

TRANSCRIPT OF THE PROCEEDINGS OF THE 29TH ANNUAL GENERAL MEETING (“AGM”) OF THE MEMBERS OF VALIANT COMMUNICATIONS LIMITED (“THE COMPANY”) HELD ON FRIDAY SEPTEMBER 30TH 2022 AT 9:30 A.M. THROUGH VIDEO-CONFERENCING (‘VC’) / OTHER AUDIO VIDEO MEANS (‘OAVM’).

Manish Kumar, Company Secretary:

“Good Morning everyone, I, Manish Kumar, Company Secretary welcome you all to the 29th Annual General Meeting of Valiant Communications Limited. I will take a few moments to explain the details about this meeting.

In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs vide their various General Circulars, have allowed Companies to conduct their Annual General Meeting through Video Conferencing, “popularly known as VC” or Other Audio Visual Means “popularly known as OAVM”, thereby, dispensing with the requirement of physical attendance of the members at their AGM and accordingly, this 29th Annual General Meeting of Valiant Communications Limited is being held through VC or OAVM in compliance with the statutory circulars and the relevant provisions of the Companies Act, 2013 and Rules made thereunder and also the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Members attending this AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

Facility to join this AGM through VC or OAVM is made available on First Come First Serve basis for shareholders.

All members are kept mute by default, to avoid any background noise and to ensure smooth and seamless conduct of the meeting.

Once the Q/A session starts, the names of the Shareholders shall be announced who have registered themselves as Speakers to enable them to speak at the meeting. The Speaker Shareholders will thereafter be unmuted to speak.

To start speaking, Shareholders are requested to click on the video button. However, if due to any reason they are unable to join the meeting through video, they can speak through audio mode.

If there is a connectivity problem at the Speaker’s end, the next Shareholder waiting in the queue will be asked to join in, once the connectivity improves and if time permits, he/she will be called again to speak after the other Shareholder completes his/her speech.

The Shareholders who already have sent their questions well in advance through e-mails will, upon consideration of the relevancy of the queries, also be responded during the AGM.

For a good audio-video experience, Shareholders are requested to ensure that no other applications are running in the background and also availability of good internet connectivity.

If they find any issues, they may contact at the phone numbers mentioned in the notice of the AGM.

Now, I would request our Chairman and Managing Director to proceed with the meeting.”

Mr. Inder Mohan Sood (Chairman and Managing Director):

“Good Morning, Ladies and Gentlemen!

I am glad to welcome you all at the 29th Annual General Meeting of Valiant Communications Limited which is being held through Video Conferencing or Other Audio Visual Means. The requisite quorum is present at this Annual General Meeting, I declare the meeting to order.

Let me first introduce my colleagues on the Board who are joining us from various locations.”

“I have with me Mr. Davinder Mohan Sood, the Executive Whole-time Director and Chief Financial Officer and Mr. Gaurav Mohan Sood, the Executive Whole-time Director.”

Mr. Davinder Mohan Sood, Executive Whole-time Director and Chief Financial Officer: “Hello! Good Morning! we welcome everyone who are able to attend this meeting.”

Mr. Gaurav Mohan Sood, Executive Whole-time Director: “Hello! Good Morning everyone!”

Mr. Inder Mohan Sood:

“Mr. Gaurav Kaura, Independent Non- Executive Director. He is Chairman of Audit Committee, Stakeholder Relationship Committee and Nomination and Remuneration Committee. He is joining us from his residence in New Delhi.”

Mr. Gaurav Kaura: “Good Morning!”.

Mr. Inder Mohan Sood:

“Mr. Avinash Verma, Independent Non- Executive Director joins us from his residence in New Delhi. He is member of Audit Committee, Stakeholder Relationship Committee and Nomination and Remuneration Committee.”

Mr. Avinash Verma: “Good Morning to everyone”.

Mr. Inder Mohan Sood:

“Mr. Sumit Mehta, Independent Non-Executive Director joins us from his residence in Gurugram. He is member of Audit Committee, Stakeholder Relationship Committee and Nomination and Remuneration Committee.”

Mr. Sumit Mehta: “Good Morning!”.

Mr. Inder Mohan Sood:

“Ms. Neepa Chatterjee, Independent Non- Executive Director joins us from her residence in New Delhi. She is member of Audit Committee, Stakeholder Relationship Committee and Nomination and Remuneration Committee.”

