

Ref: RailTel/Sectt/21/SE/S-16

Date: August 7, 2023

लिस्टिंग विभाग, नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड, 'एक्सचेंज प्लाजा', सी-1, ब्लॉक जी, बांद्रा - कुर्ला कॉम्प्लेक्स, बांद्रा (ई), मुंबई - 400 051	कॉर्पोरेट संबंध विभाग, बीएसई लिमिटेड, रोटुंडा बिल्डिंग, पी जे टावर्स, दलाल स्ट्रीट, किला, मुंबई - 400 001
Listing Department, National Stock Exchange of India Limited 'Exchange Plaza', C-1, Block G, Bandra - Kurla Complex, Bandra (E), Mumbai - 400051	Corporate Relationship Department, BSE Limited, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai - 400001
Scrip Symbol- RAILTEL	Scrip Code- 543265

**Sub: Notice of 23<sup>rd</sup> Annual General Meeting along with Annual Report for the Financial Year 2022-23.**

This is in continuation to our letter of even no. dated 04/08/2023 regarding intimation of 23<sup>rd</sup> Annual General Meeting ("AGM") of members of the Company to be held on **Thursday, 31<sup>st</sup> August, 2023** at 11:30 Hrs (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

2. In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of Notice of 23<sup>rd</sup> AGM together with Annual Report of the Company for the financial year 2022-23, is submitted for your reference and record.

3. The said Notice and Annual Report are also being hosted on the Company's website at [www.railtelindia.com](http://www.railtelindia.com) and on the website of e-voting Agency-NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

4. In compliance with the provisions of Section 108 of the Companies Act, 2013, rules made thereunder and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members are provided with the facility to cast their vote electronically through remote e-voting/e-voting services provided by NSDL on all resolutions set-forth in the Notice of AGM.

5. The remote e-voting period will commence at 09:00 Hrs (IST) on Sunday, 27<sup>th</sup> August, 2023 and ends at 17:00 Hrs (IST) on Wednesday, 30<sup>th</sup> August, 2023. During this period, Members of the Company, holding shares as on the **cut-off date i.e. Thursday, 24<sup>th</sup> August, 2023** shall be entitled to cast their vote through remote e-voting facility. Those members, who intend to participate in the AGM through VC/ OAVM facility and have not cast their vote on the Resolutions through remote e-voting, shall be eligible to vote through e-voting system during the AGM.

6. Please take note of the above information on record.

धन्यवाद,

रेलटेल कॉर्पोरेशन ऑफ इंडिया लिमिटेड के लिए

जे. एस. मारवाह  
कंपनी सचिव एव अनुपालन अधिकारी  
सदस्यता संख्या – एफ सी एस 8075

संलग्न: ऊपरोक्त अनुसार

वितरण:- 1) सहायक कंपनी सचिव को फाइल में रखने हेतु।

2) सहायक महाप्रबंधक/पी.आर.ओ.को वेबसाइट पर अपलोड करने हेतु।

रेलटेल कॉर्पोरेशन ऑफ इंडिया लिमिटेड (भारत सरकार का उपक्रम)  
RailTel Corporation of India Ltd. (A Government of India Undertaking)

CIN : L64202DL2000GOI107905

Registered & Corporate Office : Plate-A, 6th Floor, Office Block-2, East Kidwai Nagar, New Delhi-110023,

T : +91 11 22900615, F : +91 11 22900699

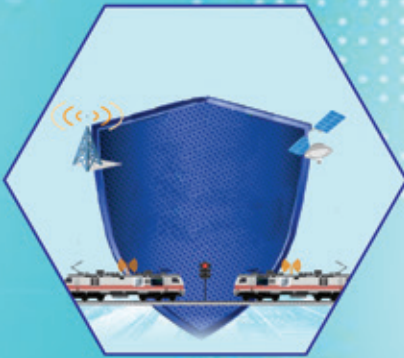
Website : www.railtelindia.com



एक मिनी रत्न उपक्रम  
A Mini Ratna Enterprise



वसुधैव कुटुम्बकम्  
ONE EARTH • ONE FAMILY • ONE FUTURE



# 23<sup>वी</sup> वार्षिक रिपोर्ट ANNUAL REPORT 2022-23

रेलटेल कॉर्पोरेशन ऑफ इण्डिया लिमिटेड  
(भारत सरकार का उपक्रम)  
**RailTel Corporation of India Limited**  
(A Government of India Undertaking)





## Vision



To become the preferred telecom solutions and services provider for knowledge economy

## Mission

To attain leadership in providing premier telecom infrastructure service by offering cost-effective state-of-the-art communication solutions





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# CORPORATE INFORMATION

## PRESENT COMPOSITION OF BOARD OF DIRECTORS

1	Shri Sanjai Kumar	Chairman & Managing Director
2	Shri V. Rama Manohara Rao	Director-Finance
3	Shri Manoj Tandon	Director – Project, Operation & Maintenance
4	Shri Yashpal Singh Tomar	Director – Network Planning & Marketing
5	Shri Rakesh Ranjan	Part-time Govt. Nominee Director
6	Shri Rameshwer Meena	Part-time Govt. Nominee Director
7	Dr. Subhash Sharma	Part-time non- official Director/ Independent Director
8	Shri N. Manoharan	Part-time non- official Director/ Independent Director

## KEY MANAGERIAL PERSONNEL (KMPs)

1.	Shri V. Rama Manohara Rao	Chief Financial Officer
2.	Shri J. S. Marwah	Company Secretary & Compliance Officer



## REGIONAL OFFICES

### Northern Region:

#### Smt. Vijay Laxmi Kaushik

Executive Director  
6<sup>th</sup> Floor, Illrd Block, Delhi Technology Park, Shastri Park, New Delhi-110053  
Tele: 011-22185933-34  
Fax: 011-22185978

### Southern Region:

#### Shri K. Manohar Raja

Executive Director  
1-10-39 to 44, 6A, 6<sup>th</sup> Floor, Gumidelli Towers, Begumpet Airport Road, Opp. Shoppers Stop, Hyderabad – 500016.  
Tele: 91-40-27788000 | Fax: 91-40-27820682

### Eastern Region:

#### Shri Suresh Kumar,

Executive Director/ER (Addl. Charge)  
19<sup>th</sup> Floor, Aurora Waterfront Building, Plot no. 34/1, Block – GN, Sector – V, Salt Lake City, Kolkata - 700071  
Tele: 033-44041499 | Fax : 033-44041499

### Western Region:

#### Shri Vinod Kumar Agarwal

Executive Director  
Western Railway Microwave Complex, Senapati Bapat Marg, Mahalakshmi, Mumbai – 400013  
Tele: 022-24923907 | Fax: 022-24923913



## REGISTERED & CORPORATE OFFICE:

Plate-A, 6th Floor, Office Block Tower-2, East Kidwai Nagar, New Delhi-110023  
Tele: 011-22900600 | Fax : 011-22900699



Website : [www.railtelindia.com](http://www.railtelindia.com)



ISIN NO. INE0DD101019



## BANKERS

- Union Bank of India
- Axis Bank
- Yes Bank
- State Bank of India
- HDFC Bank
- Canara Bank
- RBL Bank
- ICICI Bank
- Indusind Bank
- IDBI Bank



## BRANCH AUDITORS

### Northern Region:

**M/s. S R Goyal & Co,**  
**Chartered Accountants**

105A, South Ex-Plaza, 389, Masjid Math,  
South Ext. Part – II, New Delhi – 110049

### Eastern Region:

**M/s. J L SENGUPTA & CO.,**  
**Chartered Accountants**

70A, Lenin Sarani Rd, 1<sup>st</sup> Floor Taltala,  
Kolkata- 700013 (West Bengal)



## STATUTORY AUDITORS

**M/s. S R Goyal & Co,**  
**Chartered Accountants**

105A, South Ex-Plaza, 389, Masjid Math,  
South Ext. Part – II, New Delhi – 110049

### Southern Region:

**M/s. Laxminiwas & CO.,**  
**Chartered Accountants**

6-3-569 4<sup>th</sup> Floor Opp RTA Office above BMW  
Showroom Khairtabad, Hyderabad – 500082  
(Telangana)

### Western Region:

**M/s. Banshi Jain & Associates,**  
**Chartered Accountants**

5th Floor, La Magasin above Roopkala, SV Road  
Santacruz West Mumbai, Mumbai – 400054  
(Maharashtra)



## INTERNAL AUDITORS

### Corporate Office:

#### M/s. Ravi Rajan & Co

505-A, 5<sup>th</sup> Floor, Rectangle – 1, District Centre, New Delhi-110017

E mail: [rajat@sravigroup.com](mailto:rajat@sravigroup.com)

### Northern Region:

#### M/s. A R & Co.

C 1 RDC Rajnagar, 2<sup>nd</sup> Floor, Ghaziabad- 201001

E mail: [pawankgoel1@gamil.com](mailto:pawankgoel1@gamil.com)

### Southern Region:

#### M/s. A R Sulakhe

Anand Apartment, 1180/2,  
Behind Hotel Sheetal, F.C. Road, Shivaji Nagar,  
Pune – 411005

E mail: [anand@arsulakhe.com](mailto:anand@arsulakhe.com)

### Eastern Region:

#### M/s. KGRS & CO

Chatterjee Internal Centre, Flat No. 13,  
17<sup>th</sup> Floor, 33-A, Jawaharlal Nehru Road, Park  
Street area, Kolkata, West Bengal – 700071

E mail : [soumyajyoti.kgrs@gmail.com](mailto:soumyajyoti.kgrs@gmail.com)

### Western Region:

#### M/s. Amit Ray & Co

1 – Jay Prakash Nagar Road,  
Near Goregaon railway station, Goregaon East,  
Mumbai - 400063

E mail: [allahabad@amitrayco.com](mailto:allahabad@amitrayco.com)



## SECRETARIAL AUDITORS

### M/s. T. Chatterjee & Associates, Company Secretaries

1209, 12<sup>th</sup> Floor, Ansal Tower, 38 Nehru Place  
New Delhi – 110019 (Delhi)

## COST AUDITORS

### M/s. Dhananjay V Joshi & Associates, Cost Accountants

CMA Pride, Ground Floor, Plot No. 6, S. No. 16/6  
Erandawana Co. Op. Hsg Society, Erandawana  
Pune – 411004 (Maharashtra)



## REGISTRAR & SHARE TRANSFER AGENT:

### Beetal Financial & Computer Services Pvt. Ltd

BEETAL HOUSE, 3rd Floor, 99, Madangir,  
Behind LSC, New Delhi – 110062, New Delhi  
Tel: 011-29961281-283 , 26051061, 26051064  
Website: [www.beetalfinancial.com](http://www.beetalfinancial.com)

Investor grievance

e-mail: [railtel@beetalfinancial.com](mailto:railtel@beetalfinancial.com)

SEBI Registration No.: INR000000262

## DEPOSITORIES

National Securities Depository Limited (NSDL)  
Central Depository Services (India) Limited (CDSL)

## SHARE LISTED AT



Stock Exchanges	SCRIP Code/ Symbol
BSE Limited (BSE)	543265
National Stock Exchange of India Limited (NSE)	RAILTEL

# SERVICES AT A GLANCE



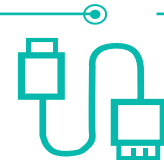
## e-Office

Digitization of day to day working replacing the manual filing system through cloud-enabled software that is deployed/hosted from RailTel's own Tier III-certified data centres.



## Telepresence as a Service

High definition video conferencing service on Managed Service Model, free from the hassles of procurement, maintenance, managing obsolescence etc.



## Leased Line

Managed leased line services with reliable, secure & scalable ring architecture with multipath protection.



## Data Center Services

UPTIME USA certified two Tier III data centres available for Co-location, Managed Security, Dedicated Hosting & Management and MeitY empanelled cloud services.



## Security Operation Centre Service

24X7 proactive monitoring, detection and incident response for endpoints, networks, servers, applications, databases and websites



## Managed Data & MPLS-VPN services

Managed Data and MPLS-VPN layer 2 and layer 3 services over a number of locations across India



## Wi-Fi as Service

Expertise in creating public/private Wi-Fi hotspots from concept to commissioning with experience of creating 6000+ Wi-Fi hotspots in Railway stations, Educational institutions, Smart Cities etc.



## ICT Project & Consultancy Services

On-site & off-site consultancy services for WAN, LAN, IT systems, Data Center, ERP/CRM.



## Tower Collocation

Availability of high ARPU sites with maximum population coverage with support for multiple BTS.



## Innovative Digital Services

Hospital Management Information System, IP Based Video Surveillance System with Facial Recognition, IoT for Railways, University Management System, Smart Classes, Smart City solutions etc.



## Railway Signalling Projects

End to end execution of signalling projects, modern signalling systems, Train Collision Avoidance System (TCAS) etc.



## RailWire Broadband

Retail broadband service for home, small office users and MSMEs in collaboration with local entrepreneurs.



# COMPANY MILESTONES

**INCORPORATION YEAR**  
Incorporated as 'schedule A' CPSE under Ministry of Railways



2000-01

**BANDWIDTH LEASE**  
Obtained IP-2 licence to start Commercial operations of leasing Bandwidth to private telco.



2002-03

**1st STM-16 NETWORK**  
Established India's 1st STM-16 network enabling higher bandwidth in the Country



2005-06

**EXCELLENCE AWARD**  
Received MOU excellence award as best PSU in Electronics & Communication Sector



2010-11

**MINI RATNA STATUS**  
Entered into the exclusive club of Mini Ratna (Category-I) Enterprises



2012-13

**DC & RAILWIRE LAUNCH**  
Created 1st Tire-III data Center (DC) and Launched RailWire and DC services on Pan-India basis



2013-14



**2017-18**  
Wi-Fi across 250 Stations Completed.



**2016-17**  
Started Wi-Fi rollout at Railway Stations with Google. Received unified license. Crossed 1 Lakh Subscribers in RailWire



**2015-16**  
1st STATION WI-FI by RAILTEL Bengaluru became the first station to get Public Wi-Fi by RailTel



**2014-15**  
INTERNATIONAL ENTRY Completed Bhutan JCT project and launched Tpaas Services. Started it's wholly owned subsidiary, REL



**2018-19**  
INTRODUCTION OF E-OFFICE RailTel implemented paperless working system in South Central Railway HQ & Guntur Division



**2019-20**  
IMPLEMENTED E-OFFICE Over 106 Establishments Of Indian Railways For 1,00,000 Users  
• Wi-Fi Across 5600+ Stations Completed



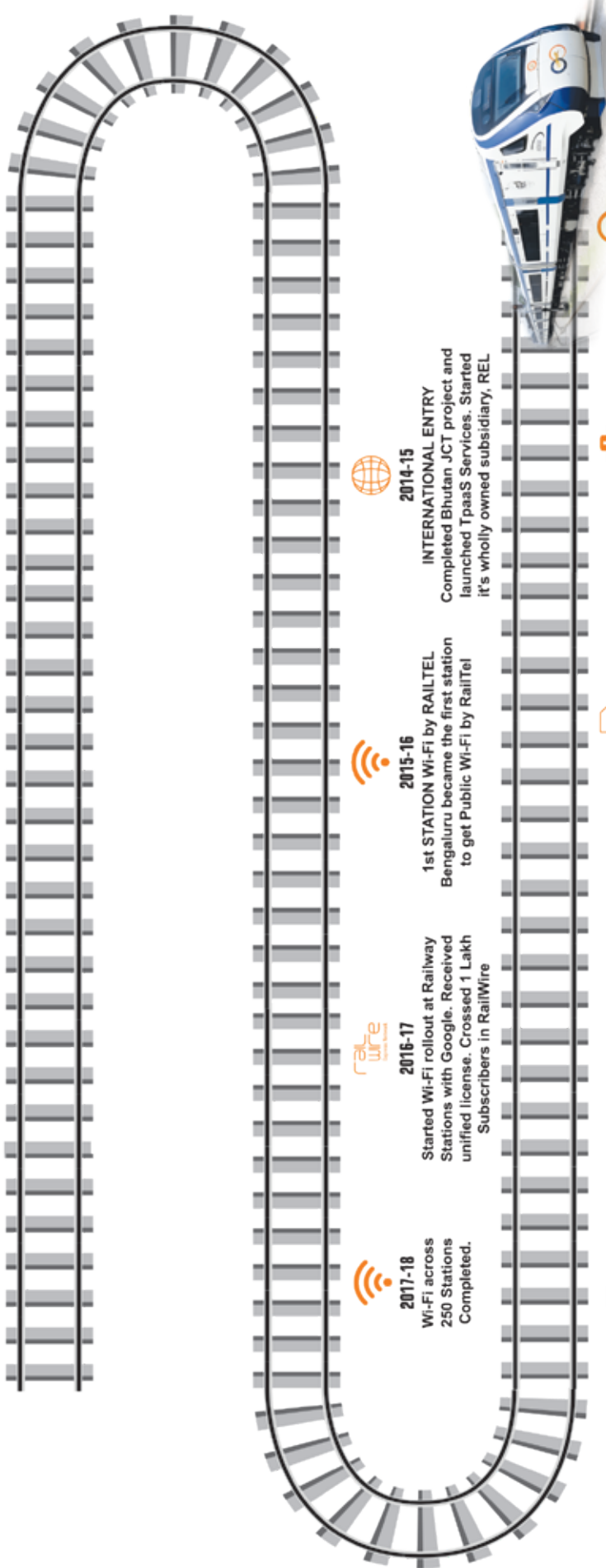
**2020-21**  
Launch of Initial Public Offer (IPO) and Listing of Equity Shares in Stock Exchanges



**2021-22**  
Completed Hospital Management Information System (HMIS) implementation at 699 Railway Hospitals/Health Unit



**2022-23**  
RailTel crossed turnover of ₹ 2,000 Crore



"ON PATH TO BECOME A PREFERRED TELECOM SOLUTIONS PROVIDER OF KNOWLEDGE ECONOMY"

# Chairman's Speech



“ **Digitalisation and extensive network are double engines of Indian economic growth. RailTel is the one stop solution for both.** ”

*Dear Shareholders,*

I take great pleasure in presenting to you the 23<sup>rd</sup> Annual Report of your esteemed company. At the outset, I am happy to inform you that all new Board of functional directors are at your service to steer the company's progress with your constant support and encouragement. All the functional directors including me have joined in respective positions recently, giving yet another opportunity of new energy and synergy and collectively we assure you of our resolute determination and dedication in taking the company to new heights.

The past 23 years have witnessed an extraordinary journey for RailTel, transforming from an in-house telecom service provider for Indian Railways to becoming one of the country's largest neutral telecom infrastructure providers and a trusted IT & ICT service provider.

Over the past five years, we have consistently achieved growth in total income, and in the fiscal year 2023, our income has surpassed ₹2000 crore, reaching a new pinnacle. Furthermore, our market capitalization currently stands at over 5000 crore, and with the increasing confidence of investors, we hope to expand further.

The dedication and efforts of our team, along with the continuous upgrading of our

infrastructure, have been instrumental in sustaining our growth and providing reliable services to our valued customers. We express our gratitude for your unwavering support, which has been pivotal to our accomplishments thus far.

We are excited about the opportunities that lie ahead and remain focused on achieving new milestones in the years to come.

## Results & Progress

I am pleased to announce that our company has achieved a record-breaking total income of ₹ 2002 crore, marking a remarkable 27% growth compared to the previous financial year's income of ₹ 1578 crore. During the fiscal year 2022-23, our operating revenue experienced a significant surge of 27%, reaching a turnover of ₹ 1964 crores, as opposed to ₹ 1548 crores in the preceding financial year. The telecom segment contributed ₹ 1169 crores, while the project segment contributed ₹ 794 crores to our operating turnover.

In adherence to our financial obligations, we have made payments of ₹ 77 crore to the Department of Telecommunications (DoT) for license fees and ₹ 42 crore as revenue share to Indian Railways. We have paid ₹ 1.50 per share as interim dividend which is 15% of the paid up share capital to all our shareholders. Further, the Board has proposed final dividend of ₹ 1.05 per share which is 10.5% of the paid up share capital. Our Earnings per Share for the fiscal year 2022-23 stood at ₹ 5.89.

Due to fierce competition and challenges of competitive bidding, our project business margin has been under pressure, consequently affecting our Profit After Tax (PAT).

We remain committed to optimizing our operations, exploring new avenues for growth, and delivering value to our shareholders. With a revamped approach and focused efforts, we are confident in achieving improved financial results and further strengthening our position in the industry.

## Data Centre and SoC:

In the era of rapid digitalization and the growing global digital economy, there is an escalating

demand for expanded data storage facilities. This demand is set to have a positive impact on our Data Centre business. We take immense pride in being one of the few government organizations with MeitY empanelled cloud services. Additionally, we possess an in-house specialized Security Operation Centre (SOC) and hold an ISP license. Our focus is on expanding the capacity of our data centers and cloud infrastructure through strategic capital expenditure investments.

Furthermore, your company is actively considering establishing another state-of-the-art data center in Noida in PPP mode. Additionally, we are deploying edge data centers at multiple locations within railway premises/land, with a specific emphasis on needs of Tier-2 and Tier-3 cities. These initiatives are being pursued in collaboration with industry partners under a robust Public-Private Partnership (PPP) model.

These endeavors speak volumes about our focus to meet the evolving needs of our customers and stakeholders in an ever-changing digital landscape. By expanding our data center infrastructure and embracing emerging technologies, we are well-positioned to cater to the increasing demands of the digital world and contribute to the growth of the digital economy.

Through strategic partnerships, cutting-edge technology, and a customer-centric approach, we will continue to lead the way in providing secure and reliable data center solutions.

## RailTel and Indian Railways:

RailTel has been playing a pivotal role in driving the digital transformation of Indian Railways. One of our notable achievements is the successful implementation of NIC e-office, a digital workplace solution, across 236 units of Indian Railways. This milestone has enabled over 1.47 lakh users to embrace a paperless office environment, resulting in the creation of over 30 lakh e-files and 2.41 crore e-receipts. This has opened up a considerable business opportunity for your company to roll out e-office in many government departments and institutions. Our HD video conferencing service



TPAS (Tele Presence as a Service) have significantly reduced administrative costs and man-hours for Indian Railways. The fact that RailTel TPAS has provided services to all railway related programmes of Hon'ble Prime Minister speaks volumes about the robustness of service in handling high profile events with technical precision. Resultantly, RailTel's TPAS is gaining popularity among several government organizations, including the PMO.

Expanding our horizons, we have ventured into the healthcare sector by digitizing the entire spectrum of railway hospital administration through the implementation of the Hospital Management Information System (HMIS) across 707 hospitals and health units of Indian Railways. Railway HMIS is integrated with the Ayushman Bharat Digital Mission (ABDM) and this integration ensures enhanced healthcare services for patients. Our HMIS has achieved a unique milestone recently of handling 1 Crore prescriptions within 18 months of its implementation. This shows the extent and the volume our HMIS can handle across geographical locations spread across India. Building on our successful track record, we are now pursuing similar projects for state governments, aiming to replicate our achievements in the healthcare domain.

In line with our commitment to enhancing safety and security, RailTel is actively involved in the installation of an IP-based Video Surveillance System (VSS) at more than 5000 railway stations. As of now, the work at 308 stations has been successfully completed, and we are also establishing centralized monitoring rooms at all Divisional and Zonal headquarters of Indian Railways, enabling comprehensive multi-level surveillance.

RailTel's core expertise lies in the areas of signalling and communication. Presently, we are diligently working on the replacement of manual signalling systems with electronic interlocking at 26 stations of Northern Railway.

Additionally, we are currently engaged in providing Tunnel Radio Communication systems for various railway sections. These include the Katra-Banihal section of Northern Railway, Panvel-Karjat, Karjat-Lonawala, and Kasara-Igatpuri sections of Central

Railway, and the Castle Rock-Kulem section (Braganza Ghat) of South Western Railway, with a combined order value of ₹ 350 crores. Implementing the state-of-the-art Integrated Tunnel Communication system, we ensure independent, simultaneous, and failure-free communication across all channels within the tunnels, thus guaranteeing the safety and smoothness of train operations, even under challenging tunnel conditions. The cutting-edge technology employed for these projects is a pioneering development for Indian Railways. Moreover, the Katra-Banihal Section of Indian Railways holds immense significance as it serves as a critical link connecting Jammu & Kashmir with the rest of the country. Our aim is to pursue further such projects and anticipate substantial project revenue in the future.

Building on our proficiency in these areas, we are actively exploring opportunities in related domains such as the Modern Train Communication System and Kavach.

These initiatives showcase our dedication leveraging technology and innovation to transform the railway ecosystem. We are dedicated to creating safer, more efficient, and digitally empowered railway infrastructure, fostering the growth and modernization of Indian Railways. Given the complexity of implementation of solutions in Railways that cater to crores of passengers, the experience gained by your company is invaluable and is opening up new doors of businesses across many other government departments.

### **RailWire:**

Our retail broadband service, RailWire, operates on an innovative and collaborative model that involves strategic partnerships with local cable operators and Managed Service Providers (MSPs). Presently, we are proud to serve over 5.32 lakh subscribers nationwide, forging successful alliances with 8642 partners. To expand our reach and ensure connectivity in Tier 2 and 3 cities as well as rural areas with limited access, we are actively onboarding additional partners. To enhance the appeal of our service, we are offering attractive OTT bundled offers, providing an inclusive entertainment experience.

Furthermore, we have recently introduced IPTV services in selected locations, catering to evolving consumer preferences.

Through our collaborative approach and focus on expanding our network, we are dedicated to providing reliable and high-quality broadband services to a wider audience, bridging the digital divide and empowering communities with seamless connectivity.

### Station Wi-Fi monetization :

We have established a strategic partnership with a consortium of companies to capitalize on the vast potential of our Wi-Fi network, which spans across 6108 railway stations throughout the country. To harness the monetization opportunities presented by this network, a new captive portal was launched with a dedicated app called PIPONet. These initiatives are designed to leverage the considerable engagement of approximately 4.9 crore unique user logins per month on our Wi-Fi network. We anticipate that the revenue potential is significant as we plan to leverage digital advertisement spaces, infotainment packs, title sponsorships, and other avenues.

### Sectoral footprint:

Your Company is maintaining robust and sustainable orderbook at ₹ 4800 crore having footprint across multiple sectors like Railways, IT, Defense, Health, Mining, Coal, Banking, smart cities, Insurance and more. In the past year alone, we have successfully secured orders worth ₹ 2800 crore, most of them acquired through competitive bidding. This underscores our competitive edge over peers in the market and highlights our ability to excel even in demanding circumstances.

Our robust network has positioned us as the preferred choice for Defence forces, owing to the stringent security measures we implement. We are actively engaged in critical projects for esteemed entities like the Air Force, DRDO, and others. Additionally, we offer secure MPLS VPN connectivity to Coal India and its subsidiaries, as well as several banks nationwide. A recent milestone includes securing an order from SBI for providing 4G LTE

connectivity to 15,000 offsite ATMs, along with maintenance services, further expanding our range of service offerings.

We are also exploring opportunities in the realm of smart city projects. Presently, we are engaged in the turnkey execution of the Integrated Command Control Centre (ICCC) and associated activities for the Puducherry Smart City initiative. Moreover, we have recently secured an order from Tamilnadu State Marketing Corporation Limited (TASMAC) to provide an integrated solution that enables comprehensive computerization and connectivity of core and support functions for TASMAC. Additionally, we are providing MPLS and Internet bandwidth for the implementation of the CCTV Surveillance System under the Safe City Project of Delhi Police. These endeavors hold great promise for us as they open doors to numerous projects in the areas of smart city development, ensuring safety, and enhancing IT infrastructure for other state governments.

### Human resource

Our most valuable asset is our talented and dedicated workforce, and we place great emphasis on their continuous growth and development through comprehensive training and development programs. In FY 23, we facilitated the participation of 168 employees in diverse training sessions and seminars focused on pertinent fields such as Contract Management, Cyber Security, AI for Business, Public Procurement, Finance, HR, and more. Additionally, we organized in-house training sessions conducted by subject matter experts at RailTel offices across the country. As part of our commitment to the government's Skill Development initiative, we also engage apprentices every year, providing them with valuable training and experience. In FY 23, we successfully trained 68 apprentices across various skill sets.

To support our expanding operations, it is crucial for us to strengthen our team. Accordingly, we have recently welcomed 38 skilled and dynamic professionals to various teams within RailTel, bolstering our capabilities.

By investing in the development of our employees and augmenting our workforce, we are poised to meet the growing demands of our business. We

remain committed to attracting top talent, nurturing their skills, and fostering a culture of continuous learning and improvement within RailTel.

### Awards & Accolades

In FY 2023, our company achieved remarkable success and garnered recognition through the receipt of eight prestigious awards from esteemed organizations such as South Asian Federation of Accountants, Express Computer, Dun & Bradstreet, Governance Now, Rail Analysis, Urban Infra Business, and the Public Relation Council of India. These accolades serve as a testament to the exceptional accomplishments of RailTel and reinforce our position as a leader in our industry.

### Corporate Governance

At our company, we prioritize the maintenance of strong corporate governance principles. We firmly believe in upholding deep-rooted values, practicing transparency, and conducting ourselves with the utmost integrity in all facets of our operations. To ensure the highest standards of ethical governance, we have established several committees, including the Audit Committee, CSR Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee, and Risk Management Committee. These committees diligently oversee our operations and decision-making processes, promoting responsible practices.

RailTel is dedicated to adhering to all guidelines issued by the Department of Public Enterprises and the Government of India that are applicable to our company and we follow all the applicable laws to give a boost to Make in India programme. Our unwavering commitment to compliance ensures that we operate within the regulatory framework and fulfil our responsibilities to all our stakeholders. By embracing and practicing sound corporate governance, we strive to build trust, foster transparency, and create long-term value for our organization and its stakeholders.

### Corporate Social Responsibility

Our commitment extends beyond building a

profitable business; we are dedicated to making a positive impact on society through our Corporate Social Responsibility (CSR) initiatives. Our CSR endeavours primarily focus on areas such as health, nutrition, education, economic empowerment of women, and sustainability.

In FY 23, our company allocated an amount of ₹ 436.87 lakh towards various CSR projects. These initiatives include our flagship program of Super-30 through which we support underprivileged students by providing coaching for engineering entrance exams, extending assistance to cancer patients, and empowering women, among others. Through these efforts, we aim to contribute to the betterment of society and create meaningful and sustainable change in the lives of those in need.

### Acknowledgement

I would like to take this moment to extend my heartfelt gratitude to our shareholders, members of the Board of Directors, Chairman & CEO Railway Board, as well as the esteemed Members and officers of the Railway Board, Ministry of Railways, other Government departments, and regulators. Their unwavering support, invaluable advice, and cooperative spirit have been instrumental in our success.

I would also like to express my deepest appreciation to the RailTel team. It is through their hard work, commitment, and dedication that your Company has achieved remarkable milestones.

To all our stakeholders, I want to reiterate our steadfast commitment to maintain our growth trajectory in the future. With your continued support and trust, we will forge ahead, striving for excellence and delivering value to all our stakeholders.

Sd/-  
**Sanjai Kumar**  
Chairman & Managing Director

# PROFILE OF DIRECTORS



**Shri Sanjai Kumar**  
Chairman & Managing Director  
DIN: 06923630

**Shri Sanjai Kumar** took over the charge of Chairman & Managing Director w.e.f 23.09.2022. Prior to this, he was shouldering the responsibilities of the Director (Network Planning & Marketing) and Director (Project, Operations & Maintenance - Additional Charge) of RailTel. He is an Electronics and Telecommunication Engineering Graduate from University of Allahabad and joined Indian Railway Service of Signal Engineers (IRSSE) of Indian Railways in 1992. During his stint in various capacities in North Eastern Railway (NER), he worked in the areas of Train Operation, Planning & Construction of Signalling Systems including commissioning of Panel Interlocking at more than 50 stations in Samastipur, Sonpur & Varanasi divisions of the then NE Railway. He has a full-time Post Graduate Diploma in Management (PGDM) from prestigious Management Development Institute (MDI) Gurugram. Shortly after completing his PGDM, he joined RailTel Corporation of India Ltd in 2002 on deputation before taking absorption in 2008. Being associated with RailTel from its formative years, he has valuable experience of building an organization from scratch. He has been instrumental in creation of National Knowledge Network while associating with NIC.



### Shri V. Rama Manohara Rao

Director/Finance & Chief Financial Officer  
(DIN: 06689335)

**Shri V. Rama Manohara Rao** is a civil servant of 1998 batch of Indian Railway Accounts Service and carries rich experience in Infrastructure financing, policy formulation, budgeting and administrative fields across sectors of Rail Transport and Urban Development.

He held leadership positions in the Ministry of Railways, Government of India and in the Government of Andhra Pradesh on deputation.

He served as Senior Divisional Finance Manager in three Railway Divisions and as Director Finance in Railway Board, Ministry of Railways dealing with Union rail budget. On deputation to Government of AP., he served as Special Commissioner and Group Director Finance in AP Capital Region Development Authority and as the Secretary Municipal Administration and Urban Development in Government of AP.

He has served as Government nominated Director in both central and state government Public Sector Enterprises.

He has done Post Graduate Public Policy and Management Programme from Indian Institute of Management Bangalore and Maxwell School of Citizenship, Syracuse USA., and holds M.Sc. in Physics from Sri Venkateswara University, AP.

Mr. Rao has attended various leadership and training programs in United States (Maxwell School of Public Policy, Syracuse), Japan (JICA) and London (ESCP).

He took charge as Director/Finance in RailTel Corporation of India limited w.e.f. 27/10/2022.

**Shri Manoj Tandon** took over the charge of Director-Project, Operations & Maintenance w.e.f. 20.03.2023. Prior to this Sh. Tandon was shouldering the responsibilities of the Group General Manager/ Operations and heading retail broadband business of RailTel. During his stint in various capacities in RailTel, he worked in the areas of evolving and maintaining NOC operations and expanded Internet & Wi-Fi networks to improve network resiliency and user experience. During his tenure RailWire broadband crossed half a million customer base and introduced various value added services (VAS).

Before joining RailTel, Shri Tandon has worked in various telecom companies and delivered many greenfield telecom network rollouts & transformational projects for continuous evolution of end-to-end network automation consisting of Service Assurance & Service fulfilment stacks to strengthen NOC's capabilities to ensure agile & efficient management of Network, Services & Customer Experience of all telecom verticals.

He is Bachelor of Engineering in Electronics from Maulana Azad College of Technology (REC/NIT), Bhopal in 1990.



### Shri Manoj Tandon

Director – Project, Operation & Maintenance  
(DIN: 10044053)





**Shri Yaspal Singh Tomar**

Director – Network Planning &  
Marketing  
(DIN: 10215386)

**Shri Yashpal Singh Tomar** took over the charge of the post of Director (Network, Planning & Marketing) w.e.f. 04/07/2023 (A/N). Prior to this, Sh. Tomar was shouldering the responsibilities of the Divisional Railway Manager, Palghat division of Indian Railways. He is M. Tech from IIT Kanpur and joined Indian Railway Service of Signal Engineers (IRSSE) of Indian Railways in 1992. During his stint in Central Railway, North Central Railway, South Central Railway, Research Designs and Standards Organisation (RDSO) Lucknow, Indian Railway Institute of Signal Engineering and Telecommunications (IRISET) Secunderabad, he worked in the areas of Railway Operations and Projects, Research and Development and Training. He has also worked as Group General Manager in his earlier stint to RailTel.

**Shri Rakesh Ranjan** is presently working as Executive Director (Telecom Development) in the Ministry of Railways. He has 24 years of experience in the Railways and has worked in NER, ECR, IRISET and Railway Board besides working in RailTel and Central Electronics Limited (CEL) on deputation. He has undertaken higher management courses in ISB, Mohali ICLIF, Kuala Lumpur and INSEAD, Singapore

While working in RailTel, he has been associated with the commissioning of the first STM-16 network on Indian Railways. He has also been instrumental in commissioning of the IP/MPLS network and NGN of RailTel. He was heading the Railway division in CEL and besides being part of the CEL turn-around story was instrumental in maturing the MSDAC along with reviving the Railways R&D in CEL. He also played a key role in designing and developing the next-generation axle counters in CEL. He enjoys teaching and at IRISET he designed and delivered courses on IP Telephony, SDH networks etc. An ardent lover of open source software, he got commissioned IP exchanges and VoIP control communication system in ECR using open source software.

His current area of interest includes IP exchanges and VoIP control communication systems, LTE-R for Indian Railways, network optimization for IR, central monitoring of Railway Telecom gears, adoption of open source software and technologies, secure surveillance systems, and road-map for 5G on Indian Railways.

He took charge as part-time Govt. Nominee Director in RailTel Corporation of India limited w.e.f. 04/07/2023.



**Shri Rakesh Ranjan**

Part-time Govt. Nominee Director  
(DIN : 09575567)



### Shri Rameshwer Meena

Part-time Government Nominee Director  
(DIN : 10077767)

**Shri Rameshwer Meena** belongs to 1992 exam batch of Indian Railway Service of Signal Engineers (IRSSE), carries rich experience in Signalling & Telecommunication field involving planning, implementation and commissioning of Infrastructure projects over IR such as Railway electrification, Automatic Signalling, Doubling, Multi-Tracking. He is presently working as Executive Director/Signal in Railway Board, Ministry of Railways.

He has served at various positions in Western Railway, North Central Railway, Central Organisation for Railway Electrification of Indian Railways and also on deputation to Rail Vikas Nigam Ltd. (PSU under Ministry of Railways) dealing with construction and maintenance of Signalling & Telecom systems. He has ample experience in maintenance of Modern Signalling Systems of IR while working in North Central Railway.

He has attended Training programs on Train Protection Warning System in Italy & France.

He took charge as part-time Govt. Nominee Director in RailTel Corporation of India limited w.e.f. 17/03/2023.

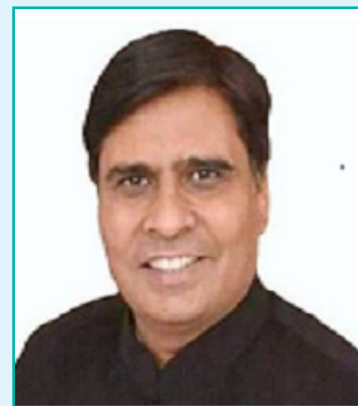
**Dr. Subhash Sharma** is a trained Economist who is engaged in various academic and social activities.

He completed his Ph.D in Economics from Punjabi University, Patiala and started his career as a professor of Economics. He also completed his LLB from Desh Bhagat University in 2018.

Today, he heads the Think Tank, Centre for Economic Policy Research as a Founder Director. Previously, he was also on the Board of Hindustan Copper Limited - A Mini Ratna Company of Government of India, as an Independent Director.

He frequently writes and publishes articles on socio economic and socio political issues in various newspapers and magazines. About 150 articles have been published in various research journals, magazines and newspapers. He has authored three books namely Organic Farming: An Economic Analysis, Walmart: Threat to Indian Retail Sector, Bharat: Smridhi ka marg and two are in the process.

