

Valiant Communications Limited

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

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Date: 29-05-2024

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, 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

Q4 FY2023-2024

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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 offers a comprehensive range of end-to-end IT/OT solutions for Utility applications including Power Utilities, Oil & Gas, Railways, Airport Communications, Mobile Backhaul, Corporate and Defence sector and a range of Cyber Security products designed for utility and SCADA applications.

Technologies on which we work :

With technology beginnings with Digital Pair Gain Systems, PCM 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, Ethernet Failover / A/B Switches, Teleprotection - Distance Protection and Line Differential Protection solutions, SDH and PDH Multiplexers, IP Multiplexers, Phasor Measurement Unit (PMU), GRID Islanding & WAMS solutions, Parallel Redundancy Protocol (PRP) Switches, EDFA Amplifiers, NAS and Data Storage Servers, Network Management Systems (NMS), Cyber Security

KEY HIGHLIGHTS:

	<u>Standalone</u>		<u>Consolidated</u>	
	<u>Quarterly</u>	<u>Annual</u>	<u>Quarterly</u>	<u>Annual</u>
All-time high Revenue	✓	✓	✓	✓
All-time high EBIDTA[§]	✓	✓	✓	✓
All-time high Profit before Tax (PBT)	✓	✓	✓	✓
All-time high Profit after Tax (PAT)	✓	✓	✓	✓
All-time high Earning per Share (EPS)	✓	✓	✓	✓
All-time high OPM[#] (%)	✓	✓	✓	✓

[§] EBITDA stands for Earnings Before Interest, Taxes, Depreciation, and Amortisation.

[#] OPM stands for Operating profit Margin.

FINANCIAL PERFORMANCE:

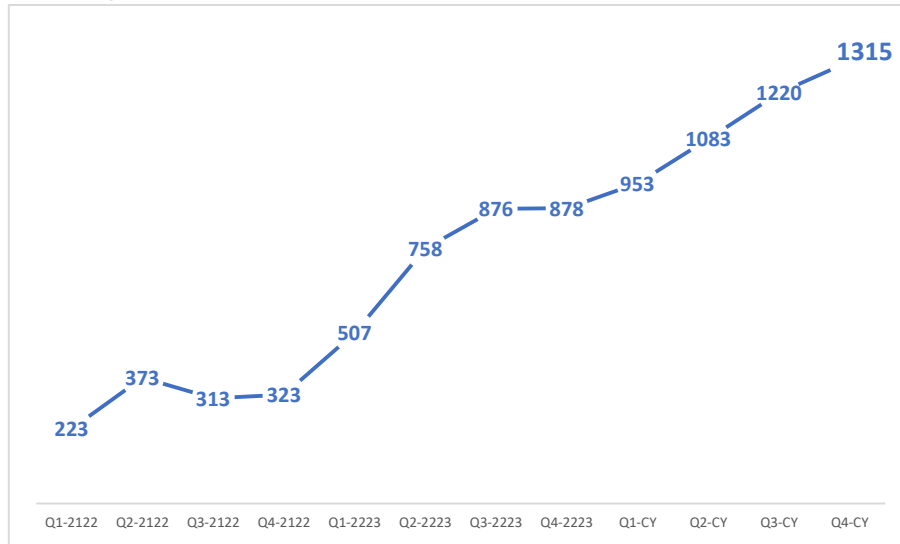
At Stand-alone Level (in ₹ Lacs)

Financial highlights

Quarterly basis:	Q4-CY2023-24	Q4-PY2022-23
Revenue	1,315	878
EBITDA [§]	432	180
PBT [#]	366	116
Operating EBITDA margin (%)	32.82%	20.52%
EPS [^] (in ₹)	3.76	1.19

[§] EBITDA stands for Earnings Before Interest, Taxes, Depreciation, and Amortisation

