

**Valiant Communications Limited**

(An ISO 9001:2015 and ISO 14001:2015 Certified Company)

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Date: 11-08-2023

The Deputy General Manager  
Corporate Relationship Department  
BSE limited, Phiroze Jeejeebhoy Towers,  
25<sup>th</sup> Floor, Dalal Street, Fort,  
Mumbai -400 001  
BSE Scrip Code : 526775

**Sub: Business Updates**

Dear Sir / Madam,

Pursuant to the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and also in continuation of our erstwhile disclosures, please find attached herewith the business updates.

This is for your information and record.

Sincerely,

For Valiant Communications Limited

Manish Kumar  
Company Secretary

Encl.: As above



# **BUSINESS UPDATES & SHARE HOLDER'S LETTER**



**Q1-FY 2023-24**

**Valiant Communications Limited**





## About us :

Valiant Communications (VCL) is a manufacturer of communication, transmission, protection, synchronization and cyber security equipment and solutions with successful installations in over 110 countries. VCL is certified with ISO 9001:2015, ISO 10001:2018, ISO 14001:2015, ISO 27001:2013 and ISO 45001:2018. VCL solutions are offered for all types of Utility applications including Power Utilities, Oil & Gas, Railways, Metro Rail Communications, Airport Communications and also for Mobile Backhaul, Corporate and the Defense sector.

## Technologies on which we work :

With technology beginnings with Digital Pair Gain Systems, PDH Multiplexers and Optical Line Terminating Equipment (OLTE), VCL has grown into a global supplier of reliable communications, transmission, GPS/GNSS synchronization and cutting-edge technology products including IP/MPLS Routers, 1+1 Automatic Ethernet Failover Switches, Teleprotection Distance and Differential Protection, IP Multiplexers, Phasor Measurement Unit (PMU), Ruggedized Industrial Switches, L2, L3 Industrial Switches, Parallel Redundancy Protocol (PRP) Switches and a comprehensive range of Cyber Security products and solutions.

## FINANCIAL PERFORMANCE:

The Company has achieved its all-time high revenue figures at quarterly level for both at standalone and consolidated level in the reporting quarter ended 30-06-2023.

### At Stand-alone Level (in ₹ Lacs)

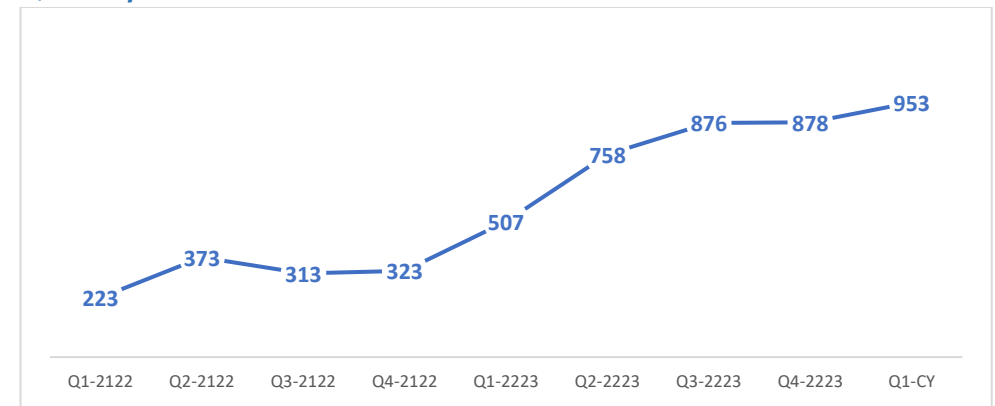
#### Financial highlights

Quarterly basis:	Q1-CY2023-24	Q1-PY2022-23
Revenue	953	507
EBITDA <sup>§</sup>	184	12
PBT <sup>#</sup>	127	(39)
Operating EBITDA margin (%)	19.33%	2.37%