He took charge as part-time non-official (Independent Director) in RailTel Corporation of India limited w.e.f. 09/11/2021.



### Dr. Subhash Sharma

Independent Director  
(DIN: 05333124)

**Shri Manoharan Nallasamy** has Mechanical Engineering degree from Bharathiyar University, Coimbatore, India and Master of Engineering Management degree from Duke University, North Carolina, USA with over 20 years of hands-on experience in engineering, technology, management/business consulting, and experience in building engineering services team with global standards.

Main areas of experience include product design & development, product management, business process improvement, and supply chain management. Manoharan has worked in Consumer Products, Heavy Equipment & Machinery, Life Science & Laboratory Products, Analytical Instruments and Automation & Control industries. Manoharan has entrepreneurial experience along with techno-commercial capabilities.

He took charge as part-time non-official (Independent Director) in RailTel Corporation of India limited w.e.f. 09/11/2021.



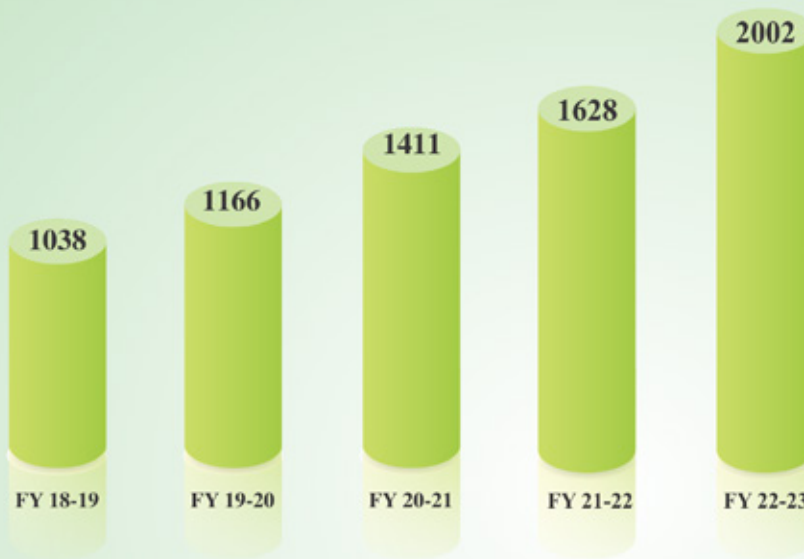
**Shri Manoharan Nallasamy**

Independent Director  
(DIN: 06430322)

# KEY FINANCIAL HIGHLIGHTS

## GROSS REVENUE (CONSOLIDATED)

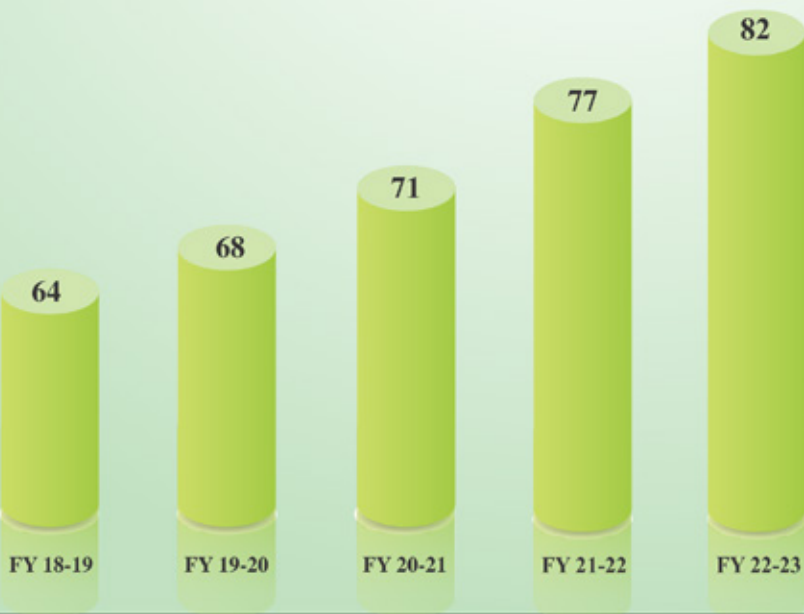
IN ₹ CRORE



18%  
CAGR

## DIVIDEND PAYOUT

IN ₹ CRORE



6%  
CAGR

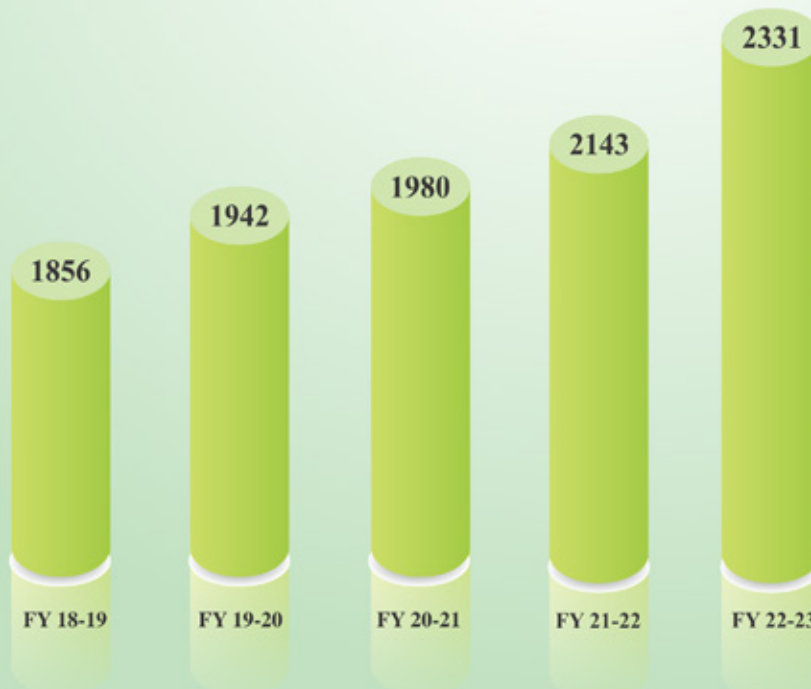
### NET WORTH

IN ₹ CRORE

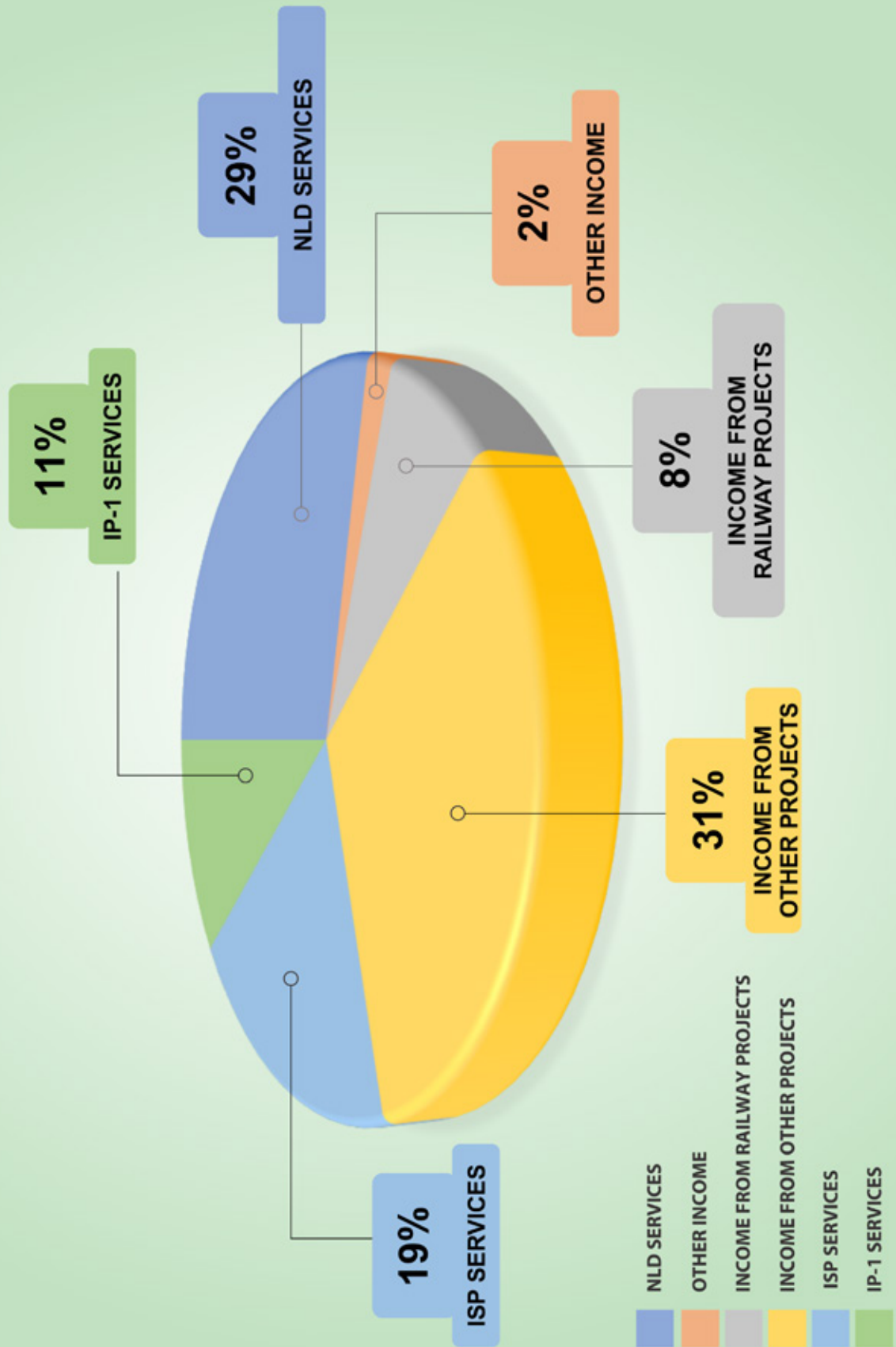


### FIXED ASSETS (GROSS BLOCK)

IN ₹ CRORE



# REVENUE MIX



## FINANCIAL DATA FOR LAST 10 FINANCIAL YEARS

(₹ in Crore)

S. No.	Particulars	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
1	Total Income (incl. other income)	538	554	642	900	1025	1017	1112	1366	1598	1981
2	Expenditure (incl. increase/decrease in stock)	284	298	367	595	712	690	751	1012	1158	1572
3	Interest Expenses	-	-	-	-	-	-	-	-	-	-
4	Depreciation	85	90	81	116	119	112	131	159	160	154
5	Profit before tax and Exceptional Item	-	-	-	-	194	215	230	195	280	255
6	Exceptional Items	-	-	-	-	-	36	49	-	-	2.06
7	Profit before tax	169	166	194	189	194	179	181	195	280	253
8	Profit after tax	138	121	102	127	156	110	138	140	208	187
9	Dividend pertaining to FY	17	17	41.53	51.53	62.47	64.20	68.06	70.61	77.02	81.83
10	Reserves & surplus	592	683	763	836	928	963	1040	1082	1195	1316
11	Fixed Assets (Gross block)	1,078	1,236	1,431	1,531	1,643	1,856	*1942	*1980	*2143	*2331
12	Inventories	2.92	1.00	0.59	0.22	-	0.87	0.49	1.21	1.00	0.92
13	Share Capital	321	321	321	321	321	321	321	321	321	321
14	Capital employed	851	833	1,084	1,153	1,249	1,284	1,361	1,403	1,516	1,636
15	Net Worth	913	1,004	1,084	1,153	1,249	1,284	1,361	1,403	1,516	1,636
16	Number of Employees (nos)	490	525	537	814	793	754	721	700	698	765
17	Income per employee	1.10	1.06	1.19	1.11	1.29	1.35	1.54	1.95	2.29	2.59
18	Current ratio	2.84:1	3.28:1	1.77:1	1.50:1	1.69:1	1.41:1	1.32:1	1.48:1	1.29:1	1.38
19	Debt/equity ratio	-	-	-	-	-	-	-	-	-	-
20	Expenditure / income	52.83%	53.79%	57.20%	66.11%	69.46%	67.85%	67.54%	74.08%	72.47%	79.36%
21	PBT Before Exceptional Item/ Capital Employed	-	-	-	-	15.53%	16.74%	16.90%	13.90%	18.47%	15.56%
22	PBT/ Capital Employed	19.84%	19.93%	17.89%	16.36%	15.53%	13.94%	13.30%	13.90%	18.47%	15.43%
23	PAT/ Share capital	42.98%	37.68%	31.77%	39.48%	48.60%	34.27%	42.99%	43.61%	64.80%	58.39%
24	PBT Before Exceptional Item/ Turnover	-	-	-	-	18.93%	21.14%	20.68%	14.28%	17.52%	12.86%
25	PBT/ Turnover	31.41%	29.96%	30.23%	20.95%	18.93%	17.60%	16.28%	14.28%	17.52%	12.75%
26	PAT/ Turnover	25.65%	21.83%	15.89%	14.08%	15.22%	10.82%	12.41%	10.25%	13.02%	9.46%
27	PAT/Net Worth	15.11%	12.05%	9.40%	10.99%	12.49%	8.57%	10.14%	9.98%	13.72%	11.45%
28	Dividend/PAT	12.33%	14.06%	40.73%	40.66%	40.04%	58.36%	49.32%	50.44%	26.92%	43.76%
29	Dividend/Net worth	1.86%	1.69%	3.83%	4.47%	5.00%	5.00%	5.00%	5.03%	5.08%	5.01%
30	Book Value per share (In Rupees)	28	31	34	36	39	40	42	44	47	51
31	Basic EPS (In Rupees)	4.30	3.77	3.18	3.95	4.87	3.42	4.31	4.37	6.49	5.84

\*It Includes Right of use Assets.



# RAILTEL CORPORATION OF INDIA LIMITED

(A Govt. of India Undertaking)

CIN: L64202DL2000GOI107905

**Registered and Corporate Office:** Plate-A, 6<sup>th</sup> Floor, Office Block Tower-2,  
East Kidwai Nagar, New Delhi-110023

**Website:** [www.railtelindia.com](http://www.railtelindia.com) **Email ID:** [cs@railtelindia.com](mailto:cs@railtelindia.com)

**Telephone:** +91 11 22900600 **Fax:** +91 11 22900699

## NOTICE

NOTICE is hereby given that the **Twenty-Third (23<sup>rd</sup>) Annual General Meeting ("AGM")** of the Members of RailTel Corporation of India Limited will be held on Thursday, 31<sup>st</sup> August, 2023 at 11:30 Hrs (IST) **through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")** to transact the following businesses:-

### ORDINARY BUSINESS:

- 1) To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2023 together with the Report of the Board of Directors and Auditors thereon and the Comments of the Comptroller & Auditor General ("**C&AG**") of India thereon.
- 2) To confirm the payment of Interim Dividend for the Financial Year 2022-23 and to declare the Final Dividend for the Financial Year 2022-23.
- 3) To appoint a Director in place of **Shri V. Rama Manohara Rao, Director/Finance (DIN: 06689335)** who retires by rotation and being eligible, offers himself for reappointment.
- 4) To authorize the Board of Directors of the Company to fix the remuneration of the Statutory Auditors to be appointed by C&AG of India for the Financial Year 2023-24.

### SPECIAL BUSINESS:

- 5) Appointment of Shri Rameshwer Meena as Part-time Govt. Nominee Director of the Company, not liable to retire by rotation and if thought fit, to pass the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** pursuant to the provisions of Section 152, 161(3) and other applicable provisions of the Companies Act, 2013 read with rules made thereunder, Regulation 17(1C) and other applicable provisions of SEBI (LODR) Regulations, 2015, or any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, the appointment of **Shri Rameshwer Meena, (DIN: 10077767)**, who has been appointed as Part-time Govt. Nominee Director on the Board of the





Company by the Board of Directors with effect from 17/03/2023 in terms of Ministry of Railways Letter no. 2022/PL/57/10 dated 16/03/2023, be and is hereby approved as Part-time Govt. Nominee Director w.e.f. 17/03/2023, not liable to retire by rotation, till he holds the post of Executive Director/Signal, Railway Board or further orders, whichever is earlier and on such terms & conditions and tenure as may be determined by the President of India acting through Ministry of Railways from time to time."

- 6) Appointment of Shri Manoj Tandon as Director/Project Operation & Maintenance of the Company, liable to retire by rotation and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152, 161(1), 196 and all other applicable provisions of the Companies Act, 2013 ("**the Act**") read with rules made thereunder, Regulation 17(1C) and other applicable provisions of the SEBI (LODR) Regulations, 2015, or any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, the appointment of **Shri Manoj Tandon (DIN: 10044053)**, who has been appointed as Additional Director by the Board to hold the post of Director (Project Operation & Maintenance) with effect from 20/03/2023 in terms of Ministry of Railways Letter no. 2022/E(O)II/40/6 dated 20/03/2023, be and is hereby approved as Director (Project Operations & Maintenance) of the Company, liable to retire by rotation, on such terms & conditions and tenure as may be determined by the President of India acting through Ministry of Railways from time to time.

- 7) To accord approval to the change in designation of Shri Rakesh Ranjan as Part-time Govt. Nominee Director of the Company, not liable to retire by rotation and if thought fit, to pass the following resolution as **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152, 161 (3) and all other applicable provisions of the Companies Act, 2013 ("**the Act**") read with rules made thereunder, Regulation 17(1C) and other applicable provisions of the SEBI (LODR) Regulations, 2015, or any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, the change in designation of **Shri Rakesh Ranjan (DIN: 09575567)** from Director/Network Planning and Marketing (Addl. Charge) to Part-time Govt. Nominee Director w.e.f. 04/07/2023, be and is hereby approved, till he holds the post of Executive Director/Telecom Development, Railway Board or further orders, whichever is earlier and on such terms & conditions and tenure as may be determined by the President of India acting through Ministry of Railways from time to time.

- 8) Appointment of Shri Yashpal Singh Tomar as Director/Network Planning & Marketing of the Company, liable to retire by rotation and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152, 161(1), 196 and all other applicable provisions of the Companies Act, 2013 ("**the Act**") read with rules made thereunder, Regulation 17(1C) and other applicable provisions of the SEBI (LODR) Regulations, 2015, or any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, the appointment of **Shri Yashpal Singh Tomar (DIN: 10215386)**, who has been appointed as Additional Director by the Board to hold the post of Director (Network Planning & Marketing) with effect from 04/07/2023 in terms of Ministry of Railways Letter no. 2022/E(O)II/40/23 dated 27/06/2023, be and is hereby approved as Director (Network Planning & Marketing) of the Company, liable to retire by rotation, on such terms & conditions and tenure as may be determined by the President of India acting through Ministry of Railways from time to time.

- 9) To ratify the remuneration of the Cost Auditors for the Financial Year 2023-24, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment thereof, for the time being in force, the Company hereby ratifies the remuneration of M/s. Dhananjay V. Joshi & Associates, Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial year 2023-24 at a remuneration of Rs. 40,000/- plus GST.”

**By order of the Board of Directors of  
RailTel Corporation of India Limited**

**Sd/-  
(J.S. Marwah)  
Company Secretary & Compliance Officer**

**Date: 02.08.2023**

**Place: New Delhi**

**Notes: -**

1. The Ministry of Corporate Affairs (“**MCA**”) vide its general circular no. 10/2022 dated 28 December, 2022 read with circular nos. 20/2020 dated 5 May, 2020, 17/2020 dated 13 April, 2020 and 14/2020 dated 8 April, 2020 (collectively referred to as “**MCA Circulars**”) and the Securities and Exchange Board of India (“**SEBI**”) vide its Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11 July, 2023 inter-alia, permitted conduct of Annual General Meeting (“**AGM**”) through Video Conferencing or any Other Audio-Visual Means (“**VC/OAVM**”) facility till 30 September, 2023. In compliance with the MCA Circulars and SEBI Circular, the Company will be convening its 23<sup>rd</sup> AGM through VC/OAVM facility provided by National Securities Depository Limited (“**NSDL**”) without the physical presence of the Shareholders at a common venue. The registered office of the Company as stated in this Notice shall be the deemed venue of the AGM. The members can attend and participate in the AGM through VC/OAVM.
2. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. However, MCA while granting the relaxations to hold the AGM through VC/OAVM has also provided exemption from the requirement of appointing proxies. Hence for this AGM, the facility for appointment of proxy by the members is not being provided. Accordingly, the proxy form, attendance slip and the route map of the venue have also not been provided along with the notice. In pursuance of section 112 and section 113 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the AGM.
3. In line with the aforesaid MCA Circulars and SEBI Circular, the Notice of AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on

first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 as amended, and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
7. In line with the MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at [www.railtelindia.com](http://www.railtelindia.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
8. Pursuant to Section 139 (5) of the Companies Act, 2013 the Statutory Auditors of the Government company are appointed by the C&AG and in terms of Section 142 of the Companies Act, 2013, the remuneration has to be fixed by the Company in the AGM or in such manner as the company in AGM may determine. The Members may authorize the Board of Directors of the Company to fix the remuneration of Statutory Auditors on the recommendation of the Audit Committee for the Financial Year 2023-24.
9. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Businesses, as set out above is annexed hereto.
10. Brief resume of the Directors seeking appointment/re-appointment at AGM, as required under Regulation 36 of SEBI (LODR) Regulations, 2015, is annexed hereto and forms part of the Notice.
11. Dividend:-
  - i) The Board of Directors, in its meeting held on 31<sup>st</sup> January, 2023, had declared an Interim Dividend of ₹ 1.50/- per share (i.e. @ 15% on the paid-up equity share capital of the Company) for the Financial Year 2022-23. The Board of Directors of the Company in its meeting held on 09<sup>th</sup> July, 2023 had further recommended a Final Dividend of ₹ 1.05/- per share (i.e. @ 10.5% on the paid-up equity share capital of the Company) for the Financial Year 2022-23 which is subject to approval of shareholders in the AGM.
  - ii) The Company has fixed Thursday, 24<sup>th</sup> August, 2023 as record date for the purpose of determining the members eligible to receive final dividend. Final dividend, if approved at the AGM shall be paid within 30 days from the date of its declaration at the AGM.
  - iii) Members, who have not registered their NECS Mandate, are requested to send their NECS Mandate request to their Depository Participant. Members who have not registered their e-mail addresses/ Bank details can update the same by contacting their respective Depository Participants as per the process advised by them.

## 12. Procedure for Inspection of Documents:-

Members who wish to inspect the relevant documents referred to in the Notice can send an email to [cs@railtelindia.com](mailto:cs@railtelindia.com) on or before Monday, 28<sup>th</sup> August, 2023 mentioning their name, demat account number/folio number, email id and mobile number.

## 13. Other Information:-

- i) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members are, therefore, requested to update their PAN with their DP/ RTA of the Company.
- ii) Annual listing fees for the Financial Year 2022-23 has been paid to the Stock Exchanges wherein the equity shares of the Company are listed (i.e. BSE and NSE). Also, the Annual Custodian Fee for the Financial Year 2022-23 has been paid to both Depositories [i.e. Central Depository Services (India) Limited and National Securities Depository Limited].
- iii) The Company has appointed M/s. Kumar Naresh Sinha & Associates, Practicing Company Secretary as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.

## 14. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on 27/08/2023 (Sunday) at 09:00 A.M. and ends on 30/08/2023 (Wednesday) at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 24/08/2023 (Thursday) may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

## 15. How do I vote electronically using NSDL e-Voting system?





*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

### **Step 1: Access to NSDL e-Voting system**

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="451 1381 980 1688" style="text-align: center; margin-top: 10px;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div> </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [kumarnareshsinha@gmail.com](mailto:kumarnareshsinha@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [cs@railtelindia.com](http://cs@railtelindia.com) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload



their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “**e-Voting**” tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call at 022-48867000 and 022-24997000 or send a request to (Ms. Pallavi Mharte-Senior Manager) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to ([cs@railtelindia.com](mailto:cs@railtelindia.com)).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ([cs@railtelindia.com](mailto:cs@railtelindia.com)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM IS AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at ([cs@railtelindia.com](mailto:cs@railtelindia.com)). The same will be replied by the company suitably.
6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID / folio number, PAN, mobile number at [cs@railtelindia.com](mailto:cs@railtelindia.com) from 24/08/2023 (Thursday) to 28/08/2023 (Monday). Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**16. A brief resume of Director proposed to be re-appointed is given below:-**

Item no. 3:- To appoint a Director in place of Shri V. Rama Manohara Rao, Director/Finance (DIN: 06689335) who retires by rotation and being eligible, offers himself for reappointment.

Name of Director(s)	Shri V. Rama Manohara Rao
Appointment/Re-appointment	Re-appointment as Director/Finance
DIN	06689335
Date of Birth & Age	DoB:- 29/08/1970 Age:-53 Years
Date of Appointment	27/10/2022

Name of Director(s)	Shri V. Rama Manohara Rao
Brief Resume and Expertise in specific functional areas and Experience	<p>He is a civil servant of 1998 batch of Indian Railway Accounts Service and carries rich experience in Infrastructure financing, policy formulation, budgeting and administrative fields across sectors of Rail Transport and Urban Development.</p> <p>He held leadership positions in the Ministry of Railways., Government of India and in the Government of Andhra Pradesh on deputation.</p> <p>He served as Senior Divisional Finance Manager in three Railway Divisions and as Director Finance in Railway Board, Ministry of Railways dealing with Union rail budget. On deputation to Government of AP., he served as Special Commissioner and Group Director Finance in AP Capital Region Development Authority and as the Secretary Municipal Administration and Urban Development in Government of AP.</p> <p>He has served as Government nominated Director in both central and state government Public Sector Enterprises.</p> <p>He has done Post Graduate Public Policy and Management Programme from Indian Institute of Management Bangalore and Maxwell School of Citizenship, Syracuse USA., and holds M.Sc. in Physics from Sri Venkateswara University, AP.</p> <p>Mr. Rao has attended various leadership and training programs in United States (Maxwell School of Public Policy, Syracuse), Japan (JICA) and London (ESCP).</p>
No. of shares held in RCIL	Nil
Relationship with Directors & KMP inter-se	No inter-se relationship with any other Director or KMP of the Company.
Directorship held in other listed entities	Nil
Details of listed entities from which resigned in the past three years	Nil
Chairmanship/Membership* of Committees across all Public companies	Member in three (3) Committees of RCIL (i.e. Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee)
No. of Board Meetings held and attended during the FY 2022-23 in his tenure.	3 out of 3 Board Meetings attended.

## 17. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FOR SPECIAL BUSINESS ITEMS:-

### **Item No. 5:- Appointment of Shri Rameshwer Meena as Part-time Govt. Nominee Director of the Company, not liable to retire by rotation.**

- i) Shri Rameshwer Meena, (DIN: 10077767) was appointed as Part-time Govt. Nominee Director by the Board of Directors of the Company in terms of MoR Letter no. 2022/PL/57/10 dated 16/03/2023 till he holds the post of Executive Director/Signal, Railway Board or further orders of MoR, whichever is earlier on such terms & conditions as may be determined by the President of India acting through MoR from time to time.
- ii) Shri Rameshwer Meena is eligible for appointment as Director in terms of provisions of Section 164 of the Companies Act, 2013.
- iii) Brief profile of Shri Rameshwer Meena is enclosed as **Annexure – I**.
- iv) Shri Rameshwer Meena is interested in this resolution to the extent of his appointment as a Director.
- v) None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice. The Board recommends the **Ordinary Resolution** set out at Item No. 5 for the approval of Members.

### **Item No. 6:- Appointment Shri Manoj Tandon as Director/Project Operation & Maintenance of the Company, liable to retire by rotation.**

- i) Shri Manoj Tandon (DIN: 10044053) was appointed as an Additional Director (Director/Project Operation & Maintenance) by the Board of Directors of the Company in terms of Letter no. 2022/E(O)II/40/6 dated 20/03/2023 issued by MoR.
- ii) Shri Manoj Tandon is eligible for appointment as Director in terms of provisions of Section 164 of the Companies Act, 2013.
- iii) Pursuant to Section 160 of the Act, the Company has received requisite notice in respect of appointment of Shri Manoj Tandon as Director/Project Operation & Maintenance.
- iv) Brief profile of Shri Manoj Tandon is enclosed as **Annexure-I**.
- v) Shri Manoj Tandon is interested in this resolution to the extent of his appointment as a Director.
- vi) None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice. The Board recommends the **Ordinary Resolution** set out at Item No. 6 for the approval of Members.

### **Item No. 7:- To accord approval to the change in designation of Shri Rakesh Ranjan as Part-time Govt. Nominee Director of the Company, not liable to retire by rotation.**

- i) The designation of Shri Rakesh Ranjan (DIN: 09575567) got changed Director/Network Planning and Marketing (Addl. Charge) to Part-time Govt. Nominee Director w.e.f. 04/07/2023 till he holds the post of Executive Director/Telecom Development, Railway Board or further orders, whichever is earlier and on such terms & conditions and tenure as may be determined by the President of India acting through Ministry of Railways from time to time.
- ii) Brief profile of Shri Rakesh Ranjan is enclosed as **Annexure – I**.

- iii) Shri Rakesh Ranjan is interested in this resolution to the extent of his appointment as a Director.
- iv) None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice. The Board recommends the **Ordinary Resolution** set out at Item No. 7 for the approval of Members

**Item No. 8:- Appointment of Shri Yashpal Singh Tomar as Director/Network Planning & Marketing of the Company, liable to retire by rotation.**

- i) Shri Yashpal Singh Tomar (DIN: 10215386) was appointed as an Additional Director (Director/ Network Planning & Marketing) by the Board of Directors of the Company in terms of Letter no. 2022/E(O)II/40/6 dated 20/03/2023 issued by MoR.
- ii) Shri Yashpal Singh Tomar is eligible for appointment as Director in terms of provisions of Section 164 of the Companies Act, 2013.
- iii) Pursuant to Section 160 of the Act, the Company has received requisite notice in respect of appointment of Shri Yashpal Singh Tomar as Director/ Network Planning & Marketing.
- iv) Brief profile of Shri Yashpal Singh Tomar is enclosed as **Annexure – I**.
- v) Shri Yashpal Singh Tomar is interested in this resolution to the extent of his appointment as a Director.
- vi) None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice. The Board recommends the **Ordinary Resolution** set out at Item No. 8 for the approval of Members.

**Item No. 9:- To ratify the remuneration of the Cost Auditors for the Financial Year 2023-24:-**

- i) The Board of Directors at its meeting held on 27<sup>th</sup> July, 2023, on the recommendations of the Audit Committee, has approved the appointment of M/s. Dhananjay V. Joshi & Associates, Cost Accountants, as Cost Auditors of the Company for the Financial Year 2023-24 at a remuneration of Rs. 40,000/- plus GST to conduct the audit of cost records maintained by the Company as per the applicable Rules/ Guidance Note, etc., or any amendments thereof. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members is sought by passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the FY 2023-24, as approved by the Board.
- ii) The Board of Directors of your Company recommends the passing of resolution as an Ordinary Resolution.
- iii) None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, interested or concerned financially or otherwise in the resolution set out at Item No. 9 of the notice.

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### Annexure-I

Brief Profile of the Director(s) seeking appointment, as set out in this Notice, in terms of SEBI (LODR) Regulations, 2015 & Secretarial Standard-2:-

Name of Director (s)	Shri Rameshwer Meena	Shri Manoj Tandon	Shri Rakesh Ranjan	Shri Yashpal Singh Tomar
DIN	10077767	10044053	09575567	10215386
Date of Birth & Age	DoB:- 07/07/1970 Age:- 53 years	DoB:-17/11/1967 Age:-55 years	DoB:-23/04/1974 Age:-49 years	DoB:- 15/12/1969 Age:- 53 years
Date of Appointment (Initial)	17/03/2023	20/03/2023	18/04/2022	04/07/2023
Qualifications	He is an Indian Railway Service of Signal Engineer (IRSSE).	He is Bachelor of Engineering in Electronics from Maulana Azad College of Technology (REC/NIT), Bhopal in 1990	He holds a Bachelor's degree in Electronics & Communication Engineering and a Master's degree in Computer Science & Engineering.	He is M. Tech from IIT Kanpur.
Brief Resume and Expertise in specific functional areas and Experience	<p>Shri Rameshwer Meena belongs to 1992 exam batch of Indian Railway Service of Signal Engineers (IRSSE), carries rich experience in Signalling &amp; Telecommunication field involving planning, implementation and commissioning of Infrastructure projects over IR such as Railway electrification, Automatic Signalling, Doubling, Multi-Tracking. He is presently working as Executive Director/Signal in Railway Board, Ministry of Railways.</p> <p>He has served at various positions in Western Railway, North Central Railway, Central Organisation for Railway Electrification of Indian Railways and also on deputation to Rail Vikas Nigam Ltd. (PSU under Ministry of Railways) dealing with construction and maintenance of Signalling &amp; Telecom systems. He has ample experience in maintenance of Modern Signalling Systems of IR while working in North Central Railway.</p> <p>He has attended Training programs on Train Protection Warning System in Italy &amp; France.</p>	<p>Shri Manoj Tandon took over the charge of Director- Project, Operations &amp; Maintenance w.e.f 20.03.2023. Prior to this Sh. Tandon was shouldering the responsibilities of the Group General Manager/ Operations and heading retail broadband business of RailTel. During his stint in various capacities in RailTel, he worked in the areas of evolving and maintaining NOC operations and expanded Internet &amp; Wi-Fi networks to improve network resiliency and user experience. During his tenure RailWire broadband crossed half a million customer base and introduced various value added services (VAS).</p> <p>Before joining RailTel, Shri Tandon has worked in various telecom companies and delivered many greenfield telecom network rollouts &amp; transformational projects for continuous evolution of end-to-end network automation consisting of Service Assurance &amp; Service fulfilment stacks, to strengthen NOC's capabilities to ensure agile &amp; efficient management of Network, Service &amp; Customer Experience of all telecom verticals.</p> <p>He is Bachelor of Engineering in Electronics from Maulana Azad College of Technology (REC/NIT), Bhopal in 1990.</p>	<p>Shri Rakesh Ranjan is presently working as Executive Director (Telecom Development) in the Ministry of Railways. He has 24 years of experience in the Railways and has worked in NER, ECR, IRISSET and Railway Board besides working in RCIL and Central Electronics Limited (CEL) on deputation. He has undertaken higher management courses in ISB, Mohali ICLIF, Kuala Lumpur and INSEAD, Singapore.</p> <p>While working in RCIL, he has been associated with the commissioning of the first STM-16 network on Indian Railways. He has also been instrumental in commissioning of the IP/MPLS network and NGN of RCIL. He was heading the Railway division in CEL and besides being part of the CEL turn-around story was instrumental in maturing the MSDAC along with reviving the Railways R&amp;D in CEL. He also played a key role in designing and developing the next-generation axle counters in CEL. He enjoys teaching and at IRISSET he designed and delivered courses on IP Telephony, SDH networks etc. An ardent lover of open-source software, he got commissioned IP exchanges and VoIP control communication system in ECR using open-source software.</p> <p>His current area of interest includes IP exchanges and VoIP control communication systems, LTE-R for Indian Railways, network optimization for IR, central monitoring of Railway Telecom gears, adoption of open-source software and technologies, secure surveillance systems, and road-map for 5G on Indian Railways.</p>	<p>Shri Yashpal Singh Tomar took over the charge of the post of Director (Network, Planning &amp; Marketing) w.e.f. 04/07/2023 (A/N). Prior to this, Sh. Tomar was shouldering the responsibilities of the Divisional Railway Manager, Palghat division of Indian Railways. He is M. Tech from IIT Kanpur and joined Indian Railway Service of Signal Engineers (IRSSE) of Indian Railways in 1992. During his stint in Central Railway, North Central Railway, South Central Railway, Research Designs and Standards Organisation (RDSO) Lucknow, Indian Railway Institute of Railway Signalling and Telecom (RISET) Secunderabad, he worked in the areas of Railway Operations and Projects, Research and Development and Training. He has also worked as Group General Manager in his earlier stint to RailTel</p>
Relationship with Directors & KMP inter-se	No inter-se relationship with any other Director's or KMP of the Company.	No inter-se relationship with any other Director's or KMP of the Company.	No inter-se relationship with any other Director's or KMP of the Company.	No inter-se relationship with any other Director's or KMP of the Company.
Directorship held in other listed entities	Nil	Nil	Nil	Nil

Name of Director (s)	Shri Rameshwer Meena	Shri Manoj Tandon	Shri Rakesh Ranjan	Shri Yashpal Singh Tomar
<b>Details of listed entities from which resigned in the past three years</b>	Nil	Nil	Nil	Nil
Shareholding of non-executive directors in RCIL including shareholding as a beneficial owner	Nil	Nil	Nil	Nil
<b>Chairmanship/ Membership* of Committees across all Public companies</b>	1) Member – Nomination & Remuneration Committee in RCIL. 2) Member – Audit Committee in RCIL.	1) Member – Risk Management Committee in RCIL.	1) Member – CSR Committee in RCIL. 2) Member – Stakeholders Relationship Committee in RCIL.	1) Member – Risk Management Committee in RCIL.
<b>Terms and conditions of appointment and proposed remuneration to be paid</b>	Appointment as per order of the President of India vide Ministry of Railway's letter no. 2022/PL/57/10 dated 16/03/2023.	Appointment as per order of the President of India vide Ministry of Railway's letter no. 2022/E(O) 11/40/6 dated 20/03/2023.	Appointment as per order of the President of India vide Ministry of Railway's letter no. 2022/PL/48/11 dated 12/04/2022 and 2017/E(O)11/40/28 dated 06/10/2022.	Appointment as per order of the President of India vide Ministry of Railway's letter no. 2022/E(O)11/40/23 dated 27/06/2023
<b>Number of Board meetings attended during tenure</b>	4 out of 4 Board Meeting attended	4 out of 4 Board Meeting attended	8 out of 10 Board Meeting attended	2 out of 2 Board Meeting attended

# Board's Report

Dear Shareholders,

Your Company's Directors are pleased to present 23<sup>rd</sup> Annual Report of the Company, together with the Auditors' Report and Comments of the Comptroller and Auditor General of India ("C&AG"), for the Financial Year ended 31<sup>st</sup> March, 2023 prepared in accordance with the provisions of the Companies Act, 2013 read with rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015-["Listing Regulations"] as amended from time to time.

## 1. Company Overview

RailTel Corporation of India Limited ("RCIL") is one of the largest neutral telecom infrastructure providers in the country owning a Pan-India optic fiber network along Railway track. The biggest USP of RCIL is its ownership of a Pan-India 61000+ RKM of Optic fiber network which covers all important towns & cities of the country and several rural areas covering 70% of India's population. RCIL with strong nationwide presence is committed to bring cutting edge technology and offer innovative services to the Indian Telecom market. With its Pan-India high-capacity network, RCIL is working towards creating a knowledge society at various fronts.

