

VTL/CS/19-20/

10 NOV 2019

BSE Ltd.
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building,
P.J.Towers, Dalal Street,
Fort,
MUMBAI-400 001

The Manager,
Listing Department,
The National Stock Exchange of India Ltd,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E),
MUMBAI-400 051

Company's Scrip Code: 517015

Company's Scrip Code: VINDHYATEL

Dear Sir,

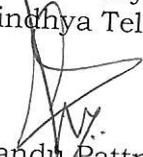
Sub: Submission of Press Release pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the copy of the Press Release issued by the Company after the Board Meeting held on 9th November, 2019.

This is for your information and record.

Thanking you,

Yours faithfully,
for Vindhya Telelinks Limited



(Satyandhu Pattnaik)
Company Secretary

Encl: As above.



Vindhya Telelinks Ltd.

Registered Office:

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Rewa - 486006(M.P.) India.

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CIN No.L31300MP1983PLC002134

Press Release(Q2-2019-20)

9th November, 2019

Vindhya Telelinks Ltd. (VTL)

New Delhi: 09.11.2019: Vindhya Telelinks Ltd. (BSE: 517015, NSE: VINDHYATEL), one of India's leading wide range of Telecommunication Cables, Railway Signalling and Quad Cables, Solar Energy Cables, etc. and Infrastructure Provider, today announced its Standalone and Consolidated financial results for the Quarter (Q2) and Half Year ended 30th September,2019.

Vindhya Telelinks Ltd. ("The Company"), during the quarter ended on 30th September, 2019, recorded Standalone Revenue from Operations of Rs.431.91 Crores, as compared to Rs.566.19 Crores in the corresponding quarter of previous Financial Year. EBIDTA during the quarter stood at Rs.64.84 Crores as compared to Rs.108.58 Crores in the previous year. In the current Quarter, the Company posted Profit Before Tax (PBT) of Rs.34.00 Crores as compared to Rs.82.91 Crores of corresponding quarter of previous fiscal. Profit After Tax (PAT) stood at Rs.29.77 Crores in the quarter under review as compared to Rs.55.74 Crores in the corresponding quarter of the previous year.

For the half year ended on standalone basis, the Company achieved Revenue from Operations of Rs.850.86 Crores, EBIDTA of Rs.138.70 Crores, PBT of Rs.80.23 Crores, and PAT of Rs.62.84 Crores.

The Company's Cable segment turnover and profitability is largely impacted due to sharp contraction in demand for Optical Fibre Cables coupled with pricing pressures due to excess capacity globally and elevated inventory levels of Optical Fibre in China. Additionally, the higher interest cost due to delayed recovery of overdue receivables from BSNL also caused dip in the profitability. In addition to this, depreciation in the Renminbi (Chinese Yuan) has dragged prices of Optical Fibre in USD terms down to historical lows and the prevalent price level is estimated to be below cost to several leading Chinese and other leading Optical Fibre manufacturers. Government driven business initiatives have come to a standstill owing to serious predicaments being faced by Government Telecom Operators (BSNL and MTNL). Government of India (GoI) has recently announced a revival package for both the debt laden Telecom Operators and it will take some time to stabilize these two Operators back to good health.

Apart from the above major issues, the worldwide crash of bare Optical Fibre prices have added to the woes of domestic Cable Industry as the availability of Optical Fibre is huge due to high capacity expansion undertaken by almost all players across the globe and less than expected demand from Chinese Telecom Operators. China is the largest consumer of Optical Fibre in the world followed by US, India and EU. Resultantly, the overall demand continues to remain subdued all across the Geographies which has pushed the Industry with very high levels of idle capacities.

EPC Business Segment also registered flattish growth as compared to preceding Quarter ended 30th June, 2019. It's profitability in the Quarter under review as compared to the corresponding Quarter in the previous year, is impacted due to decrease in operating margins in the projects awarded under extremely competitive bidding and higher interest cost due to longer realisation cycle. Notwithstanding this, EPC Business Segment has emerged as a leading Telecom Infrastructure provider through its strong execution skills in diverse projects in the fields of Telecom, Power, Sewerage Pipeline, Lift Irrigation, Smart City and IP-1 projects. Testimony to this is that EPC Business Segment has a healthy order book of about Rs.3000.00 Crores (including Advance Purchase Orders of over Rs.1,200.00 Crores) besides tenders of Rs.447.00 Crores in which it has emerged as a successful bidder.

Despite the presently prevailing condition in the Telecom Industry, the revival package for BSNL and MTNL announced by GoI will pull back the Industry as these Telcos are expected to revamp their operations. The Private Telecom Operators are also expected to further enhance their Optical Fibre Cable Network. China is also expected to bounce back with fresh requirements in terms of deployment of 5G Network full roll out (partial roll out has already commenced) starting from mid of next calendar year 2020. In a nutshell, despite the prevailing challenging business environment in the Telecom Sector, going forward i.e. starting from middle of 2020, it is expected that huge surge in data consumption and exponential penetration of smart phones will result in the demand for Optical Fibre Cables owing to universalization of 4G Networks and building of 5G Networks post spectrum auction in next fiscal year. India is still running atleast 1 year behind the advance telecom countries primarily due to prevailing fragile state of Telecom Sector in general in India which is reeling under mounting debt, falling revenue and negative developments due to recent Supreme Court verdict on revenue sharing by Telecom Operators and Service Providers.

The Company's strength lies in its capability to provide single window solutions for telecom projects, Infrastructure Provider (IP-1) operator and operation & maintenance services. As a solutions expert in telecommunication and related infrastructure domain, the Company is leveraging its inherent strength in addressing diverse needs of emerging sectors such as Railway Communication and Signalling, Defence, Surveillance System, Data Centres, FTTx and Smart City Projects. Revenue is expected to grow over the medium term driven by the likely demand from the EPC segment owing to impetus of the telecom players to set up 4G and 5G infrastructure and the focus of the government to strengthen infrastructure across the country.

For further information / details you may contact Shri Satyendu Pattnaik, Company Secretary at headoffice@vtlrewa.com.