Ms. Neepa Chatterjee: “Good Morning and welcome to everyone in the meeting.”

Mr. Inder Mohan Sood:

“I would like to mention that the representatives of Pawan Nanak Bansal & Co., the Statutory Auditors of your Company and Bhalla & Associates, the Secretarial Auditor, are present in this meeting.

This Meeting is duly constituted in accordance with the Companies Act, 2013, other applicable laws and the Articles of Association of the Company. All feasible efforts under the present circumstances have indeed been made so as to enable you to participate and vote on the items being considered in this meeting.

The Notice convening the 29th Annual General Meeting along-with Annual Report 2021- 22 of your Company was sent to you through e-mail in terms of the MCA and SEBI Circulars. The Notice and Annual Report were also available on the website of BSE Limited and the website of the Company. With your permission, I take the Notice convening this Meeting as read. All documents as stated in the Notice are available for inspection during the continuance of this meeting in the LIPL e-voting System itself. The same can be inspected the same in electronic mode only.

The Auditors' Report for the financial year under reporting, does not contain any qualification, reservation, adverse remark or disclaimer. However, the Company has reported cash losses, incurred during the reported financial year. The reason and course of action have been aptly explained in the Management Discussion and Analysis segment which forms part of the annual report.

Hence, the Auditors' Report on the Financial Statements and Secretarial Audit Report are not required to be read at this meeting."

Chairman's Speech

Dear Shareholders,

Welcome to the 29th Annual General Meeting of Valiant Communications Limited. I hope that all of you and your family members are healthy and safe. It is always a pleasure to connect with all of you.

On behalf of the Board of Directors of Valiant Communications, I would like to thank you for taking the time out to join us today. Your support and confidence in us, drives us to look for more ways to do more, and to create greater value for all stakeholders.

The aftermath of COVID-19 pandemic has had an extraordinary and unprecedented impact on people and economies worldwide. This has resulted in serious supply chain disruptions, component shortages and delayed contract implementations. The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in business.

Our Company, while keeping up the momentum in the development of new products and technologies, is also very focused on controlling costs, maintaining liquidity and closely monitoring its supply chain to ensure that our manufacturing continues to operate smoothly.

On the business front: During the year 2021-22, at the consolidated level, the net revenue of the Group has decreased to Rs. 1320 lacs from Rs. 2167 lacs on annual basis.

The reported Consolidated annual EBITDA loss stands at Rs. 157 lacs as compared to profit of Rs. 391 lacs during last year. The reported net loss after taxes is Rs. 263 lacs as compared to profit of Rs. 160 lacs on an annual basis.

Whereas, at standalone level, the Company has posted its annual revenue at Rs. 1,232 lacs as compared to Rs. 1,787 lacs in the previous year.

The Company has recorded an annual EBITDA Loss at Rs. 223 lacs Vs. a Profit of Rs. 273 lacs, reported in the previous year.

The other income is decreased from Rs. 101 lacs to Rs. 52 lacs on an annual basis.

The Company has suffered net loss of Rs. 318 lacs in comparison of a profit of Rs. 71 lacs, posted in the last financial year.

At consolidated level, 35% of Group's operating revenue comes from India as compared to 20% in the previous year, while 15% is from USA as compared to 33% in the previous year and 11% is from the European market as compared to 12% in the previous year. The balance, 39% of the sales is contributed from the rest of the world as compared to 35% in the previous year.

The liquidity position of the organization is healthy.

Our Company and all its subsidiaries have maintained their debt-free status throughout the reporting year.

The Company has started the current year with an all-time high order book of exceeding Rs. 4100 lacs, which is 3 times of last years reported turnover. These details have been disclosed by the Company in its statutory filings before BSE and can also be accessed at the website of the company.

Apart from above, the Company has, direct or indirect participation in various business opportunities of similar or larger scale, which are expected to unfold soon.

At present, the Company is forced to carry higher inventory in comparison of last year 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.

Various products of our Company have been approved by major Power Utilities in India, which include Power Grid Corporation of India and State Electricity Boards (SEBs) in India.

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 '*Aatmanirbhar Bharat*', the Indian business scenario is looking very promising.

We wish to express our gratitude and our sincere "THANK YOU" to our Government and to our Honourable Prime Minister for implementing the 'Make in India' and '*Atmanirbhar Bharat*' policies to promote the manufacturing sector in India.