Equipped with ISO-9001-2008, ISO-27001:2005 and ISO 20000-1:2011 certification, RCIL offers a wide gamut of managed telecom services to Indian Telecom market. The service includes RCIL e-office, Managed lease lines, Tower collocation, MPLS based IP-VPN, Internet, Data Center services, HD Video Conferencing Services, NGN based voice carriage services to Telecom Operators, Services to Internet Service Providers, MSOs, Enterprises, Banks, Government Institution/ Departments, Educational Institutions /Universities, PSUs etc.

RCIL being a "Mini Ratna (Category-I)" PSU is steaming ahead in the enterprise segment with the

launch of various services coupled with capacity augmentation in its Core network. Your company stands as the only telecom PSU, which is a **100% debt free company** and consistently profit-making PSU in telecom sector.

## 2. Financial Highlights

During the year, your Company has achieved total consolidated turnover of ₹ 2002.20 Crore. The Company has observed an increase of 27.93% in its revenue from operations which comes out to be ₹ 1946.52 Crore on standalone basis. The total turnover of the Company during the year is ₹2002.20 Crore comprising of other income of ₹38.68 Crore. The summarized financial results of your Company are shown in **Table 1**.

## 3. Listing of Shares

The equity shares of the Company got listed on 26/02/2021 on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). The Scrip Code for equity shares of RCIL assigned by BSE is **543265** and Scrip Symbol assigned by NSE is **RAILTEL**.

## 4. Share Capital

There is no change in the capital structure of the Company during the period under review and from the end of the FY till the date of this report.

Accordingly, Issued, Subscribed and Paid-up Share Capital is ₹ 320.94 crore divided into 32.09 crore Equity Shares of ₹ 10 each as on 31<sup>st</sup> March, 2023, including ₹ 305.94 crore issued for consideration other than cash.

The details of dematerialization of shares, Demat Suspense Account/Unclaimed Suspense Account is provided in the Corporate Governance Report as annexed to this report.



**Table1: Financial Highlights of Company**

(In ₹ Crore)

Particulars	Year ended 31/03/2023	Year ended 31/03/2022	Year ended 31/03/2023	Year ended 31/03/2022
	<b>Consolidated</b>		<b>Standalone</b>	
<b>Total Revenue</b>				
-Revenue from Operations	1963.51	1548.45	1946.52	1521.54
-Other Income	38.68	29.28	34.15	25.94
Expenditure	1745.36	1347.21	1726.03	1318.11
Depreciation	154.31	160.18	154.27	160.13
<b>Profit Before Interest, Tax &amp; Exceptional items</b>	<b>256.84</b>	<b>230.52</b>	<b>254.64</b>	<b>229.37</b>
Interest	0	0	0	0
Exceptional Items	2.06	-50.10	2.06	-50.18
Tax/ Others	65.71	71.67	65.20	71.22
<b>Profit for the Year</b>	<b>189.07</b>	<b>208.94</b>	<b>187.38</b>	<b>208.34</b>
Basic EPS (In ₹)	5.89	6.51	5.84	6.49

## 5. Dividend

Your Company has a consistent track-record of dividend payment. The Board of Directors of your Company had earlier approved payment of an Interim Dividend of ₹ 1.50 per share amounting to ₹ 48.14 Crore for the FY 2022-23. Further, the Board has recommended payment of final dividend of ₹ 1.05 per share amounting to ₹ 33.69 Crore for the FY 2022-23. The total dividend payment for the FY 2022-23 would be ₹ 81.83 as compared to ₹ 77.02 crore paid for the FY 2021-22.

In terms of Regulation 43A of Listing Regulations and the guidelines on "Capital Restructuring of Central Public Enterprises" issued by the DIPAM, the Board of Directors of the Company has formulated and adopted the Dividend Distribution Policy. The said Policy is annexed to this report at **Page No. 72** and is also available on the Company's website i.e. [www.railtelindia.com](http://www.railtelindia.com)

## 6. Railways Revenue Share

The Company is also contributing by way of revenue share @ 7 % on services to Indian Railways and the total share of such contribution comes to ₹ 41.93 Crore as against such share of ₹ 39.72 Crore in the

preceding year. The cumulative revenue share to Railways amounting to ₹ 380.93 Crore till this year.

Besides, the Company has also paid license fee @ 8% (at present) to DoT, Govt. of India on its income from telecom business carried by it under licenses granted to it.

## 7. Reserves

The Company appropriated its profit earned during the year under review. The Company has not transferred any amount to the General Reserves during the year. The total reserves & surplus at the end of the FY 2022-23 is ₹ 1,316 Crore (on Standalone basis).

## 8. Capital Expenditure

During the year, Capital expenditure of ₹ 182 Crore approx. was incurred mainly on OFC related assets, Telecom & Radio equipment's etc. The Company made commitments to the tune of ₹ 145.22 Crore on capital account and accordingly, expenditure would be booked during the current financial year, in addition to the capital expenditure allocated for FY 2022-23.



## 9. Declaration from Independent Directors

RCIL has received a declaration from its Independent Directors stating that they have met the criteria of independence under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) read along with Regulation 25(8) of Listing Regulations and are not disqualified from continuing as Independent Directors. There is no extension of any Independent Director for a term exceeding Five (5) years as per Section 149(10) of the Companies Act, 2013.

## 10. Number of Meetings of Board

The Board met Eight (8) times for transacting the business of the Company during the FY 2022-23 i.e., on 04/05/2022, 24/05/2022, 09/07/2022, 10/08/2022, 29/09/2022, 10/11/2022, 31/01/2023 and 22/03/2023. The particulars of the meetings held and attended by Directors are detailed in the Corporate Governance Report as annexed to this report.

## 11. Details of changes in Directors and other Key Managerial Personnel:

The following changes took place in the Board/Key Managerial Personnel of the Company during the year and up-to date of Report:

### Appointment of directors: -

1. Shri Rakesh Ranjan was appointed as Part-time Govt. Nominee Director w.e.f. 18/04/2022. Further, he has been entrusted with the additional charge of the post of Director/Network, Planning and Marketing w.e.f. 06/10/2022 till 04/07/2023.
2. Smt. Aruna Singh was entrusted with the additional charge of the post of Chairman & Managing Director w.e.f. 11/05/2022 till 23/09/2022.
3. Shri Sanjai Kumar has been appointed as Chairman & Managing Director w.e.f. 23/09/2022.

4. Shri Vikas Kumar Jain has been appointed as Part-time Govt. Nominee Director w.e.f. 19/09/2022 till 30.01.2023.
5. Shri Rabindra Nath Mishra has been entrusted with the additional charge of the post of Director/Finance w.e.f. 07/10/2022 till 26/10/2022.
6. Shri V. Rama Manohara Rao has been appointed as Director/Finance w.e.f. 27/10/2022.
7. Shri V. Rama Manohara Rao has been appointed as Chief Financial Officer w.e.f. 10/11/2022.
8. Shri Rameshwer Meena has been appointed as Part-time Govt. Nominee Director w.e.f. 17/03/2023.
9. Shri Manoj Tandon has been appointed as Director/Project, Operations and Maintenance w.e.f. 20/03/2023.
10. Shri Yashpal Singh Tomar has been appointed as Director/Network Planning and Marketing w.e.f. 04/07/2023.

### Cessation of Directors: -

1. On completion of tenure, Shri Puneet Chawla ceased to be Chairman & Managing Director w.e.f. 11/05/2022.
2. On completion of tenure, Shri Chinnsamy Ganesan ceased to be Part-time non-official/Independent Director w.e.f. 12/07/2022.
3. On completion of tenure, Shri V. Shanker ceased to be Part-time Govt. Nominee Director w.e.f. 08/08/2022.
4. On appointment of Shri Sanjai Kumar as full time Chairman & Managing Director, Smt. Aruna Singh who has been entrusted with the additional charge of the post of Chairman & Managing Director, ceased to be Chairman & Managing Director w.e.f. 23/09/2022.
5. On being elevated to the post of Chairman & Managing Director, Shri Sanjai Kumar ceased to be Director/Network, Planning and Marketing w.e.f. 23/09/2022.
6. On completion of tenure, Shri Anand Kumar Singh Singh ceased to be Director/Finance and Chief Financial Officer w.e.f. 01/10/2022.



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7. On appointment of Shri V. Rama Manohara Rao as full time Director/Finance, Shri Rabindra Nath Mishra who has been entrusted with the additional charge of the post of Director/ Finance, ceased to be Director/Finance w.e.f. 27/10/2022.
8. On transfer of Shri Vikas Kumar Jain from the post of ED/ GS (Civil)-I/ Railway Board, he ceased to be Part-time Govt. Nominee Director w.e.f. 30/01/2023.
9. On appointment of Shri Yashpal Singh Tomar as full time Director/Network Planning and Marketing, Shri Rakesh Ranjan, who has been entrusted with the additional charge of the post of Director/Network Planning and Marketing ceased to be Director/Network Planning and Marketing and is continuing as part time govt. nominee director w.e.f. 04/07/2023.

## 12. Retirement of Director by Rotation

In terms of the Companies Act, 2013, the provisions with respect to retirement of Directors by rotation will not be applicable to the Independent Directors of the Company. In view of this, no Independent Director is being considered to be retired by rotation. The Part-time Govt. nominee directors were considered as directors not liable to retire by rotation but other directors (i.e. functional directors) will be retiring by rotation. Accordingly, Shri V. Rama Manohara Rao is liable to retire by rotation and being eligible, offers himself for reappointment.

## 13. Remuneration to Directors

RCIL, being a Government Company under the provisions of the Companies Act, 2013, the Directors of the Company are appointed by the President of India acting through Ministry of Railways (“MoR”), Government of India. The functional Directors are appointed by the Government of India who draw remunerations under Industrial Dearness Allowance pattern of pay scale except in case of Shri Puneet Chawla Ex-CMD, who was on deputation to RCIL from MoR and was drawing Central Dearness

Allowance pay scales as pre-determined by the Government and as per the terms and conditions of their appointment issued by the Government of India from time to time.

The Part time Government Nominee Directors on the Board of the Company do not draw any remuneration from the Company.

The Part-time non-official Directors/Independent Directors are paid a sitting fee of ₹ 20,000 per meeting for attending meetings of Board or Committees thereof, besides cost of travel and lodging in case of outstation Directors.

## 14. Policy on Performance Evaluation of Directors

RCIL is a Government Company under the administrative control of MoR. The functional directors including Chairman and Managing Director are selected on the recommendations of Public Enterprises Selection Board in accordance with the procedure and guidelines laid down by Government of India.

The Company enters into Memorandum of Understanding (“MoU”) with the Administrative Ministry, i.e., MoR every year, containing key performance parameters for the company. The performance of the Company is evaluated by Department of Public Enterprise vis-à-vis MoU entered into with the MoR.

The evaluation of performance of Functional Directors includes self-evaluation by the respective functional directors and subsequent assessment by CMD with final evaluation by the MoR (the administrative ministry).

The performance evaluation of CMD includes self-evaluation and final evaluation by the MoR.

In respect of Part-time Government nominee directors, their evaluation is done by the MoR as per the procedure laid down. Since, Independent Directors are appointed by the administrative Ministry, their evaluation is also done by the MoR and Department of Public Enterprises (“DPE”).



Ministry of Corporate Affairs (“MCA”) vide its circular dated June 5, 2015 had exempted Government Companies from the provisions of section 178(2) of the Companies Act, 2013, which requires performance evaluation of every director by the Nomination & Remuneration Committee. The circular further exempted Government Companies from the provisions of Section 134 (3) (p) of Companies Act 2013, if directors are evaluated by the Ministry which is administratively in-charge of the Company as per its own evaluation methodology.

Further, MCA vide its notification dated 5<sup>th</sup> July, 2017 has exempted the provisions relating to review of performance of Chairperson and non-independent directors and the Board as a whole from evaluation mechanism, prescribed in Schedule IV of the Companies Act, 2013, for Government Companies.

## 15. Committees of the Board

As on March 31, 2023, the Board had five committees namely the Audit Committee, the Nomination & Remuneration Committee, the Corporate Social Responsibilities Committee, the Stakeholders Relationship Committee and the Risk Management Committee. The detailed note on the composition of the Board and its committees are provided in the Corporate Governance Report section of this Annual Report and the details of the Committees of the Board is also available on the website of the Company i.e., [www.railtelindia.com](http://www.railtelindia.com)

## 16. Subsidiary

Your Company has a wholly owned subsidiary by the name of RailTel Enterprises Limited (“REL”) incorporated on 12<sup>th</sup> August, 2014 under the provisions of the Companies Act, 2013.

The authorised share capital of REL is ₹ 50 Crore and paid-up share capital is ₹ 10 Crore. The entire equity share capital of REL is held by RCIL through its nominees. The affairs of the Company

are managed, controlled and supervised by three Directors nominated by RCIL’s Board.

The Company has filed an application for amalgamation of REL with RCIL which is pending for approval before the MCA.

During the year under review, no company has become or ceased to be subsidiary/ joint venture/ associate Company of RCIL.

The Consolidated Financial Statements of the Company duly audited by the Statutory Auditors are presented in the Annual Report.

A report on performance and financial position of the subsidiary is presented in a separate section of this Annual Report. Please refer Form AOC-1 annexed to the consolidated Financial Statements in the Annual Report.

## 17. Projects Undertaken

The details of the projects undertaken during the year are included in Management Discussion & Analysis Report which is forming part of this Annual report.

## 18. Procurement from Micro and Small Enterprises

The Govt. of India has notified a Public Procurement Policy for Micro and Small Enterprises (“MSE”) Order, 2012. In terms of said policy and issued guidelines, a mandatory procurement of a minimum of 25% of total annual procurement is required from Micro and Small Enterprise’s. Out of 25% target of annual procurement from MSE’s, sub targets of 4% from MSEs owned by Schedule Caste or Scheduled Tribe Entrepreneurs and 3% from MSEs owned by Women Entrepreneurs are also earmarked for procurement.

The achievement of procurement target from MSEs during the financial year 2022-23 in compliance to the aforementioned Public Procurement Policy is shown in **Table-2**.

Table-2

Sl.	Particulars	2022-23 (₹ in Cr.)
1	Total annual procurement (in value)	513.47
2	Total value of procurement from MSEs	277.88
3	% age of procurement from MSEs (including SC/ST and women)	54.12
4	Total value of procurement from only MSEs owned by SC/ST entrepreneurs	1.17
5	% age of procurement from MSEs owned by SC/ST entrepreneurs w.r.t. procurement through MSEs	0.23
6	Total value of procurement from only MSEs owned by Women entrepreneurs	30.84
7	% age of procurement from MSEs owned by Women entrepreneurs w.r.t. procurement through MSEs	6.01

Central Government vide its notification F.No. 16/8/2018- P&G policy dated 2.11.2018 has mandated that companies registered under Companies Act 2013 with a turnover of more than Rs.500 Crs and all CPSUs shall be required to get themselves on boarded on TReDS. TReDS (Trade Receivables Discounting System) is an institutional mechanism set up in order to facilitate the discounting of invoices for MSMEs from Corporate Buyers through multiple financiers. RailTel is registered on TReDS platform wef 18.03.19 through Mynd Solution Private Limited or M1 Xchange.

### 19. Right to Information Act, 2005

Your Company has a well-defined mechanism in place to deal with the RTI applications under the Right to Information Act, 2005 ("**RTI Act**"). RCIL being a responsible Public Sector Undertaking has complied with the provisions of the RTI Act and has designated CPIO/CAPIO, Appellate Authority & Transparency Officer and also a Nodal Officer to oversee its implementation as required under the provisions of the RTI Act. The RTI Act seeks to provide for setting out the practical regime of Right to Information for citizens to secure access to information under the control of Public Authorities in order to promote transparency and accountability in the working of every Public Authority. The details of RTI dealt during the year is shown in **Table-3**.

Table-3

Particulars	Nos.
No. of RTI cases pending as on 01/04/2022	03
Received during the Year	242
Disposed off during the year	236
Pending as on 31/03/2023	7

### 20. Business Responsibility and Sustainability Report

In compliance with the requirement of Clause (f) of sub-regulation (2) of Regulation 34 of Listing

Regulations, the Business Responsibility and Sustainability Report ("**BRSR**") is presented in the separate section which is forming part of this Annual Report.

### 21. Particulars of Loans, Guarantees or Investments

During the year, RCIL has not given any loan or guarantees covered under the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

The detail of investments made by the Company is given in the notes to the Financial Statements.

### 22. Internal Controls Systems and their Adequacy

The Company has an internal control system in commensuration with size, scale and complexity of its operations.

During the year, the Company has engaged Internal Auditors to carry out Internal Audit of the Company. The highlights of internal audit report and their synopsis were placed before the Audit Committee for its review.

RCIL has implemented ORACLE ERP solution with name "Project Parivartan" and all modules like

Projects, Procurement, Operations, Maintenance, Finance, HR, Sales and Marketing are live from December 2013. Implementation of “Project Parivartan” has empowered all employees to focus on their core competencies, making work environment stress free, at the same time ensuring transparency and decision making in the system. During the year 2022-23, RCIL’s IT team continuously worked towards strengthen of core processes of these implemented modules so that users could effectively and efficiently use ERP for day-to-day work. New ERP Modules like Financial Budgeting, Payables Provision Invoicing, Integration between Learning Management System with ERP, Integration between HPSM with ERP, PAC/FAC Application and Revenue/Outstanding as per Credit Policy Application have been developed apart from regular O&M and enhancements works including development of new reports.

Further, as per management and business requirement, during the FY 2023-24, ERP team shall be working for development of new applications like Vendor Bill tracking Application, Dashboard Mobile App for higher management, Project Management Application, Document Management System, Appraisal Management System, Enhancement in supplier BG and EMD modules, ERP version upgrade, Attendance Management System, PCDO Application, Bank Integration for Receivables. Furthermore, in the next financial year RCIL’s IT team shall be working towards strengthening of existing ERP modules and development of other additional requirements.

### 23. Annual Return

The Annual Return of RCIL pursuant to Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013 and Regulation 34 of Listing Regulations, for the financial year ended on March 31, 2023 is placed at

<https://www.railtelindia.com/annual-return.html>

### 24. Management’s Discussion and Analysis Report

In compliance with the requirement of Regulation 34(2)(e) of Listing Regulations, the Management’s Discussion and Analysis Report for the year under review is presented in separate section which is forming part of this Annual Report.

### 25. Human Resource Development

The Human Resource Development (“HRD”) function in the organization has been designed to maximize employee performance. HRD is primarily concerned with the management of people within organization and focusing on policies and systems. RCIL firmly believes in the strength of its most vital asset i.e., Human Resource. RCIL cares and values for its human resource which is the bedrock of success story. To keep the employees’ morale high, your Company extends several welfare benefits to them and their families by way of implementing various new and revised welfare policies for its employees.

As on 31<sup>st</sup> March, 2023, the Company had total manpower strength of **765** employees including regular, deputationist, contractual and consultants. The details are shown in **Table-4**. During the year, Company has also availed the services of **1883** outsourced employees.

**Table-4**

Category	No. of Employees for the year ended 31.03.2023	No. of Employees for the year ended 31.03. 2022
Regular Employees	474	443
Deputationist	45	57
On Contract (Direct)	206	162
On Contract (re-employed)	27	16
Consultants	13	20

The percentage of women employees, SC/ST/OBC employees, persons with disabilities and ex-servicemen out of regular employees of the Company is Shown in **Table-5:-**

**Table-5**

Category	No. of Employees for the Year ended 31.03.2022	No. of Employees for the Year ended 31.03.2023	% of total no. of regular employees during financial year ended 31.03.2023	No. of recruitment made in these categories*
Women Employees	47	49	10.34	2
SC Personnel	61	72	15.19	11
ST Personnel	17	22	4.64	6
Other Backward Classes	118	132	27.85	15
Person with Disabilities	7	7	1.48	3
Ex-Serviceman	0	0	0	0

\* Employees who join on absorption basis are regular employees but not part of recruitment data.

The Company has been following the Govt. Guidelines regarding reservation for SCs, STs, OBCs, Persons with disabilities and ex-servicemen.

## 26. Particulars of Employees

Your Company being a Government Company, the provisions of Section 197(12) of the Companies Act, 2013 and relevant rules issued thereunder, are not applicable as per notification dated June 05, 2015 issued by MCA.

The terms and conditions of the appointment of Functional Directors are subject to the applicable guidelines issued by the DPE, Government of India.

## 27. Rajbhasha (Official Language)

For implementation of the Official Language Policies of the Government of India, an Official Language Cell is set up in RailTel Corporate Office with a Mukhya Rajbhasha Adhikari, a nominated Rajbhasha Adhikari and a Senior Manager/Rajbhasha . Each Regional Office of RailTel has one Nominated Rajbhasha Adhikari. In RailTel, the Official Language Implementation Committee meeting is held every quarter under the chairmanship of Chairman and Managing Director. Official language progress reports are regularly sent to Railway Board. Official language Progress reports are also regularly sent to Town Official Language Implementation Committee (NARAKAS). The meetings of the Official Language Implementation Committee organized by the Railway Board and the meeting of the Town Official

Language Implementation Committee (NARAKAS) are regularly attended by the officials of RailTel.

RailTel's Chandigarh, Chennai, Jaipur territory offices and Regional offices of Southern and Eastern Region headquartered at Secunderabad and Kolkata respectively had been inspected by the Second Sub-Committee of the Parliamentary Committee on Official Language on 29.04.2022, 18.05.2022, 28.02.2023 18.06.2022, 16.11.2022 respectively to review the use of Hindi.

The second sub-committee of the Hon'ble Parliamentary Committee on Official Language had entrusted the work of coordination of the inspection of Secunderabad and Kolkata areas to RailTel Regional Offices at Secunderabad and Kolkata .The co-ordination work was done excellently by the RailTel officials at both the places. Appreciation



letter was sent by Hon'ble Dr. Rita Bahuguna Joshi, Convenor of the second sub-committee of the Committee of Parliament on Official Language to Mr. K. Manohar Raja, Executive Director/South Region,

Mr. Zakir Hussain Siddiqui, Executive Director/ Eastern Region, Ms. Ruchira Chatterjee, General Manager/Administration, Security & Marketing and Mukhya Rajbhasha Adhikari, Ms. Pratibha Devendra Yadav, General Manager/Chennai and Mr. Vijay Kumar Saxena, Senior Manager/Rajbhasha, for superb co-ordination and co-operation with the Parliamentary Committee.

On the occasion of Hindi Diwas, Hindi Pakhwada was celebrated in RCIL from 16 to 30 September, 2022 and various activities/programs were organized during the pakhwada.

Rajbhasha Pakhwada 2022 was inaugurated by the Chairman and Managing Director on 16.09.2022. A Hindi Pakhwada banner was put up at the main entrance of RCIL Corporate. During the Hindi Pakhwada Hindi essay competition, Hindi noting and drafting competition, Hindi debate competition, Hindi quiz competitions were organized. The officers and employees of office enthusiastically participated in the said competitions.

On the occasion of the closing ceremony of Hindi Pakhwada 2022, the Chairman and Managing Director gave cash prizes and certificates to the officers and employees who secured first, second and third place in different competitions. Consolation prizes were also given. Besides, award was also given to employees who had done Commendable work in Hindi during the year. During the closing ceremony, the regional offices and territory offices were present through webex.



### RailTel, Corporate Office has introduced RailTel Rajbhasha Shield

For the 1st time RailTel, Corporate Office introduced **RailTel Rajbhasha Shield** for doing excellent and commendable work in Hindi during the year. First **RailTel Rajbhasha Shield** was presented to RailTel Eastern Region, Kolkata for the year 2022.



### Hindi Workshop:

As per the instructions of the Department of Official Language, Ministry of Home Affairs, Hindi workshops are organized every quarter in the office in which eminent scholars from Hindi are invited for lectures. One such workshop "Shri Balendu Sharma" Dadhich" Director/Microsoft was invited.

A quarterly newsletter "RailTel Gatividhian" is being published regularly by RCIL for the use of the Official Language, the first edition of which was





published from October to December, 2018 and is being published regularly thereafter. Seventeen editions have been published so far. Apart from this, RailTel also publishes the official language magazine "RailTel Pragati" on a half yearly basis. Seven editions have been published so far and the Eight issue of the Magazine is under publication.



RailTel's official language magazine "RailTel Pragati" had been awarded the first prize under the Best Magazine Award category by the Town Official Language Implementation Committee, Upkram-1 Delhi. It is a first for "RailTel Pragati" and a tremendous achievement as Town Official Language Implementation Committee has 44 PSUs as its members.

## 28. Prevention, Prohibition and Redressal of Sexual Harassment

In order to provide protection against sexual harassment of women at workplace and for prevention and redressal of complaints of sexual harassment, the Company has in place a system to prohibit & prevent the social evil of Sexual Harassment at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder.

The objective is to provide women a workplace free from harassment, to ensure that every woman is treated with dignity and respect and to provide a

speedy redressal mechanism to women who have been subjected to sexual harassment.

For the said purposes, RCIL has an Internal Complaints Committee (ICC) in place at its Corporate Office and all four Regional Office(s) which is responsible to:-

- Investigate every formal written complaint of sexual harassment.
- Meet at regular intervals.
- Prepare an Annual Report containing the details of complaints of sexual harassment pursuant to the provisions of Act and provide the same to employer.
- Take appropriate remedial measures to respond to any substantial allegations of sexual harassment.

The composition of Internal Complaints Committee on Sexual Harassment comprised of one independent nominee from YWCA as member of the committee, besides, three other executives from corporate office of the company as member of the committee. The Committee is headed by women Chairperson.

The summary of complaints dealt during the year 2022-23 is shown in **Table-6:**

**Table-6**

Particulars	Nos.
Number of complaints of Sexual Harassment received in the year.	01
Number of complaints disposed off during the year.	01
Number of cases pending for more than 90 days.	Nil
Number of workshops on awareness programmes against sexual harassment conducted during the year.	02

## 29. Risk Management

The Board of Directors of your Company at their 78<sup>th</sup> meeting had earlier adopted a Risk Management Policy (RMP) prepared by M/s Price Waterhouse Coopers (PwC).

The Board of Directors of your Company in their 117<sup>th</sup> meeting held on 22<sup>nd</sup> December, 2020 had adopted the revised RMP which is in line with requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the Board of Directors of your Company in their 122<sup>nd</sup> meeting held on 17<sup>th</sup> June, 2021 has considered and approved the revision in existing RMP to make it sync with the requirement of amendment in SEBI (LODR) Regulations, 2015. The revised Risk Management Policy is implemented in RCIL.

In order to develop and implement an Enterprise Risk Management Framework, RCIL has constituted a Board Level Risk Management Committee (Apex Level). The Risk Management Committee has the key role of monitoring the development, implementation and performance of the Enterprise Risk Management framework and maintains an enterprise-wide view of the top risks.

In order to further strengthen Risk Management and implement a suitable process, RCIL has also formed a Functional Risk Management Committee constituted with Chief Risk Officer and heads of key functions/departments. The functional heads will facilitate the identification and assessment of risks within their departments/functions with the assistance of their teams.

In terms of the approved Risk Management Policy, following key risks have been identified and suitable risk mitigation measures are being adopted from time to time:

- 1) Project Risk
- 2) Strategy Risk
- 3) Market Risk
- 4) People Risk
- 5) Technology Risk
- 6) Reputation Risk
- 7) Insurable Risk
- 8) Contractor/Vendor Risk
- 9) Cyber Security Risk

### 30. Related Party Transactions

Your Company has formulated a policy on Related Party Transactions which is also available on Company's website at [www.railtelindia.com](http://www.railtelindia.com). This policy deals with the review and approval of Related Party Transactions.

Pursuant to section 134(3)(h) of the Companies Act 2013, read with Rule 8(2) of Companies (Accounts) Rules, 2014, particulars of contracts or arrangements with related parties is provided in specified Form no. AOC-2 and is placed at **Annexure-I**.

### 31. Corporate Governance

A detailed report on Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended and forms part of the Annual Report. The Company has always worked towards enhancing the Corporate Governance and the principles underlying the same within the organization. Your Company is in compliance with DPE Guidelines on Corporate Governance to the extent possible. Pursuant to the requirements of DPE Guidelines, 2010 a certificate obtained from Practicing Company Secretary and is forming part of this Annual Report.

In compliance with the directives of DPE, the Company is also regularly sending its quarterly and consolidated annual report in the prescribed manner to its Administrative Ministry/DPE. For each quarter, CPSEs are graded under various heads viz; Composition of Board, Non-Official Directors, Board Meetings, Code of Conduct, Audit Committee, Remuneration Committee, Board Disclosures, Directors' Remuneration etc. on the basis of scores prescribed for each head. For the year under review, RCIL has secured, based on self-evaluation, an annual score of "94.84%" which falls under "Excellent" grade for compliance of DPE Guidelines on Corporate Governance for FY 2022-23.

### 32. Corporate Social Responsibility

As per Section 134(3)(o) read with Section 135 of the Companies Act, 2013 along with the Rules made

under Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has formulated a CSR & Sustainability Policy which provides a broad framework within which the Company will carry out the CSR activities. The policy aims for social and economic development of community in the areas of women empowerment, rural development, education, skill development, health and such other areas and adhere to sustainable and transparent business practices. The activities to be undertaken under the policy will be in accordance with Schedule-VII of the Act and directives issued by DPE from time to time.

During the FY 2022-23, RCIL has undertaken to spend ₹ 700.91 lakh on CSR activities (₹ 436.87 Lakh for FY 2022-23, which is 2% of average net profit before tax (PBT) of the company earned during the immediately preceding three Financial Years) plus ₹ 264.04 Lakh as unspent from previous years. Out of CSR budget, ₹ 446.84 Lakh was spent during FY 2022-23 on CSR activities.

During the year, RCIL has carried out various CSR activities like Promoting Education, establishing Health Center in Purulia, West Bengal, Congenital Heart Disease Treatment for poor at Gurugram, Haryana, Support to cancer patients at Delhi, Donation of fully equipped cardiac ambulance at Hospital in Delhi, Donation of books for school at Delhi, Jal-Sanchay project in Karauli, Rajasthan and Digital classrooms in Haridwar, Uttarakhand etc.

One of the RCIL's CSR initiative namely 'RailTel's Akansha Super-30, Dehradun, Uttarakhand' is related to providing free lodging and mentorship to poor but talented students from state of Uttarakhand, for admission to IIT's and other premier engineering institutes. The program has success rate of 96%

with students getting admission to IIT-JEE and other premier engineering institutes. The Annual Report on CSR as prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014 is forming part of this Report and is placed at **Annexure -II**.

### 33. Secretarial Standards

During the year, the Company is in compliance with the applicable Secretarial Standard issued by the Institute of Company Secretaries of India (ICSI) to the extent applicable.

### 34. Vigil Mechanism

Vigilance Administration is an integral part of any organization. If the vigilance set up is effective in an organization, it will certainly ensure the functioning of the other segments in an efficient way. The Vigilance Administration consists of preventive and punitive anti-corruption measures. The measures include detecting irregularities, analyzing, and finding out reasons for such irregularities and making effective systemic improvements to curb them. It also includes identifying public servants accountable for misconduct and taking appropriate punitive actions.

During the year, the Vigilance Department carried out various preventive activities including periodic and surprise inspections which led to various system improvements. This shall enable RCIL to proactively ensure transparency in various spheres of Company's activities as well as also take punitive measures wherever required.

The Status of Vigilance activities during the year is shown in **Table-7**:

**Table-7**

S.No.	Particulars	Nos.	Remarks
1	Number of Complaints received during the year	48	All complaints dealt as per complaint handling policy in a timely manner.
2	Number of investigation reports carried out during the year (incl. under directions of CVC & Railway Board)	10	Related to tender/contract management and procedure violations.

S.No.	Particulars	Nos.	Remarks
3	Number of Officers against whom disciplinary proceeding initiated arising out of investigations (incl. CBI cases) a) Major departmental action b) Minor departmental action	0 0	
4	Number of Inspections conducted during the year a) Periodic inspection b) Surprise inspection c) CTE Type inspection	55 20 09	Across Corporate Office, Regional offices & field units.
5	Number of System Improvements taken up during the year	72	In respect to HR/Admin policies & procurement matters.

### (i) Inspections by Vigilance Department

CVO visited Bhubaneswar (BBS) Territory from 03.12.2022 to 05.12.2022 during which inspection was done for Wi-fi, PoP and VSS Central Monitoring System at Bhubaneswar. He also inspected Bhadrak Railway station where 36 VSS camera has been installed by RailTel.

CVO also inspected Cuttack and Khurda Railway Stations from 16.01.2023 to 17.01.2023 during which inspection was done for Wi-fi, PoP in both the stations along with VSS at Khurda.



*Inspection at Thomson Road, New Delhi*

As a part of periodic inspection, Vigilance team inspected Data Center Gurgaon on 18.03.2023 where working of DG sets and Data Center Equipment Room were checked.



*Inspection at Cuttack PoP*

CVO along with Vigilance team inspected Northern Region Network Operation Center (NOC) on 19.01.2023 where SDH & MPLS NOC, DG Sets and Thomson Road Equipment Room were inspected. Vigilance Team also inspected Northern Region Store at Thomson Road, New Delhi on 15.03.2023.



*Inspection at Data Centre, Gurgaon*

Vigilance team made a surprise inspection of Andheri PoP, Churchgate PoP, Mumbai Central PoP, Equipment Room at Mahalaxmi and Western Region store at Mahalaxmi on 20.03.2023 and 21.03.2023.



*Inspection at Mahalaxmi PoP, Mumbai*

### (ii) Other important work done in Vigilance department

- **IT Initiatives:** Online Complaint Portal is already linked to website for complaints handling. Vigilance profiles for all E-5 and above level Executives updated on SOLVE (System for Online Vigilance Enquiry) portal of DoPT. Online Vigilance database of all Executives are updated in ERP. After receiving request from HR Department, 100% vigilance clearance is processed by Vigilance Department on ERP.
- **Trainings:** 14 internal trainings conducted on procurement, contract and preventive vigilance matters covering all employees.

### (iii) Vigilance Awareness Week

As per Central Vigilance Commission's directives, Vigilance Awareness Week was observed in RCIL from 31st October to 6th November, 2022 in its true spirit and sense with the theme "Corruption free India for a developed Nation"; "भ्रष्टाचार मुक्त भारत – विकसित भारत".

During the week, a number of vigilance awareness activities were carried out and events organized involving RCIL's Officials as well as for other

Citizens. The week began with integrity pledge to RCIL officials on 31.10.2022. A brief of such activities is as under:

- 1) During the Vigilance Awareness Week on 31.10.2022, CMD and CVO launched a compendium on systemic improvements which covers all systemic improvements issued since 1<sup>st</sup> January, 2020 through 40 notes/letters identifying 113 systemic improvements in different areas of operation of RailTel.
- 2) A Nukkad Natak on VAW theme "Corruption free India for a developed Nation"; "भ्रष्टाचार मुक्त भारत – विकसित भारत", was organized by employees at foyer of Corporate Office for awareness purpose on 31.10.2022.
- 3) Presentations/Lectures on OSINT- An introduction to the Collection of Digital Intelligence by Dr. Deepak Raj Rao, Asstt. Professor, NFSU Rohini New Delhi and Detection of Forgery and Decipherment of Alteration in Documents by Shri Sanjeev Kumar, Associate Documentation Officer, NFSU Rohini Branch were organized on 01.11.2022.
- 4) Anish Prasad, IPS, Director Vigilance (Police), Railway Board delivered a talk on Vigilance matters on 02.11.2022.
- 5) A Quiz competition was held among all employees of Corporate Office on 03.11.2022.
- 6) On 04.11.2022, CMD/RailTel and CVO/RailTel felicitated Sh. Alok V Agnihotri, Addl. GM for Preventive Vigilance during his tenure in Vigilance Department (till 30.06.2022), who was instrumental in bringing many systemic improvements in the working of organization.
- 7) During the observance of VAW-2022, various competitions were held on the theme of "Corruption free India for a developed Nation"; "भ्रष्टाचार मुक्त भारत – विकसित भारत", where employees and their family members participated. The winners for Speech/Debate, Article/Essay, Poem, Quiz, Nukkad Natak & Posters competition were also felicitated with certificate of appreciation on 04.11.2022.



VAW Integrity Pledge by CMD



Launch of Vigilance Bulletin during VAW

- 8) During the closing ceremony of Vigilance Awareness Week, RailTel Vigilance Department released Thirteenth edition of Vigilance Bulletin on the occasion.
- 9) Public grievance redressal camps: Organized Public grievance redressal camps for customers/ Citizens for RailWire with help of RailWire Partners.
- 10) Vendors Meet: Organized Vendor meets at Regional Offices and Corporate Office during Vigilance Awareness Week 2022.
- 11) Interaction session with kids: Interaction session with kids of employees those participated in competitions was organized with CVO and CMD.

### 35. Statutory Disclosures

Your Directors have made necessary disclosures, as required under various enactments including the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 36. Auditors

#### 36.1 Statutory Auditors

The C&AG has appointed M/s. S.R. Goyal & Co. of New Delhi as Central Statutory Auditors of the Company to audit the Financial Statements for the year ended on 31<sup>st</sup> March, 2023.

Besides that, the C&AG has also appointed the following firms of Chartered Accountants as Branch Auditors for audit of the Regional Office(s) of the Company:

Auditor	Region
M/s. S.R. Goyal & Co.	Northern Region & Corporate Office
M/s. Laxminiwas & Co.	Southern Region
M/s. J L Sengupta & CO.	Eastern Region
M/s. Banshi Jain & Associates	Western Region

In terms of the authorization given by the members in their last Annual General Meeting, the Board on the recommendation of Audit Committee has already considered and approved the payment of fee for all the above Auditors to the aggregate extent of ₹ 39 Lakh excluding GST.

#### 36.2 Cost Auditors

The Company has appointed M/s. Dhananjay V. Joshi, Cost Accountants as Cost Auditors to audit the cost record maintained by the Company for the Financial Year 2022-23.

The Company has filed **Form CRA-2** with the MCA in this regard.

#### 36.3 Secretarial Auditor

During the year, pursuant to provisions of Section 204 of the Companies Act, 2013 read with rules made thereunder, RCIL has appointed M/s. T.

Chatterjee & Associates, Practicing Company Secretaries, as Secretarial Auditor of the Company for the Financial Year 2022-23. The Secretarial Audit has been conducted by M/s. T. Chatterjee & Associates, Practicing Company Secretaries and issued a Secretarial Audit Report in the format prescribed under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit report of the Company for the year ended 31<sup>st</sup> March, 2023 in Form no. MR-3 and the Management's reply on the observation/comments of Secretarial auditor shall forms part of this report and are placed at **Annexure- III** and **Annexure-IV**, respectively.

### 37. Comments of C&AG

The comment(s) of C&AG are attached and forming part of this Annual Report.

### 38. Auditors' Report

The Auditors' Report of the Company for the year ended 31<sup>st</sup> March, 2023, is attached with the Financial Statement of the Company. There is no qualification in the Auditors Report on the Financial Statements of the company. During FY 2022-23, no fraud has been reported by the Auditors of the Company.