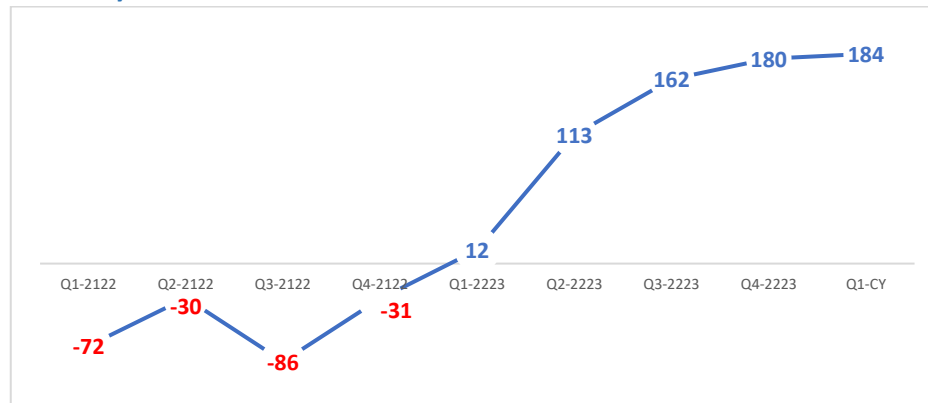
<sup>§</sup> EBITDA stands for Earnings Before Interest, Taxes, Depreciation, and Amortisation

<sup>#</sup> PBT stands for Profit before Tax.

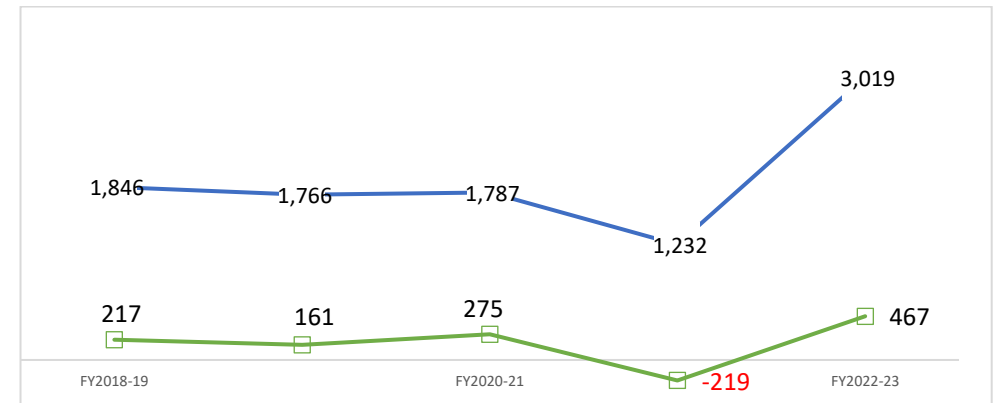
#### Quarterly revenue



#### Quarterly EBITDA



#### Annual Revenue vis-à-vis Annual EBITDA



## At Consolidated Level (in ₹ Lacs)

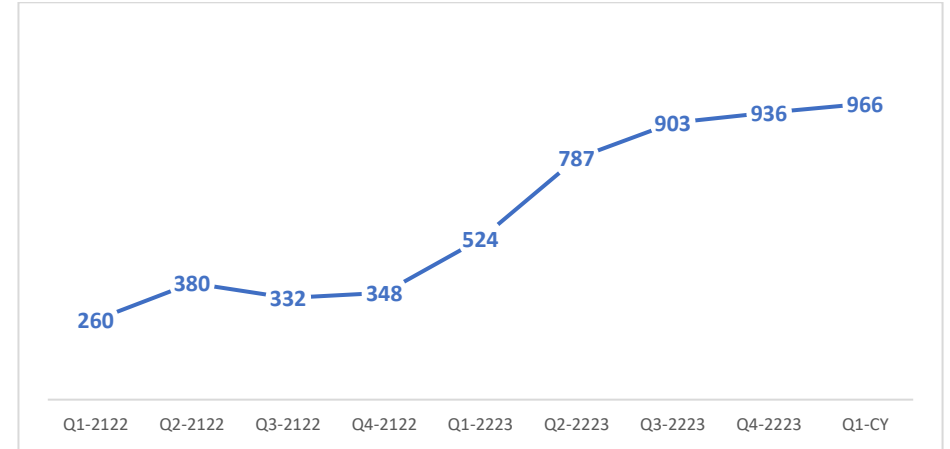
### Financial highlights

Quarterly basis:	Q1-CY2023-24	Q1-PY2022-23
Revenue	966	524
EBITDA <sup>§</sup>	177	10
PBT <sup>#</sup>	119	(41)
Operating EBITDA margin (%)	18.33%	1.91%