Quarterly Revenue

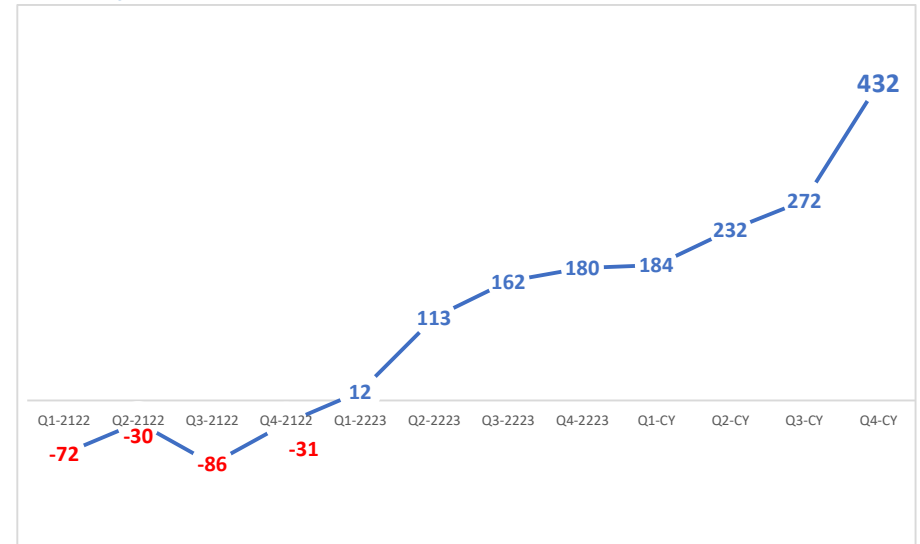


Financial Year:	CY2023-24	PY2022-23
Revenue	4,571	3,019
EBITDA [§]	1,119	467
PBT [#]	878	250
Operating EBITDA margin (%)	24.48%	15.46%
EPS [^] (in ₹)	9.08	2.54

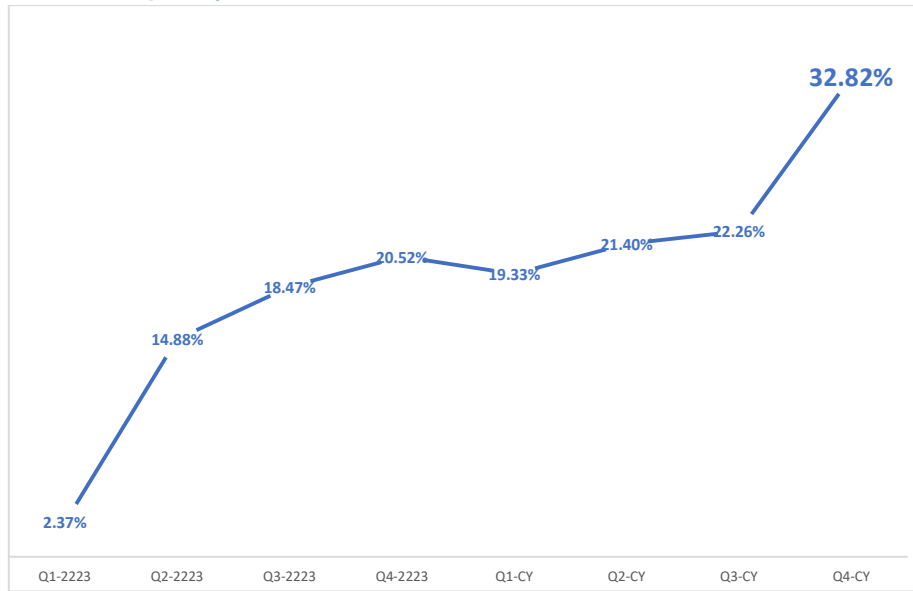
[#] PBT stands for Profit before Tax.