### 39. Energy Conservation, Technology Adoption, Foreign Exchange Earnings and Outgo

The Company is presently engaged in providing telecom services. The disclosure on Conservation of Energy and Technology Absorption as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 and as prescribed under Rule 8 of Companies (Accounts) Rules, 2014 is forming part of this Report and is placed at **Annexure- V**.

### 40. MOU with Administrative Ministry

RCIL is signing a MoU with the Government of India, MoR whereby laying inter alia the physical and financial targets. The MOU pertaining to FY 2022-23

has been signed with MoR within stipulated time. For the year 2021-22, RCIL has got "Very Good" rating from DPE.

For the MoU targets 2022-23, RCIL has complied to various guidelines communicated by DPE as below:

- DPE guidelines issued from time to time on CSR expenditure.
- Steps and initiative taken for Health & Safety improvement of Human Resources in CPSEs as prescribed by the Administrative Ministry.
- Procurement of goods or services through MSEs with 54% percent of total procurement of goods and services against target of 25%.
- Procurement of goods or services through Women MSEs with 6 percent of total procurement of goods and services against target of 3%.
- Expenditure management economy measures and rationalization of expenditure.
- Guidelines on accessible India campaign (Sugamya Bharat Abhiyan)
- Guidelines on implementation of apprenticeship Act, 1961

The company has also complied with the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the compliance of which are within the control of the company.

### 41. Event occurring after the Balance Sheet Date

As such, no significant events occurred between the end of the financial year to which this Financial Statements relates and date of this report.

### 42. General Disclosure

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Details relating to deposits covered under Chapter V of the Companies Act, 2013.

- (b) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- (c) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- (d) Neither the Chairperson and Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from subsidiary company.
- (e) No Significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- (f) Application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- (g) One time settlement of loan obtained from the Banks or financial institutions.

### 43. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

During the year under review, no amount was required to be transferred to the Investor Education and Protection Fund by the Company.

### 44. Director's Responsibility Statement

In terms of the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013, as amended, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) that internal financial controls are adequate and operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 45. Acknowledgements

Your Directors would like to place on record their sincere appreciation and gratitude to the Indian Railways, Government of India, Department of Investment and Public Asset Management (DIPAM), Ministry of Communications and IT and other Ministries/Departments, subscribers of Company's telecom services, the stakeholders, and bankers and to all the State Governments, Local Bodies and Regulatory authorities for their continued cooperation and invaluable support.

Your Directors thank all shareholders, business partners and all members of the RCIL Family for their faith, trust and confidence reposed in the Board.

Your Directors express their deep appreciation for the hard work and dedicated efforts put in by the employees at all levels and look forward to their continued contribution in achieving the mission and objective of the Company.

**For and on behalf of the Board of RCIL**  
**Sd/-**  
**Sanjai Kumar**  
**Chairman and Managing Director**  
**DIN: 06923630**

**Place: New Delhi**  
**Date: 28.07.2023**



Annexure – I

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

### A. Details of contracts or arrangements or transactions not at arm's length basis:

S. No.	Name (s) of the related party and nature of relationship	Nature of contracts/arrangements /transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1.	RailTel Enterprises Limited(REL) (Subsidiary Company)	Manpower Sharing	2022-23	<p>RCIL assisting REL in providing staff/executives of RCIL for looking after and attending to REL's work by devoting limited time.</p> <p>i) 5% salary of limited officers of RCIL to be charged to REL.</p> <p>ii) Based on the respective strength, domain knowledge and competency this arrangement shall synergize capabilities and capacities of RCIL and REL in the overall business interest of both the entities and result in better utilization of available manpower.</p> <p>iii) Total amount of salary charged from REL for the FY 2022-23 stood Rs 61.49 Lakh excluding taxes.</p>	10.08.2022 10.11.2022	Nil
2.	RailTel Enterprises Limited(REL) (Subsidiary Company)	Manpower Sharing	2022-23	<p>REL assisting RCIL in providing staff/executives of REL for looking after and attending to RCIL's work by devoting their significant time.</p> <p>i) 5% salary of officers of REL to be charged to REL &amp; 95% to RCIL.</p> <p>ii) Based on the respective strength, domain knowledge and competency this arrangement shall synergize capabilities and capacities of RCIL and REL in the overall business interest of both the entities and result in better utilization of available manpower.</p> <p>iii) Total amount of salary charged from RCIL for the FY 2022-23 stood Rs 70.17 Lakh excluding taxes</p>	31.01.2023 17.03.2023	

S. No.	Name (s) of the related party and nature of relationship	Nature of contracts/arrangements /transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
3.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	DRDO SPIC OFC LayingWork	Ongoing	The total work cost is around 71.96 Cr. (including RoW charges of Rs 14.96 Cr) The Work was already approved by the RCIL Board on 12.02.2020  Total cost booked for the F.Y. 2022-23 excluding taxes for OFC maintenance ₹47.75 lakh, DRDO OFC Rs. (-) 57.91 lakh and ROW charges Rs. 5.04 lakh.	12.02.2020	Nil
4.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	OFC Maintenance work at Amoni Railway Station.	Ongoing	Work of Maintenance of OFC cables and all electronics provisioned for creation of pop at AMONI Railway station (maintaining Chaparmukh-Amoni-Tezpur OFC patch) under REL & DRDO Amoni project.  Work already approved by RCIL Board on 22.03.2021. Total Cost of maintenance incurred, as allocable to F.Y. 2022-23 was ₹12.60 Lakh excluding taxes	22.03.2021	Nil

**B. Details of material contracts or arrangement or transactions at arm's length basis\* are given below:**

S. No.	Name(s) of the Related Party and Nature of relationship	Nature of Contracts/ Arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1.	RailTel Enterprises Limited (REL)  (Subsidiary Company)	RCIL has provided Hosting Services to REL Customer RDSO-CLW in RailTel's Data Centre Gurgaon.  The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase Order No. 19510017, 4 Dated 20.03.2023. Service Period-01.04.2019- 30.11.2023.  Total Value of PO was 14,53,760/- incl 18% GST. The amount booked during the F.Y. 2022-23 for the said service received from RCIL was ₹2,63,578/- excluding taxes.	N/A	Nil
2.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided Hosting Services (8 Core, 16GB RAM, 1 TB STORAGE- 5DC & 2DR) to REL Customer GMDA in RailTel's Data Centre Gurgaon.  The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase Order No. 19510016, 4 dated 25.04.2023. Service Period 01.01.2020 - 31.12.2027  The total value of the PO was Rs 2,15,68,512 incl 18% GST. The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 22,92,625/- excluding taxes.	N/A	Nil

S. No.	Name(s) of the Related Party and Nature of relationship	Nature of Contracts/ Arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
3.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided Hosting Services (Processor & CPU cores-16 cores, 256 GB RAM, 5TB STORAGE) to REL Customer HARSAC in RailTel's Data Centre Gurgaon.  The price/charges for services were determined as per approved DC tariff policy of RCIL	Ongoing	Purchase Order No: 19510015, 5 dated 23.12.2022. Service Period: 22.04.2019- 04.03.2023.  Total Value of PO was 21,88,719/- incl 18% GST. The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 4,79,690/- excluding taxes.	N/A	Nil
4.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided Hosting Services (8 core, 16 GB Ram, 1TB Storage) to REL Customer NHSRCL in RailTel's Data Centre Gurgaon.  The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase order No: 19510014,3 dated 01.01.2021. Service period: 01.07.2019-30.06.2023.  Total Value of PO was 30,81,216/- incl 18% GST. The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 6,52,800/- excluding taxes.	N/A	Nil
5.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided Hosting Services (8 core, 32 GB RAM, 1TB STORAGE, Firewall, Network Port, Bandwidth) to REL Customer VM(GMDA) in RailTel's Data Centre Gurgaon.  The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase Order No: 19510013,2 dated 01.01.2021. Service period:01.03.2019-25.02.2024  Total Value of PO was 19,21,551/- incl 18% GST.  The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 3,26,400/- excluding taxes.	N/A	Nil
6.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided Hosting Services (8 core, 32 GB RAM, 1TB STORAGE) to REL Customer GMDA in RailTel's Data Centre Gurgaon.  The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase order No: 19510011,2 dated 01.01.2021. Service period: 22.05.2019 -21.05.2023  Total Value of PO was 30,81,216/- incl 18% GST.  The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 6,52,800/- excluding taxes.	N/A	Nil
7.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided rack space services (5 rack space for CCTV project) to REL's customer i.e. GMDA.  The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase order No: 19510033,2 dated 20.03.2023. Service period: 01.07.2019 -30.06.2024  Total Value of PO was 1,63,72,500/- incl 18% GST.  The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 27,73,099/- excluding taxes.	N/A	Nil

S. No.	Name(s) of the Related Party and Nature of relationship	Nature of Contracts/ Arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
8.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided Hosting services 16 Core, 32 GBRAM, 5 TB storage & 8 CORE, 32 GM RAM, 1 TB Storage (1 DC & 1 DR) to REL's Customer MCG, in RailTel's Data Centre Gurgaon.  The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase order No: 19510009,6 dated: 23.01.2023. Service Period: 01.12.2019 to 09.07.2023 Total Value of PO was Rs 68,60,390/- incl 18% GST. The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 16,12,900/- excluding taxes.	N/A	Nil
9.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided Collocation services (Half Rackspace at DC and Half Rack Space in DR) to REL's Customer MCG, in RailTel's Data Centre Gurgaon.  The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase order No: 19510008,6 dated: 03.08.2022 Service Period:07.04.2019-31.03.2023 Total Value of PO was Rs. 41,74,135/- incl 18% GST. The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 8,88,000/- excluding taxes.	N/A	Nil
10.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided Hosting Services (4 CORE, 8 GB RAM, 715.42 GB Storage) to REL customer RDSO-OAM in RailTel's Data Centre Gurgaon.  The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase order No: 19510019,5 dated: 23.12.2022. Service Period:01.04.2019-15.10.2023 Total Value of PO was Rs 15,43,440/- incl 18% GST. The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 2,87,014/- excluding taxes.	N/A	Nil
11.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided Hosting Services to REL customer RDSO- Standard electrical division in RailTel's Data Centre Gurgaon.  The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase order No: 19510018,3 dated: 02.09.2021. Service Period: 16.04.2019-15.04.2024 Total Value of PO was Rs 15,57,600/- incl 18% GST. The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 2,64,000/- excluding taxes.	N/A	Nil

S. No.	Name(s) of the Related Party and Nature of relationship	Nature of Contracts/ Arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
12.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided Hosting Services (8 CORE server 32 GB RAM, 1 TB Storage shared firewall network ports bandwidth) to REL customer FDMA in RailTel's Data Centre Gurgaon.  The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase order No: 21510021 dated: 02.06.2022. Service Period: 01.04.2021-31.03.2026  Total Value of PO was Rs 19,25,760/- incl 18% GST.  The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 3,26,400/- excluding taxes.	N/A	Nil
13.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided Cloud server space for E-Governance for REL's customer MCG (CPU 8 CORE RAM 32 GB HDD:4TB along with OS management (47000 per month as per DC Tariff plan 5 for 1 year)  The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase order No: 22510004, 1 Service Period: 12.05.2022-11.05.2023  Total Value of PO was Rs. 6,65,520/- incl 18% GST.  The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 5,00,646/- excluding taxes.	N/A	Nil
14.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided shared firewall services, Rack Space-Full Rack, Nexus/Catalyst 1 G Fiber, Public IP, Secured VPN for 10 users.  The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase order No: 19510010, 3 dated: 04.05.2023  Service Period: 19.07.2019-31.08.2023  Total Value of PO was Rs. 59,89,396.80/- incl 18% GST.  The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 12,68,940/- excluding taxes.	N/A	Nil
15.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided 9 Rack Space Full Rack to REL Customer GMDA in RailTel's Data Centre Gurgaon.  The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase Order No: 19510012, 2 dated 20.03.2023. Service Period: 01.04.2019 -31.03.2024.  Total Value of PO was 2,94,70,500/- incl 18% GST.  The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 49,95,000/- excluding taxes.	N/A	Nil



S. No.	Name(s) of the Related Party and Nature of relationship	Nature of Contracts/ Arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
16.	RailTel Enterprises Limited(REL)  (Subsidiary Company)	RCIL has provided additional storage for HRSAC REL Customer.	Ongoing	Purchase Order No: 19510067,2 dated 23.12.2022. Service Period: 18.02.2020 – 17.02.2023. Total Value of PO was 48,70,499.64/- incl 18% GST. The amount booked during the F.Y. 2022-23 for the said service received from RCIL was Rs. 15,38,876/- excluding taxes.	N/A	Nil

\*Transactions are made on Approved tariff/ Customer tariff For and on behalf of the Board

**For and on behalf of the Board**  
**Sd/-**  
**Sanjai Kumar**  
**Chairman & Managing Director**  
**DIN: 06923630**



## ANNEXURE-II

# RAILTEL CORPORATION OF INDIA LIMITED

## ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2022-23

1	<b>Brief outline on CSR Policy of the company</b>	<p>RailTel's CSR vision is "To be a Company that sets a defined strategy for Social &amp; Economic Development of communities in an inclusive manner and adhering to sustainable &amp; transparent business practices."</p> <p>"RailTel's CSR mission is "To align CSR and Sustainability policy with the business policy so as to conduct business in a sustainable manner and to undertake high impact community development projects in the areas of rural development, education, skill development, health and other areas of national and local importance in consultation with stakeholders utilizing the ICT expertise developed in the Company."</p> <p>The Company already has a Board approved policy on Corporate Social Responsibility (CSR). The focus sectors under CSR for the Company shall be in the areas of rural development, education, health, women empowerment, citizen centric services utilizing the ICT tools &amp; technologies. The Company may choose to take up other areas based on need assessment of the local community and geographic areas. The activities proposed to be undertaken under CSR shall include all activities consistent with CSR provisions of the Companies Act 2013 and Schedule VII of Act, DPE guidelines and Rules framed thereunder. During the year 2022-23, the following CSR activities were approved by the Board level CSR committee of RailTel:</p> <p><b>a) Continuity of RailTel Akansha Super-30 at Dehradun, Uttarakhand:</b> a flagship project of RailTel, is an innovative manifestation of RAILTEL. It is a very unique, tangible and time bound CSR project. The objective of Akansha Super 30 Project is to transform the lives of 30 underprivileged but talented students by strengthening their academic excellence through residential coaching, boarding and lodging and preparing them for IIT/JEE the most prestigious examination for aspiring engineers.</p> <p><b>b) Sehat Center at Purulia, West Bengal:</b> is aimed at better health status of around 2400 women beneficiaries of Purulia District of West Bengal. The activities being carried out at center range from counselling for better health seeking behaviour change, Menstrual health &amp; Hygiene and sanitation (Free sanitary pad distribution), Eye check-up camps (Free distribution of spectacles to needy people), Support services to pregnant women and lactating mothers &amp; Anemic women/girls.</p> <p><b>c) Jal - Sanchay at Karauli, Rajasthan:</b> The project aims to ensure water availability to rural communities in the area by designing, repairing and constructing a water conservation structures. Plantation would also be part of the project for households for developing green belt in the region.</p> <p><b>d) Can-Sahyogi at Delhi:</b> is a program that enriches the lives of cancer patients with emotional, spiritual, and para-medical support to bring them on a swift path to recovery. The program reaches out to cancer patients through in-hospital interventions and encouraging them to complete their treatment, which helps them build the courage and positive outlook required to successfully beat their illness and be prepared for a life beyond cancer.</p>
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- e) Digital Classrooms in 05 Govt. Schools at Haridwar, Uttarakhand:** aims at setting up digital learning platform with smart classroom for govt. schools. The project will enable govt schools with essential digital infrastructure such as smart classroom for enriching the teaching-Learning process. This will make delivery of education simple and highly effective through a blended approach in govt. schools and will help transform education for marginalized students in underdeveloped districts.
- f) Vocational Training Center at Jalna, Maharashtra:** The project aims at opening vocational training center for benefit of local people with 02 Nos of Training Center for computer courses, 02 Nos of Training Center for Tailoring courses and 02 Nos of Training Center Beautician courses for benefit of local people. Centers will work on helping Gram panchayat and guide them to develop village through training women, youth and other stakeholders in the rural development.
- g) Medical and Dental Camps at Ferozpur, Punjab:** Program aims at organizing medical and dental camps for poor and needy persons in adjoining area of Ferozpur. These preventive and diagnostic health/dental check camps will also provide free medicine for the public attending check-up camps.
- h) Installation of High Mast Solar Lights at East Champaran (Motihari) Bihar:** Under this program 05 Nos of Solar High Mast Lighting System will be installed at prominent locations that will benefit the local people, addressing their security concerns and improve living situations of the residents.
- i) Treatment of children suffering from Congenital Heart Disease at Gurugram, Haryana:** Under this program, underprivileged/Poor children suffering from Congenital Heart Disease will be treated at subsidized rates at reputed hospital.
- j) Fetal echocardiography screening of pregnant women at Delhi:** Under this program pregnant women from underprivileged families will be screened for any fetal cardiac abnormalities by qualified doctors and staff. The staff will also provide treatment and guidance for further treatment, if required.
- k) Digital Health Services at Hardoi, Uttar Pradesh:** Program intends to start Digital Health Services through the Samudaya Project. The project targets general population in the villages including pregnant women & children by giving them services like Diagnostic, Consultation, medication, ANC & delivery, referral and provide telemedicine services.
- l) Mid Day meal program at Mathura, Uttar Pradesh:** The program's purpose is to help society by support for the mid-day meal program for 500 School Children. This initiative not only helps to reduce severe poverty and hunger, but it also addresses the daunting issue of malnutrition by giving freshly prepared, nutritional meals to underprivileged children.



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|  |  | <p><b>m) Care, Education and Skill Development of orphan children in urban slums of Pune district of Maharashtra:</b> Project provides overall care, education and skill development of about 100 orphans children in slums to provide quality and refresher education to the children and develop their personality, to ensure good health status of the children so that they enjoy good and healthy life, to build skill of the children and ensure that they start earning their livelihood.</p> <p><b>n) Donation of Books, Stationary to School and Cardiac Ambulance at Hospital in Delhi:</b> Textbooks and stationery were distributed at school for poor children and a fully equipped cardiac ambulance was provided to Hospital in Delhi to cater to patients in need of such services.</p> <p><b>o) Anemia Mukht Bharat Mission in Delhi/NCR:</b> Project serves the society by detecting anemic women and children and treat them to make anemia free. A mass awareness will be created to prevent anemia among the poor women so that they can fight themselves against anemia and the society become anemia free.</p> <p><b>p) Infrastructure support for colleges in Chamoli, Uttarakhand:</b> Infrastructure support like furniture, sports material and loudspeaker and plastic chairs was given to colleges run by Badrinath-Kedarnath temple committee.</p> <p><b>q) Financial Support to Janta Adarsh Andh Vidyalaya, Delhi:</b> under this program financial support has been extended to Janta Adarsh Andh Vidyalaya for supporting their operations. The school provides lodging and training facility for visually impaired children of various states from 1<sup>st</sup> to 8<sup>th</sup> Standard from various states. The support includes financial assistance for payment of salaries of teachers and musical Instruments like Casio, Conga, Harmonium, Table, Flute etc.</p> <p><b>r) Financial Support to education center for underprivileged children:</b> The program serves the society by providing necessary financial day-to-day operations for their center for educating poor and dropout children for enabling them to get admission to main stream schools and provide remedial classes for underprivileged students.</p> <p><b>s) Financial support to yoga center at Almora, Uttarakhand and Ramakrishna Ashram Tripura:</b> The program extend financial support to yoga center and Ramakrishna Ashram for construction/renovation of bathrooms and or toilets for benefit of the visitors and students.</p> |
|--|--|---|



## 2. Composition of CSR Committee:

S. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i.	Shri N. Manoharan	Chairman/ID	3	3
ii.	Shri Sanjai Kumar	Member/ED	2	2
iii.	Shri Anand Kumar Singh	Member/ED	2	2
iv.	Shri Rakesh Ranjan	Member/ED	1	1
v.	Shri V. Rama Manohara Rao	Member/ED	1	1

3	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	<a href="https://www.railtelindia.com/csr/csr-policy.html">https://www.railtelindia.com/csr/csr-policy.html</a>
4	Provide the executive summary alongwith web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	Not applicable

5	(a)	Average net profit of the company as per section 135(5) (₹ Lakh):	21843.33
	(b)	Two percent of average net profit of the company as per section 135(5) (₹ Lakh)	436.867
	(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years. (₹ Lakh)	0
	(d)	Amount required to be set off for the financial year, if any	0
	(e)	Total CSR obligation for the financial year [(b) + (c) - (d)] (₹ Lakh)	436.867

6	(a)	Amount spent on CSR Projects (both ongoing projects and other than ongoing projects) (₹ Lakh)	209.364
	(b)	Amount spent in Administrative Overheads (₹ Lakh)	16.960
	(c)	Amount spent on Impact Assesment, if applicable	0.000
	(d)	Total Amount spent for the financial Year [ (a) + (b) + (c) ] (₹ Lakh)	226.324
	(e)	CSR amount spent or unspent for the financial year:	As detailed below

### Amount Unspent (in ₹ Lakh)

Total Amount Spent for the Financial Year. (in ₹ Lakh)	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
226.324	210.543	25.04.2023		Nil	

(f)	Excess amount for sett off, if any	As detailed below
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Sl. No.	Particular	Amount (in ₹ Lakh)
(1)	( 2 )	( 3 )
(i)	Two percent of average net profit of the company as per section 135(5)	436.867
(ii)	Total amount spent for the Financial Year	226.324
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-210.543
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.000
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-210.543

**7 (a) Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹ Lakh)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial year (in ₹ Lakh)
				Name of Fund	Amount (in ₹ Lakh)	Date of Transfer	
1	2020-21	14.450	7.200		Nil		7.25
2	2021-22	249.590	213.318		Nil		36.272

8	Whether any capital assets has been created or acquired through Corporate Social Responsibility amount in the financial year	No
	If Yes, enter the number of Capital assets created/acquired	Not Applicable
	Furnish the details relating to such asset(s) so created so created or acquired through Corporate Social Responsibility amount spent in the financial Year	Not Applicable

9	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).	The projects sanctioned during the year will be completed in subsequent years and there is milestone linked payment to various stages of completion of the projects.  Few projects have been delayed due to COVID -19 panedmic across the country in 2019-20 and 2020-21
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**Sd/-**  
**Sanjai Kumar**  
**Chairman & Managing Director**  
**(DIN: 06923630)**

**Sd/-**  
**N. Manoharan**  
**Chairman CSR Committee**  
**(DIN: 06430322)**

## ANNEXURE-III

T. Chatterjee & Associates  
Company Secretaries

Kolkata Office : "ABHISHEK POINT" 4th Floor,  
152, S. P. Mukherjee Road, Kolkata - 700026  
Phone : (033) 4060 5149 / 2465 0061  
E-mail : tchatterjeeassociates@gmail.com  
Delhi Office : 1209, 12th Floor, Ansal Tower,  
38 Nehru Place, New Delhi, Delhi - 110019

FORM MR-3

# Secretarial Audit Report

(For the Financial Year ended 31<sup>st</sup> March, 2023)

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
**The Members of  
Railtel Corporation of India Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Railtel Corporation of India Limited (CIN L64202DL2000GOI107905)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on verification of the books, papers, minute books, forms, returns filed and other records maintained by the Company, information provided by the Company, its officers (including RTA), electronic records available in the official portal of the Ministry of Corporate Affairs [www.mca.gov.in](http://www.mca.gov.in), portal of the Stock Exchanges, we hereby report that in our opinion, the Company has, during the audit period covering financial year ended on **31<sup>st</sup> March 2023**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed with the stock exchange,

in the official portal of the Ministry of Corporate Affairs (MCA) etc. and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March 2023**, according to the applicable provisions of:

- i) The Companies Act, 2013 (**the Act**) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the company;
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- d. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulation, 2021; (not applicable to the Company during audit period)
  - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2021; (not applicable to the Company during audit period)
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (not applicable to the Company during audit period)
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018; (not applicable to the Company during audit period)
  - i. The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015;
  - j. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- vi) Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), 2010 issued by Department of Public Enterprises ('DPE Guidelines').
- vii) We further report that, having regards to the compliance system prevailing in the Company, on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has generally complied with the specifically applicable laws to the Company as identified by the Management, including the Telecom Regulatory Authority of India Act, 1997, the Telegraph Act, 1885, the Indian Wireless Telegraphy Act, 1933, etc., to the extent of their applicability to the Company.

We have also examined compliance of the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board Meetings (SS-1) and General Meetings (SS-2).
- b. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Ltd read with the provisions of the Securities and Exchange Board of India (**SEBI**) [Listing Obligations & Disclosure Requirements] Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above, subject to the following observations:

*The composition of the Board of Directors was not in compliance with Regulation 17 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations in regard to non – availability of one-half of the Independent Directors including Independent Woman Director on the Board of the Company.*

**We report that:**

- a. The Board of Directors of the Company was not duly constituted with proper balance of Non-Executive Directors, Independent Directors and Independent Woman Director for the period as discussed in the preceding para. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for

seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- c. The dissenting views of the member(s) of the Board of Directors and Committees thereof were captured and minuted whenever arises. However, no such case has arisen during the period under review.

We report that during the period under review, the Board meetings were conducted where option was given to the Board Members to participate either physically or through video conferencing and adequate facilities are used to facilitate the Directors at other locations to participate in the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard etc.

**For T. Chatterjee & Associates  
Practising Company Secretaries  
FRN No. - P2007WB067100**

**Place: Delhi**

**Date: 09-06-2023**

**Sd/-**

**Binita Pandey - Partner**

**ACS : 41594, CP : 19730**

**UDIN:A041594E000472728**

**Peer Review No.: 908/2020**

**This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report**



रेलटेल  
RAILTEL

A Mini Ratna Enterprise

**'Annexure A'**

**To,**

**The Members of**

**Railtel Corporation of India Limited**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Guidance Notes on ICSI Auditing Standard, audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For T. Chatterjee & Associates**

**Practising Company Secretaries**

**FRN No. - P2007WB067100**

**Place: Delhi**

**Date: 09-06-2023**

**Sd/-**

**Binita Pandey - Partner**

**ACS : 41594, CP : 19730**

**UDIN: A041594E000472728**

**Peer Review No.: 908/2020**

**ANNEXURE-IV**

# RAILTEL CORPORATION OF INDIA LIMITED

## Replies to the observations/comments made by Secretarial Auditor in their report:

Observations/comments made by Secretarial Auditor in their report	Management Replies
<p>The composition of the Board of Directors was not in compliance with Regulation 17 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations in regard to non – availability of one-half of the Independent Directors including Independent Woman Director on the Board of the Company.</p>	<p>RailTel is a Govt. Company under the administrative control of Ministry of Railways, Govt. of India.</p> <p>In terms of Article 67 of the Articles of Association of RailTel, the President of India shall have the power to appoint Directors on the Board of the Company.</p> <p>Since the power to appoint directors including Independent Directors/Woman Independent Director on the Board vests with the President of India, it was beyond the control of the Company to appoint on its own Independent Directors/Woman Independent Director on the Board.</p> <p>However, the Company kept on following up the matter with the Ministry of Railways for early appointment of requisite number of Independent Directors including Woman Independent Director on the Board.</p>



ANNEXURE-V

## RAILTEL CORPORATION OF INDIA LIMITED

Disclosure under Section 134(3)(m) of the Companies Act, 2013 as prescribed under Rule 8 of Companies Accounts Rules, 2013

### (A) Conservation of Energy

(i)	Steps taken or impact on conservation of energy	<ol style="list-style-type: none"> <li>1. Effective saving during FY 2022-23 by the work of Retrofitment (replacement of old luminaries with LED solution)</li> <li>2. Centralized control of High-Capacity Air Conditioning units under Energy conservation plan.</li> <li>3. Provision of Motion sensors in Data Center for electricity saving.</li> <li>4. Timer switch are being installed to regulate the run of AC Machine.</li> <li>5. Temperature of Air Conditioner is set at 24<sup>o</sup>C higher range to save the electricity.</li> <li>6. Replacement of old SMPS battery charger with high efficient battery charger.</li> </ol>
(ii)	Steps taken by the company for utilising alternate sources of energy	<ol style="list-style-type: none"> <li>1. In discussion with Solar Energy Corporation of India Ltd for submitting their proposal for supplying of 1MW supply (50% of sanction Load of DHBVN) for utilising alternate sources of energy plan by RailTel.</li> <li>2. Earlier CFL lights were being utilized which has been replaced with LED lights to save energy consumption.</li> <li>3. Replacement of aged SMF VLRA batteries at Data Centre &amp; way sides PoPs.</li> <li>4. Procuring high efficiency SMPS rectifiers.</li> </ol>
(iii)	Capital investment on energy conservation equipment's	No capital investment on energy conservation equipment was made during the FY 2022-23.

### (B) Technology Absorption

(i)	<b>Efforts made towards technology absorption</b>	<ol style="list-style-type: none"> <li>1. Centralized control of High-Capacity Air Conditioning units under Energy conservation plan.</li> <li>2. Provision of Motion sensors for electricity saving.</li> <li>3. Retrofitting of DG Sets to control Pollution of exhaust gases.</li> <li>4. Replacement of old luminaries with LED solution has been done.</li> <li>5. Provision of Auto Switch off Light Circuit in cabins has been made.</li> <li>6. Drive for major preventive maintenance activity schedule of the equipments.</li> <li>7. End of life SDH equipments were replaced with energy efficient latest version</li> </ol>
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		<p>8. Retrofitting of all DG Sets to control pollution as per NGT guidelines.</p> <p>9. Drive to ensure the loading in such a way to maintain unity power factor.</p> <p>10. Annual Stack Monitoring (Pollution Check) of all DG Sets as per CPCB guidelines, preventive maintenance activities, B-check &amp; C-Check activities as per the OEM standards.</p> <p>11. Installing Inverter technology Air Conditioners</p>
(ii)	<b>Benefits derived like product improvement, cost reduction, product development or import substitution</b>	<ul style="list-style-type: none"> <li>• Retrofitting of DG Sets to control Pollution of exhaust gases reduction of 75% to 95%</li> <li>• Operational Efficiency-Regular scheduling of all equipments.</li> <li>• Service Quality improvement -Major overhauling of data centre equipment's &amp; PoPs equipments.</li> </ul>
(iii)	<b>In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-</b>	NA
(a)	<b>Details of technology imported</b>	NA
(b)	<b>Year of import</b>	NA
(c)	<b>Whether the technology been fully absorbed</b>	NA
(d)	<b>If not fully absorbed, areas where absorption has not taken place, and the reasons thereof</b>	NA
(iv)	<b>Expenditure incurred on Research and Development</b>	NIL

### (C) Foreign Exchange Earnings & Outgo

Sl. No.	Particulars	FY 2022-23	FY 2021-22
i.	<b>Foreign Exchange Earnings</b>	NIL	NIL
ii.	<b>Foreign Exchange Outgo</b>	NIL	₹ 2.77 Crore

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# RAILTEL CORPORATION OF INDIA LTD

## DIVIDEND DISTRIBUTION POLICY

### {Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

#### 1. PREAMBLE

Securities and Exchange Board of India (“SEBI”) vide its notification dated 08.07.2016 has inserted Regulation 43A in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“Listing Regulations”) which requires top five hundred (500) listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a Dividend Distribution Policy (“Policy”) which shall be disclosed in their annual reports and on their websites.

Since, RailTel Corporation of India Limited (“RailTel” or “Company”) is in the process of launching an Initial Public Offer (IPO) by way of listing its equity shares on the Stock Exchange, the said regulation may become equally applicable on RailTel.

In accordance with the Regulation 43 A of the Listing Regulations, the Company has framed a Dividend Distribution Policy. The Board of Directors of RailTel, at its meeting held on 26/09/2020 approved this Policy. This Policy will be effective from 26/09/2020. This Policy shall be known as RailTel’s Dividend Distribution Policy (the “Policy”).

#### 2. REGULATORY/ POLICY FRAMEWORK

- (i) The policy has been framed broadly in line with the provisions of the Companies Act, 2013 and rules made thereunder (the Act), and the Listing Regulations;
- (ii) Taking into consideration, guidelines on “Capital Restructuring of Central Public Sector Enterprises” issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance;

- (iii) Any other law, regulations, guidelines, to the extent applicable.

#### 3. OBJECTIVE AND SCOPE OF THE POLICY

- (i) This Policy is aimed at increasing the Company’s fundamental value ensuring an annual dividend payout based on the amount of profit to be distributed amongst shareholders of the Company after balancing the requirement of deployment of internal accruals for its sustenance and growth plans.
- (ii) The Company’s commitment is to deliver sustainable value to all its stakeholders.
- (iii) The Company has been consistently paying dividend and this trend is expected to continue in future as well unless the company is unable to declare dividend due to any of the factors listed ahead.
- (iv) The Company endeavors to declare dividend as per the guidelines on capital restructuring issued by Department of Investment & Public Asset Management (DIPAM), Govt. of India from time to time.

#### 4. INTENT OF THIS POLICY

The intent of this Policy is to broadly specify the following parameters:

- (i) The circumstances under which the shareholders of the Company may or may not expect dividend;
- (ii) The financial parameters that shall be considered while declaring dividend;
- (iii) Internal and external factors that shall be considered for the declaration of dividend;
- (iv) Policy as to how the retained earnings shall be utilized and;

(v) Parameters that shall be adopted with regard to various classes of shares.

Provided that if the Company proposes to declare dividend on the basis of parameters in addition to clauses i) to v) or proposes to change such additional parameters or the dividend distribution policy contained in any of the parameters, the Company shall disclose such changes along with the rationale for the same in its annual report and on its website.

**A. Circumstances under which the shareholders of the Company may or may not expect dividend.**

The company has been consistently paying out dividends to its shareholders and is expected to continue in future as well, unless the company is restrained to declare dividends due to financial and other internal and external factors as mentioned below. The company would aim to strike a balance between rewarding shareholders through dividend and ensuring that sufficient profits are retained for growth of the Company and other needs.

Further, though the Company endeavors to declare the dividend as per the guidelines issued by DIPAM, Govt. of India, however, the Company may propose lower dividend after analysis of various financial parameters, cash flow position and funds required for future growth.

**B. Financial Parameters that shall be considered while declaring dividend.**

Being a Central Public Sector Enterprise (CPSE), the Company endeavors to declare the dividend as per the guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by DIPAM, Govt. of India dated 27.05.2016, mandating every CPSE to pay a minimum annual dividend of 30% of PAT or 5% of the net-worth, whichever is higher subject to the maximum dividend permissible under the extant legal provisions. Nonetheless, CPSEs are expected to pay the maximum dividend permissible under the Act under which a CPSE has been set up,

unless lower dividend proposed to be paid is justified on case to case basis at the level of Administrative Ministry/Department after considering the following financial parameters:

- (i) Realized and projected profitability;
- (ii) Net-worth of the Company and its capacity to borrow;
- (iii) Earning per share;
- (iv) Long-term borrowings;
- (v) CAPEX/Business Expansion needs;
- (vi) Retention of profit for further leveraging in line with the CAPEX needs; and
- (vii) Cash and bank balance.

**C. Internal and External factors to be considered while declaring Dividend**

- (i) Capital expenditure requirements considering expansion and other opportunities.
- (ii) Borrowing levels and the capacity to borrow
- (iii) Cost and availability of alternative source of financing.
- (iv) Macroeconomic and business condition
- (v) Regulatory norms
- (vi) Any other relevant factors that the Board may deem fit to consider before declaring dividend.

**D. Utilization of Retained Earnings**

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- (i) Capital and Revenue Expenditures for the growth of the business and operations of the Company.
- (ii) Issue of bonus shares or buy back of shares as per DIPAM guidelines.

(iii) Any other purpose which the Board may consider appropriate.

#### **E. Parameters to be adopted with regard to various classes of shares**

The holders of the equity shares of the Company, as on the record date, are entitled to receive dividends. Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

#### **5. STATUTORY REQUIREMENTS**

The Board shall ensure compliance with the requirement of the Companies Act, 2013 and Rules framed thereunder, the guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by DIPAM, Govt. of India dated 27.05.2016 and all other applicable law while taking decision of a dividend payout during a particular year.

#### **6. MANNER AND TIMELINES FOR DIVIDEND PAYOUT**

- (i) Dividend for every financial year shall be decided by the Board considering various statutory requirements, financial performance of the company and other internal and external factors enumerated earlier in the policy.
- (ii) Interim dividend(s), if any, may be declared by the Board in addition to Final Dividend.
- (iii) Subject to applicable laws, the payment of interim dividend shall be made within

30 days from the date of approval by the Board to the shareholders entitled to receive dividend on the record date.

- (iv) Recommendation for final dividend, if any, shall be done by the Board usually in the Board meeting that considers and approves the annual financial statements, subject to approval of shareholders of the company.
- (v) Subject to applicable laws, the payment of final dividend shall be made within 30 days from the date of approval by the members to the shareholders entitled to receive dividend on the record date.
- (vi) The payment of Interim Dividend shall be subject to Shareholders' ratification.

#### **7. DISCLOSURE OF THIS POLICY**

The policy shall be disclosed in the Annual report of the Company as well as on Company's website, as required under Companies Act, 2013 and Rules framed thereunder and the Listing Regulations or as may be required under any other law for the time being in force.

#### **8. REVIEW**

This Policy shall be subject to review / changes as may be deemed necessary and in accordance with regulatory amendments from time to time. The Chairman and Managing Director of the Company shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy in accordance with regulatory amendments from time to time and the same should be placed before the Board for their information.

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# Management Discussion and Analysis Report

## 1. Economy Overview

### Introduction

The world is more connected than ever before and impact of events in one corner of the globe is seen more pronounced in the other corner. Variables such as uncertainties and geo-political segmentations are looming large over most of the leading economies. Indian economy, has emerged as a bright star in its 75<sup>th</sup> year of independence when it grew at 7.2% in 2022-23, becoming fastest growing major economy in the world for third time in a row.

While the World Bank is worried as the ongoing slump in the global economic growth may swamp the third decade of this millennium, most of the global market analysts are forecasting this decade to be of India's decade. The capital expenditure focused on infrastructure development driven by both the Government of India and State Governments continue to be a key growth driver. The rural economy, service sector, construction and real estate are continuously improving their performance. Robust direct tax collection (up by 20.1%) and GST collection (up by 22%) are other indicators of Indian economy marching towards global leadership role.