Being the only Indian manufacturer for various products in select domains, the Company has a distinctive advantage over its competition and specifically the MNCs competitors. All the initiatives taken by the Government of India are helping the Company to capitalize its position in India in the field of communication, transmission, protection, network resilience, synchronization and cyber security.

Cyber Security is a unique global opportunity for our Company. Our technologies and products are able assist organizations to effectively detect, prevent and defend their networks against firewall breaches, cyber and ransomware attacks and network intrusions, in real-time. These provide some of the most unique products and solutions available, globally. Export of some of these products and solutions has already started and trails are underway with many government departments, showcasing these products of their usefulness in protecting the customers from cyber-attacks.

On the exports front, the Company is witnessing higher level of activity in Asia, Europe and South America.

VALIANT manufactured products are sold and successfully installed in over 110 countries. Our Company is focused on expanding its global marketing network and building a larger base of associates, distributors and re-sellers, worldwide, through which we can increase our market footprint.

Our focus continues to be on cyber-security and network-reliability products for utilities as well as for financial and other national infrastructure. Our range of MPLS Routers with integrated cyber security features, data encryption and our other Network Reliability and Network Protection solutions have been designed to cater to the needs of both, domestic and international customers.

We also would like to share a video presentation on corporate product and technology summary, to make you better understand our outlook for the same after this address.

I would like to sincerely thank all our shareholders, customers, suppliers, communities and all other stakeholders for their continued support to the Company during the year.

I would also like to thank all the employees and my colleagues on the Board of Directors, for their commitment in enhancing the performance and health of the Company.

Thank you!!!

The video presentation file was displayed (refer note).

Mr. Inder Mohan Sood:

“After tabling the resolutions, registered speakers can express their views and ask questions. Now, I will take up the formal items of business of this AGM in sequence.

The first item of business relates to the Adoption of Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon.

The objective of first item is to comply with the requirements of the Companies Act, 2013.

The second item of business relates to appoint a Director in place of Mr. Gaurav Mohan Sood who retires by rotation and being eligible, offers himself for re-appointment.

The third item of business relates to the re-appointment of the Statutory Auditors of the Company and fix their remuneration.

The fourth item of business relates to re-appointment of Mr. Inder Mohan Sood as Managing Director and CEO.

The fifth item of business relates to re-appointment of Mr. Davinder Mohan Sood as Executive Whole-time Director and CFO.

All detailed information as required under the SEBI Listing Regulations and the Secretarial Standard on General Meetings in respect his appointment/re-appointment has been provided in the Notice convening this AGM.

The objective of second, third, fourth and fifth item, is to comply with the requirements of the applicable provisions of the Companies Act, 2013 and relevant rules. These items have no financial implication on the Company except managerial remuneration.

I now invite the following speakers to come forward and ask their queries and suggestions who have registered themselves with us previously. I would request the speakers to be precise. Please do not repeat the queries already asked by other fellow Members. We shall be happy to answer your questions or provide clarifications after all the questions have been asked.”

Manish Kumar:

“First I would like to call Mr. Mohan Singh Rawat.

Mr. Mohan! please express your views and queries. You are unmuted now.”

Mr. Mohan Singh Rawat:

“Good morning Chairman and other panellists!

Thank you very much for providing me this opportunity.

I just want to ask that it is understandable that Company wishes to preserve its cash for its order completion. I wish to hear about Management views on bonus or any other form for shareholder’s reward.

Thank You.”

Manish Kumar: “Thank you Mr. Mohan!

Second I would like to call Mr. Balbir Singh.

Mr. Balbir Singh! please express your views or queries. You are unmuted now.”

Mr. Balbir Singh:

“Good morning Sir! My name is Balbir Singh.

My only query is that Now we have good order book. Will you please confirm the execution period for these orders?

Thanks for having me here.”

Manish Kumar: Thank you Mr. Singh!

We have also received some queries from shareholders, which are being displayed in next slides. Thereafter, the Management shall reply to the queries.

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The power point file was displayed for the queries asked by shareholders (refer note).

Mr. Inder Mohan Sood:

“I request CFO to reply the shareholders queries and also share his views.”

Mr. Davinder Mohan Sood:

“Thank you Chairman!

As the Chairman Sir has informed us, we have started the current financial year with an all-time high order book of Rs. 4,100 lacs. We expect to execute these orders within next 12 to 15 months.