[^] EPS stands for Earning Per Share

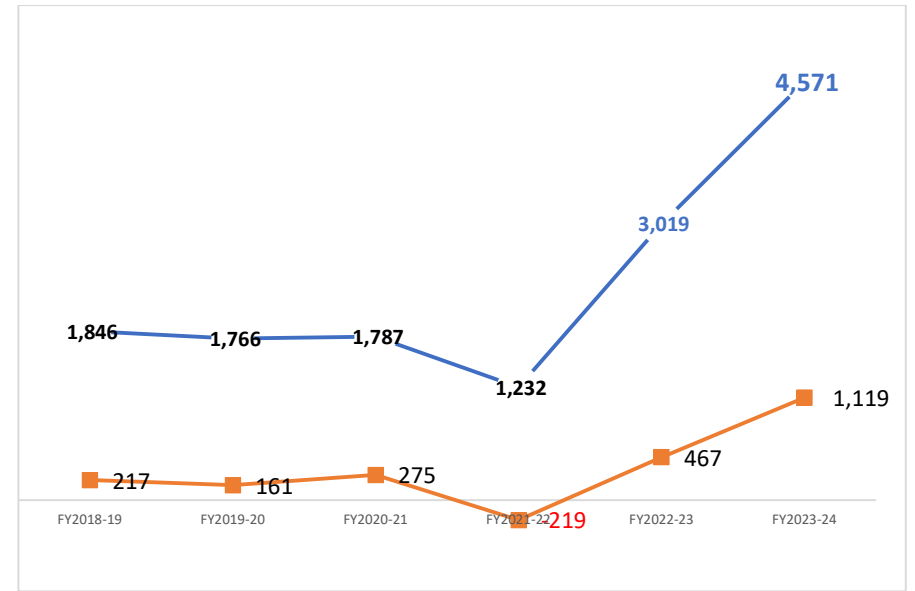
Quarterly EBITDA



EBITDA margin (%)



Annual Revenue V. EBITDA



Stand-alone Balance Sheet (in ₹ Lacs)

Particulars	As at 31-03-2024	As at 31-03-2023
ASSETS		
Non-current assets		
(a) Property, plant and equipment	629.17	596.76
(b) Other intangible assets	325.51	294.39
(c) Right of use assets	7.16	14.32
(d) Financial assets		
(i) Investments	206.21	206.21
(ii) Other financial assets	14.14	9.12
(e) Deferred tax assets (net)	15.61	51.85
(f) Income tax assets (net)	-	14.04
(g) Other non-current assets	14.56	26.96
Total non-current assets	1,212.36	1,213.65
Current assets		
(a) Inventories	1,450.00	1,704.74
(b) Financial assets		
(i) Trade receivables	1,086.42	334.96
(ii) Cash and cash equivalents	1,480.80	125.14
(iii) Bank balances other than above	205.67	188.00
(iv) Other financial assets	7.73	8.50
(c) Other current assets	91.19	58.35
Total current assets	4,321.81	2,419.69
Total assets	5,534.17	3,633.34

Particulars	As at 31-03-2024	As at 31-03-2023
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	762.81	722.35
(b) Other equity	4,137.82	2,257.93
Total equity	4,900.63	2,980.28
LIABILITIES		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	137.70	137.80
(ii) Lease liabilities	7.85	14.99
Total non-current liabilities	145.55	152.79
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	38.87	29.53
(ii) Trade payables	107.32	258.34
(iii) Other financial liabilities	120.56	81.57
(b) Other current liabilities	162.04	117.81
(c) Provisions	13.16	13.02
(d) Current tax liabilities (net)	46.04	-
Total current liabilities	487.99	500.27
Total equity and liabilities	5,534.17	3,633.34

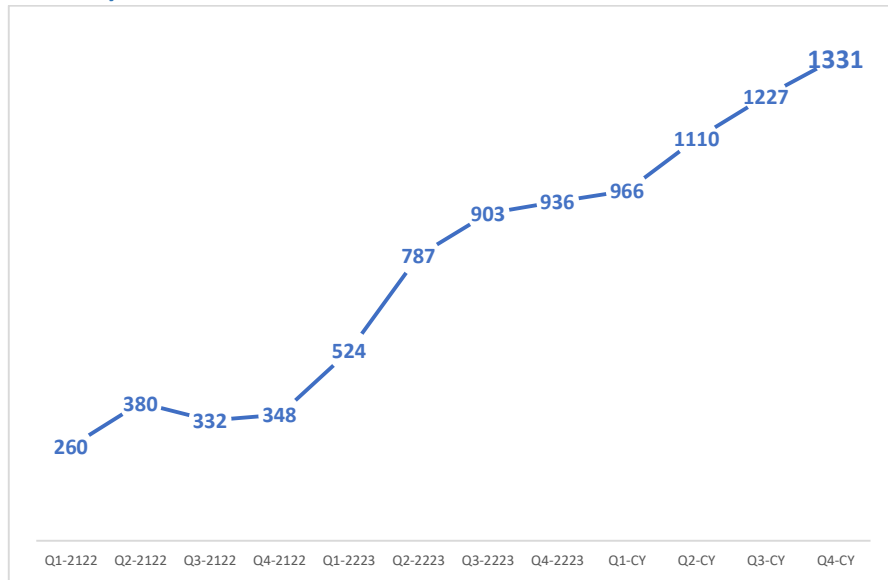
At Consolidated Level (in ₹ Lacs)