India's commencement of its G-20 presidency on 1st December 2022 marks a significant step towards undertaking a leadership role on the global stage as the global economy sails through the storm of a unique set of economic challenges. With the theme of India's G20 presidency "Vasudhaiva Kutumbakam" or "One Earth, One Family, One Future", India has identified several points which shall be prioritized for its G20 presidency. These include inclusive, equitable, and sustainable growth; LiFE (lifestyle for the environment); women's empowerment; digital public infrastructure, tech-enabled development in health, agriculture, education, commerce, skill-

mapping, and culture and tourism; climate financing; circular economy; global food security; energy security; green hydrogen; disaster risk reduction and resilience; developmental cooperation; fight against economic crimes and multilateral reforms.

### 1.1 Market size

India's gross domestic product (GDP) at Current Prices in the year 2022-23 is estimated to attain a level of ₹ 272.04 lakh crore, as against ₹ 234.71 lakh crore in 2021-22, showing a growth rate of 15.9 percent.

- India to witness GDP growth of 6.0 per cent to 6.8 per cent in 2023-24, depending on the trajectory of economic and political developments globally.
- Economy is expected to grow at 7 per cent (in real terms) for the year ending march 2023, this follows an 8.7 per cent growth in the previous financial year.
- Credit growth to the Micro, Small and Medium Enterprises (MSME) sector has been remarkably high, over 30.5 per cent, on average during Jan-Nov 2022.
- Capital expenditure (capex) of the Central government, which increased by 63.4 per cent in the first eight months of FY23, was another growth driver of the Indian economy in the current year.
- RBI projects headline inflation at 6.8 percent in FY23, which is outside its target range.
- Private consumption as a percentage of GDP stood at 58.4 percent in Q2 of FY23, the highest among the second quarters of all the years since 2013-14, supported by a rebound in contact-intensive services such as trade, hotel and transport.

- Key Sectors Attracting the Highest FDI Equity Inflow: Services Sector (16%), Computer Software & Hardware (15%), Telecommunications (6%), Trading (6%), Automobile (6%), Construction Activities (5%), Construction Development (4%), Chemicals (3%), Drugs and Pharmaceuticals (3%), and Metallurgical Industries (3%) from April 2000-June 2022.

(Source: www.mospi.gov.in & www.pib.gov.in)

### 1.2 Recent Developments

With an improvement in the economic scenario, there have been investments across various sectors of the economy. In March 2023, Private equity (PE) and venture capital (VC) investments stood at US\$ 5.3 billion across 82 deals, including 14 large deals (deals of value greater than US\$ 100 million) worth US\$ 4.3 billion.

According to the Department of Economic Affairs, India's outward foreign direct investment (OFDI) stood at US\$ 2.22 billion in March 2023 vs. US\$ 2.71 billion in February 2023. The gross GST (Goods and Services Tax) revenue collection stood at Rs. 160,122 crore (US\$ 19.6 billion) in March 2023.

### 1.3 Government Initiatives for economy

Some of the initiatives and developments undertaken by the Government are listed below:

- Seven priorities of the budget 'Saptarishi', are inclusive development, reaching the last mile, infrastructure and investment, unleashing the potential, green growth, youth power, and the financial sector.
- Capital outlay of Rs. 2.40 lakh crore (US\$ 29.2 billion) has been provided for the Railways, which is the highest ever outlay and about nine times the outlay made in 2013-14.
- Urban Infrastructure Development Fund (UIDF) will be established through the use of priority sector lending shortfall and shall be managed by the National Housing Bank and will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities.
- Revamped credit guarantee scheme for MSMEs

to take effect from 1st April 2023 through the infusion of Rs. 9,000 crore (US\$ 1.09 billion) in the corpus. This scheme would enable additional collateral-free guaranteed credit of Rs. 2 lakh crore (US\$ 24.4 billion) and also reduce the cost of the credit by about 1%.

- 500 new 'waste to wealth' plants shall be established under the scheme for promoting a circular economy at a total investment of Rs. 10,000 crore (US\$ 1.21 billion). Centre to facilitate one crore farmers to adopt natural farming over the next three years. For this, 10,000 Bio-Input Resource Centres are to be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.
- Three centres of excellence for Artificial Intelligence to be set up in top educational institutions to realise the vision of "Make AI in India and Make AI work for India".
- National Data Governance Policy to be brought out to unleash innovation and research by start-ups and academia.

(Source: www.ibef.org & Union Budget 2023-24 document)

### 1.4 Road Ahead

The Indian economy is expected to grow in a range of 6.5-6.7 per cent in the financial year 2023-24. Growth will be supported by strong domestic drivers and robust momentum in capital expenditure. The government expects India's 2023-24 GDP at 6.5 per cent. The Indian economy remains resilient in the face of challenging global environment and no major domestic road blocks are expected in the year ahead. Apart from the capex push by the government, the resilience in the domestic economy come from the healthy balance sheets of the corporates and a well-capitalized financial system. Growth in goods exports is forecast to be moderate in FY2023 before improving in 2024, as production-linked incentive schemes and efforts to improve the business environment, such as streamlined labor regulations, improved performance in electronics and other areas of manufacturing growth. Services

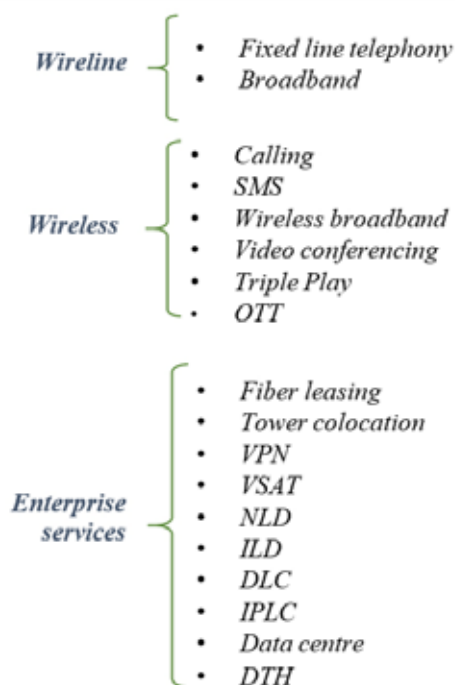
exports growth has been robust and is expected to continue to strengthen India's overall balance of payments position. Range of pragmatic and transformational policies of the government, which continued through pandemic, helped catalise a sharp recovery and the resilience in growth that India is currently witnessing. Livelihood, tourism, wellness, skill development and future technologies were outlined as some CII's key action priorities for the coming year. Despite strong global headwinds and tighter domestic monetary policy, various international agencies have forecasted India to be one of the fastest growing economies in 2023-24, supported by robust growth in a private consumption and sustained pick-up in private investment. (source: [www.timesofindia.com](http://www.timesofindia.com))

## 2. Telecom Industry

### 2.1 Telecom Industry Characteristics

The Indian telecom services industry can be broadly segregated into wireless, wireline and enterprise services. Wireline services are traditional landline calling services and wired broadband service. Wireless service includes mobile calling, SMS (short message service), wireless broadband, triple play service, and over-the-top (OTT) platforms.

#### Structure of the Indian telecom industry



Enterprise services provide network connectivity across locations and users in an organization as elaborated below:

#### 2.1.1 Wireline services

A wireline service is connection to the end customer by means of a cable through which a user can make phone calls or connect to the internet.

#### 2.1.2 Wireless services

- **Calling:** Mobile phone network by which end-users are connected to the network via wireless transmission technologies.
- **SMS:** This is a text messaging service component of most telephone, internet and mobile device systems. It uses standardised communication protocols to enable mobile devices to exchange short text messages. An intermediary service can facilitate a text-to-voice conversion to be sent to landlines.
- **Broadband:** WAP (Wireless Application Protocol) and GPRS (General Packet Radio Service) are used to deliver rich content, such as songs, videos and games, to a subscriber. Web browsing, and receiving and sending of e-mails and instant messaging are other activities that a subscriber can perform via a GPRS subscription.

**2.1.3 Video conferencing:** This is a visual communication session between two or more users regardless of their location, featuring audio and video content transmission in real time. It is a high-tech communication tool for increasing business efficiency, optimising and accelerating decision-making processes, and cutting travel costs.

**2.1.4 Triple play:** In telecommunications, triple play service is a term for the provisioning, over a single broadband connection, of two bandwidth-intensive services, broadband Internet access and television, and the latency-sensitive telephone. Triple play focuses on a supplier convergence rather than solving technical issues or a common standard.

**2.1.5 OTT:** Over-the-top (OTT) refers to the method of sending content over a high-speed Internet connection, instead of the content being shared



by traditional distributors such as broadcasters, cable and IPTV operators. OTT content is, in most cases, film or TV content which is watched on a phone, laptop, tablet or connected TV. Examples of these services are social media apps (WhatsApp, Instagram, etc) and content streaming services (RailWire's Tarang/Umang OTT bundled broadband plans including, Zee5, SonyLiv, Discovery+, Hungama, ALT Balaji etc). To adapt to the growing acceptance of OTT services, communication service providers are resorting to bundling of OTT and data subscription packs.

### 2.1.6 Enterprise services

- **Dedicated leased fiber:** Typically, dedicated fiber-leased lines fulfil two purposes: (i) provide corporate offices with high-capacity connection to the internet and (ii) connect the local network of several corporate offices to form a Wide Area Network. In this case, individual subscribers could be organisations using fiber for business purposes. Having access to a leased fiber line has many benefits, such as faster connection speeds, connection reliability, stronger signal, low latency, symmetrical speed (in terms of equal download and upload speeds). RailTel Corporation of India Ltd, Reliance Jio Infocomm Ltd, Bharti Airtel Ltd, Bharat Sanchar Nigam Ltd (BSNL), Tata Communications Ltd and Vodafone Idea Ltd are major players providing these services.
- **Tower co-location:** This is a service provided by Infrastructure Provider (IP) companies. Co-location involves mounting of nodes on existing tower infrastructure to receive and transmit data and voice packets wirelessly. IP companies receive rent from wireless telecom companies that do not have funds or do not want to undertake significant capex to set up their own BTS network. RailTel Corporation of India Ltd, Bharti Infratel Ltd, Bharti Airtel Ltd, GTL Infrastructure Ltd, Indus Towers Ltd, Reliance Jio Infocomm Ltd, and Vodafone Idea Ltd are the main players providing tower co-location services. Tower co-location has become an important source of revenue for these companies with the rise in spectrum allocation, enhancing the need for more BTS units to be installed.
- **VPN:** A virtual private network (VPN) uses public telecommunication infrastructure, such as the internet, to securely connect remote sites/users to the organisation's network. These services cost less than alternatives, such as traditional leased lines or remote access servers. RailTel Corporation of India Limited, Tata teleservices, Sify technologies, Reliance Jio Infocomm are major services providers.
- **MPLS-VPN:** To provide traffic isolation and differentiation without substantial overheads, Multi-Protocol Label Switching (MPLS) is among the commonly used methods to create VPNs. MPLS involves setting up a specific path for a given sequence of data packets, each identified by a label, which reduces the time for a router to look up the address of the node where the data packet is forwarded to. Besides speeding up internet traffic, MPLS makes it easy for a service provider to monitor the quality of service (QoS). MPLS-VPN technology allows service providers complete control over parameters that are critical to offering customers service guarantees with regard to bandwidth throughputs, latencies, and availability. It reduces network complexity and cost for the customer, and eliminates the need for an in-house technical workforce. RailTel, Tata teleservices, Sify technologies, Reliance Jio are major services providers.
- **VSAT:** Very Small Aperture Terminal (VSAT) refers to a small fixed earth station, which provides a vital communication link required to set up a satellite-based communication network. It refers to receiving/ transmit terminals installed at dispersed sites connecting to a central hub via satellite using small diameter antenna dishes (0.6-3.8 metres). Bharti Airtel limited, Hughes Escorts communications Ltd., ITI Ltd., Tatanet services limited, are few service providers in the segment.
- **NLD:** National Long Distance (NLD) service refers to carriage of switched-bearer telecommunication services over a long distance

network, i.e., a network connecting different short distance charging areas, or SDCAs. Such a service provider is usually a telecom operator providing the required digital capacity to carry long distance telecommunication services within the scope of their licence, which may include various tele-services, such as voice, data, fax, text, video and multimedia, etc.

Major players in the NLD space are BSNL, Bharti Airtel, Mahanagar Telephone Nigam Ltd, Power Grid Corporation of India Ltd, RailTel, Reliance Jio Infocomm, Tata Communications and Vodafone Idea.

- **ILD:** International Long Distance (ILD) service is defined as a network carriage service, providing NLD operators in the country international connectivity, by connecting to network facilities operated by foreign carriers in other countries. It involves setting up of undersea fiber cables to transmit voice and data globally. It provides most services an NLD licensee would provide, but internationally.

Major players operating with ILD licence are AT&T Global Network Services India, Bharti Airtel, BSNL, Reliance Jio Infocomm, Sprint Telecom India, Tata Communications, Verizon Communications India and Vodafone Idea.

- **DLC:** Domestic Leased Circuits (DLC) refers to a leased circuit that is connected to a subscriber's premises within India. The telecom service providers provide DLCs to connect two or more customer sites or customers to their own or other service provider's network.

Currently, Reliance Jio Infocomm, Bharti Airtel, BSNL, RailTel, Tata Communications, and Vodafone Idea are the major players operating in the DLC business.

- **IPLC:** International Private Leased Circuit (IPLC) is a point-to-point private line used by an organisation to communicate between geographically dispersed offices that need dedicated international connectivity with a committed bandwidth. An IPLC can be used for internet access, business data exchange, video conferencing, and any other form of digital

transmission. Currently Bharti Airtel, BSNL, Reliance Jio Infocomm, Tata Communications and Vodafone India are major players providing international leased line services in India.

- **Data Centre:** A Data Centre houses and maintains back-end information technology (IT) systems and data stores — mainframes, servers and databases. Data centres also provide support to companies by offering extensive IT infrastructure, including servers, firewalls, storage systems and various other IT components, in a different place. Data centre services can be further classified into two types: the captive model and the co-location model. Bharti Airtel, Reliance Data Centre, Sify Technologies, STT Global Data Centre, Vodafone Idea, Amazon and RailTel Corporation of India are some of the players providing data centre services in India.

## 2.2 Recent trends in Telecom and Telecom Data services industry in India

India is the world's second-largest tele-communications market. The total subscriber base, wireless subscriptions as well as wired broadband subscriptions have grown consistently. Tele-density stood at 84.56%, as of December 2022, total broadband subscriptions grew to 832.2 million until December 2022 and the total subscriber base stood at 1170.38 million in December 2022.

The total wireless data usage in India grew at a rate of 6.65% from 37,626 PB in September 2021 to 40,126 PB in September 2022. The contribution of 2G, 3G and 4G data usage to the total volume of wireless data usage was at 0.16%, 1.02% and 98.81%.

The total number of internet subscribers reached 850.95 million in June- September 2022. The wireless segment accounted for 95.4% of the total telephone subscriptions In June 2022.

Over the next five years, rise in mobile-phone penetration and decline in data costs will add 500 million new internet users in India, creating opportunities for new businesses.

By 2025, India will need ~22 million skilled workers



रेलटेल  
RAILTEL

A Mini Ratna Enterprise

in 5G-centric technologies such as Internet of Things (IoT), Artificial Intelligence (AI), robotics and cloud computing.

Below are the elemental strategic trends that are essential for telecoms in the digital age and will be critical in shaping the future of the telecom industry:

**Adoption of Cloud Technology:** The increased use of IoT devices and Machine Learning Algorithms in the telecom digital ecosystem has led to bulging demand for computing power. Given that cloud computing environment allows more capacity, improves resiliency, enables them to scale effectively to meet the rising demands, and easily updates systems.

**Accelerated Technological Progress:** Even as the digitization is a must-have strategy for companies in this tech era, the journey itself is laden with a torrent of challenges. This is why Telcos continue to leverage the inherent technological strengths across their distribution network to reimagine their customer journey from a data-driven perspective. Telcos today are forging ahead in their digital transformation journey, with most of them incorporating technological developments like 5G, Internet of Things (IoT), and Cloud technology, in their business and operational strategy. The ever-increasing data traffic and the evolving needs of the customers necessitates increasingly powerful and secure network systems.

**Deepening customer engagement and enhanced customer experience:** Within the telecom sector, the ecosystem extends far beyond the traditional scope of activities and encompasses not just the basic services of the company but also the non-core and complementary products and services. With the wide range of options available in the market, it becomes critical for telecom operators to create tangible value and a key differentiator in their service offerings to retain loyalty. The first step in the process of enhancing customer experience is to understand their pain points. Customers now expect uninterrupted connectivity, a wide range of customized offerings, and quick resolution of their issues.

**Driving down OPEX:** With growing competition in the market, the revenue margin for standard

telecom services has decreased significantly. Due to this, driving down OPEX in the supply chain has been a primary focus for telecom companies across the industry to maintain a competitive edge. The biggest potential is based on modernizing the existing operational solutions and embracing automation in sales and distribution.

### 2.3 Key opportunities and Threats in the telecom services industry

India has made significant progress in telecommunications with the rollout of 5G networks. It is looking to participate in developing global 6G standards by forming the 6G Technology Innovation Group (TIG). The future growth of the telecom industry in India is expected to be driven by advances in 5G and 6G which have the potential to improve communication and connectivity, increase efficiency and drive economic growth. However, challenges such as expanding optical fiber coverage and improving cyber security policies must be addressed. With the right approach, Indian distinctive infrastructure industry has the potential to establish strong recognition in the global market and play a key role in realizing the vision of Digital India.

The telecom services and its allied business nurture upon opportunities such as low rural tele-density, infrastructure required for 5G launch, low cost-mobile handsets, growing demand for internet amidst emerging culture of work-from-home and relaxation on FDI inflows to encourage investments in the sector.

#### 2.3.1 Opportunities

##### a) 5G is the next technology frontier in the telecom sector

According to the High-Level Forum of the Department on 5G, 5G is predicted to create a cumulative economic impact of USD one trillion in India by 2035. 5G will be used in INDIA to enable DIGITAL India, SMART Cities & SMART Village missions for India. LMLC (Low Mobility Large Cell) is in the final approval stages. 5G must be adopted in small pockets and adoption to grow gradually.

## b) Internet of Things (IoT)

The Indian Government is planning to develop 100 smart city projects where IoT will play a vital role in the development of those cities. In addition, there is accelerated adoption of IoT in industries especially manufacturing, automobiles, airports, supply chain. Other areas where adoption is witnessing growth are - Smart Home, Smart Health, Smart Water, Smart Education, Smart Agriculture, Smart Grid, Intelligent Transport, Wearables, Smart Energy, Industry Automation, Connected Cars.

## c) High bandwidth broadband:

India aims to accelerate deployment of next-generation ubiquitous ultra-high broadband infrastructure with 100% coverage of 10 Gbps across urban India and 1 Gbps across Rural India as part of 5G mission. BWA technologies such as WiMAX and LTE are among the most recent and significant developments in wireless communication. Bharti Airtel VoLTE and Reliance Jio 4G services are live across all the 22 telecom circles since 2019.

## d) Low latency industry apps and Cloud computing:

The mobile value-added services have become a new revenue stream for the companies in recent years due to the low-cost ownership nature and low expenses of building systems on cloud platforms. That is, Cloud VAS has become a mainstream business for a wide range of companies to target their customers and improve their revenue.

As digital services for various vertical markets expand with applications where latency becomes critical for cloud computing services, it is only logical to also bring compute closer to where the data is generated. Hence India is seeing a surge in interest for Edge Computing like the rest of the world. India's leading 'Edge use cases' are likely to be media processing, telemedicine, video surveillance, manufacturing and a myriad of immersive applications such as AR/VR and gaming.

## e) Cyber Security

Recipients of services provided by telecom operators are becoming extremely vigilant on overall security measures adopted in providing services, also known as establishing "Digital Trust" and the customers are moving to providers who are able to position themselves in establishing robust digital Trust. Some key opportunities in this space are cyber security to enterprises, specifically on back of other enterprise services offered, Positioning new products and services being offered with security and data privacy embedded, providing subscriber basic security services on an ongoing basis across the smart devices being used to consume services.

## f) Fiberization, IPfication and improved Backhaul

To realize the full potential of the upcoming technologies, the significance of effective last-mile connectivity cannot be underplayed for which fiber, IPfication, and backhaul need to improve. For Fiberization, the area of utmost significance is GIS mapping which need to be done to avoid duplication of fiber.

### 2.3.2 Threats

The telecommunications industry is undergoing significant transformations with plentiful opportunities but also new risks. An increased presence of new assets, both digital and physical, enlarges the required perimeter that your cybersecurity team needs to defend.

## a) Network Security:

Network security is a set of technologies that protects the usability and integrity of a company's infrastructure by preventing the entry or proliferation within a network of a wide variety of potential threats.

## b) Security threats in the Internet of Things:

One of the biggest challenges for telecommunications and ISPs is the security of IoT networks. This year, approximately 25 billion

devices are expected to be connected to the internet. Unfortunately, such large networks are attractive targets for data breaches and identity theft. Players in the telecom industry need to use online data protection tools such as VPNs, SIM-based authentication mechanisms, and identity management solutions. VPN establishes a secure connection to the internet by routing it through a virtual tunnel where data traffic is encrypted.

### c) Cloud security threats

Some of the most common cloud security threats are misconfiguration, data breaches, insider threats, lack of cloud security architecture and strategy, insufficient key management, and weak control planes.

It is crucial to monitor employee cloud usage and implement safeguards to prevent cloud data loss. In addition, managing mobile devices and defining permissions for enterprise and user-owned endpoints—including workstations, laptops, and smartphones—can effectively minimize risks.

### d) Threats targeting subscribers

These threats include phishing, data breaches, and malware attacks. Among these, one of the most damaging and most widespread are phishing attacks. They account for 90% of all breaches small businesses face, growing 65% in the last year with over \$12 billion in losses. What makes phishing attacks so damaging is that they're always adapting, making it hard to train employees on consistent detection. However, having solid identity authentication in place can prevent phishing from victimizing your subscribers or users.

## 3. IT/ICT Industry

ICT refers to a range of technological applications used to transmit and process information. Information, communication, and technology are combined to produce the term ICT. The market is segmented based on the type (hardware, software, IT services, and telecommunication services), the size

of enterprises (MSMEs and large enterprises), the industry vertical (BFSI, IT and telecom, government, retail and E-commerce, manufacturing, energy and utilities, and other industry verticals) across India.

The Indian ICT market is anticipated to record a CAGR of 9.47% over the period of 2023-28. The Indian ICT market has been evolving with the country's digitalization, where skilled IT employees and low employment costs have attracted multiple IT companies to establish their base. Furthermore, favourable government policies have helped multiple small and large enterprises to turn digital, thereby increasing demand for ICT hardware, software, and services in India.

- India is considered one of Asia's largest and fastest-growing markets for digital consumers, yet adoption among businesses is mixed. As digital capabilities increase and connectivity becomes ubiquitous, digital technology is poised to rapidly drive every sector of the Indian economy. Building a digital infrastructure is a fundamental approach for countries to advance their digital value chains.
- The Government of India is driven to establish favorable policy and regulatory environments for the ongoing expansion of 5G, Internet of Things (IoT), Artificial Intelligence (AI), Cloud Technology, Blockchain and Machine-to-Machine (M2M), and many more sectors as a result of the ICT sector's rapid growth in India and its substantial contribution to the socioeconomic development of the nation. For ICT to become one of India's main economic growth engines, the government must prescribe the proper policy measures. The developments in the technological aspects will drive the market in the region.
- India uses information and communication technologies to provide its citizens with faster and more transparent services through e-government initiatives. Many individuals in the country cannot access these services due to a lack of skills, training, and infrastructure.
- The Micro, Small, and Medium enterprises (MSMEs) industry significantly contributes to

the nation's socioeconomic growth. Due to the sector's contribution to the GDP and exports of India, it has taken on a substantial amount of significance. The industry has also significantly contributed to the growth of entrepreneurship, particularly in India's semi-urban and rural areas.

- The government encouraged the MSMEs to market their products on the e-commerce site and through the Government e-Marketplace (GeM), which is run and owned by the government. Many Ministries and PSUs (public sector undertakings) source their procurement from GeM. As a result of such rigorously supportive initiatives, many Indian MSMEs and SMEs are partnering with foreign companies to extend their services for further growth, leveraging new technologies and services.

#### 4. Government Initiatives for Telecom Industry

The government in the Union Budget 2023 has allocated Rs. 97,579 crores for the Department of Telecommunications, an increase of 19% over the revised estimates of 2022-23. The allocation is 2.2% of the total budget of central government and Rs 258.14 billion for postal projects.

According to budget documents, the government has raised the non-tax revenue collection estimate from the telecom sector by 30 per cent to Rs 894.69 billion in 2023-24. The government has revised the revenue estimate to Rs 687.84 billion for the current fiscal from an earlier projection of Rs 528.06 billion in the previous budget.

Some of the major initiatives taken by the government are as follows:

- The government will set up 100 labs to develop applications using the newly-launched 5G services. The labs will cover, among other things, applications such as smart classrooms, precision farming, intelligent transport systems, and healthcare.
- The government has allocated Rs 21.58 billion for optical fibre cable-based network for

defence services and Rs 7.16 billion for telecom projects in the north-eastern states.

- Mobile phone production in India has increased from 58 million units valued at about Rs 189 billion in 2014-15, to 310 million units valued at over Rs 2.75 trillion in the FY 2022-23. To further deepen domestic value addition in the manufacture of mobile phones, the government has proposed to provide relief in customs duty on import of certain parts and inputs such as camera lens and continue the concessional duty on lithium-ion cells for batteries for another year. According to the budget document, the 2.5 per cent basic customs duty on camera lens and its inputs/parts for use in manufacture of mobile phone cameras has been done away with.
- Three centres of excellence for artificial intelligence (AI) will be set up to realise the vision of 'make AI in India and make AI work for India'. This will be set up in top leading educational institutions. Leading industry players will partner in conducting inter-disciplinary research, develop cutting-edge application and scalable problem solutions in the areas of agriculture, health and sustainable cities.

(Source: <https://tele.net.in/budget-2023-key-highlights-for-the-telecom-sector-and-industry-comment>)

#### 5. TRAI Regulations

Telecom Regulatory Authority of India was established on 20 February 1997 by an Act of Parliament to regulate telecom services and tariffs in India. Earlier regulation of telecom services and tariffs was overseen by the Central Government. TRAI's mission is to create and nurture conditions for the growth of telecommunications in India to enable the country to have a leading role in the emerging global information society. One of its main objectives is to provide a fair and transparent environment that promotes a level playing field and facilitates fair competition in the market. TRAI regularly issues orders and directions on various subjects such as tariffs, interconnections, quality of

service, Direct To Home (DTH) services and mobile number portability.

During 2022-23, various recommendations were made to the Government by TRAI during the year.

- 40% carbon reduction in telecom networks by 2022-23 with base year being 2011-12.
- Issues related to Community Radio Stations
- Regulatory Framework for Promoting Data Economy Through Establishment of Data Centres, Content Delivery Networks, and Interconnect Exchanges in India

During 2022-23, TRAI initiated various consultations on the following in telecommunication sector:

- Introduction of Digital Connectivity Infrastructure Provider (DCIP) Authorization under Unified License.
- Regulating converged digital technologies and services – enabling convergence of carriage of broadcasting and Telecommunication services
- Telecom Infrastructure sharing, Spectrum sharing and spectrum leasing
- License Fee and Policy matters of DTH services
- Licensing framework and regulatory mechanism for submarine cable landing in India
- Data communication services between aircraft and ground stations provided by organizations other than Airports Authority in India
- Calling Name Presentation (CNAP) in Telecommunication networks
- Draft Telecommunication (Broadcasting And Cable) Services Interconnection (Addressable Systems)
- Leveraging Artificial Intelligence and Big Data in Telecommunication Sector
- Embedded SIM for M2M Communications

(Source: www.tra.gov.in)

## 6. RailTel – An Overview

RailTel Corporation of India Ltd is a “Mini Ratna (Category-I)” CPSE formed in the year 2000 as a

‘Schedule A’ CPSE, under the Ministry of Railways, in line with NTP ‘99. RailTel has seamless Right of Way (ROW) along 67,956 KM of Railway Track passing through 7325 stations across the country. We are one of the largest neutral telecom infrastructure providers in the country owning a Pan-India optic fiber network.

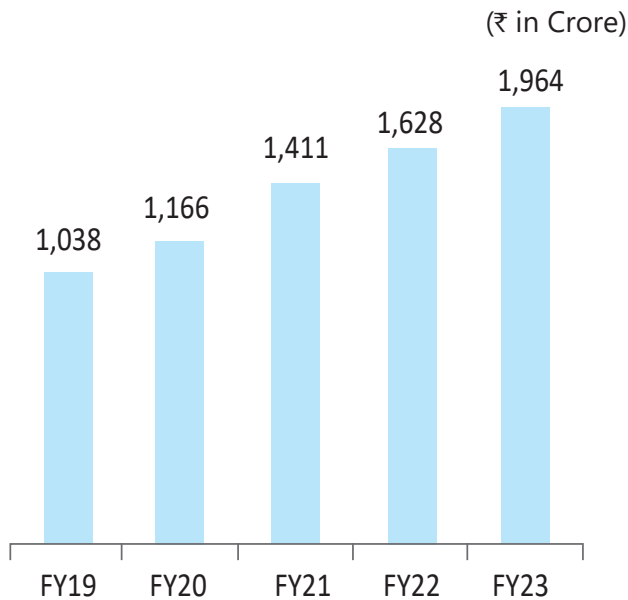
RailTel’s high speed OFC Backbone Network shall ultimately cover the entire railway network across the country. In high bandwidth backbone segment on a secured and distinct right of way, RailTel occupies a proud place with its unparalleled network. The network has the ability to provide the mission critical customized connectivity platform for enhanced corporate efficiency and growth. RailTel is creating Point of Presence at every Railway station enroute which are spaced at 8-10 Kms.

The network is spread along the length and breadth of the country covering all the important and major cities including small towns. With the spread and reach, RailTel is in a position to serve 70% of the country’s population. With its collaborative RailWire retail broadband platform, RailTel is able to extend its offering of reliable broadband services to a number of retail and enterprise customers across the country. The access network of RailTel in cities and towns spans to another 21000+ kms and helps deliver high speed reliable connectivity to close to 758 institutes of higher learning like IITs, IIMs, IISC, SAC, Agricultural and research institutes and universities across the country. We take pride in sharing that RailTel remains the ONLY consistently profitable, consistently dividend paying company in Telecom space under the Govt of India.

## 7. Network Architecture:

RailTel’s OFC based network is designed in defined hierarchical form with Core, distribution and edge layer. RailTel’s OFC based communication system comprises of various technologies and is capable of delivering telecom services to its customer with high SLA (Service Level Agreement) With the presence of high speed, resilient and state of the art telecom network, backed with differentiated Right of way (RoW), RailTel is capable of delivering

## Total Income



### Snapshot of RailTel's 5 year performance

high SLA services to its esteemed customers. RailTel is a continuously growing company, technically and financially, to meet all the present and future Telecom and IT requirements of Indian Railways as well as of all government and private sectors.

RailTel has Pan India Telecom Network with capability of Service delivery from 2Mbps to 800Gbps links. RailTel Network comprises of various technologies viz. Next Generation Network (NGN), Synchronous Digital Hierarchy (SDH), Packet Transport Network (PTN), Dense Wavelength Division Multiplexing (DWDM), Internet Protocol- Multi Protocol Label Switching (IP-MPLS) which are maintained by round the clock Network Operation Centres and trained field manpower. Total 11000+ Backbone & Access PoPs are available. All the equipment provided on the network are of State-of-the-Art Technology and are as per International Telecom Standards.

The glimpse of various networks is as follows:

- **SDH (Synchronous Digital Hierarchy) Network:** Presence across the nation (Pan India) with more than 4500 nodes. The network is capable of providing various services like 10G, 100G, 200G and 800G. The Networks covers all major cities of India and provides high availability of synchronous services.

- **PTN (Packet Transport Network) Network:** Pan India Presence with more than 400 nodes. The network is capable of providing various services like 1G and 10G. The Networks covers all major cities of India and provides high availability of packet services.
- **DWDM Network:** Pan India presence with more than 200 OADM (Optical Add/Drop Multiplexer) nodes. The network is capable of providing various services like 10G, 100G and 200G. The Network covers all major cities of India and provides high availability of services.
- **IP-MPLS Network:** Pan India presence with Four Tier Architecture and High availability of Tier-I Nodes. The network is capable of providing services with granularity from 1 Mbps to 40 Gbps. The Network covers all major cities of India and provides high availability of services.

## 8. Data Centre Services.

RailTel has 02 nos. of Tier-III certified MietY empanelled Data Centres at Secunderabad & Gurugram and MietY empanelled RailCloud to offer IAAS (Infrastructure as a Service), PAAS (Platform as a Service) and SAAS (Software as a Service). Following ICT Services are being offered by RailTel.

- **Data Centre and Managed Hosting:** Infrastructure as a Service (IaaS), dedicated hosting, managed services, cloud computing, disaster recovery services and hosted smart city and e-governance services.
- **HD Video Conferencing Services:** end-to-end hosted multitenant video conferencing facility
- **Security Operations Centre as a Services:** cyber security incident prevention and security event monitoring services
- **ICT Hardware, Software and Service System Integration Projects:** undertake ICT hardware implementation, software delivery and digital transformation projects (Content on Demand, Video Surveillance System & Railway Display Network)
- **Digital Services:** Wi-Fi as a service, e-office,



Hospital Management Information System, e-tendering/ e-auction and IoT based solutions.

- Hosted e-tendering services to offer online tendering services.

Railtel Data Centres are leveraged by many government agencies and PSUs by hosting their IT applications in safe and secure data centre environment. Data centre customers also take leased line and internet services for their users. With the rapid movement towards digitisation of systems and processes, every organisation needs data centre environment to host applications hence requirement of IT cloud is increasing rapidly. Hybrid cloud is new norm for every IT savvy organisation where workloads are distributed to two or more data centre environments to safeguard interests of organisation in terms of application resiliency.

## 9. New Initiatives:

RailTel, since its formation, has kept pace with the introduction of new services and technology to keep its relevance in the market. The new service portfolios shall in long run help in increasing revenues as well as fully supplementing the existing services to its customers. During the year RailTel has initiated some new services as detailed in the following paragraphs:

### 9.1 Hospital Management Information System

RailTel has implemented the work of Hospital Management Information System over 710 health



units including 129 hospitals and 581 polyclinics of IR. This is an integrated clinical information system for improved hospital administration and patient health care for providing an accurate, electronically stored medical records.

The features of the software extend from customizing clinical data according to the departments and laboratories, multi hospital features that provide cross consultation, seamless interface with medical and other equipment and the patients will have the benefit of accessing all their medical records on their mobile device. There are about 27 modules of HMIS which include Clinical, Administrative, Patient Services & Ancillary Modules viz OPD, IPD, Labs, Pharmacy, Referrals, Medical Examinations, Sick-Fit Certifications, Reimbursement of Medical Claims etc.

The open source HMIS software has been deployed over the cloud. This platform is linked to the unique medical ID of employees for which about 50 lacs UMID cards have been issued to the regular employees, pensioners and family members.

IR HMIS (Hospital Management Information System) has achieved a remarkable milestone of successfully reaching 1 crore prescriptions, collaborating with 710 health units in 18 months This incredible achievement is a testament to the dedication and commitment of the entire HMIS team, as well as the trust and support of healthcare professionals and patients alike.

With an average of 50,000 prescriptions per day, HMIS is making a significant impact on patient care, streamlining processes, and ensuring efficient healthcare delivery. Our innovative system is empowering hospitals to provide top-notch medical services, while also enabling seamless collaboration among healthcare providers.

### 9.2 Security Operation Centre

With the world going digital, it is becoming increasingly important to safeguard your data from cyber security threats. To provide a centralized and consolidated cyber security solution to organizations, RailTel has set up a Security Operation Centre (SoC) at Gurugram.



RailTel SOC at Gurugram

We provide onsite and offsite cyber security incident prevention and security event monitoring services

RailTel's Security Operations Centre as a Service (SOCaaS) proactively addresses the increasing threat to Data Security with detection and response capabilities. The security information and event management solutions.

The services provided through SOC are Endpoint detection and response, which provides host level telemetry for both near real-time as well as forensic investigation, Network traffic analysis used to investigate alerts and obtain additional context about suspicious activity in the network, Packet capture for forensics, Sandbox for malware analytics, Vulnerability assessment tools, Web application and network firewalls and Auto ticketing tool.

### 9.3 Railway Station Wi-Fi Services

RailTel is transforming Railway stations into Digital hub by providing public Wi-Fi at all Railway Stations.



6108 stations are live with RailTel's RailWire Wi-Fi. This is one of the largest and fastest public Wi-Fi networks of the world being accessed by close to 2 mn unique logins per day. Passengers use this facility for streaming High Definition (HD) Videos, download of movies, songs, games, and do their office work online.

The Station Wi-Fi was very popular with Railway users and the community around Railway stations that it generated global and domestic media attention.

### 9.4 Wi-Fi Monetization:

RailTel has entered into consortium with private players for monetization of world's largest Wi-Fi ecosystem through mobile app. This app will help users with services like e-ticketing, travel & stay reservations, porter booking, infotainment etc. This scheme involves minimum guarantee income to Railways and services to more than 23 million users daily.

### 9.5 Video Surveillance System (VSS)

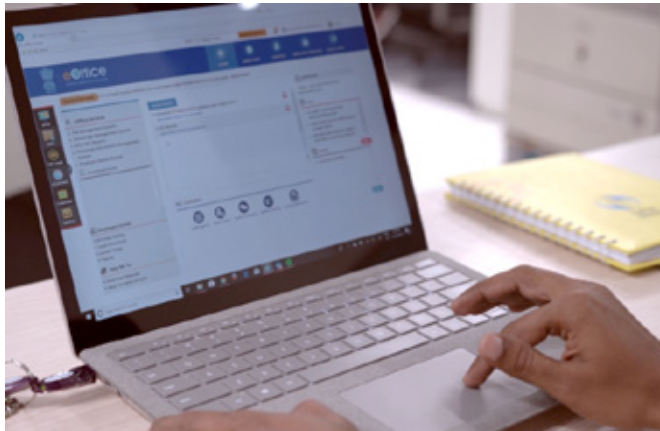
RailTel is also executing provision of IP camera-based Video Surveillance System at 5102 railway stations. This will go a long way in enhancing the safety and security of the passengers travelling over the IR network. RailTel is also integrating the various standalone video surveillance system installed at various stations by respective zonal railways so that the video recordings can be seen and monitored at the Divisional and Zonal head quarter level centrally. Under the project, all cameras to be provided in station premises will be networked on optical fiber cable and brought to a centralized place (CCTV



control room) from where they shall be viewed on multiple LCD monitors by Railways security personnel. The system shall provide high capacity storage devices at stations to store recording of CCTV footage for a defined period. Work has been completed at 308 stations.

