Ammunition and allied items of defence equipment/parts & accessories thereof as contained in the License, produced by the private manufactures will be primarily sold to the Ministry of Defence. These items may also be sold to other Government entities under the control of Ministry of Home Affairs, Public Sector undertakings, State Governments and other Defence Licensee companies without the approval of Department of Defence production. The Defence licensee will furnish half yearly return, regarding details of items produced and entities to whom sold, in the prescribed format. The return should be furnished in duplicate to Industrial Statistical Unit, Department of Industrial Policy and Promotion, Udyog Bhavan, New Delhi, Under Secretary (SIA), Department of Industrial and removal of all goods out of the factory will be given by the Standing Committee in the Department of Defence Production Supply Wing, South Block, New Delhi.
- (h) Adequate steps shall be taken to the satisfaction of the appropriate Government authority viz., Chief Inspector of Factories in regard to process hazards for ensuring safety in plant. Before going into trial production, adequacy of steps taken in this regard may be established to the satisfaction of the appropriate Government authority.

- (i) The Licensee will inform changes in the management control, ownership pattern, Board of Directors, Foreign holding/Foreign Directors to the Department of Industrial Policy and Promotion and Department of Defence Production, DDIP Section. In addition, as and when any Foreign Partner(s) is included, the Licensee will seek necessary clearance from the Ministry of Home Affairs.
- (j) Violation of any other provisions of the license, may lead to the cancellation of license. The license is also liable to be cancelled in the event of withdrawal of security clearance by Ministry of Home Affairs (MHA).

Note: Detailed instructions issued by the Ministry of Defence (Department of Defence Production) in regard to the conditions stipulated in Para 6 (d) & (f) from time to time, shall also be followed by the Licensee for the strict compliance.

7. It will be the responsibility of the entrepreneur to ensure that all requisite approvals/clearances under other statutes/regulations/notifications etc. issued by the Central/State Government(s) from time to time are obtained for the manufacturing activities specified in the Industrial License.

8. The License does not constitute any approval of the proposed capital structure as set out in the license application. The approval of the appropriate government authority would be sought separately in this regard. Any prospectus or other documents by which the public is invited to subscribe capital for the industrial undertaking shall contain the following statement:-

"a license has been obtained from the Central Government for the manufacture of items mentioned below, of which a copy is open to the public inspection at the Head Office of the Company. It must be distinctly understood that, in granting this license, the Government of India do not take any responsibility for the financial soundness of this undertaking or for the correctness of any of the statement made or opinions expressed in regard to."

9. Your attention is invited to Rule 19 of the Registration and Licensing of Industrial Undertaking Rules 1952. In accordance with this rule, you should furnish returns in the prescribed form outlining the progress of the implementation of the license for which half year ending on 31st December and 30th June until commercial production from the project is established. The return should be furnished in duplicate to the Industrial Statistical unit, Department of Industrial Policy and Promotion, Udyog Bhavan, New Delhi, Under Secretary (SIA), Department of Industrial Policy & Promotion, Udyog Bhavan, New Delhi and to Ministry of Defence, Department of Defence Production Wing, South Block, New Delhi to which it relates. The returns should be furnished within one month of the expiry of the half yearly period.

10. You are requested to confirm acceptance of the above conditions and to take effective expeditious action in respect of your investment proposal. You may contact your entrepreneur assistant unit of the Secretariat for Industrial assistance, Udyog Bhavan, New Delhi for further clarification or assistance you may need.

Yours faithfully



(P Hemalatha IAS)
Development Commissioner