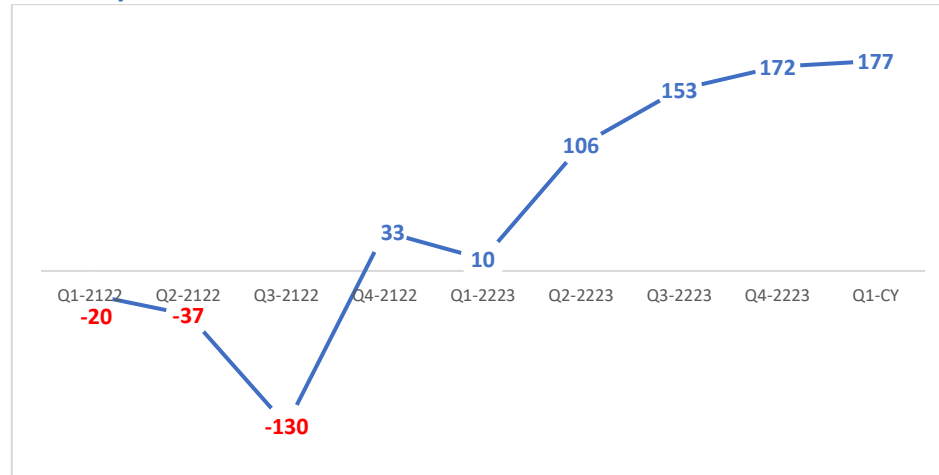
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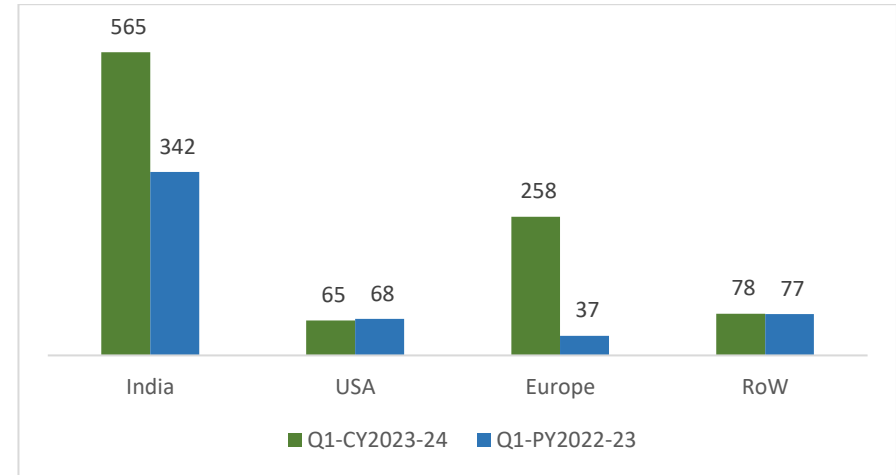
### Quarterly revenue



### Quarterly EBITDA



### Geographical revenue growth



## Business Updates:

- i) The current order book is healthy and stable with the confirmed orders of ₹ 2,998 lacs and there are another ₹650 lac+ tenders, where the Company is declared as L1. The expected execution period for these orders is next 3 to 4 forthcoming quarters.
- ii) The management expects to improve its operating profit margins in forthcoming quarters in the light of:
  - Expected better product-mix;
  - Earlier years supplies are entering in AMC phase now, resulting a top-up revenue for services;
  - New cutting-edge technology driven products are being offered.
- iii) The shareholders are advised to visit the recent Press-releases to better understand the business and the technologies on which we work. The same are available at the website of the Company and can also be accessed by clicking [HERE](#).
- iv) The Company has witnessed a new revenue stream of Network Management System licensing for its products deployed in Power Grid Corporation of India Limited (PGCIL). The Company has received total orders of ₹150 lacs from Sterlite and NMS Works for North, North-East and Eastern Region respectively. The Company expects similar orders for different regions of PGCIL in the near term.



- v) Cyber Security business: The Company is expected to receive its maiden government contract in the current quarter. Our Company has already successfully conducted a Proof of Concept (PoC) trials with India's premier Grid Operator for a few of its Cyber Security products and these successful trials for early detection and warning systems of cyber-attacks, ransomware attacks and network intrusion to safeguard their Grid communication systems, will start to generate business revenue in the coming quarters. This opportunity is of very large scale, both domestically and internationally, due to the unique cyber-security solutions that our Company offers.

The Government has a heightened focus on Cyber Security for all its departments and with a view of protecting critical infrastructure and its data. This should translate into induction of our Cyber Security products in the Government Sector under the 'Make in India' and the '*Atmanirbhar Bharat*', path-breaking initiatives taken by the Government of India.