### 9.6 NIC e-office application

RailTel has completed the work of implementing NIC e-Office system for Indian Railways. NIC e-Office project is a Mission Mode Project (MMP) under the National e-Governance Programme of the Government of India. The project aims to usher in more efficient, effective and transparent inter-government and intra-government transactions and processes. e-Office has been implemented in all 236 Units of Indian Railways. During the year, more than 1.47+ lakh users of Indian Railways are using e-Office application, 30+ Lakh e-files have been created and 2.41 Cr receipts have been generated. E-office has proven to be boon in a crisis time and part of Railway workforce was able to WORK FROM HOME, which would have been impossible in case of manual filing system. With the success



of implementing e-office in Railways, RailTel is now implementing same in various universities and Central/State government offices, in partnership with NIC/NICSI including hosting on RailTel's cloud.

### 9.7 Modernization of Railway Control and Command Signalling System

RailTel Corporation of India Limited has been awarded the work of replacement of old mechanical

signalling equipment with state-of-the-art electronic interlocking system at 26 stations of Northern Railway. The existing mechanical signalling systems are using lever frames to both lower the signal and change the tracks. The new Electronic Interlocking signalling system will now enable lowering the signal and changing of tracks by click of a mouse and will enhance safety and improve efficiency of train operation. Work of Electronic Interlocking at 09 stations has been commissioned.

RailTel is also working closely with Railways to modernise signalling and train control system through adoption of intelligent and modern control and command signalling system.

### 9.8 AI/IOT based services:

RailTel is working on AI enabled OFC acoustic sensing based intrusion detection system on Indian Railways like movement of elephants in forest areas crossing Railway lines, which may be upgraded to pre-warn railway controllers for any impending landslide or river bank erosion which may cause disruption to railway traffic. RailTel is also working on provision of AI/ML powered digital twin for safer, efficient and future ready train traffic.

### 9.9 State Wide Area Network

RailTel is also helping create and maintain the State Wide Area Networks (SWAN) in various States of the country. In Haryana RailTel is maintaining the complete SWAN IT infrastructure and upgrading the same where ever required. In Kerala, RailTel is upgrading the State Wide Network with new generation equipment and providing Facility Management Services. Work of upgrading the ORISSA SDWAB has been entrusted to RailTel.

## 10. R&D and Innovative Initiative

RailTel is continuously improving its services and developing new projects and thus involved in various R&D and innovative initiatives. During financial year 2022-23 RailTel has spent Rs.5.37 Cr towards following initiatives:

**Enhanced Automation in its CNoC operation:** RailTel's fully automated helpdesk, developed with

open-source tools, has not only revolutionized our ticketing system but also resulted in significant cost savings. Customers can now initiate tickets themselves via the self-service portal, leading to increased satisfaction, reduced response time, and minimization of manual errors. The automated Interactive Voice Response (IVR) allows customers to create tickets by just dialing in the circuit ID, further eliminating manual intervention.

**Unified IP & DWDM management:** Harnessing the power of OpenNMS, we've achieved a unified management of IP and DWDM which has significantly streamlined our network operations. This approach has reduced the necessity for manual tracking two different NMS, thereby freeing up resources and time. The automation of alerts, sent to concerned users via Telegram, reduces delays in communication and ensures that the necessary actions can be taken promptly.

**Operational network map:** Our initiative maps the pan-India high-capacity network of RailTel onto the geographical map of India, illustrating nodes and their connectivity statuses. Integrated with our ticketing tool (HPSM), this map visually displays any registered failures by changing the color of the corresponding node or connectivity as per severity. This bird's-eye view of our network operations is accessible to everyone, from senior management to field staff. The Operational Network Map has significantly improved our failure Mean Time to Repair (MTTR), promoting better coordination and escalation due to its single-pane, comprehensive view.

**Cyber security enhancement via the SoC services portal:** The SOC Services Portal is a vital tool in RailTel's commitment to security. It acts as a one-stop platform for delivering antivirus solutions and cataloguing antivirus installations among RailTel employees, effectively handling more than 300 such requests. This portal also serves as an interface to facilitate system hardening requests from employees, having managed over 75 of these requests. Additionally, it performs a critical role in raising cybersecurity awareness among end-users, while offering easy access to security reporting

tools such as a web access log analyzer, IP/HASH reputation check, and SSL protocol and cipher suite checks for advanced users.

**Use of Ansible for automated tasks:** Ansible tower has been strategically employed to automate routine tasks performed by the Data centre team, enabling delegation to Level-1 support, thus eliminating the need for sharing elevated privileges. For example, in e-Office Service Management, the implementation of an Ansible playbook eliminated the requirement for an admin for the frequent restarting of services, and instead, the Level-1 support team can handle it. Likewise, for e-Office EFILE on-click log collection, the implementation of Ansible with an external File server has streamlined the log collection process. Similar approaches have been applied for RHEL, Cisco, and Dell server log collection at the physical and virtual machine level.

**Server farm record keeping portal:** RailTel utilizes a comprehensive Server Farm Record-Keeping Portal, an intuitive interface designed for efficient management of hardware appliance provisioning and rack space within any data centre environment. This platform ensures seamless record-keeping, contributing significantly to the optimization of data centre operations.

## 11. Existing Services

While the new areas of business open additional avenues for RailTel, RailTel continues its focus on the present services being offered.

### 11.1 NLD Services

Continuing the efforts in NLD segment, RailTel has pursued its high capacity services from Lease Line growth especially with Government departments, Enterprises, Banks, etc. Last year also saw positive traction in leasing of circuits by MNCs, Govt. customers, Telecom operators and MSOs. Selection of RailTel as one of the major partners in National Knowledge Network (NKN) has contributed significantly in revenues from NLD services as demand for higher capacities is expected in this network. RailTel has generated ₹ 569 Cr. revenue from this segment.

## 11.2 IP-1 Services

Tower collocation business translates to a good alternative for RailTel to monetize its towers infrastructure. Dark fiber leasing is a strategic customer engagement product for RailTel. The sector needs renewed focus as it is the highest bottom-line business with added advantage of extensive last mile access as a reciprocal arrangement. RailTel is also refocusing on managed services. This shall help in further consolidating its market with existing customer arrangements with all mobile operators across India to lease these sites for collocation purposes. Till Mar'23, RailTel has generated ₹ 215 Cr. revenue from this segment.



## 11.3 ISP Services

RailTel is also providing Nationwide Internet & Broadband services to all major customer segments like ISPs, Educational Institutions and various Government departments. During the year RailTel has bagged several orders from various Government departments, PSUs and educational institutes. RailWire broadband services have registered net growth of 52000 new subscribers in FY 22-23 with 5,16,000+ active subscriber base on Mar' 23. Around 8673 Local Cable Operators have partnered to provide last mile connectivity to end consumers. Total revenue of ₹ 318 crores was achieved during the year.

## 11.4 Service to Railways

RailTel was established with the vision to modernize Railways train control, operations and safety system networks. Over the years, RailTel has implemented various telecom & IT infrastructure projects as well as various Value-Added Services for Indian Railways. This facilitated in spreading various Railways applications to remote and rural stations thus increasing customer satisfaction.

- **RailNet:** RailTel has provided RailNet, the intranet of Indian Railways, over MPLS VPN. RailNet connects Railway Board with all Zonal, Divisional, Sub-divisional Hq's Production units, CTI's, RDSO & all other units. This secured and dedicated network is used for video conference, voice and data transfer by IR.
- **Short haul connectivity (station to station):** RailTel has created STM-4/STM-1 based network at every station to support data connectivity requirements from Indian Railways such as supporting the transfer of PRS/UTS/FOIS/mission critical information along with carriage of voice traffic such as emergency communication during disaster management.
- **Long haul connectivity:** RailTel provides MPLS based Wide Area Network (Railnet) to support administrative data communication needs of various field organizations of Indian Railways. The network interconnects Ministry of Railways with 18 Zonal HQs, 67 Divisions offices, Production units, for sharing of information from all depts. RailTel is now in the process to connect all Tier-1 PRS centre on MPLS VPN connectivity with the disaster recovery site of CRIS which shall increase the reliability of these links.
- **Broadband:** In addition, RailTel has commissioned Digital Subscriber Line Access Multiplexer (DSLAMS) on existing Railway exchanges to provide Broadband services to more than a lakh of homes and offices of Indian Railways in both urban and rural areas using the existing Copper wire last mile of Railways. This shall not only help Railway employees but shall also help in increasing Broadband penetration in the country in line with the National Telecom Policy.

### 11.5 Data Centre

RailTel has two UPTIME (USA) certified Tier-III & MeitY Empaneled Data Centers in place at Secunderabad and Gurugram.



RailTel Data Center at Gurugram

RailTel offers a host of Data Centre services like Colocation Services, Managed services, Cloud Computing, Managed e-Office, Aadhaar Authentication Services, Dedicated Solutions etc, from these two state-of-the-Art Data Centres with combined total gross capacity of more than 6000 Sq.ft Server Farm area.

RailTel cloud services are backed by SLA of 99.95% and co-location services by SLA's of 99.983% which is one of the best by industry standard. The USP of RailTel Data centre is round the clock multi-layered Physical security at different levels, Very Early Smoke Detection System, IP CCTV System, Access Control System, Water Leak Detection System, Rodent Repellent System, and Building Management System. The on-site power system with redundant diesel generators feeding a N+N redundant UPS grid to offer the highest levels of power reliability. Besides Indian Railway, a number of Government customers trust RailTel for the Data Centre services. RailTel Data Centres are empanelled with MeitY for providing cloud services to Govt. Departments & PSUs.

### 11.6 Telepresence as a Service (TPaaS)

RailTel's TPaaS an end-to-end, high-definition videoconferencing service that gives users a virtual,

face-to-face meeting experience was launched in January-2015. Before adoption of TPaaS Indian Railways were spending huge amount of money and man hours for meetings and events. Post adoption of TPaaS the number of travels for meetings and events has dropped drastically saving manhour, travel and lodging expenses. Extensively used for inauguration of Rly facilities across India.

Being swifter, faster in decision making and crisis handling, lesser travel for meetings and events has also helped in saving significant amount of carbon footprints. The service now serves 686 elite users across including 380 railway customers. The success is a result of the significant ease of use & 24X7 customer responsiveness of the RailTel team vis-a-vis the challenges faced with other service providers.



RailTel's TPaaS services

The RailTel Telepresence Services have often served events for the Hon'ble Prime Minister of India, Minister of Railways, Minister of Industry & Commerce & Minister of Civil Aviation reaching out to places where making available even OB Vans would have been difficult at short notice. The services are offered on a monthly subscription basis requiring no investment into CAPEX by the customer while obviating the recurring need for investment due to technology obsolescence.

### 11.7 SI Project Business

Continuing the efforts in Service Integrator business, RailTel has focused on SI Business during the year &

various high volume orders for various government agencies such as Coal PSUs, Delhi Safe City, AFNET, OSWAN, MP State Govt, Puducherry Govt, CDAC, Banks and some Strategic organisations have been received.

## 12. Facilitating Government of India Initiatives

### 12.1 National Optical Fiber Network

The Government of India has approved the project for the creation of a National Optical Fiber Network (NOFN) for providing Broadband connectivity to all 2.5 Lac Gram Panchayats (GPs), which has now been rechristened as 'BharatNet'.

Under the Phase-I of this project. RailTel was assigned the BharatNet work in Gujarat, Daman & Diu, Dadar & Nagar Haveli, Puducherry and Northern Eastern region states (Tripura, Meghalaya, Manipur, Mizoram, Nagaland & Arunachal Pradesh.). RailTel has laid over 27000 Km OFC and completed 8107 GPs. Work has been closed in March 2023.

## 13. Blueprint for the Future

Over the past few years, there has been continuous pressure on telecom company's revenue with traditional products and services. The pandemic accelerated and amplified the trends that were already existing in companies, it also led to development of new products and services. There has been business model disruption with technologies like AI, Big data and IoT.

Considering the dynamic nature of Telecom & IT industry, it is always pertinent to closely look into the future & work out the strategy for the company. With this aim, RailTel keeps revisiting its policies, new areas of business and new customers areas. It is pertinent to have more services under RailTel's portfolio to cover entire gamut of Enterprise services which shall provide further growth trajectory for RailTel. RailTel now needs to focus on value addition capabilities in the area of Data Centre centric services such as managed services & cloud, LTE (Long Term Evolution), IOT (Internet of Things) Platform and Analytics, SOC, KAVACH (Traffic Collision Avoidance

System), etc. In some areas these can be developed effectively using partnership models ensuring risk mitigation while delivering such services. In order to realize the vision of being the preferred telecom solutions and service provider for knowledge economy, RailTel would be following a three-pronged strategy of concentrating on optimizing the products & services bouquet, expanding the network and upgrading to a high capacity network.

**Products & Services:** RailTel is continuously focusing on providing value added services through partnership models supported by RailTel's existing network and cloud for enterprise segment. A new data centre and Edge data centres on revenue sharing model are some of the services in the pipeline. RailTel has a dedicated new product development process that enables RailTel to roll out quality products and services in the fast-paced technology industry.

**Network enhancement:** RailTel believes that its extensive network is its key differentiator in the market and hence a key value proposition in delivering services to its customers. RailTel thus plans to invest in upgradation of backbone network, upgradation of CNoC, Access network, 100G to 800G network at prominent locations through procurement of routers, power plants, charges and state of the art latest equipment.

### Cyber Security:

With the entry of 5G services, there would be rapid shift in the services and operating model of delivering services, with wider adoption of evolving technologies like IoT, AI/ML and AR/VR, convergence of services, Digital trust would be one of the key components for the services being consumed. For this, cyber security is a new area which offers lot of opportunities. We have strategically decided to enhance our capabilities to serve this market as robust cyber framework, strong data governance will enable RailTel in building digital trust and customer centric services.

**Other Services/Products:** RailTel has been implementation partner in various IT, Smart city, E-gov projects of Central/State Govts. RailTel is also providing Consultancy for ICT services, and

Aadhar based authentication services etc. Focus will also be on various Railway projects like signalling, LTE-R, Kavach, Station modernization, Drone based services, AI/ML powered applications for safer and better tomorrow, modern control and command signalling including consultancy.

**International Business:** RaiTel shall also be entering into the domain of international business, especially ICT, Railway infrastructure, competence development etc.

**Organization Design:** RailTel's organisational design is continuously evolving to suit changing business needs such as the Company's entry into enterprise IT services and execution of ICT projects & initiatives launched by the Central Government and various State Governments.

**Internal Processes:** RailTel believes that strengthening of internal business processes is essential for efficient customer service delivery & cost efficiency that in turn would enable savings for higher investments in the future. RailTel is continuously improving key business processes such as service assurance, key account management, management information systems (MIS) to improve competitiveness.

## 14. ESG and Sustainability

Efforts are continuously being made by RailTel by adopting and implementing adequate mechanisms which include reorientation of policies so that the company remains ESG compliant not only in letter but in spirit as well. RailTel has brought into place policies so as to conduct Business in a manner that is ethical, transparent and accountable; provide services which are sustainable and safe; ensure the well-being of all employees in regard to their health, leave benefits, training, skill and career development. RailTel respects and promote human right. It provides equal opportunities to all. Disclosure of complaints on discrimination/ harassment/ unequal treatment at workplace is mandatory. RailTel implements the Govt. of India policies/ guidelines issued from time to time including the rights of Person Disability Act, 2016. RailTel has brought into place the Business practices to protect and restore

the environment, Energy Conservation Measures and monitoring of emissions etc.; Accountability for waste generated, recycled, reused and disposed-off have been defined. Disclosures on Environmental Impact Assessments (EIA) and impact on biodiversity is stressed upon. RailTel promotes inclusive and equitable development through CSR activities. It has a robust Grievance redressal mechanism in place. Guidelines have been numerated to provide value to the consumers in a responsible manner. A detailed Business Responsibility and Sustainability Report (BRSR) report is separately available in the Annual Report.

## 15. Financial Performance

During the financial year 2022-23, total consolidated revenue from operations earned by RailTel is ₹ 1964 crore. Profit after Tax earned has been ₹ 189 crore and Profit before tax has been ₹ 255 crore. From NLD (Bandwidth & VPN) services, RailTel earned ₹ 569 Crore during the year. While earning from IP-1 services has been ₹ 215 Crores which includes revenues from tower & rack colocation and Dark fiber leasing. While under ISP license (Internet & Broadband) RailTel has achieved revenues of ₹ 380 Crores. The revenue from RailWire, broadband service of RailTel, for the year is ₹ 318 Crores.

## 16. Awards

During the year 2022-23, RailTel received following awards for its excellent performance from various organizations:

- RailTel won the South Asian Federation of Accountants (SAFA) award- certificate of merit for Integrated Reporting and Corporate Governance Disclosures 2021.
- RailTel has been conferred with the Dun & Bradstreet Award 2022 in the Telecommunication & Information Technology (Central PSUs) category.
- RailTel's Corporate Communication team has been featured in the Reputation Today Top 30 Corporate Communication Team in India list 2022.





RailTel has been conferred with the 'Excellence in Railway Telecom Solutions' in the 2nd Urban Infra Business Summit & Awards 2022.

- RailTel was felicitated at Rail Analysis Innovation and Excellence Summit 2023 for excellence towards Telecom Solutions and Connectivity across the Rail network.
- RailTel received the Governance Now PSU award in the category of 'Use of emerging technologies-Cloud' in the 9th PSU awards and conference. RailTel's RailCloud is MeitY empanelled reliable Cloud service.
- RailTel's Rajbhasha magazine "RailTel Pragati" was honoured with the first prize by Nagar Rajbhasha Karyanvyan Samiti (NARAKAS) amongst the 44 entries in the best magazine category. The magazine was also conferred with the Silver Award in the 16th Global Communication Conclave organized by the Public Relations Council of India.
- RailTel received Bronze award in the Best CSR communication campaign for the communication campaign ran for RailTel's CSR projects in Rajur, Maharashtra, in the 16th Global Conclave organized by Public Relations Council of India.
- RailTel has been conferred with the Data Centre Champion award at the Express Computer event organised by Indian Express group.

## 17. CSR Initiatives

RailTel is actively involved in meeting its social obligations through the Corporate Social Responsibility programme and is actively supporting programmes for Digital Literacy, Education, Health and Physically challenged children.

RailTel contributed an amount of ₹ 436.87 Lakh in FY 2022-23. Following major CSR initiatives were undertaken in FY 2022-23:

- Treatment of Congenital Heart Disease for poor children who cannot afford such treatment, at subsidized rates at Artemis Hospital in Gurgaon.
- SEHAT Centre at Purulia, West Bengal: intends to improve the availability and access to quality health care to women specially in the area of Menstrual Hygiene, Eye check-up, supplement services for Pregnant & Lactating Women.



- Medical Health and Dental check-up camps in Ferozepur, Punjab for poor and needy people for conducting preventative and diagnostic health check camps for the public and focusing on special care of poor and needy persons, providing free medicine and treatment of dental issues.
- Digital learning with smart classes for students at 05 government schools at aspirational district Haridwar, Uttarakhand. This will help school students be in synch with latest trends and help the learn the subjects in easy and fun way with digital learning tools.

Digital Classrooms

- e) Vocational training centre for youth at Bhokardan, Jalna and Maharashtra These centres are training the youth from nearby villages in skills like computers soft skills, tailoring and beautician skills.
- f) Jal Sanchay programme in aspirational district Karauli, Rajasthan with activities like community mobilization, construction of check dam/Anicut for water recharge and water restorage, Leach pit for water recharge in slopy area, pond digging & repairing, plantation of about 4000 plants and development of green belt in area.
- g) RailTel, in association with Centre for Social Responsibility and leadership, New Delhi, has established RailTel- Akansha Super 30



Congenital Heart Disease Treatment

centre where 30 underprivileged but talented students from different corners of Uttarakhand are provided free residential coaching and mentoring for 11 months for admission in reputed engineering colleges like IIT, NIT and state engineering colleges.

## 18. Human Resources

RailTel has made a conscious effort to keep evolving its practices in Human Resources and providing best experience and convenience to its employees. To improve on its employee score, RailTel has implemented e-office and ERP which enables employee to perform all work related activities online bringing efficiency & in working. This initiative has benefitted most to the employees deputed in fields who can now work without a visit to territorial/regional offices.

Keeping pace with the requirements of future requirements and new service diversifications, RailTel is continuously recruiting experienced and qualified manpower from different fields.

At the end of Mar'23 total manpower strength was 827 including regular, deputationist, contractual, re-employed, consultants and Advisor.

## 19. Health and Safety of Employees

RailTel as an organization provides a safe working environment for employees by incorporating safe equipment and safe procedures at the workplace to ensure worker safety. Various steps and initiatives taken for health and safety improvement of its Human Resource during the year following initiatives were taken:

- RailTel organized COVID-19 Booster dose vaccination camp for its employees.
- A complimentary health check-up camp in collaboration reputed Hospitals was organized for the employees of RailTel at EKN and Gurgaon respectively. The health check-up included Blood Sugar, BMI, BMD, Pulmonary Function, ECG, eye check-up and Dental check-up etc.
- On the occasion of World Cancer Day (4th February), a health talk on the role of lifestyle in the management of lifestyle diseases was got organized. The keynote speaker was Dr. Asha Sharma/Senior Consultant/Obstetrics and Genealogy/Artemis Hospital.
- An interactive talk was held by doctors of Sir Ganga Ram Hospital on Nutrition &

Healthy Living & Skin Care on the occasion of International Women's Day.

- RailTel celebrated International Day of Yoga on June 22 on pan-India basis.

## 20. Cautionary statement

Statements in the Director's Report and Management Discussion & Analysis, describing the Company's objectives, projections and estimates, expectations, predictions etc may be "forward

looking statements", within the meaning of the applicable laws and regulations. Forward looking statements contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Actual results, performances or achievement may vary materially from those expressed or implied, economic conditions, Government policies and other incidental factors such as litigation and industrial relation. Readers are cautioned not to place undue conviction on the forward-looking statements.

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# Report on Corporate Governance

## 1. Introduction

The Board of Directors at RailTel Corporation of India Limited (“**RCIL**”) is committed to follow the principles of good Corporate Governance which is supplemented by the leadership as well as the deep-rooted values that the company firmly stands thereby promoting best practices, transparency and integrity throughout.

This report is prepared in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), the Companies Act, 2013 and DPE Guidelines on Corporate Governance. The Report contains details of Corporate Governance systems and processes at RCIL.

RCIL a Mini Ratna, Category-1, Schedule-‘A’ CPSE. The Equity Shares of RCIL got listed on the NSE and BSE on 26<sup>th</sup> February, 2021 and has established a sound framework of Corporate Governance.

## 2. Corporate Governance Philosophy and Key Values

Highest levels of Corporate Governance can be observed across the practices and the day-to-day operations of RCIL.

RCIL believes that Corporate Governance is an evolutionary process that encourages the Company as a whole to constantly develop and enhance transparency and good governance so as to emerge as a role model for other companies.

RCIL’s code of Corporate Governance is to enhance ethical and transparent process in managing the affairs of the Company.

The Key Values of the Company formally adopted by the Board of Directors are:

- Zeal to excel and zest for change
- Integrity and fairness in all matters
- Respect for dignity and potential of individuals
- Strict adherence to commitments

- Ensure speed of response
- Foster learning, creativity and team work
- Loyalty and pride in the Company

Corporate Governance is strengthened by the fact that RCIL has a Code of Conduct for Board members and Senior Management and the operations and accounts are audited at multiple levels. There is a process of Internal Audit, Statutory Audit, Cost Audit and Secretarial Audit. Furthermore, the company is committed to maintain a transparent flow of information and ensure compliance with the objectives of ‘the principal of corporate governance’ stated under Listing Regulations.

## 3. Board of Directors

The Board of Directors of the Company consists of experienced professionals who ensures the Company’s prosperity by collectively directing towards the Company’s Mission and Vision and functions in accordance with the provisions of the Companies Act, 2013, Listing Regulations, Articles of Association, Corporate Governance Guidelines issued by Department of Public Enterprises (DPE) and other directions/ guidelines issued by the Government of India, from time to time, as applicable to the Company, whilst meeting the appropriate interests of its shareholders and stakeholders.

### 3.1 Composition of Board of Directors

RCIL is a “Government Company” within the meaning of Section 2(45) of the Companies Act, 2013 as 72.84% of the total paid up equity share capital of the Company is held by the President of India acting through Ministry of Railways (“**MoR**”), Government of India. As per the provisions of the Articles of Association of the Company, the power to appoint/nominate Directors on the Board of the Company vests with President of India acting through MoR. The detailed composition of the Board as on 31/03/2023 is shown in **Table 1:-**

**Table-1**

Director	Designation
Shri Sanjai Kumar	Chairman & Managing Director
Shri Rakesh Ranjan	Director/Network, Planning & Marketing (Additional Charge)*
Shri V. Rama Manohara Rao	Director/Finance
Shri Manoj Tandon	Director/Project, Operations & Maintenance
Dr. Subhash Sharma	Part-time non-official/Independent Director
Shri N. Manoharan	Part-time non-official/Independent Director
Shri Rameshwer Meena	Part-time Govt. Nominee Director

\*He ceased to be Director/Network, Planning & Marketing and continuing as Part-time Govt. Nominee Director w.e.f. 04/07/2023.

### 3.2 Details of Directorships, Committee Memberships and Committee Chairpersonship in Companies as on the date of this report:

The details of Directorships, Committee Memberships and Committee Chairpersonship in Companies as on the date of this reports is shown in **Table-2:**

**Table-2**

Name of Director	Charge held and nature of Directorship	Members of the Boards of public companies (other than RCIL) excluding Directorship in private companies	Total no. of Committee memberships held including RCIL (excluding private companies)	
			As Chairperson	As Member other than Chairperson
Shri Sanjai Kumar	Chairman and Managing Director	1 (RailTel Enterprises Limited)	1 (Risk Management Committee in RCIL)	NIL
Shri V. Rama Manohara Rao	Director-Finance	NIL	NIL	3 Committees as per details given below:- - CSR Committee in RCIL - Stakeholders Relationship Committee in RCIL - Risk Management Committee in RCIL
Shri Manoj Tandon	Director- Project, Operations & Maintenance	NIL	NIL	1 Committee as per detail given below:- - Risk Management Committee in RCIL

Name of Director	Charge held and nature of Directorship	Members of the Boards of public companies (other than RCIL) excluding Directorship in private companies	Total no. of Committee memberships held including RCIL (excluding private companies)	
			As Chairperson	As Member other than Chairperson
Shri Yashpal Singh Tomar	Director - Network Planning & Marketing	NIL	NIL	Committee as per details given below:- - Risk Management Committee in RCIL
Shri Rakesh Ranjan	Part-time Govt. Nominee Director	NIL	NIL	2 Committees as per details given below:- - CSR Committee in RCIL - Stakeholders Relationship Committee in RCIL
Shri Rameshwer Meena	Part-time Govt. Nominee Director	NIL	NIL	2 Committees as per details given below:- - Audit Committee in RCIL - Nomination & Remuneration Committee in RCIL
Dr. Subhash Sharma	Part Time non-official Director (Independent Director)	NIL	2 Committee as per detail given below:- - Nomination & Remuneration Committee in RCIL - Audit Committee in RCIL	NIL
Shri N. Manoharan	Part Time non-official Director (Independent Director)	NIL	2 Committee as per detail given below:- - Stakeholders Relationship Committee in RCIL - CSR Committee in RCIL	3 Committee as per detail given below:- - Nomination & Remuneration Committee in RCIL - Risk Management Committee in RCIL - Audit Committee in RCIL

Presently, the strength of the Board of Directors is 8 (Eight), comprising of Four whole-time Directors (i.e. Chairman & Managing Director, Director/NPM, Director/Finance and Director/POM), Two Independent Directors and Two Part-time Govt. Nominee Director.

The Chairperson is an Executive Director and therefore, half of the Board should comprise of Independent Directors as required under the provisions of Regulation 17 of Listing Regulations. As on 31/03/2023, there was vacancy of Four (4) Independent Directors including One (1) Women Independent Director for which appointment request has already been made to the MoR.

Since the power to appoint the Directors on the Board of RCIL vests with the President of India acting through MoR, the Company from time to time requests its Administrative Ministry i.e. MoR to appoint the requisite number of Independent Directors on the Board of the Company including Women Independent Director.

### 3.3 Change in Directorships:

During the Financial Year 2022-23, following changes took place in the Board Composition:

Name of Director	Cessation/Appointment of Director(s)
Shri Rakesh Ranjan	Appointed as Part-time Govt. Nominee Director w.e.f. 18/04/2022. He has been entrusted with the additional charge of the post of Director/NPM w.e.f. 26/10/2022. He ceased to be Director/Network, Planning & Marketing and continuing as Part-time Govt. Nominee Director w.e.f. 04/07/2023.
Shri Puneet Chawla	Ceased to be Chairman & Managing Director w.e.f. 11/05/2022 on completion of tenure.
Smt. Aruna Singh	Entrusted with the additional charge of the post of CMD w.e.f. 11/05/2022 to 23/09/2022.
Shri Chinnsamy Ganesan	Ceased to be Part-time non-official/Independent Director w.e.f. 12/07/2022 on completion of tenure.
Shri V. Shanker	Ceased to be Part-time Govt. Nominee Director w.e.f. 08/08/2022 on completion of tenure.
Shri Vikas Kumar Jain	Appointed as Part-time Govt. Nominee Director w.e.f. 19/09/2022. On transfer of Shri Vikas Kumar Jain from the post of ED/ GS (Civil)-I/ Railway Board, he ceased to be Part-time Govt. Nominee Director w.e.f. 30/01/2023.
Shri Sanjai Kumar	Appointed as Chairman & Managing Director w.e.f. 23/09/2022. On being elevated to the post of Chairman & Managing Director, he ceased to be Director/NPM w.e.f. 23/09/2022.
Shri Anand Kumar Singh	Ceased to be Director/Finance w.e.f. 01/10/2022.
Shri Rabindra Nath Mishra	Entrusted with the additional charge of the post of Director/Finance w.e.f. 07/10/2022 till 26/10/2022.
Shri V. Rama Manohara Rao	Appointed as Director/Finance w.e.f. 27/10/2022
Shri Rameshwer Meena	Appointed as Part-time Govt. Nominee Director w.e.f. 17/03/2023.
Shri Manoj Tandon	Appointed as Director/Project, Operations and Maintenance w.e.f. 20/03/2023.

#### Notes:

- The Company being a CPSE, all Directors are appointed/ nominated by the Government of India.
- The term 'whole-time director' used in this report refers to functional/ executive directors.
- The term 'Part-time Govt. Nominee Director' indicates part-time Government nominated directors.
- The term 'non-official'/'independent' indicates part-time Directors who are qualified to be appointed as Independent Director under section 149(6) of the Companies Act, 2013 and rules made thereunder

and as per Regulation 16 (1) (b) read with Regulation 25(8) of Listing Regulations.

- Apart from the remuneration to Directors as per the terms and conditions of their appointment and entitled sitting fee to part-time non-official Directors/Independent Directors, as detailed in this report. None of the Directors has any material or pecuniary relationship with the Company which can affect their independence of judgment.
- The number of Directorships of all the Directors is within the maximum limit of 20 Companies (out of which maximum 10 Public Companies) as prescribed under Section 165 of the Companies Act, 2013 and rules made thereunder and as per Regulation 17A of Listing Regulations.
- Committees here denote Audit Committee, CSR Committee, Nomination & Remuneration

Committee, Stakeholders Relationship Committee and Risk Management Committee.

- None of the whole - time directors of the Company are serving as an Independent Director in any other listed company.
- The number of Committee Memberships/ Chairmanships of Directors is within the prescribed ceiling limit in accordance with Regulation 26 (1) of Listing Regulations and the provisions of DPE Corporate Governance Guidelines.

### 3.4 Number of Board meetings

The Board of Directors met Eight (8) times during the Financial Year 2022-23. The details of Board Meetings held during FY 2022-23 is shown in **Table-3:**

**Table-3:**

Sr. No	Board Meeting Number	Date of Board Meeting	*Board Strength	No. of Directors Present		Percentage of Attendance of Board Meeting
				In Person	Through Video Conferencing	
1.	131 <sup>st</sup>	04/05/2022	8	4	3	87.5
2.	132 <sup>nd</sup>	24/05/2022	8	6	1	87.5
3.	133 <sup>rd</sup>	09/07/2022	8	6	0	75
4.	134 <sup>th</sup>	10/08/2022	6	5	1	100
5.	135 <sup>th</sup>	29/09/2022	6	5	0	83.33
6.	136 <sup>th</sup>	10/11/2022	6	4	2	100
7.	137 <sup>th</sup>	31/01/2023	5	5	0	100
8.	138 <sup>th</sup>	22/03/2023	7	5	1	85.71

Leave of absence was granted in accordance with the provisions of Section 167(1) (b) of the Companies Act, 2013 and rules made thereunder.

Shri J. S. Marwah, Company Secretary, has attended all Board Meetings of the Company held during the Financial Year 2022-23.



### 3.5 Details of attendance of the Directors at the Board Meeting during FY 2022-23

Details of attendance of the Directors at the Board Meeting during FY 2022-23 is shown in **Table-4**:

**Table-4**

Director	No. of meetings during 2022-23		
	Held (during their respective tenures while holding charge)	Attended	Attended last AGM
Shri Sanjai Kumar	8	8	Yes
Smt. Aruna Singh	3	3	NA
Shri Puneet Chawla	1	1	NA
Shri Rakesh Ranjan	8	7	Yes
Shri V. Rama Manohara Rao	3	3	NA
Shri Anand Kumar Singh	5	5	Yes
Shri Manoj Tandon	1	1	NA
Shri Rameshwer Meena	1	1	NA
Shri Vikas Kumar Jain	2	1	NA
Shri V. Shanker	3	0	No
Dr. Subhash Sharma	8	7	Yes
Shri Manoharan Nallasamy	8	8	Yes
Shri Chinnsamy Ganesan	3	3	NA

- Shri Puneet Chawla ceased to be CMD w.e.f. 11/05/2022.
- Smt. Aruna Singh ceased to be CMD w.e.f. 23/09/2022.
- Shri Anand Kumar Singh ceased to be Director/ Finance w.e.f. 01/10/2022.
- Shri V. Shanker ceased to be Part-time Govt. Nominee Director w.e.f. 08/08/2022.
- Shri Vikas Kumar Jain ceased to be Part-time Govt. Nominee Director w.e.f. 30/01/2023.
- Shri Chinnsamy Ganesan ceased to be Part-time non official/Independent Director w.e.f. 12/07/2022.

#### 4. Disclosure about Directors

As per the disclosures made by the Directors in terms of provisions of Section 184 of the Companies Act, 2013, no relationship exists between Directors inter-se.

Part-time Govt. Nominee Directors are from the Administrative Ministry i.e. MoR and thus related to the promoters being the Government of India, MoR.

The appointment of Whole-Time Directors of the Company is done by the President of India acting through MoR and not by the Company. Further, Government of India appoints Part-Time (Govt. Nominee & Non-Official/Independent) Directors for a fixed tenure.

As per the disclosure given by the non-executive directors, none of them held any shares of RCIL during FY 2022-23.

#### 4.1 Familiarization Programme/Training Programme for Independent Directors

The Company familiarizes the Independent Directors with the activities and functioning of the Company and their roles, rights and responsibilities in the Company, nature of the industry in which the company operates, business model of the Company etc. through various programmes and presentations. The details of such familiarization programmes are disclosed on the company's website at [weblink https://www.railtelindia.com/familiarization-programmes-for-independent-directors.html](https://www.railtelindia.com/familiarization-programmes-for-independent-directors.html)

## 4.2 Skills/ Expertise/ Competence identified by the Board of Directors as required in the context of the business:

Being a Government Company, the appointment of all the Directors (Whole-Time/ Government Nominee/ Independent Directors) is made by the President of India acting through MoR. A table summarizing the key qualifications, skills, expertise and attributes of the Directors of RCIL, as identified by Administrative Ministry i.e. MoR, Government of India and/or Public Enterprises Selection Board (PESB) is placed below:

S.No.	Category of Director	Required Expertise/Skill
1.	<b>Functional Directors (Whole-time Director)</b>	
	<b>Chairman &amp; Managing Director</b>	<p><b>Qualification:-</b> Engineering graduate/ Chartered Accountant/ Cost Accountant/ Graduate with MBA/ Post Graduate Diploma in Management (PGDIM) from a leading Institute.</p> <p><b>Experience:</b> The applicant should possess five years' cumulative experience/ exposure in the last ten years in Telecommunication &amp; Information Technology sector at a senior level of management in an organization of repute.</p> <p><b>Job Description &amp; Responsibilities:-</b> The Chairman &amp; Managing Director is the Chief Executive of the Company and accountable to its Board of Directors and Government/ Shareholders. He is responsible for the efficient functioning of the company for achieving its corporate objectives and performance parameters.</p>
	<b>Director/Finance</b>	<p><b>Qualification:-</b></p> <ul style="list-style-type: none"> <li>(i) The applicant should be a Chartered Accountant or Cost Accountant or a full time MBA/PGDM course with good academic record from a recognized University/Institution.</li> <li>(ii) Officers of Organized Group 'A' Accounts Services [i.e. Indian Audit and Accounts Service, Indian Defence Accounts Service, Indian Railway Accounts Service, Indian Civil Accounts Service, Indian P&amp;T Accounts &amp; Finance Service and Indian Cost Accounts Service] working in the appropriate level are exempted from these educational qualifications.</li> <li>(iii) Further, applicants from the Central Govt./Armed Forces of the Union/All India Services, will also be exempted from the educational qualifications as per (i) above provided the applicants have 'the relevant experience' as mentioned in Para (iii) below of Experience heading.</li> </ul> <p>In respect of applicants from Organized Group 'A' Accounts Services/Central Government/Armed Forces of the Union/All India Services, Chartered Accountant/ Cost Accountant/MBA/PGDM will be a desirable educational qualification.</p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>(i) The applicant should have at least five years of cumulative experience at a senior level during the last ten years in the area of Corporate Financial Management and Accounts in an organization of repute.</li> </ul>

S.No.	Category of Director	Required Expertise/Skill
		<p>(ii) Applicants from Organized Group 'A' Accounts Services should have at least five years cumulative experience at a senior level during the last ten years in the area of Corporate Financial Management/Accounts.</p> <p>(iii) 'The relevant experience' in respect of applicants from Central Government/ Armed Forces of the Union/All India Services would include at least seven years of cumulative experience at a senior level during the last ten years in the area of Corporate Financial Management/Accounts.</p> <p><b>Job Description &amp; Responsibilities:-</b></p> <p>Director (Finance) is a member of Board of Directors and reports to the Chairman and Managing Director. He/She is the overall in-charge of Finance and Accounts functions of the organization and is responsible for evolving and formulating related policies and their implementation including Financial Planning, budgeting, costing, financial control, preparation of financial statements in compliance with corporate norms and statutory requirements.</p>
	<b>Director/ Network, Planning and Marketing</b>	<p><b>Qualification:-</b></p> <p>The applicant should be an Engineering graduate in Electronics/ Telecommunication/ Electrical with good academic record from a recognised University/ Institute. Applicants with MBA/ PGDM qualifications will have added advantage.</p> <p><b>Experience:-</b></p> <p>(i) The applicant should have at least five years of cumulative experience in Indian Railway signalling or other telecom organization of repute during the last ten years.</p> <p>(ii) Knowledge of modern management techniques, use of information technology and ability of enhancing productivity through economies of scale, logistics management and ability in managing multi-disciplinary teams, planning, networking and outsourcing will have added advantage.</p> <p>(iii) Marketing skills to capture business is desirable.</p> <p><b>Job Description &amp; Responsibilities:-</b></p> <p>Director (NP&amp;M) is a member of the Board of Director and reports to Chairman &amp; Managing Director, RailTel. He exercises statutory and corporate responsibilities in the efficient and profitable operation of the Company. He is also responsible for:-</p> <ol style="list-style-type: none"> <li>1) Planning for telecom and ICT.</li> <li>2) Driving business development in the enterprise sector.</li> <li>3) Conceptualizing and developing product design, product and service pricing, sales and marketing, service delivery and service assurance.</li> <li>4) Development of new business in government domain including telecom, mission made projects.</li> <li>5) Ensuring that the investments in the Company are based on sound strategic and are phased in time with revenue expectations and realization.</li> <li>6) Developing new business through OEM's, franchises, PPP etc. and for entering into Joint Venture and marketing alliances, potential business opportunities and /or marketing arrangement (s) in the telecom sector, including assessment of marketing and sales potential of such new kind of services.</li> <li>7) Brand building publicity for service and product.</li> <li>8) Any other duties and responsibilities assigned by the CMD.</li> </ol>

S.No.	Category of Director	Required Expertise/Skill
	<b>Director / Project Operation, and Maintenance</b>	<p><b>Qualification:-</b> The candidate should be an engineering graduate or equivalent preferably in Electrical / communications/Electronics Engineering with good academic record from a recognized university/institution.</p> <p><b>Experience:-</b> The applicant should have technical/operational experience/ exposure for at least 5 years during the last 10 years at a senior level of management in Telecommunications/Information technology is essential. Experience in Railways sector is preferable. Experience in Marketing/Managing multi-disciplinary streams/HRD/Contract management will have added advantage.</p> <p><b>Job Description &amp; Responsibilities:-</b> Director (Projects, Operations, Maintenance) is a member of Board of Directors and reports to Managing Director. He/she exercises statutory and corporate responsibilities in the efficient and profitable operation of the Company. He/she is responsible for managing specific tasks assigned to him related to projects, operations and maintenance of the telecom assets of the company.</p>
2.	<b>Part-time Government Nominee Directors</b>	As may be decided by the Department of Public Enterprise, Ministry of Railways, Government of India.
3.	<b>Part-time non-official/ Independent Directors</b>	As may be decided by the Department of Public Enterprise, Ministry of Railways, Government of India.

