

Valiant Communications Limited

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

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Date: 10-11-2020

The Deputy General Manager
Corporate Relationship Department
BSE limited, Phiroze Jeejeebhoy Towers,
25th 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 dated 12-06-2020 and 14-08-2020, 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



In this unprecedented COVID-19 crisis, the Management finds it prudent to disseminate the following important information in continuation to its erstwhile disclosures dated 12-06-2020 and 14-08-2020:

- i) The Company's manufacturing facilities and all site operations have resumed with its full employees' strength currently.
- ii) During the quarter under reporting:
 - a) **At consolidated level:** The net revenue of the Group is increased by 72% to ₹ 700 lac from ₹ 406 lac on quarterly basis. The growth is driven by exports, particularly in USA. Whereas the PBT stands at ₹ 97 lac Vs. loss of ₹ 58 lac; and reported PAT is ₹ 74 lac as compared to loss of ₹ 39 lac in corresponding previous quarter.
 - b) **At Standalone level:** The Company has posted its quarterly revenue figure at ₹ 485 lac (corresponding previous year: ₹ 322 lac) with growth rate of 51%. Whereas the PBT stands at ₹ 57 lac Vs. Loss of ₹ 68 lac; and reported PAT is ₹ 42 lac as compared to loss of ₹ 48 lac in corresponding previous quarter.
- iii) The Company has sufficient inventory of raw material of all key components, which shall be sufficient to meet demand in short-term to medium term with minimum cash-outflow. A slight increase in inventory in the reported quarter is because of expected supplies in the forthcoming quarters.
- iv) The current position of supply chain is conducive at present; however, any escalation in lockdowns and/or imposition of movement restrictions by nations, may cause logistic challenges, specifically in exports.
- v) The liquidity position at group level is comfortable and further improved as provided below:

As at 30-09-2020	As at 31-03-2020
INR 1071 lacs	INR 970 lac

- vi) The Company and all its subsidiaries maintained its debt free status.
- vii) Based on current and forthcoming opportunities, where the Company has, direct or indirect participation, the management fairly believes that the Company shall be able to post satisfactory financial results on yearly basis. The Company shall disseminate this information to the stock exchange for their respective conclusion.

BUSINESS UPDATES



- viii) The Company does not see incremental risk to recoverability of assets (investments, Receivables, etc.) given the measures being taken to mitigate the COVID-19 situation.
- ix) The Company is expanding its marketing network in Europe and South America. The Company has appointed distributors in France, Spain, Portugal, Peru and Chile for its recently introduced Cyber-Security and Power Utility products. Whereas, the Company has been approved now as registered vendor with Siemens for Lithuania and Latvia.
- x) Valcomm Technologies Inc., a wholly owned subsidiary of the Company has started to receive an encouraging response from USA and has contributed 31% of Group' revenue during the 1st half of current financial year.

Valcomm USA, has now been an approved vendor with Hargray Communications Group and Anixter (a Fortune 500 company). Valcomm USA made pilot project supplies of communications and synchronization equipment in the US to Power Utilities, Energy Cooperatives, Shale Oil & Gas, Hydro companies, regional Cable TV, Broadband Internet Service Providers and Government organizations.

- xi) In the current reported quarter, the 24% of operating revenue came from India, while the balance 76% was from export markets.

With the various initiatives taken by the Government of India, under the leadership of our Hon'ble Prime Minister, such as 'Make-in-India' and 'Aatamnirbhar Bharat', the Indian business scenario is now looking more vibrant and promising.

Being the only Indian manufacturer for various products in select domains, the Company has a distinctive advantage over its MNCs competitors. All the initiatives taken by the Government of India are helping the Company (being an indigenous manufacturer of communications, transmission, synchronization, and cyber security equipment) to capitalize its position in India.

There are substantial opportunities in India, wherein the products of the Company have been offered by the prominent industrial leaders in turnkey projects pertaining to power and defence sector of the country. These are expected to unfold in the coming quarters.

Cautionary Statement:

The future-outlook statements are forward looking. It involves risks and uncertainties and is based on current expectations. Actual results may differ materially.