The Company is using its financial resources very diligently to finance its working capital requirements for successful execution of these orders. As on March 31st 2022, the Company has ample reserves including Rs. 142 lacs as CRR (Capital Redemption Reserve), which can be used for Bonus Issuance, at an appropriate time.

As the Chairman Sir has informed, the entire industry is facing supply chain disruption in semi-conductors and because of which, the Company is forced to carry higher than usual levels of inventory. We are hopeful that we shall not face any disruption in production in the near term.

Being an indigenous manufacturer, Valiant is apparently a beneficiary of all business opportunities that are arising in the Indian Public Sector out of the ‘Make in India’ and ‘Atmanirbhar Bharat’ initiatives of our Government and Hon’ble Prime Minister of India. Our products, technologies and solutions for Power Utilities and specifically opportunities in the Cyber Security area offer very exciting prospects for our company in the near term and also in the long term. We are experiencing vibrant activities in the export market also. It is our sincere endeavour to increase the overall exports with the wide range of products that we offer.

The opportunities of marketing of IP/MPLS Routers is progressing very well. It is important to mention that the backbone of the 5G network is IP and Ethernet based. In wireless 5G network, the IP/MPLS Router functions as its core transmission backbone.

Various projects are being presently bid under the initiatives taken by the Government of India that will lead to very encouraging results in offering these products not only in India but also for the export markets. Exports of these products are already underway in Asia and European markets. With almost all sections of the industries and Utilities moving to IP networks, this will make this product range a high growth area for the Company, in the coming quarters.

The most exciting opportunities exist in our Cyber Security range of products. Our Cyber Security products also cater to Utilities including Power Sector and SCADA applications. These solutions are very unique with limited competition. We are conducting PoC (Proof of Concept) with various Government organizations in the cyber security domain, with very encouraging results.

Valiant’s comprehensive and advanced range of “Cyber Security” suite helps its customers in detecting, alerting and preventing cyber-attacks, ransomware attacks along with providing forensic analysis in near real-time, and help creating operational isolation zones.

We are working diligently to put scale to all these opportunities.

In conclusion, our Company is well positioned to take advantage of substantial growth prospects in the coming quarters and the foreseeable future with its innovative and cutting-edge products and technologies.

I will now hand you back to our team for continuation of the AGM. Thank you!

Mr. Inder Mohan Sood:

“Ladies & Gentlemen, the agenda items have already been put to vote by remote e- Voting and now being put for voting electronically during the Annual General Meeting.

I would like to inform you that pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided remote e-Voting facilities to all its Members through Link Intime India Private Limited in respect of each of the businesses contained in the Notice convening this AGM. Such remote e-Voting opened on Tuesday, 27th September, 2022 at 10:00 A.M. and concluded on Thursday, 29th September, 2022 at 5:00 P.M.

Members present at this AGM, who have not cast their votes through remote e-Voting may avail the facility of e-Voting during this AGM.

I request the Company Secretary to share the e-voting details.”

Mr. Manish Kumar:

“I would like to inform to the Shareholders that CS Mahesh Kr. Gupta, from. Mahesh Gupta & Company, the Practicing Company Secretaries has been appointed as the Scrutinizer for the purpose of scrutinizing the remote e-Voting as well as e-Voting during the AGM. Members present at this AGM, who have not cast their votes through remote e-Voting may avail the facility of e-Voting during this AGM.

The Results of the e-Voting during this AGM along with the Results of the remote e-Voting will be scrutinized and considered and a consolidated result will be declared subsequently. Please refer to the Notice for the same.”

Mr. Inder Mohan Sood:

“Ladies and Gentlemen, this concludes the transaction of businesses mentioned in the Notice convening the 29th AGM of the Company.

I, now request the e-Voting to take place. Please note that the e-Voting can be done for another 15 minutes from the conclusion of this meeting.

Ladies & Gentlemen, this concludes the proceedings of the 29th Annual General Meeting of Valiant Communications Limited.

I thank you all once again and wish you and your families, good health and prosperity!

“I request the Board members may please leave the meeting at their convenience. Thank you for your participation. I request the Company Secretary to allow the members to cast their votes.”

Mr. Manish Kumar:

“Thank you Chairman Sir for the smooth conduct of the meeting.”

Note: The Video and Power Point file referred above are available at the website of the Company i.e. www.valiantcom.com