#### 4.3 List of core skills /expertise/competencies actually available with the Board:

All the members of the Board of the Company possess requisite skills, expertise and competencies required for assisting in effective and efficient functioning of the company.

#### 4.4 Board Independence:

During the FY 2022-23, all the Independent Directors on the Board of RCIL have given declaration that they meet the criteria of Independence in accordance with the provisions of Section 149(7) of Companies Act, 2013, Schedule IV and Regulation 16 (1) (b) read with Regulation 25(8) of Listing Regulations. They also declared that their names are included in data bank of Independent Directors maintained by "Indian Institute of Corporate Affairs" in accordance with the requirement under sub rule (1) and (2) of rule (6) of the companies (Appointment and Qualification of Directors) Rule, 2014. In the opinion

of the Board, the Independent Directors have requisite integrity, expertise, specialised knowledge, experience and the proficiency.

Further, none of the Directors are debarred from holding office as Director by virtue of any order of the Securities and Exchange Board of India or any other authority.

#### 4.5 Detailed reasons for resignation of an Independent Director:

None of the Independent Director has resigned during the FY 2022-23.

#### 5. Board Committees

In compliance with requirement of Listing Regulations, the Companies Act, 2013, DPE Guidelines on Corporate Governance and other requirements, the Board of Directors of the

Company has constituted the following Board level Committees:

- i) Audit Committee;
- ii) Nomination and Remuneration Committee;
- iii) Stakeholders Relationship Committee;
- iv) Corporate Social Responsibility Committee; and
- v) Risk Management Committee

The Chairperson of the respective Committees, determines the frequency of the meetings of these Committees. The recommendations of the Committees are submitted to the Board for their approval.

### 5.1 Audit Committee

The Audit Committee was originally set up with the approval of Board of Directors as per the requirement under Section 292A of the Companies Act, 1956. This has been reconstituted from time to time as and when required. The company has amended the terms of reference of the Audit Committee in line with the provisions of section 177 of the Companies Act, 2013, Regulation 18 and Regulation 24(2) of the SEBI (LODR) Regulations, 2015 and DPE guidelines on Corporate Governance. The composition of the Audit Committee as on 31/03/2023 is shown in **Table-6**:

**Table-6**

Sr. No.	Name of Director	Position in the Committee	Designation
1.	Dr. Subhash Sharma	Chairperson	Independent Director
2.	Shri N. Manoharan	Member	Independent Director
3.	Shri Rameshwer Meena	Member	Part-Time Govt. Nominee Director

Shri J. S. Marwah, Company Secretary acts as Secretary to the Committee.

#### 5.1.1 Terms of reference of the Audit Committee as decided by the BoD is as under:-

The Audit Committee shall be responsible for the following, among other things, as may be required by the stock exchanges from time to time:

##### (a) Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- 1) To investigate any activity within its terms of reference.
- 2) To seek information from any employee.
- 3) To obtain outside legal or other professional advice.
- 4) To secure attendance of outsiders with relevant expertise, if it considers necessary.

##### (b) Role of Audit Committee

The role of the Audit Committee shall include the following:

- 1) oversight of the Company financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) taking on record the appointment of auditors of the Company by the Comptroller and Auditor General of India;
- 3) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company based on the order of Comptroller and Auditor General of India;



- 4) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 5) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b) changes, if any, in accounting policies and practices and reasons for the same
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) modified opinion(s) in the draft audit report;
- 6) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 7) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- 8) reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- 9) approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
- 10) scrutiny of inter-corporate loans and investments;
- 11) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- 12) evaluation of internal financial controls and risk management systems;
- 13) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 14) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 15) discussion with internal auditors of any significant findings and follow up there on;
- 16) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 17) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 18) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 19) to review the functioning of the whistle blower mechanism;
- 20) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

- 21) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- 22) Review the following information:
- Management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses;
  - The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
  - Statement of deviations;
    - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 23) To review the follow up action on the audit observations of the C&AG audit;
- 24) Recommend the appointment, removal and fixing of remuneration of cost auditors; and
- 25) Carrying out any other function as specified by the Board as may be prescribed under the Companies Act and SEBI Listing Regulations, from time to time.

### 5.1.2 Meetings and Attendance of Audit Committee

During the Financial Year 2022-2023, the Audit Committee met Four (4) times i.e. on 24/05/2022, 10/08/2022, 10/11/2022 and 31/01/2023. The attendance of the members at the meetings held during FY 2022-23 are shown in **Table-7:**

**Table-7:**

Name of Director	Position in the Committee	Meetings held (During their respective tenures)	Meetings attended	
			In person	Through Video Conferencing
Dr. Subhash Sharma	Chairperson	4	4	0
Shri Chinnsamy Ganesan	Chairperson	1	1	0
Shri N. Manoharan	Member	3	1	2
Shri Rameshwer Meena	Member	0	0	0
Shri Rakesh Ranjan	Member	3	2	1
Shri V. Shanker	Member	1	0	0

**Notes:**

- (a) Shri V. Rama Manohara Rao, Director/Finance has attended all the meetings of Audit Committee as a Special Invitee held during the Financial Year 2022-23 during his tenure.



- (b) Shri Anand Kumar Singh, Ex-Director/Finance has attended all the meetings of Audit Committee as a Special Invitee held during the Financial Year 2022-23 during his tenure.
- (c) Shri Chinnsamy Ganesan ceased to be Chairperson of the Committee w.e.f. 12/07/2022 on completion of tenure.
- (d) Dr. Subhash Sharma was appointed as Chairman of the Committee w.e.f. 12/07/2022 vice Shri Chinnsamy Ganesan.
- (e) Shri N. Manohran was appointed as member of the Committee w.e.f. 12/07/2022.
- (f) Shri V. Shanker ceased to be member of the Committee w.e.f. 08/08/2022.
- (g) Shri Rakesh Ranjan was appointed as member of the Committee w.e.f. 08/08/2022 till 17/03/2023.
- (h) Shri Rameshwer Meena was appointed as member of the Committee w.e.f. 17/03/2023.

## 5.2 Nomination & Remuneration Committee

A Remuneration Committee was constituted on

30<sup>th</sup> March, 2009, in terms of the requirements of Department of Public Enterprises Office Memorandum dated 26<sup>th</sup> November, 2008 for deciding the annual bonus / variable pay pool and policy for its distribution across executive and non-unionized supervisors, within the prescribed limits. The Chairperson of the committee was an Independent Director.

The Company has re-constituted Nomination & Remuneration Committee in line with the requirements of Section 178 of the Companies Act, 2013, the Regulation 19 of the SEBI (LODR) Regulations and the DPE Guidelines on Corporate Governance. Since your Company is a Government Company, therefore the remuneration of its whole-time Directors is determined by the Govt. of India. The Part-time Government Nominee Director(s) do not receive any remuneration from the Company. Further, the Part-time non-official (Independent) Directors are being paid sitting fee of ₹ 20,000/- per meeting for attending meetings of Board or Committees thereof, besides cost of travel and lodging in case of outstation Directors.

The composition of Nomination & Remuneration Committee as on 31/03/2023 is shown in **Table-8**:

**Table-8**

Sr. No.	Name of Director	Position in the Committee	Designation
1.	Dr. Subhash Sharma	Chairperson	Independent Director
2.	Shri N. Manoharan	Member	Independent Director
3.	Shri Rameshwer Meena	Member	Part Time Govt. Nominee Director

Shri J. S. Marwah, Company Secretary acts as Secretary to the Committee

### 5.2.1 Terms of reference for the Nomination & Remuneration Committee as decided by the BoD is as under:-

The Nomination and Remuneration Committee shall be responsible for the following, among other things, as may be required by the stock exchanges from time to time:

- 1) To decide and approve the annual bonus/ variable pay pool/performance related pay and policy for its distribution across executives and non-unionized supervisors of the Company
- 2) To review the policies for selection and removal of persons in Senior Management and other employees as per DPE Guidelines and other Government Guidelines and recommend the same for approval to the Board;
- 3) To identify persons who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;



- 4) To recommend to the Board of Directors a policy relating to the remuneration, in whatever form, for the key managerial personnel, senior management and other employees;
- 5) Taking on record the appointment and removal of directors, including independent directors, by the President of India, acting through respective ministries;
- 6) Taking on record the extension, if any, of the term of the independent directors of the Company, as may be directed by the President of India, acting through the respective ministries; and
- 7) Carrying out any other function as specified by the Board as may be prescribed under the Companies Act or DPE Guidelines, SEBI (LODR) Regulations, 2015 and any other laws and their amendments from time to time and taking on record the various policies, if any, promulgated

by the Central Government.

*Explanation: "Senior Management" shall mean officers / personnel of the Company who are members of its core management team excluding Board of Directors and shall include all members one level below the Chief Executive Officer/Managing Director/Whole time director/Manager (including CEO/Manager, in case they are not part of the board) and specifically includes Company Secretary and Chief Financial Officer (CFO) (below the Board level) and the functional heads.*

### 5.2.2 Meetings, Attendance and Composition of Nomination & Remuneration Committee

During the Financial Year 2022-23, the Nomination and Remuneration Committee met three (3) times (i.e. on 26/04/2022, 10/11/2022 and 22/03/2023). The details of which are given **Table-9**:

**Table-9**

Name of Director	Position in the Committee	Meetings held (During their respective tenures)	Meetings attended	
			In person	Through Video Conferencing
Dr. Subhash Sharma	Chairperson	3	2	1
Shri N. Manoharan	Member	3	0	3
Shri Rameshwer Meena	Member	1	1	0
Shri Vikas Kumar Jain	Member	1	1	0
Shri V. Shanker	Member	1	0	1

#### Notes:

- (a) Shri V. Shanker ceased to be member the Committee w.e.f. 08/08/2022.
- (b) Shri Vikas Kumar Jain was appointed as the member of the Committee w.e.f. 29/09/2022. He ceased to be member of the Committee w.e.f. 30/01/2023.
- (c) Shri Rameshwer Meena was appointed as member of the Committee w.e.f. 17/03/2023.

### 5.2.3 Performance evaluation criteria for Independent Directors

Ministry of Corporate Affairs has, vide its notification dated 5<sup>th</sup> June, 2015, notified the exemptions to Government Companies from certain provisions of the Companies Act, 2013 which inter-alia provides that Section 134 (3)(p) regarding a

statement indicating the manner of formal annual evaluation of Board, shall not apply to Government Companies in case the Directors are evaluated by the Ministry which is administratively in charge of the Company as per its evaluation methodology. Further, the aforesaid circular issued by the MCA has also exempted the sub-sections (2), (3) & (4)

of Section 178 which states that the appointment, performance evaluation and remuneration shall not apply to Directors of Government Companies.

Further, MCA vide its notification dated 5<sup>th</sup> July, 2017 has made an amendment in the Schedule IV of the Act, whereby it has exempted Government Companies from complying with the requirement of performance evaluation by the Independent Directors of Non-Independent Directors and Chairman and performance evaluation of the Independent Directors by the Board if the concerned department or ministries have specified these requirements.

DPE has already laid down a mechanism for performance appraisal of all Functional Directors. The performance evaluation of Functional Directors as well as the Company is done through a system of Annual Performance Appraisal Report (APAR) by MoR and Memorandum of Understanding entered with Ministry of Railways respectively, and the said evaluation is submitted to DPE

through the Administrative Ministry. RCIL enters into Memorandum of Understanding (MoU) with Government of India each year, containing key performance parameters for the Company. The MoU targets are cascaded down and form an integral part of the performance appraisal of the individuals.

In respect of Government Nominee Directors, their evaluation is done by the MoR as per the procedure laid down. Since Independent Directors are also appointed by the Government of India, their evaluation is also done by the Ministry of Railways and finally by DPE.

### 5.3 Corporate Social Responsibility Committee

The Company has constituted a Corporate Social Responsibility Committee (CSR) Committee in accordance with the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder.

The composition of CSR Committee of the Board as on 31/03/2022 is shown in **Table-10**:

**Table-10**

Sr. No.	Name of Director	Position in the Committee	Designation
1.	Shri N. Manoharan	Chairperson	Independent Director
2.	Shri Rakesh Ranjan	Member	Part-time Govt. Nominee Director
3.	Shri V. Rama Manohara Rao	Member	Director/Finance

Shri J. S. Marwah, Company Secretary acts as Secretary to the Committee

#### 5.3.1 Terms of reference for the Corporate Social Responsibility Committee as decided by the BoD is as under:-

- To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities referred to in clause 1;
- To monitor the CSR policy of the Company from time to time;
- To recommend / review CSR projects / programmes / proposals, falling within the purview of Schedule VII of the Companies Act, 2013;
- To assist the Board of Directors to formulate strategies on CSR initiatives of the Company;
- To institute a transparent monitoring mechanism for implementation of the Corporate Social Responsibility projects or programs or activities undertaken by the Company;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

### 5.3.2 Meetings, Attendance and Composition of CSR Committee:-

During the Financial Year 2022-23, the CSR Committee met three times (i.e. on 02/09/2022, 27/09/2022 and 31/01/2023). The attendance of the members at the meeting held during FY 2022-23 is shown in **Table-11**:

**Table-11**

Name of Director	Position in the Committee	Meetings held (During their respective tenures)	Meetings attended	
			In person	Through Video Conferencing
Shri N. Manoharan	Chairperson	3	1	2
Shri Rakesh Ranjan	Member	1	1	0
Shri Sanjai Kumar	Member	2	2	0
Shri V. Rama Manohara Rao	Member	1	1	0
Shri Anand Kumar Singh	Member	2	2	0

#### Notes:

- Shri N. Manoharan was appointed as Chairman of the Committee w.e.f. 12/07/2022 vice Shri Chinnsamy Ganesan.
- Shri Sanjai Kumar ceased to be member of the Committee w.e.f. 10/11/2022.
- Shri Anand Kumar Singh ceased to be member of the Committee w.e.f. 10/11/2022.
- Shri Rakesh Ranjan was appointed as member of the Committee w.e.f. 10/11/2022.
- Shri V. Rama Manohara Rao was appointed as member of the Committee w.e.f. 10/11/2022.

### 5.4 Stakeholder's Relationship Committee

The Company has constituted Stakeholders Relationship Committee in line with the provisions of Section 178(5) of the Companies Act, 2013 and Listing Regulations. The scope and function of the

Stakeholders Relationship Committee is in line with the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of Listing Regulations.

The composition of Stakeholders Relationship Committee as on 31/03/2023 is shown in **Table-12**:

**Table-12**

S. No.	Name of Director	Position in the Committee	Designation
1.	Shri N. Manoharan	Chairperson	Independent Director
2.	Shri Rakesh Ranjan	Member	Part-time Govt. Nominee Director
3.	Shri V. Rama Manohara Rao	Member	Director/Finance

Shri J. S. Marwah, Company Secretary acts as Secretary to the Committee.

#### 5.4.1 Terms of reference for the Stakeholder Relationship Committee as decided by the BoD is as under:-

The Stakeholders Relationship Committee shall be responsible for the following, among other things, as may be required by the stock exchanges from time to time:

- 1) The Stakeholders Relationship Committee shall consider and resolve the grievances of the security holders of the Company including complaints related to transfer of securities, non-receipt of annual report, non-receipt of declared dividends, etc.;
- 2) Reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;
- 3) Review of measures taken for effective exercise of voting rights by shareholders.

- 4) Reviewing the various measures and initiatives undertaken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
- 5) Carrying out any other function contained in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as and when amended from time to time.

#### 5.4.2 Meetings, Attendance and Composition of Stakeholders Relationship Committee

During the Financial Year 2022-23, the Stakeholders Relationship Committee met one time (i.e. on 22/03/2023). The attendance of the members at the meetings held during FY 2022-23 is shown in

**Table-13:**

**Table-13**

Name of Director	Position in the Committee	Meetings held (During their respective tenures)	Meetings attended	
			In Person	Through Video conferencing
Shri N. Manoharan	Chairperson	1	0	1
Shri Rakesh Ranjan	Member	1	0	0
Shri V. Rama Manohara Rao	Member	1	1	0

#### Notes:

- (a) Shri Rakesh Ranjan was appointed as member of the Committee w.e.f. 10/11/2022.
- (b) Shri V. Rama Manohara Rao was appointed as member of the Committee w.e.f. 10/11/2022.

#### 5.4.3 Redressal of Investors' Grievance:

The Company addresses all complaints, suggestions and grievances of the investors expeditiously and resolves them within specified timeline.

#### 5.4.4 Name and Designation of Compliance Officer:

Shri J. S. Marwah, is the Compliance officer of the Company in terms of Listing Regulations.

#### 5.4.5 Name and Designation of Chief Investor Relation Officer:

Shri H.C. Batra, was the Chief Investor Relation Officer of the Company during the FY 2022-23.

#### 5.4.6 Details of Shareholder's Complaints:

The Company addresses all complaints suggestions and grievances of the investors expeditiously and resolves them within specified timeline. During FY 2022-23, a total of 69 queries/complaints from

Shareholders were received, and all the complaints were resolved at the year-end.

### 5.5 Risk Management Committee

The Company has constituted Risk Management Committee in line with the requirement of Regulation

21 of Listing Regulations (as amended). The role and responsibilities of Risk Management Committee is in line with the provisions of Regulation 21 of Listing Regulations.

The composition of Risk Management Committee as on 31/03/2023 is shown in **Table-14** and as on date of this report is shown in **Table-15**:

**Table-14**

S. No.	Name of Director	Position in the Committee	Designation
1.	Shri Sanjai Kumar	Chairperson	Chairman & Managing Director
2.	Shri Rakesh Ranjan	Member	Part-time Govt. Nominee Director
3.	Shri V. Rama Manohara Rao	Member	Director/Finance
4.	Shri Manoj Tandon	Member	Director/POM
5.	Shri N. Manoharan	Member	Independent Director
6.	Shri H.C. Batra	Member & CRO	Executive Director/Finance

Shri J. S. Marwah, Company Secretary acts as Secretary to the Committee.

**Table-15**

S. No.	Name of Director	Position in the Committee	Designation
1.	Shri Sanjai Kumar	Chairperson	Chairman & Managing Director
2.	Shri Yashpal Singh Tomar	Member	Director/NPM
3.	Shri V. Rama Manohara Rao	Member	Director/Finance
4.	Shri Manoj Tandon	Member	Director/POM
5.	Shri N. Manoharan	Member	Independent Director
6.	Shri H.C. Batra	Member & CRO	Executive Director/Finance

Shri J. S. Marwah, Company Secretary acts as Secretary to the Committee.

#### 5.5.1 Terms of reference/role and responsibilities for the Risk Management Committee as decided by the BoD is as under:-

The Risk Management Committee has the key role of monitoring the development, implementation and performance of the Enterprise Risk Management framework and maintains an enterprise wide view of the top risks. The Risk Management Committee shall meet at least twice in a year. The meetings of the risk management committee shall be conducted in such a manner that on a continuous basis not more than one hundred and eighty days shall elapse between any two consecutive meetings.

- 1) Assisting the Audit Committee in overseeing and monitoring the development, implementation and performance of the Enterprise Risk Management Framework;
- 2) Ensuring that management understands and accepts its responsibility for identifying, assessing and managing risks;
- 3) Reporting the top risks faced by the organization to the Audit Committee and subsequent mitigation plan;
- 4) Co-ordinating decision making with the Audit Committee to ensure consistency in the risk management responses;

- 5) Ensuring that responsibility and authorities are clearly defined and that adequate resources are assigned to the Enterprise Risk Management Framework
- 6) Ensuring that effective risk mitigation/control testing programs are in place and the results are evaluated and acted upon;
- 7) Ensuring that adequate process and systems are in place to facilitate cyber security;
- 8) Ensuring that the Audit Committee is informed about any new/emerging risks faced by the organization.
- 9) To perform all such functions as specified in Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 or any amendments thereon time to time.

### 5.5.2 Meetings, Attendance and Composition of Risk Management Committee

During the Financial Year 2022-23, the Risk Management Committee met two (2) times (i.e. on 23/05/2022 and 22/11/2022). The attendance of the members at the meetings held during FY 2022-23 is shown in

**Table-16:**

**Table-16**

Name of Director	Position in the Committee	Meetings held (During their respective tenures)	Meetings attended	
			In Person	Through Video Conferencing
Shri Sanjai Kumar	Chairperson	2	2	0
Smt. Aruna Singh	Chairperson	1	1	0
Shri Rakesh Ranjan	Member	1	0	1
Shri V. Rama Manohara Rao	Member	1	1	0
Shri Anand Kumar Singh	Member	1	1	0
Shri N. Manoharan	Member	2	0	1
Shri H.C. Batra	Member & CRO	2	2	0

**Notes:**

- (a) Smt. Aruna Singh was appointed as Chairperson of the Committee w.e.f. 11/05/2022 to 23/09/2022.
- (b) Shri Sanjai Kumar was appointed as Chairperson of the Committee w.e.f. 23/09/2022.
- (c) Shri Anand Kumar Singh ceased to be member of the Committee w.e.f. 01/10/2022.
- (d) Shri Rakesh Ranjan was appointed as member of the Committee w.e.f. 06/10/2022.
- (e) Shri V. Rama Manohara Rao was appointed as member of the Committee w.e.f. 27/10/2022.

### 6. Separate Meeting of Independent Directors

In terms of the provisions mentioned under Listing Regulations, Section 149 and Code of Conduct of Independent Directors of the Companies Act, 2013,

a separate meeting of Independent Directors was held on 22/03/2023.

All the Independent Directors had attended the said Meeting and the minutes of the meeting were placed in the meeting of Board of Directors.

## 7. General Body Meetings

The Last Three (3) Annual General Meetings were held as under:

Financial Year AGM/EGM	Date of holding meeting	Time	Venue	Special Resolution Passed
20 <sup>th</sup> Annual General Meeting	28 <sup>th</sup> October, 2020	11:30 AM	Through Video Conferencing/Other Audio-Visual Means	No
21 <sup>st</sup> Annual General Meeting	29 <sup>th</sup> September, 2021	11:30 AM	Through Video Conferencing/Other Audio-Visual Means	No
22 <sup>nd</sup> Annual General Meeting	30 <sup>th</sup> September, 2022	11:30 AM	Through Video Conferencing/Other Audio-Visual Means	No

The company has also conveyed a meeting of equity shareholders on 26th May, 2023 11:30 Hrs. through video conferencing/other audio visual means as per the direction the Ministry of Corporate Affairs to consider the scheme of amalgamation between RaiTel Enterprises Limited and RailTel Corporation of India Ltd. and their respective shareholders and creditors.

## 8. Resolution through Postal Ballot during Financial Year 2022-23

During the FY 2022-23, the resolution through postal ballot was passed two times whereby seeking approval of the shareholders in relation to appointment of Directors on the Board of the Company pursuant to the provisions of Regulation 17(1)(C) of the SEBI (LODR) Regulations, 2015 for the resolutions as prescribed in the Postal Ballot Notices dated 15/06/2022 and 16/11/2022, respectively.

The details of the business items contained in the Postal Ballot Notice(s) passed through Special Resolutions are as under:-

### 1) Postal Ballot Notice dated 15/06/2022:-

Mode	Remote e-voting
Cut-off Date	Friday, the 10 <sup>th</sup> June, 2022
Period of Postal Ballot	Thursday, 16 <sup>th</sup> June, 2022 (11:00 AM) and ends on Friday, 15 <sup>th</sup> July, 2022 (5:00 pm)
Details of person who conducted the postal ballot exercise	Shri N.K. Sinha, Prop. of M/s. Kumar Naresh Sinha & Associates, Practicing Company Secretaries was appointed as the Scrutinizer to scrutinize the postal ballot process only by voting through electronic means (remote e-voting) in a fair and transparent manner.

### Details of voting pattern of special resolution passed through postal ballot:-

Details of Special Resolution(s) passed through postal ballot	Details of voting pattern	
	Voting % (in favour)	Voting % (against)
Appointment of Dr. Subhash Sharma as Part-time Non-Official / Independent Director of the Company not liable to retire by rotation.	99.9782	0.0218
Appointment of Shri N. Manoharan as Part-time Non-Official/ Independent Director of the Company not liable to retire by rotation.	99.9780	0.0220
Take note of Appointment of Shri Avinash Madhukarrao Ghate as Part-time Non-Official/ Independent Director of the Company for the period from 09/11/2021 to 02/03/2022.	99.9739	0.0261

### 2) Postal Ballot Notice dated 16/11/2022:-

Mode	Remote e-voting
Cut-off Date	Friday, 11 <sup>th</sup> November, 2022.
Period of Postal Ballot	Friday, 18 <sup>th</sup> November, 2022 (11:00 AM) and ends on Saturday, 17 <sup>th</sup> December, 2022 (5:00 pm)
Details of person who conducted the postal ballot exercise	Shri N.K. Sinha, Prop. of M/s. Kumar Naresh Sinha & Associates, Practicing Company Secretaries was appointed as the Scrutinizer to scrutinize the postal ballot process only by voting through electronic means (remote e-voting) in a fair and transparent manner.
No Special Resolution was passed in this Postal Ballot Process	

## 9. Means of Communication

- The Company communicates with its stakeholders through Annual Reports, Quarterly/Annual Financial Results, News Releases, Presentations etc. and disclosures made on the Company's website i.e. [www.railtelindia.com](http://www.railtelindia.com) from time to time.
- Annual Reports:** The Annual Report containing, inter-alia, Audited Financial Statements, Board's Report, Auditor's Report, and other important information is circulated to members and others entitled thereto. The Company's Annual Report is also available in downloadable format on the Company's website i.e. [www.railtelindia.com](http://www.railtelindia.com)
- Quarterly/ Annual Financial Results:** The Company regularly intimates un-audited as well as audited financial results to the Stock Exchanges, immediately after approval of Board in accordance with the time frame specified in Listing Regulations. The results are also hosted on the website of the Company [www.railtelindia.com](http://www.railtelindia.com) for wider circulation.
- Newspaper publication:** These financial results as mentioned are published in the English and Vernacular newspapers having nationwide circulation as per the requirement of the Listing Regulations. During 2022-23, quarterly financial results have been published as per the details given below:-



Quarter	Date of Publication	Newspaper edition
Quarter-1 ended on 30 <sup>th</sup> June, 2022	11/08/2022	Financial Express (English Version) Jansatta (Hindi Version)
Quarter-2 & half year ended on 30 <sup>th</sup> September, 2022	11/11/2022	Financial Express (English Version) Jansatta (Hindi Version)
Quarter-3 & nine months ended on 31 <sup>st</sup> December, 2022	01/02/2023	Financial Express (English Version) Jansatta (Hindi Version)
Quarter-4 & Year ended on 31 <sup>st</sup> March, 2023	18/05/2023	Mint & The Economic Times (English Version) Hindustan (Hindi Version)

- Website:** The Company's website [www.railtelindia.com](http://www.railtelindia.com) contains separate dedicated section 'Investor Relations' where the information for shareholders is available. Full Annual Report, Shareholding Pattern, Policies, and Corporate Governance Report etc. are also available on the website. Information, latest updates and announcements regarding the Company can be accessed at company's website. E-mail ID of the Company Secretary & Compliance Officer, Chief Investor Relation Officer and RTA exclusively for the purpose of registering complaints by investors has been displayed on the website under the head "Investor Relations - Investor Contact."
- NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. All periodical/ event-based compliance filings like shareholding pattern, corporate governance report, media releases, and statement of investor complaints, among others are filed electronically on NEAPS.
- BSE Corporate Compliance & Listing Centre ("Listing Centre"):** BSE's Listing Centre is a web-based application designed for corporates. All periodical/ event-based compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on the Listing Centre.
- SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redressal system. The salient features of this system are: centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.
- The Company also communicates with its institutional shareholders through a combination of analysts briefing and individual discussions and also participation in investor conferences from time to time. Financial results are discussed by way of conference calls, regularly after the close of each quarter. The transcripts & Audio/Video recordings are also hosted on the Company's website [www.railtelindia.com](http://www.railtelindia.com)

## 10. General Shareholders' Information

### i) 23<sup>rd</sup> Annual General Meeting

**Date:** 31/08/2023

**Time:** 11:30 Hrs

**Venue:** Through Video Conferencing ("VC") and Other Audio Visual Means ("OAVM") at the Registered & Corporate Office of the Company

### ii) Financial Year:

The Company's Financial Year is from 1<sup>st</sup> April to 31<sup>st</sup> March.

### iii) Financial Calendar For 2022-23:

Adoption of Quarterly/ Half/ Yearly Financial Results	Date of the meeting of the Board
June 30, 2022 (With limited review by Statutory Auditors)	10 <sup>th</sup> August, 2022
September 31, 2022 (With limited review by Statutory Auditors)	10 <sup>th</sup> November, 2022
December 31, 2022 (With limited review by Statutory Auditors)	31 <sup>st</sup> January, 2023
March 31, 2023 (With Auditor's Report)	17 <sup>th</sup> May, 2023

The last date for submission of unaudited quarterly and year to date financial results to the stock exchange, is within forty-five days of end of each quarter (except last quarter). The last date of submission of the Audited financial results of the last quarter and Financial Year ended is with sixty days from the end of the financial year.

### iv) Dividend:

The Board of Directors of the Company has

recommended a final dividend at the rate of ₹ 1.05 per share [i.e. 10.5% of paid-up share capital] amounting to ₹ 33.69 Crore for the Financial Year ended 31<sup>st</sup> March, 2023 over and above the Interim Dividend of ₹ 1.50 per share amounting to ₹ 48.14 Crore which was declared and paid, respectively. Accordingly, the total dividend for the FY 2022-23 would be ₹ 2.55 per equity share and in total amounting to ₹ 81.83 Crore.

### v) Listing on Stock Exchanges

The equity shares of the Company are listed on the following Stock Exchanges:-

Name & Address	Telephone/Fax/E-mail/Website ID	Trading Symbols	ISIN
National Stock Exchange of India Ltd. (NSE) Exchange Plaza, C-1, G Block, Bandra-Kurla Complex, Bandra(E), Mumbai-400051	Telephone: 022-26598100-8114 Fax: 022-26598120 E-mail: <a href="mailto:ignse@nse.co.in">ignse@nse.co.in</a> Website: <a href="http://www.nse-india.com">www.nse-india.com</a>	RAILTEL	INE0DD101019
BSE Limited (BSE) P.J.Towers, Dalal Street, Fort Mumbai-400001	Telephone:022-22721233/4 Fax: 022-22721919 E-mail: <a href="mailto:bsehelp@bseindia.com">bsehelp@bseindia.com</a> Website: <a href="http://www.bseindia.com">www.bseindia.com</a>	543265	INE0DD101019

### vi) Listing Fees:-

The Annual listing fee for the FY 2022-23 & 2023-24 has been paid to National Stock Exchange of India Limited and BSE Ltd. Custodian Fee to NSDL and CDSL for Company's equity, bearing the code INE0DD101019 have been paid for the Financial Year 2022-23 & 2023-24.

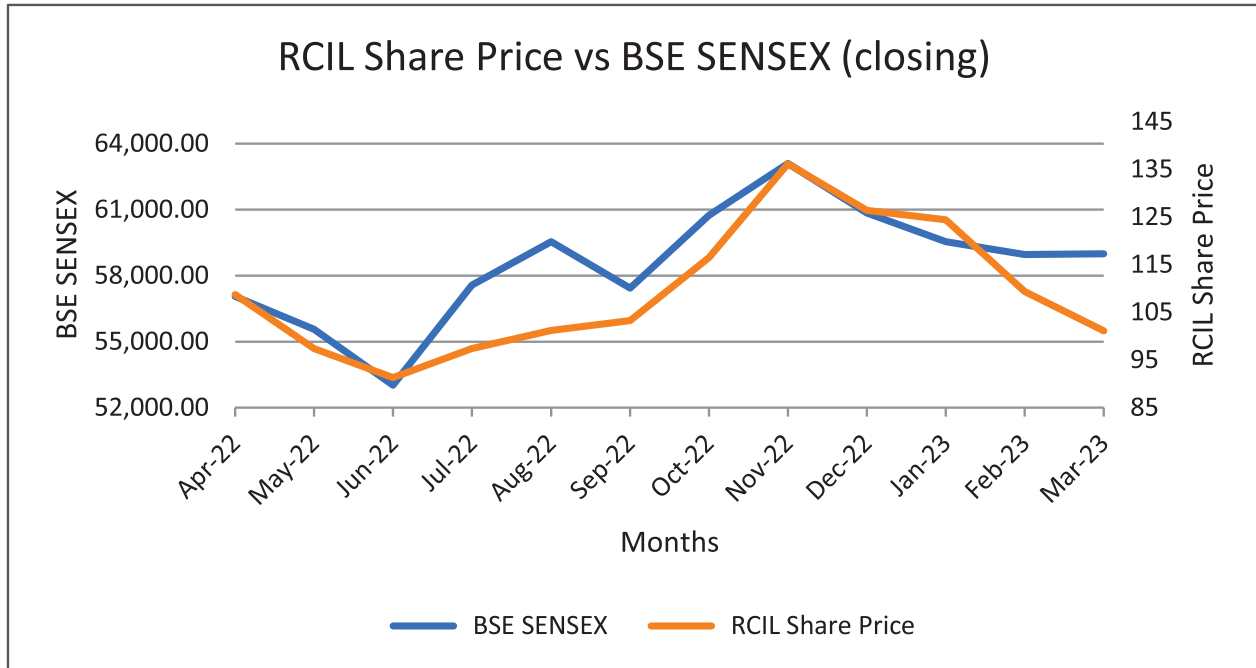
### vii) RCIL's Market Price Data and performance in comparison to indices:-

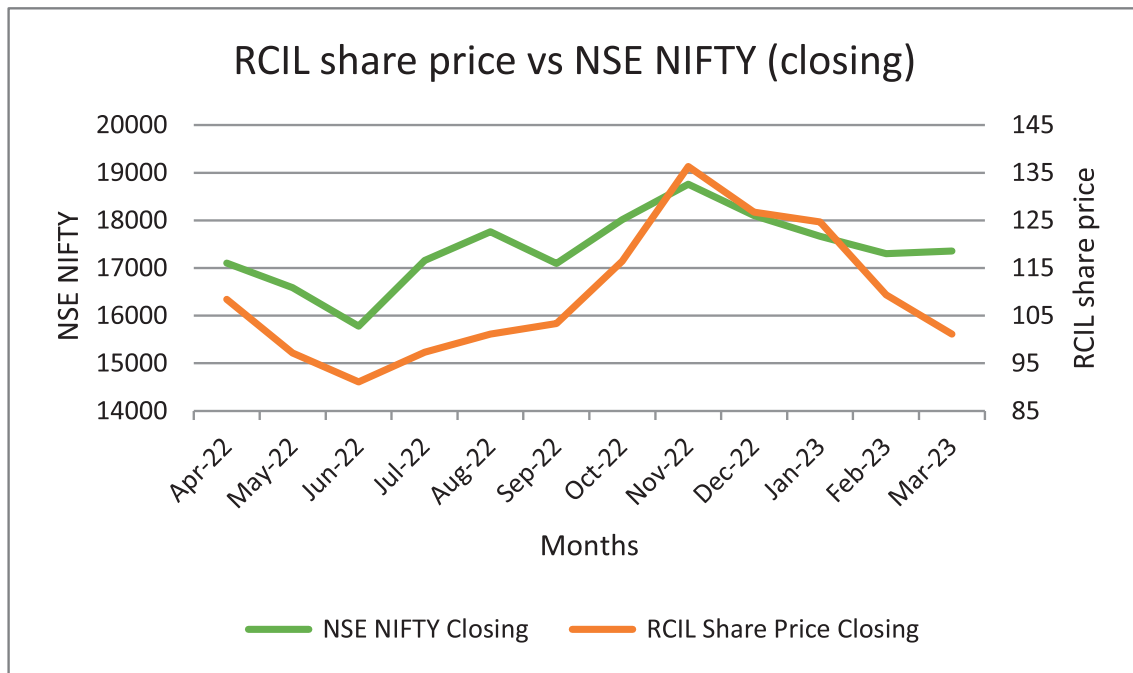
The Monthly High and Low (traded price) at NSE and BSE for the financial year 2022-23 are as under:

### RCIL'S SHARES MARKET PRICE DATA FOR FY 2022-23

Months	RCIL Share Price at BSE			BSE SENSEX			RCIL Share Price at NSE			NSE NIFTY		
	High (₹)	Low (₹)	Close (₹)	High	Low	Close	High (₹)	Low (₹)	Close (₹)	High	Low	Close
Apr-22	120.80	84.40	108.70	60,845.10	56,009.07	57,060.87	120.85	84.5	108.4	18114.65	16824.7	17102.55
May-22	108.70	91.75	97.40	57,184.21	52,632.48	55,566.41	109.85	91.80	97.20	17132.85	15735.75	16584.55
Jun-22	105.00	87.45	91.30	56,432.65	50,921.22	53,018.94	105.20	89.55	91.10	16793.85	15183.4	15780.25
Jul-22	98.15	90.70	97.40	57,619.27	52,094.25	57,570.25	98.40	90.70	97.35	17172.8	15511.05	17158.25
Aug-22	102.85	93.95	101.20	60,411.20	57,367.47	59,537.07	101.95	94.50	101.10	17992.2	17154.8	17759.3
Sep-22	112.00	100.00	103.25	60,676.12	56,147.23	57,426.92	112.30	100.8	103.35	18096.15	16747.7	17094.35
Oct-22	120.75	103.00	116.45	60,786.70	56,683.40	60,746.59	120.75	104.45	116.45	18022.8	16855.55	18012.2
Nov-22	148.70	113.70	136.15	63,303.01	60,425.47	63,099.65	148.70	114.15	136.30	18816.05	17959.2	18758.35
Dec-22	140.50	113.00	126.35	63,583.07	59,754.10	60,840.74	140.55	113.55	126.75	18887.6	17774.25	18105.3
Jan-23	133.95	118.10	124.40	61,343.96	58,699.20	59,549.90	134.00	118.85	124.65	18251.95	17405.55	17662.15
Feb-23	124.50	104.40	109.35	61,682.25	58,795.97	58,962.12	124.65	106	109.40	18134.75	17255.2	17303.95
Mar-23	114.50	96.20	101.10	60,498.48	57,084.91	58,991.52	114.5	96.25	101.10	17799.95	16828.35	17359.75

\*Source: Websites of BSE and NSE





**viii) Securities of the Company have not been suspended from trading during FY 2022-23.**

During the Financial Year 2022-23, securities of the RCIL have not been suspended from trading at the Stock Exchanges.