Financial highlights

Quarterly basis:	Q4-CY2023-24	Q4-PY2022-23
Revenue	1,331	936
EBITDA [§]	399	172
PBT [#]	334	108
Operating EBITDA margin (%)	29.97%	18.38%
EPS [^] (in ₹)	3.41	1.21

[§] EBITDA stands for Earnings Before Interest, Taxes, Depreciation, and Amortisation

Quarterly Revenue

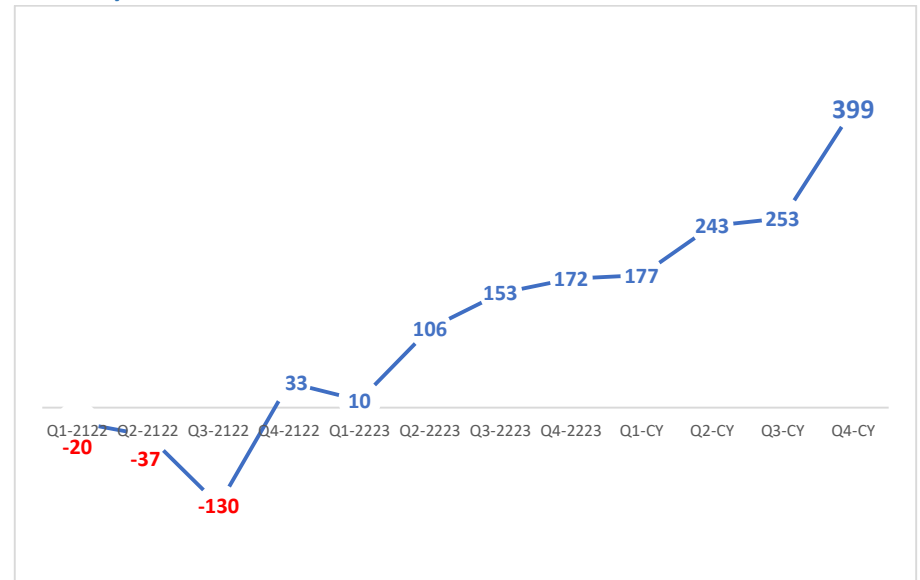


Financial Year:	CY2023-24	PY2022-23
Revenue	4,633	3,150
EBITDA [§]	1,071	441
PBT [#]	830	224
Operating EBITDA margin (%)	23.13%	13.99%
EPS [^] (in ₹)	8.56	2.33

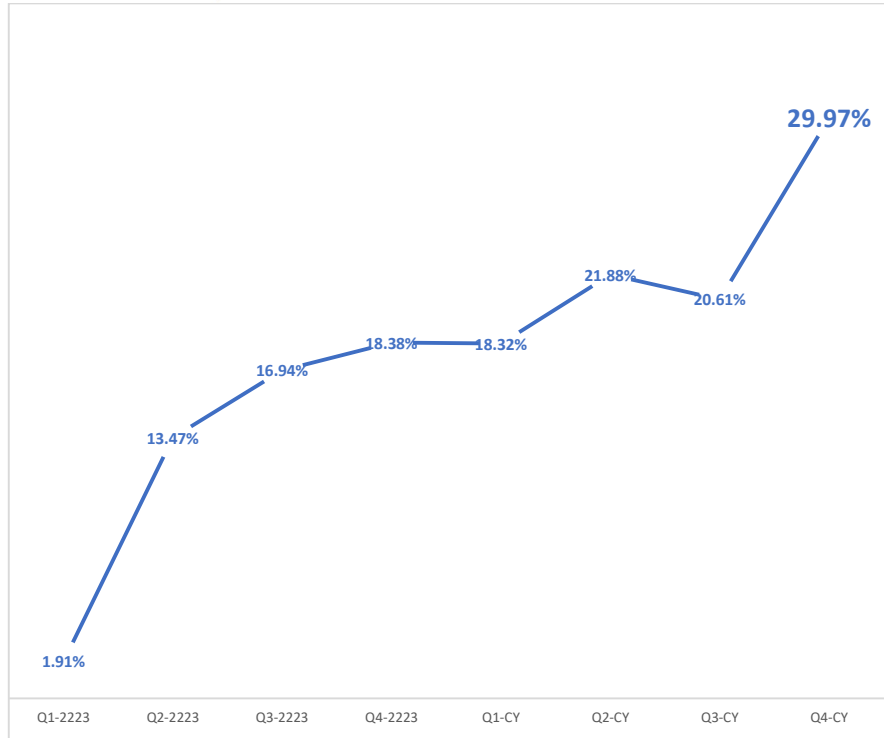
[#] PBT stands for Profit before Tax.