- vi) Valiant has become the 1<sup>st</sup> Indian company whose make "Phasor Measurement Unit (PMU)" has been re-type test approved with latest technical specifications by the Council Of Scientific And Industrial Research–National Physical Laboratory (**CSIR–NPL**), an organization whose aim to "strengthen and advance physics-based research and development for the overall development of science and technology in the country", which is formed under an Act of Indian Parliament and is functioning directly under the chairmanship of our Hon'ble Prime Minister.

Based on this approval, the Company has applied for Proof of Concept (PoC) to the Power Grid Corporation of India Limited. It is important to mention that PMU is a key component of "One Nation, One Grid, One Frequency" concept and smart-grid projects. PMU plays a key role in Grid Automation, Grid Stabilization and Load Management of the Power Grid. Globally, there are very few foreign manufacturers, manufacturing PMUs at present. The PMU opportunity is also of global nature.

Being an indigenous manufacturer, Valiant is apparently a beneficiary of all business opportunities that are notably arising in the Indian Public Sector out of the 'Make in India' and '*Atmanirbhar Bharat*' initiatives of our Hon'ble Prime Minister of India.

- vii) Presently, the revenue of the Company is broadly driven by the power utility sector; however, the management also sees some exciting opportunities in Indian Defence sector, which is now procuring under the 'Make in India' and '*Atmanirbhar Bharat*' initiatives of our Hon'ble Prime Minister of India.
- viii) At present, the Company is forced to carry higher inventory than its usual level because of ongoing world-wide supply chain disruption in semi-conductors.

However, in view of the revenue opportunities as cited above, we expect the same shall be translated in cash and return to its usual level by the end of this year.

- ix) The opportunities of marketing of IP/MPLS Routers are progressing very well to all Government departments and addressing other global opportunities. IP/MPLS Routers are already being exported to different countries, globally.
- x) At the export front, Valiant group has taken focused marketing initiatives to breakthrough into the international markets in Latvia, Thailand, Philippines, Paraguay, Uruguay, Colombia, Peru, Mexico and Brazil in the Power and IT Sectors. During the period under reporting, the recent reference customers include:



- United States Government (various agencies – Classified)
- Ministry of Defence, Romania (NATO)
- Ministry of Defence, Serbia
- Ministry of Defence, Sultanate of Oman
- Airborne Early Warning & Control (AEW&C) communication systems
- Lockheed Martin Corporation, USA
- Tesla Inc., USA
- National Electricity Grid, Paraguay

## Business Association with Tejas Networks:

Valiant has successfully partnered in the Indian market with Tejas Networks Limited [NSE: TEJASNET], a Tata Group company. It is a testimony that our natural partnership is a winning combination in all business opportunities falling under '*Make-in-India*' wherein, Tejas and Valiant compete as a team against foreign MNCs.

- Both the Companies are determined to replicate their business synergies at the global level also. In a recently concluded tender at Bhutan Power, Tejas (with Valiant's partnership) has been declared lowest bidder (L1), for which the final PO is awaited. Valiant has also partnered with Tejas and another Tata' flagship company, for power utility markets in Australasia for multi-years contracts. Given the global reach of the Tata Group, the management is optimistic about the outcome about such opportunities.

- Valiant and Tejas have now partnered for the forthcoming large-scale business opportunities for their products supplies at the State Electricity Boards (SEBs) of Kerela, Tamil Nadu, Telangana and Gujarat. These business opportunities are valued at over ₹ 100+ crores for Valiant.
- As a first, Valiant and Tejas have co-exhibited their product portfolio at “DistribuTECH International® 2023” exhibition held at San Diego, USA. DistribuTECH 2023 is the leading annual transmission and distribution event for utilities, technology providers, and industry leaders. Valiant and Tejas collectively introduced a comprehensive range of IT (Information Technology) and OT (Operational Technology) products that play an increasingly critical roles in ensuring reliable, cyber safe, and efficient operation of utilities, power generation, transmission, and distribution systems. These solutions are used to provide end-to-end communication, transmission, protection, synchronization and cyber-security for Utilities and Power networks.