[^] EPS stands for Earning Per Share

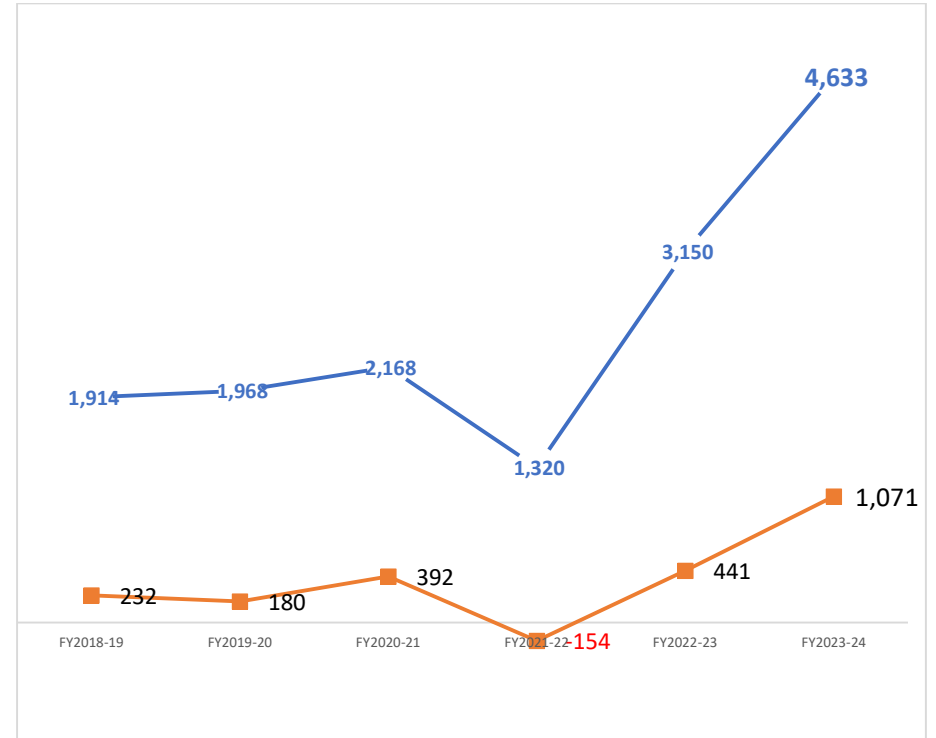
Quarterly EBITDA



EBITDA margin (%)



Annual Revenue V. EBITDA



Consolidated Balance Sheet (in ₹ Lacs)

Particulars	As at 31-03-2024	As at 31-03-2023	Particulars	As at 31-03-2024	As at 31-03-2023
ASSETS			EQUITY AND LIABILITIES		
Non-current assets			Equity		
(a) Property, plant and equipment	629.17	596.76	(a) Equity share capital	762.81	722.35
(b) Other intangible assets	325.50	294.40	(b) Other equity	4,421.20	2,571.72
(c) Right of use assets	7.16	14.32	Equity attributable to the owners	5,184.01	3,294.07
(d) Financial Assets			Non-controlling interest	4.25	4.33
Other financial assets	17.84	12.82	Total equity	5,188.26	3,298.40
(e) Deferred tax assets (net)	36.40	62.23	NON-CURRENT LIABILITIES		
(f) Income tax assets (net)	-	14.06	(a) Financial liabilities		
(g) Other non-current assets	14.56	26.96	(i) Borrowings	137.70	137.80
Total non-current assets	1,030.63	1,021.55	(ii) Lease liabilities	7.84	14.99
Current assets			Total non-current liabilities	145.54	152.79
(a) Inventories	1,451.52	1,704.74	CURRENT LIABILITIES		
(b) Financial Assets			(a) Financial liabilities		
(i) Investments	158.84	96.75	(i) Borrowings	38.87	29.53
(ii) Trade receivables	1,086.42	366.74	(ii) Trade payables	124.60	307.93
(iii) Cash and cash equivalents	1,777.85	529.37	(iii) Other financial liabilities	121.81	82.05
(iv) Bank balances other than above	234.48	209.70	(b) Other current liabilities	162.22	117.85
(v) Other financial assets	8.82	9.50	(c) Provisions	13.16	13.02
(c) Income tax assets (Net)	0.25	-	(d) Current tax liabilities (net)	46.04	-
(d) Other current assets	91.68	63.22	Total current liabilities	506.69	550.38
Total current assets	4,809.86	2,980.02	Total equity and liabilities	5,840.49	4,001.57
Total assets	5,840.49	4,001.57			

Business Updates:

- i) The current order book is healthy with the confirmed orders of ₹ 2,661 lacs. In a recent business opportunity of more than ₹ 3,000 lacs for the Company, Valiant with its business partner Tejas, are L1 bidders for one project and also bid for another project worth exceeding ₹ 2,500 lacs under “Make-in-India” initiatives. The final outcomes are awaited.
- ii) Valiant is successfully partnering in the Indian and international markets with Tejas Networks Limited [NSE: TEJASNET], a Tata Group company for offering end-to-end IT and OT power utility solutions. Further, our natural partnership is a winning combination in all business opportunities falling under ‘Make-in-India’ wherein, Tejas and Valiant compete against foreign MNCs.

Both the Companies are focusing on replicating their business synergies in the power sector at the international level also. Given the global reach of the Tata Group, the management is optimistic about the outcome about such opportunities.

Valiant and Tejas have partnered for the forthcoming large-scale business opportunities for their products supplies at the State Electricity Boards (SEBs) of Gujarat, Maharashtra, Kerela, Telangana and Tamil Nadu. These business opportunities are valued at over ₹ 100+ crores for Valiant.

- iii) In a recent update, the world’s largest network equipment manufacturer Cisco has successfully validated Valiant Teleprotection (Distance Protection) and IEEE 37.94 Line Differential protection solutions with their ‘Next Generation Utility WAN Architecture’. Please review the URL link provided below for additional details:

https://www.valiantcom.com/whats_new.html

The management is optimistic regarding the scale and scope of these opportunities.

- iv) Valiant Communications Ltd. and Fortytwo42 Technology Innovations Private Limited (“FT42”) have agreed to cooperate in integrating, creating synergies, and marketing of respective Quantum-safe cryptography products with Valiant’s cyber-security solutions to domestic and international customers. For the past 3 years, Valiant has been working on building its products to offer Quantum-safe cryptography products to its customer, worldwide. This cooperation will help strengthen the multiple application solutions that will be offered to customers. Commercial role out is expected within the calendar year 2024.
- v) The operating profit margins has been improved 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 hardware technology driven products are being offered.
- vi) 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](#).
- vii) Cyber Security business: The Company has successfully executed its pilot order from the Grid Controller of India (formerly known as POSOCO), a Government of India Enterprise, for its Cyber Security equipment for deployment

in power grid network in India. Participation in new tenders for government organizations are underway in the Oil & Gas and Defence sectors.

The Government has a heightened focus on Cyber Security for all its departments and with a view of protecting its Critical Information Infrastructure (CII). This opportunity is translating into induction of our Cyber Security products in the Government Critical Infrastructure sectors under the 'Make in India' and the '*Atmanirbhar Bharat*', path-breaking initiatives taken by the Government of India.

The successful deployment of Cyber Security equipment for early detection and warning systems of cyber-attacks, ransomware attacks, network intrusion, detection of trojans within a network, to safeguard their communication systems, will start to generate business revenue in the coming quarters. These on-premises hardware along with sophisticated software solutions automatically detect and intelligently mitigate cyber-attacks, ransomware, DDoS attacks and other cyber security threats.

With additional focus of exports of cyber-security products and solutions, our European, Asian and South American channel partners and distributors are being provided in-person and online training programs on cyber-security products to add customers in their respective regions.

viii) VCL-NAS and Data Storage Servers: Valiant has introduced India's first, Made in India ransomware resistant, On-Site, Off-Site and Off-Line Data Storage and NAS (Network-Attached Storage) Servers with a current capacity of 1.2 Petabyte (i.e. 1,200 Terabytes).

Network-Attached Storage (NAS) is a type of storage device that is connected to a network and provides file-based data storage services to other devices on the network. It is essentially a specialized file server dedicated to storing



and sharing files, documents, media, and other data resources among multiple users and devices within a network environment.