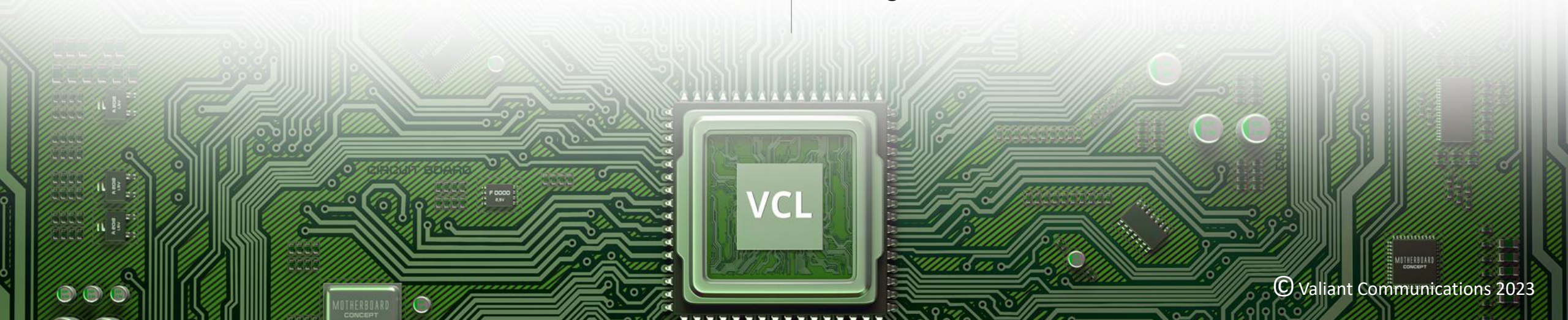
**Cautionary Statement:** *The future-outlook statements given above are forward looking and are based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and, in their opinion, reasonable. Forward-looking statements involve known and unknown risks, uncertainties, and other factors, which may cause the actual results, financial condition, performance, or achievements of the Company results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Given these risks, uncertainties and other factors, recipients of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent development, information or events, or otherwise. The information contained herein is subject to change without notice and past performance is not indicative of future results. The Company may alter, modify or otherwise change in any manner the above contents, without obligation to notify any person of such revision or changes.*

# ABOUT VALIANT COMMUNICATIONS



## Introduction

- Established in 1993 in technical and financial collaboration with Vanguard Communications USA.
- An ISO 9001:2015, ISO 10001:2018, ISO 14001:2015, ISO 27001:2013 and ISO 45001:2018 certified equipment manufacturer of Communication, Transmission, Protection, Synchronization and Cyber Security solutions.
- Provides a powerful blend of "innovation, quality and economics".
- Successful installations in over 110 countries, worldwide.
- Global footprint with offices in USA, UK, Canada and India.
- Regional Distributor offices in 25 countries.



# PRESTIGIOUS REFERENCE CUSTOMERS

End-users, using VCL equipment



ABB



Siemens



Schneider-Electric



Power Grid  
(PGCIL)



Turkish Electricity  
Company



Larsen & Toubro  
Limited



Perusahaan  
Listrik Negara



Vietnam  
Electricity



Defense Communications  
Agency (DCA)



Honeywell



Lockheed  
Martin



Northrop  
Grumman



United Nations



United States  
Government



Raytheon



Amentum  
(NASA)



GE Renewable  
Energy



L3 Harris



Motorola



Tranelectrica



Airport Authority  
of India



General Dynamics



Canada  
Government of Canada



Tesla

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# TARGET INDUSTRIES



## POWER & UTILITIES

Power Sector Infrastructure –  
Transmission, Distribution,  
Digital Substations, Smart Grid.

Wide Area Monitoring (WAMS)

Utilities – Water, Oil & Gas, Solar and  
Wind Energy, Renewables.

Railways and Metro Rail,

Airport Communication Networks.



## CORPORATES & GOVERNMENT

Industrial Automation,

Corporate Networks,

Banks and Financial Institutions,

Rural Communications

Mobile 4G, 5G Communication  
Networks.



## CYBER SECURITY

Cyber Security for core sector  
(Power, Railways, Airports,  
Utilities, Institutions)

Defense Networks,

Automatic Network Isolation solution.

Network Reliability & Failover solutions.

# OPPORTUNITY SCALE



## \$100B

Legacy, Contemporary, Emerging technologies including MPLS Router product market size is valued at > \$50 billion in 2019 and is projected to reach > \$ 100 billion by 2027.

- **MPLS-Market**

<https://www.mordorintelligence.com/industry-reports/managed-mpls-market>

## \$305B

Cyber Security market size was valued at \$149.67 billion in 2019 and is projected to reach \$304.91 billion by 2027.

- **Cyber-Security-Market**

<https://www.alliedmarketresearch.com/cyber-security-market>





# Global Distribution Network





# Contact Us

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