NAS and Data Storage servers provide network connectivity, file-level storage, facilitates file sharing and collaboration, offering scalability and allowing users to expand storage capacity by adding more hard drives or connecting additional NAS units to the network, providing data protection and redundancy, fault tolerance by storing data across multiple disks, backup and disaster recovery allowing users to schedule automated backups of critical data and facilitating the restoration of data from backup copies, helping to ensure business continuity.

Valiant's VCL-NAS is an essential component of the modern networked computing environment including data center applications. VCL-NAS comes equipped with incremental upgrades using AES 256 encryption and upgrading to Quantum-Safe cryptography. It allows the protection of stored data against natural disasters, man-made disasters and acts of war – including EMP (electromagnetic pulse).

Off-Site VCL-NAS and Data Storage Servers are used for Disaster Recovery ensuring that critical data is still accessible and can be restored. Off-Site backups are used for Data Redundancy to provide redundancy, reducing the risk of data loss due to hardware failures, human error, or software issues on the primary server.

VCL-NAS and Data Storage Servers can also be used for Geographic Diversity to restore data in geographically distant locations, overcoming the risk of natural disaster, acts of war including EMP attacks.

Another key feature of VCL-NAS and Data Storage Servers including providing Air-Gap Security. Data stored offline, is immune to online threats such as hacking, malware, and ransomware.

- ix) Presently, the revenue of the Company is broadly driven by the power utility sector; however, the management also sees some exciting opportunities in IT/OT applications, Critical Infrastructure Industries (CII), Defence and Railway sectors, both domestically and internationally.
- x) At the export front, Valiant group has taken focused marketing initiatives to breakthrough into the international markets in USA, France, Bulgaria, Romania, Thailand, Philippines, Vietnam, Brazil and other South American countries in the Power, other Utilities and IT Sectors. The newly added reference customers using VCL equipment include (in alphabetic order):
- Air Force of Morocco
 - Brookhaven National Laboratory, USA
 - Channel Tunnel, UK
 - EGAT, Thailand Power Utility
 - Instituto Costaricense De Electricidad, Costa Rica
 - Leonardo Helicopter Division, Italy
 - Ministry of Defence, Romania
 - Motorola, Israel
 - Netherlands MOD, Netherlands
 - Rolls Royce, USA
 - Pt Hitachi Sakti Energy, Indonesia
 - US Government (Classified)

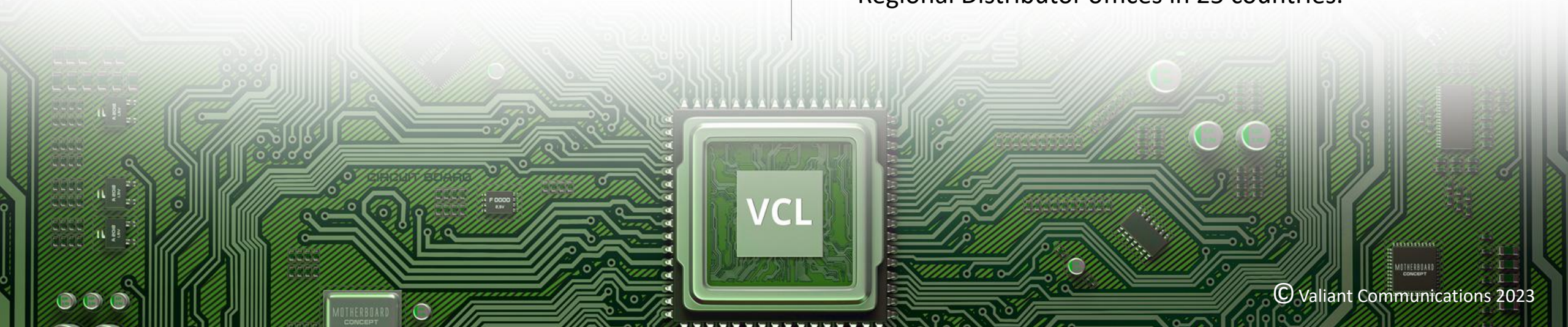
Cautionary Statement: *The future-outlook statements given above are forward looking and are based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and, in their opinion, reasonable. Forward-looking statements involve known and unknown 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



Government of Canada



Tesla

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



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www.valiantcom.com

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