**ix) Registrar to the Issue and Share Transfer Agent: -**

The contact details of the Registrar are stated below: -

Registrar and Share Transfer Agent
<p><b>Beetal Financial &amp; Computer Services (P) Ltd.</b> 3rd Floor, Beetal House, 99, behind Local Shopping Centre, Madangir Village, Madangir, New Delhi, Delhi 110062 Website: <a href="http://www.beetalfinancial.com">www.beetalfinancial.com</a> E-mail Id: <a href="mailto:beetal@beetalfinancial.com">beetal@beetalfinancial.com</a></p>

**x) Share Transfer System:**

The entire equity share capital of the Company is in demat form. The Company obtains a Yearly certificate from Practicing Company Secretaries as per the requirement of Regulation 40 (9) of Listing Regulations, confirming due compliance of Share transfer formalities by RTA and the same is also filed with the Stock Exchanges and uploaded on the website of the Company. In addition, a Reconciliation of Share Capital Audit thereby confirming that the total issued capital of the Company is in agreement with the total number of dematerialized shares held with NSDL and CDSL, is submitted to the stock exchanges, on quarterly basis as per the requirement of Regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018.

## xi) Distribution of Shareholding as on March 31, 2023

### i) Distribution of RCIL's shares according to size of holding as on March 31, 2023:

Category	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Shareholding
1-5,000	2,58,705	93.07	2,55,58,032	7.96
5,001- 10,000	10,898	3.92	86,54,830	2.7
10,001- 20,000	4,634	1.67	69,41,940	2.16
20,001- 30,000	1,412	0.51	36,23,850	1.13
30,001- 40,000	604	0.22	21,79,701	0.68
40,001- 50,000	563	0.20	26,83,368	0.84
50,001- 1,00,000	675	0.24	49,39,358	1.54
1,00,001 & above	471	0.17	26,63,57,328	82.99
<b>Total</b>	<b>2,77,962</b>	<b>100</b>	<b>32,09,38,407</b>	<b>100</b>

### ii) Top 10 Shareholders as on March 31, 2023:

Sr. No.	Category	Total number of Shares	Percentage to Equity
1	President of India	23,37,85,038	72.84
2	HDFC Life Insurance Company Limited	45,10,167	1.41
3	ICICI Prudential Technology Fund	37,63,865	1.17
4	Tata Digital India Fund	29,26,580	0.91
5	Florida Retirement System-Times Square Capital	18,95,200	0.59
6	Edelweiss Trusteeship Co Ltd A/C-Edelweiss MF A/C	9,00,000	0.28
7	HDFC Trustee Co. Ltd. A/C HDFC Dividend Yield Fund	6,60,765	0.21
8	Vijit Global Securities Private Limited	5,85,000	0.18
9	Hitesh S Doshi	5,57,050	0.17
10	Ashok Kumar Damani	4,80,000	0.15
<b>Total</b>		<b>25,00,63,665</b>	<b>77.91</b>

### iii) Shareholding Pattern as on March 31, 2023:

Category	No. of Holders	Total Shares	Percentage to equity
Promoters	1	23,37,85,038	72.84
Resident Individuals	2,71,504	6,14,37,652	19.14
Mutual Funds	6	82,51,210	2.57
Qualified Institutional Buyers	5	49,84,869	1.56
Bodies Corporates	464	45,09,459	1.40
Non- Resident Indians	2,469	22,92,591	0.72
HUF	3436	21,18,359	0.66
Foreign Portfolio Investor	17	33,69,639	1.05
Clearing Members	48	86,391	0.03
Trusts	8	37,658	0.01
NBFC	4	65,541	0.02
<b>Total</b>	<b>2,77,962</b>	<b>32,09,38,407</b>	<b>100</b>

### xii) Dematerialization of Shares and Liquidity:

The shares of the Company are in dematerialized format and are available for trading under systems of both the depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Share Capital Audit Report regarding reconciliation of the total issued capital, listed capital, and capital held by depositories in dematerialized form with respect to equity share capital of the company was taken from the Practicing Company Secretary on quarterly basis and duly submitted to Stock exchanges within stipulated time as per the requirement of Regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018.

### xiii) No. of shares held in dematerialized and physical mode as on March 31, 2023

Category	Total Shares (Demat)	Percentage to Equity
CDSL	4,00,69,513	12.485
NSDL	28,08,68,894	87.515

### xiv) The names and addresses of the depositories are as under:

- **National Securities Depository Limited-** National Securities Depository Limited Trade World, A-Wing, 4<sup>th</sup> Floor, Kamala Mills Compound, Lower Parel (West), Mumbai – 400 013
- **Central Depository Services (India) Limited-**

### xix) Address for Correspondence:

<b>Regional Offices and Territorial Offices of the Company</b>	The Company has four Regional Offices at New Delhi, Mumbai, Kolkata and Hyderabad. It has got 22 territorial field offices in various State Capitals. The Company has Network Operations and Data Center Office at 143, Institutional Area, Sector-44, Gurugram-122003. In addition, the Company has NOC at New Delhi, Secunderabad, Kolkata and Mumbai and also a central NOC in Delhi.
<b>Address correspondence with the Registered Office &amp; Corporate Office (regarding the Corporate Governance matters covered under this report)</b>	The Company Secretary & Addl. GM (Law), RailTel Corporation of India Ltd. <b>Registered &amp; Corporate Office:</b> Plate-A, 6 <sup>th</sup> Floor, Office Block, Tower-2, East Kidwai Nagar New Delhi 110023 Tele: 011-22900610 and Fax: 011-22900699 E-mail: <a href="mailto:cs@railtelindia.com">cs@railtelindia.com</a>

Marathon Futurex, A-Wing, 25th Floor, NM Joshi Marg, Lower Parel, Mumbai - 400 013

### xv) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments:

The Company has not issued any GDRs/ADRs/warrants or any convertible instruments which has impact on equity. Therefore, there are no GDRs/ADRs/warrants/convertible instruments outstanding as on 31<sup>st</sup> March, 2023.

### xvi) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The disclosure under this clause is not applicable to Company.

### xvii) Plant Locations / Operating Units / Company's Registered and Corporate office.

The Company's Registered and Corporate office is situated in Delhi. Apart from that, the Company operates through Regional Offices and various Territory offices across India.

### xviii) List of all credit ratings obtained by the Company:

ICRA has reaffirmed the long-term rating for ₹ 500 Crore Line of Credit Rating at [ICRA] AA- (pronounced ICRA double A minus) and short-term rating for ₹ 300 Bank Facilities at [ICRA] A1+ (pronounced ICRA A one plus). The outlook on the long-term rating is revised to positive from stable.

## 11. Other Disclosures

### (a) Related Party Transaction

There has been no materially significant related party transaction, pecuniary transactions or relationships between the Company and the Directors, management, subsidiaries or relatives, except for those disclosed in the financial statements for the year ended 31<sup>st</sup> March, 2023 and as reported in the Board's Report in terms of the requirement under Section 134 of the Companies Act, 2013.

The disclosure of Related Party Transactions has been made as per the requirement of Companies

Act, 2013 (i.e. Form AOC-2), Listing Regulations and relevant Accounting Standard (in notes to Financial Statements of the Company).

The Company has formulated a Related Party Transaction (RPT) Policy to set out the materiality thresholds for related party transactions and the manner of dealing with the transactions between the Company and its related parties based on the Companies Act, 2013 and Listing Regulations.

The RPT Policy is available at the link: <https://www.railtelindia.com/images/pdf/Policy%20for%20consideration%20and%20approval%20of%20Related%20party%20Transactions.pdf>

### (b) Details of non-compliance, penalties stricture imposed by stock exchange or any statutory authority or any matter related to capital markets, during last three years:

Sr. No.	Action taken by	Financial Year	Details of violations	Details of action taken e.g. fines, warning letter debarment, etc.,
1.	BSE & NSE	2022-23	Non-compliance with the requirement pertaining to adequate number of Independent Directors on the Board including Woman Independent Director.	a) For the quarter ended June, 2022, both NSE and BSE has imposed fine of Rs. 5,31,000/- each. b) For the quarter ended September, 2022, both NSE and BSE has imposed fine of Rs. 5,36,900/- each. c) For quarter ended December, 2022, both NSE and BSE has imposed fine of Rs. 5,42,800/- each. for which the Company has written request letter(s) for waiving off fines to BSE & NSE citing its inability to ensure compliance with Regulation 17 (1) as the appointment of Independent Directors including Woman Independent Director was pending at the level of Ministry of Railways.
2.	BSE & NSE	2021-22	Non-compliance with the requirement pertaining to adequate number of Independent Directors on the Board including Woman Independent Director.	a) For the quarter ended June, 2021, BSE & NSE each has imposed the fine of Rs. 5,36,900 (including tax); b) For the quarter ended September, 2021, BSE & NSE each has imposed the fine of Rs. 5,42,800 (including tax); c) For the quarter ended December, 2021, BSE & NSE each has imposed the fine of Rs. 5,42,800 (including tax); d) for which the Company has written request letter(s) for waiving off fines to BSE & NSE citing its inability to ensure compliance with Regulation 17 (1) as the appointment of Independent Directors including Woman Independent Director was pending at the level of Ministry of Railways.

Sr. No.	Action taken by	Financial Year	Details of violations	Details of action taken e.g. fines, warning letter debarment, etc.,
3.	BSE & NSE	2021-22	Non-compliance with the requirement of at least two third Independent Directors as members of the Audit Committee.	For the quarter ended December, 2021, BSE & NSE each has imposed the fine of Rs.1,98,240 (including tax) for which the Company has written request letter(s) for waiving off fines to BSE & NSE citing its inability to ensure compliance with Regulation 18 (1) due to non-availability of requisite number of Independent Directors on the Board of the Company.
4.	BSE & NSE	2021-22	Non-compliance with the requirement of at least 50% Independent Directors as members in the Nomination & Remuneration Committee.	For the quarter ended December, 2021, BSE & NSE each has imposed the fine of Rs. 9,440 (including tax) for which the Company has written request letter(s) for waiving off fines to BSE & NSE citing its inability to ensure compliance with Regulation 19 (1) due to non-availability of requisite number of Independent Directors/Non-Executive Directors on the Board of the Company.
5.	BSE & NSE	2021-22	Non-compliance with the requirement pertaining to adequate number of Independent Directors on the Board including Woman Independent Director.	For the quarter ended December, 2022, both NSE and BSE has imposed fine of Rs. 5,31,000/- each for which the Company has written request letter(s) for waiving off fines to BSE & NSE citing its inability to ensure compliance with Regulation 17 (1) as the appointment of Independent Directors including Woman Independent Director was pending at the level of Ministry of Railways.

**(c) Whistle-Blower Policy/Vigil Mechanism:**

In compliance with Section 177(9) of the Companies Act, 2013 and Rules made thereunder and Regulation 22 of Listing Regulation, to provide employees of RCIL an avenue to raise complaints, in line with commitment of RCIL to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication and to provide necessary safeguards for protection of employees from reprisals or victimization, RCIL has a Whistle-blower policy the details of which are available on the company's website i.e. [www.railtelindia.com](http://www.railtelindia.com)

The Company further affirms that no personnel has been denied access to the Audit Committee.

**(d) Web link where policy for determining 'material' subsidiaries is disclosed:**

The Company, at present, has only one Subsidiary Company namely RailTel Enterprises Limited which is not a material subsidiary Company. The weblink for policy for determining material subsidiary is uploaded on Company's website at <https://www.railtelindia.com/images/pdf/Policy%20for%20determining%20material%20subsidiaries.pdf>

**(e) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations:**

During the year, no funds have been raised through preferential allotment or qualified institutions placement.



**(f) Certificate for Non-disqualification of Directors:**

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Listing Regulations, a Certificate from M/s. Balika Sharma & Associates, Company Secretaries firm in practice that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority, has been obtained and is placed as **Annexure- A**.

**(g) Recommendations of the Committees of the Board:**

The recommendations of the Committees of the Board have been considered by the Board while deciding on the matters.

**(h) Total fees for all services paid by the Company on a consolidated basis, to the statutory auditor:**

The details of payment made to Statutory Auditor during FY 2022-23 on a consolidated basis are mentioned below:

Particulars	Amount (in ₹ lakh)
Statutory Audit Fee, Tax Audit Fee and Certification Fee	39

**(i) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the year 2022-23:**

The Company is committed towards prevention of Sexual harassment of women at workplace and takes prompt action in the event of reporting of any such incidents. Details of the complaints received during the year under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are mentioned below:-

Number of Complaints filed during the year	Number of Complaints disposed off during the year	Number of Complaints pending during the year
01	01	Nil

**(j) Code of Conduct for Board members and Senior management of the Company:**

The Company has in place a Code of Conduct for Board members and for Senior Management (including Whole-time directors and Senior Management as defined in the said code). This Code came into effect from 30<sup>th</sup> November, 2007 and have also been posted on the website of the Company – [www.railtelindia.com](http://www.railtelindia.com).

As per requirement of Listing Regulations and DPE Guidelines on Corporate Governance, all the members of Board and Senior Management have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2022-23.

Declaration signed by the Chairman & Managing Director affirming receipt of compliance with the Code of Conduct from the Board of Directors and Members of Senior Management team during FY 2022-23 is given below.

“All the members of the Board and Senior Management Personnel have affirmed compliance of the ‘Code of Business Conduct & Ethics for Board Members and Senior Management’ for the financial year ended on March 31, 2023”

**Sd/-**  
**Sanjai Kumar**  
**Chairman & Managing Director**  
**DIN: 06923630**

**Place: New Delhi**

**Date: 04/05/2023**

**(k) Code of Conduct for prevention of Insider Trading in dealing with Securities of RCIL:**

In pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, RCIL’s Board had approved an Internal Code of Conduct for prevention of Insider Trading in dealing with securities of RCIL, with an aim that Insiders of the Company shall not derive any benefit or assist others to derive any benefit from the Unpublished Price Sensitive Information (UPSI) regarding the Company which is not available in the public domain and thus constitutes Insider Information.

Further, in order to ensure compliance with provisions of SEBI (PIT) Regulations, 2015 (as amended) in true letter and spirit, RCIL has implemented a software namely FINTRAK for maintaining structured digital database in relation to sharing of unpublished price sensitive information within or outside the organisation in furtherance of legitimate purpose. Such databases have been maintained at RCIL's own server with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of those database.

**(l) Unclaimed Dividend:** The amount of dividend remaining unpaid/unclaimed for seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. The list of unclaimed dividend is uploaded on the website of the company under the head Investor Relations. As of now, no amount is yet due for transfer to Investor Education and Protection Fund.

**(m) Details of Compliance with the requirements of DPE Guidelines on Corporate Governance:**

In May, 2010, the Department of Public Enterprises (DPE) has issued Guidelines on Corporate Governance for Central Public Sector Enterprises which are now mandatory in nature.

DPE has awarded 'Excellent' grading to RCIL for compliance of DPE Guidelines on Corporate Governance during FY 2021-22.

RCIL has secured, based on self-evaluation, an annual score of which falls under 'Excellent' grade for compliance of DPE Guidelines on Corporate Governance for FY 2022-23.

**(n) Audit qualifications:**

For Audit Qualifications, the Independent Auditors Report submitted by M/s. S.R. Goyal & Co., Chartered Accountants on the financial statements for the year ending 31<sup>st</sup> March, 2023 may be referred to. The Auditor's Report is unmodified.

**(o) Disclosure by Listed Entity & its Subsidiaries of Loans & Advances in the nature of loans to firms/companies in which directors are interested by name and amount**

No Loans & Advances was given to firms/companies in which directors are interested.

**12. Compliance of Listing Regulations (as amended)**

The Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations have been made except non-compliant with respect to the composition of Board of Directors due to vacant posts of Independent Directors including Women Independent Director. In terms of Articles of Association of the Company, the power to appoint Directors on the Board of the Company vests with the President of India acting through Ministry of Railways, Government of India. Therefore, the Company has no role to play in the appointment of Directors on the Board of the Company and it is beyond the control of the company to ensure compliance with the Regulation 17(1) of Listing Regulations w.r.t. Appointment of Independent Directors on the Board of the Company including the Women Independent Director.

**13. Compliance Certificate by CEO/CFO**

As per Regulation 17 (8) of Listing Regulations, the Compliance Certificate for the quarter & financial year ended 31/03/2023 duly signed by the Chairman and Managing Director and Director (Finance) was placed before the Board of Directors at its meeting held on 17/05/2023 and the same is placed as **Annexure- B** to this Report.

**14. Compliance on Corporate Governance**

Certificate obtained from, M/s Balika Sharma & Associates, Practicing Company Secretary regarding compliance of the conditions of Corporate Governance is placed as **Annexure-C** to this Report.

## 15. Disclosure with respect to Demat Suspense Account/ Unclaimed Suspense Account

The details of shares lying in Demat suspense account during the Financial Year 2022-23 are as following:-

(a)	aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	NIL
(b)	number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	NIL
(c)	number of shareholders to whom shares were transferred from suspense account during the year;	NIL
(d)	aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	NIL
(e)	that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	NIL

\* As on the date of this report, there is NIL shares are lying in the Demat Suspense Account.

## 16. Items of expenditure debited in Books of Accounts, which are not for the purposes of the Business

During the year, there are no items of expenditure debited in books of accounts other than for the business purposes of the Company.

## 17. Expenses incurred which are personal in nature and incurred for the Board of Directors

Payment of claims of Board of Directors is passed as per Company Policy.

## 18. Details of administrative and Office expenses as a percentage of total expenses vis-a-vis financial expenses and reasons for the increase

The administrative expenses and office expenses were at of total expenses in the year 2022-23.

(₹ In Lakhs)

Particulars	2022-2023	2021-2022
Other Expenses (Administrative Expense)	3,483	3,255
Finance Cost*	0	0
Total Expenses	1,72,603	1,31,811
Other Expenses/Total Expenses (%)	2.02%	2.47%
Finance Cost/Total Expenses (%)	0	0

\* Company is debt free.

## 19. Remuneration to Directors

Being a Government Company, the Whole-Time Directors are appointed by the President of India acting through the Ministry of Railways and draw remuneration as per Industrial Dearness Allowance (IDA) pay scales except in case of Shri Puneet Chawla, Ex-Chairman & Managing Director who was on deputation to RCIL and was drawing Central Dearness Allowance (CDA) pay scales as pre-determined by the Government and as per the terms and conditions of their appointment issued by the Government. The Part-Time Official Directors/Govt. Nominee Directors nominated on the Board do not draw any remuneration from the Company for their role as a Director. Independent Directors are paid a sitting fee for attending the meetings of the Board and Committee thereof. During FY 2022-23, the Independent Directors were paid a sitting fee of ₹ 20,000/- per meeting for attending the Board Meeting and Committee Meetings. The details of Remuneration to Directors are shown in **Table-17** and **Table-18** respectively.

**Details of remuneration of Whole-time Directors during FY 2022-23 are given below: -**

**Table-17**

(In ₹ Lakh)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager					Total Amount
		Sanjai Kumar CMD	Puneet Chawla Ex-CMD	Anand Kumar Singh Ex-Director/ Finance	V. Rama Manohara Rao Director/ Finance	Manoj Tandon Director/ POM	
1.	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	63	26	73	16	1	179
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	13	0	6	2	0	21
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0	0	0
2.	Stock Option	-	-	-			-
3.	Sweat Equity	-	-	-			-
4.	Commission	-	-	-			-
	- As Percentage of profit	-	-	-			-
	- Others, specify	-	-	-			-
5.	Others, please specify						
	Company Contribution to PF	5	0	2	2	0	9
	Company Contribution to Pension	4	0	2	1	0	7
	Provision for leave encashment, gratuity and pension	0	1	0	0	0	1
	<b>Total (A)</b>	<b>85</b>	<b>27</b>	<b>83</b>	<b>21</b>	<b>1</b>	<b>217</b>

**Details of payments made to Independent Directors [Part-Time Non-Official] Directors during FY 2022-23: -**

**Table-18**

(In ₹ Lakh)

Particulars of Remuneration	Name of Director(s)			Total Amount
	Chinnsamy Ganesan (Ex-Independent Director)	Dr. Subhash Sharma (Independent Director)	N. Manoharan (Independent Director)	
Independent Directors Fee for attending board/ committee meetings	0.8	3	4	7.8
Commission	-	-	-	
Others, please specify	-	-	-	
<b>Total</b>	<b>0.8</b>	<b>3</b>	<b>4</b>	<b>7.8</b>

## 20. Details of adoption of the discretionary requirements as specified in Part E of Schedule II of Listing Regulations

- i) **The Board:** The Chairman of the Board is an Executive Director.
- ii) **Shareholder Rights:** During the FY 2022-23, the Company has published financial results for all the quarter in accordance with the requirements of Listing Regulations.
- iii) **Audit Qualifications:** There are no audit qualifications on the Financial Statement for the year 2022-23.
- iv) **Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee.

\*\*\*\*

ANNEXURE-A



*Balika Sharma And Associates*  
*Company Secretaries*

Address : Flat No. 211 pocket A / 3, Sector-7, Rohini, New Delhi,  
Pin Code -110085 | Mobile : 9811387946 | E-mail Id: balikasharma@gmail.com  
GST No. : 07AMAPS 9564 K1ZE | Membership No. 4816, C. P. No. 3222

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(As per Sub-Para (i) of Para (10) of Clause C of Schedule V read with Regulation 34(3) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To,  
The Members,  
RailTel Corporation of India Limited  
Plate-A, 6th Floor, Office Block, Tower-2,  
East Kidwai Nagar New Delhi-110023

As required by Sub-Para (i) of Para(10) of Clause C of Schedule V read with Regulation 34(3) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that none of the Directors on the Board of RailTel Corporation of India Limited have been debarred or disqualified from being appointed or continuing as director of the Company by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

This Certificate is issued for the Financial Year 2022-2023.

**For Balika Sharma & Associates**  
(Company Secretaries)

Sd/-  
**Balika Sharma**  
(Proprietor)  
M.No:F4816  
CP. No. 3222

Place: New Delhi  
Date: 14.06.2023

UDIN number F004816E000485615



रेलटेल  
RAILTEL

A Mini Ratna Enterprise

23वीं वार्षिक रिपोर्ट 2022-23  
23<sup>rd</sup> Annual Report 2022-23

## ANNEXURE-B

# CEO & CFO CERTIFICATE

## under Regulation 17(8) and 33(2) (a) of the SEBI (LODR) Regulation, 2015

To,  
The Board of Directors,  
RailTel Corporation of India Limited

In compliance with Regulation 17 (8) read with Schedule II Part B and Regulation 33 (2) (a) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we hereby certify that:

- A. We have reviewed, Audited Quarterly Financial Statements (Standalone and Consolidated) for the quarter and year ended on 31<sup>st</sup> March, 2023 and to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transaction entered into by the listed entity during the quarter and year ended 31<sup>st</sup> March, 2023 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- (i) that there is no significant change in internal control over financial reporting during the quarter and year ended 31<sup>st</sup> March, 2023;
  - (ii) that there are no significant changes in accounting policies during the quarter and year ended 31<sup>st</sup> March, 2023; and
  - (iii) that no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-  
**Sanjai Kumar**  
(Chairman & Managing Director)  
DIN: 06923630

Sd/-  
**V. Rama Manohara Rao**  
(Director-Finance & CFO)  
DIN: 06689335

Place: New Delhi  
Date: 17.05.2023

ANNEXURE-C



*Balika Sharma And Associates*  
*Company Secretaries*

Address : Flat No. 211 pocket A / 3, Sector-7, Rohini, New Delhi,  
Pin Code -110085 | Mobile : 9811387946 | E-mail Id: balikasharma@gmail.com  
GST No. : 07AMAPS 9564 K1ZE | Membership No. 4816, C. P. No. 3222

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members,  
RailTel Corporation of India Limited  
Plate-A, 6th Floor, Office Block, Tower-2,  
East Kidwai Nagar New Delhi-110023

1. We have examined the compliance of conditions of Corporate Governance by RailTel Corporation of India Limited ("the Company") for the Financial Year ended on 31st March, 2023, as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises ("CPSE"), issued by the Department of Public Enterprises ("DPE Guidelines"), Government of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").
2. The Compliance of the conditions of the Corporate Governance is the responsibility of the management. Our examination is limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the guidelines on the Corporate Governance.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in the DPE Guidelines and SEBI Listing Regulations except with the following due to non-availability of requisite number of Independent Directors including Woman Independent Director on the Board of the Company:-
  - a) Regulation 17(1)(a) of SEBI Listing Regulations;
  - b) Regulation 17(1)(b) of SEBI Listing Regulations and Clause 3.1.4 of DPE Guidelines;
4. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of certification and have been provided with such records, documents, certification, etc. as had been required by us.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

**For Balika Sharma & Associates**  
(Company Secretaries)

Sd/-  
**Balika Sharma**  
(Proprietor)  
M.No:F4816  
CP.No : 3222

Place: New Delhi  
Date: 14.06.2023

**UDIN Number: F004816E000485637**





# Business Responsibility & Sustainability Report (BRSR)

## Section A

### General Disclosure

I. Details of the listed entity		
1.	<b>Corporate Identity Number (CIN) of the listed entity</b>	L64202DL2000GOI107905
2.	<b>Name of the Listed Entity</b>	RailTel Corporation of India Limited (RCIL)
3.	<b>Year of Incorporation</b>	2000
4.	<b>Registered Office Address</b>	Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi-110023 Tel.: +91 11 22900600 Fax: +91 11 22900699
5.	<b>Corporate Address</b>	Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi-110023 Tel.: +91 11 22900600 Fax: +91 11 22900699
6.	<b>E-mail</b>	cs@railtelindia.com
7.	<b>Telephone</b>	+91 11 22900600
8.	<b>Website</b>	www.railtelindia.com
9.	<b>Financial year for which reporting is being done</b>	2022-23
10.	<b>Name of Stock Exchange(s) where shares are listed</b>	BSE & NSE
11.	<b>Paid-up Capital</b>	320.94 Cr
12.	<b>Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report.</b>	Mr. Parag Kumar Goyal Principal Executive Director (EB & CC) Phone: 9717649604 parag@railtelindia.com
13.	<b>Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)</b>	
	The report includes the company's social and governance performance on a Consolidated basis within the organisational boundary where it has operational control.	

### II. Products/Services

#### 14. Details of business activities (accounting for 90% of the turnover):

Description of Main Activity	Description of Business Activity	% of turnover of the entity
1. National Long Distance (NLD) Services	Involved in providing long-distance telecommunication services. activities included- Building a network, providing service, Managing customers and related activities	28.43%
2. Internet Service Provider (ISP) Services	Activities of Internet access by the operator of the wireless infrastructure Activities of maintaining and operating paging, cellular and other telecommunications networks Activities related to wireless telecommunications and its services	18.96%

Description of Main Activity	Description of Business Activity	% of turnover of the entity
3. Project Business	RailTel is doing variety of national interest projects for Indian Railways, Government, and other corporate entities	39.66%
4. Infrastructure Provider (IP-1) Services	Maintenance of telecom network	10.72%

**15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

Product/Service	NIC Code	% of turnover of the entity
1. National Long Distance (NLD) Services	611	28.43%
2. Internet Service Provider (ISP) Services	612	18.96%
3. Project Business	611	39.66%
4. Infrastructure Provider (IP-1) Services	612	10.72%

**III. Operations**

**16. Number of locations where plants and/or operations/offices of the entity are situated**

Location	Number of Plants	Number of Office	Total
National	Not applicable	30	30
International	Not applicable	0	0

**17. Markets served by the entity:**

**a. Number of locations**

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	Not Applicable

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

No Exports

**c. A brief on types of customers**

RailTel Customers primarily consist of Government organizations, Ministries, Educational institutions, Corporates, Individuals, Banks, NBFC's etc. As an ICT provider and telecom infrastructure provider, RailTel works closely with the Indian Railways to meet their connectivity needs and enhance operational efficiency

**IV. Employees**

**18. Details as at the end of Financial Year**

**a. Employees and workers (including differently abled)**

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (B)	% (B/A)
<b>Employees</b>					
<b>1. Permanent (D)</b>	474	422	89.03	52	10.97



Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (B)	% (B/A)
<b>2. Other than permanent (E)</b>	278	259	93.17	19	6.83
<b>Total Employees (D+E)</b>	<b>752</b>	<b>681</b>	<b>90.56</b>	<b>71</b>	<b>9.44</b>
<b>Workers</b>					
<b>1. Permanent (F)</b>	Not applicable				
<b>2. Other than permanent (G)</b>					
<b>Total Employees (F+G)</b>					

**b. Differently abled Employees and worker**

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (B)	% (B/A)
<b>Differently abled Employees</b>					
<b>1. Permanent (D)</b>	14	12	85.71	2	14.29
<b>2. Other than permanent (E)</b>	0	0	0.00	0	0.00
<b>Total Employees (D+E)</b>	14	12	85.71	2	14.29
<b>Differently abled Workers</b>					
<b>1. Permanent (F)</b>	Not applicable				
<b>2. Other than permanent (G)</b>					
<b>Total Employees (F+G)</b>					

**19. Participation/Inclusion/Representation of women**

Particulars	Total (A)	No. & Percentage of Females	
		No. (B)	% (B/A)
Board of Directors	7	0	0
Key Management Personnel	5	0	0

**20. Turnover rate for permanent employees and workers**

Particulars	Turnover rate in 2022-23			Turnover rate in 2021-22			Turnover rate in 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	3.32%	1.92%	3.16%	4.8%	0	4.29%	3.45%	0	3.1%
Permanent Workers	Not applicable								

**V. Holdings, Subsidiaries and Associate Companies (including joint ventures)**

<b>21. a. Names of holding / subsidiary / associate companies / joint ventures</b>	
<b>Name of the holding/subsidiary/associate/companies/joint ventures (A)</b>	RailTel Enterprises Limited
<b>Indicate whether holding/subsidiary/associate/joint venture</b>	Subsidiary

<b>% of shares held by listed entity</b>	100
<b>Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)</b>	Yes

**VI. CSR Details**

<b>22. (i)</b>	<b>Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)</b>		
	Yes, CSR is applicable to RailTel Corporation of India Limited.		
		<b>FY 2022-23</b>	
<b>(ii)</b>	<b>Turnover (₹)</b>	2002 Cr.	
<b>(iii)</b>	<b>Net worth (in Rs.)</b>	1649 Cr.	

**23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct.**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities		0	0		0		
Investors (other than shareholders)	Yes (As per requirement of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 and provisions of Section 178 of the Companies Act, 2013, the Company has a Stakeholders Relationship Committee specifically to look into various aspects of interest of shareholders.	69	0		327		
Shareholders							

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees & Workers	Offering multiple professional channels to submit grievances, such as email, letter, suggestion box, or in-person meetings with HR.	0	0		1	0	Complaint has been resolved
Customers		0	0		0	0	
Value Chain Partners	CPGRAMS	59	4	As on date the cases have been resolved	45	5	As on date the cases have been resolved.
Other (Please specify)							

#### 24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Climate Change Action	O	RailTel can position itself as a leader in climate-friendly telecommunications by improving energy efficiency and developing climate-resilient infrastructure.		This could lead to increased market share, government contracts, and positive public relations.



Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Sustainable Supply Chain	○	RailTel can differentiate itself from its competitors by enhancing/strengthening its supply chain network.		This will enhance the project delivery.
Waste Management	○	RailTel's adherence to the e-waste policies and procedures established by the Government of India will have a positive environmental impact through the implementation of waste reduction, reuse, and recycling programs.		This could improve compliance with regulations.
Environment Compliance	○	RailTel can improve its reputation and gain access to new markets by demonstrating its commitment to environmental compliance.		This could lead to improve the eco-friendly reputation of the company.
Employee Health Safety & Well-Being & Development & Retention	○	By introduction of various health awareness programs, there will be sustainable improvement in health and well-being of employees which will leads to increased productivity. RailTel can attract and retain top talent by providing opportunities for training and development and creating a positive work environment.		This could lead to improved productivity.
Data Privacy & Security Digitalization, Technology & Innovation	○	RailTel can differentiate itself from its competitors by demonstrating its methodology & commitment to data privacy and security, Digitalization, Technology & Innovation.		This could lead to increased customer trust, market share, and revenue.

Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Business ethics, accountability, and transparency	O	ESG parameters implementation and impact will improve business ethics, accountability, and transparency		This will bring better economic performance
Economic performance	R		RailTel has taken "adapt" approach to address the financial concerns arising in the initial stages of implementation of ESG parameters.	New and revised ESG parameters could lead to higher cost initially

## SECTION B

### Management and process disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	www.railtelindia.com								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	ISO/IEC 27001:2013 ISO/IEC 27017:2015 ISO/IEC 27018:2019 ISO/IEC 20000-1:2018 ISO 9001:2015 PCI-DSS								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. <b>Specific commitments, goals and targets set by the entity with defined timelines, if any</b>	RailTel enters a Memorandum of Understanding (MOU) with Ministry of Railways under the framework prescribed in MoU guidelines issued by Department of Public Enterprises (DPE). The MoU indicates the Key Performance Parameters for the company finalized in consultation with the Ministry of Railways, Government of India. RailTel's MoU score for FY 2021-22 was rated as Very Good.								
6. <b>Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.</b>									

**Governance, leadership and oversight**

7. <b>Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)</b>	RailTel is fully committed to responsible business practices. RailTel has started focussing on ESG challenges in environmental impact, workplace inclusivity, and governance. Achievements so far include energy-efficient infrastructure, diverse leadership representation, and strengthened governance practices. RailTel remains dedicated to continuous improvement and integrating ESG considerations for a sustainable future.								
8. <b>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b>	Board of Directors								
9. <b>Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details</b>	Yes, the company has a committee of Senior officials for ESG matters. Further, Executive Director is responsible for decisions on Sustainability related issues								

**10. Details of Review of NGRBCs by the Company:**

Indicate whether review was undertaken by **Director / Committee of the Board/ Any other Committee**

Subject for Review	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Performance against above policies and follow up action</b>	Corporate Social Responsibility and Board								
<b>Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances</b>	Corporate Social Responsibility and Board								

**Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)**

Subject for Review	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Performance against above policies and follow up action</b>	Need to basis								
<b>Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances</b>	Need to basis								





**11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No).**

If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	RailTel Continuously makes assessment/evaluation of the working of its policies. All the Policies/ Acts/ Guidelines issued by the Government of India and Ministry of Railways are updated in the policies for implementation on continuous basis. Independent audits are carried out from time to time as and when required.								

**12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:**

	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**SECTION C**

**Principle wise Performance Disclosure**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

**Principle 1: Businesses should conduct and govern themselves with integrity, in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators**

**1. Percentage coverage by training and awareness programmes on any of the principles in the financial year:**

Segment	Total no. of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	Principle 1	50%
Key Management Personnel	1	Principle 3	50%

Segment	Total no. of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Employees other than BOD and KMPs	64	Principle 1, Principle 2, Principle 3, Principle 4, Principle 5, Principle 8, Principle 9	17.95%
Workers	NA	NA	NA

**2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions in the financial year, in the following format.**

*(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and as disclosed on the entity's website):*

**Monetary**

	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	No Case for FY 2022-23				
Settlement					
Compounding fee					

**Non-Monetary**

	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	No Case for FY 2022-23				
Punishment					

**3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Not Applicable	

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy**

RailTel complies with the established procedures and norms prescribed by the Central Vigilance Commission (CVC) in relation to anti-corruption and anti-bribery protocols. Furthermore, RailTel strictly adheres to the provisions outlined in the PIDPI Resolution (Government of India Resolution on Public Interest Disclosure and Protection of Informers) pertaining to the handling of complaints regarding any assertions of corruption or the improper utilization of authority, wherein the CVC functions as the designated agency. RailTel has also duly implemented a Whistle Blower Policy. The company has Conduct, Discipline and Appeal Rules defined in the code of conduct for all employees and recognizes acts of bribery, corruption, etc. as misconduct. The company has a complete vigilance manual and complaint handling policy, relevant weblink is given below:

<https://www.railtelindia.com/profile-5/railtel-vigilance.html>

**5. Number of directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**

	FY 2022-23	FY 2021-22
Directors	Nil	1
KMPs	Nil	Nil
Employees	Nil	1
Workers	NA	NA

**6. Details of complaints with regard to conflict of interest**

	FY 2022-23	FY 2021-22
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

**Principle 2: Businesses should provide goods and services in a manner that is safe.**

**Essential Indicators**

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
<b>R&amp;D</b>	2% of PBT	2% of PBT	For FY 2021-22, two innovative initiatives were undertaken by RailTel to improve user experience using opensource software's and generic Hardware in Central NOC at a cost of ₹ 1 Crore and delivering Rural Wi-Fi using open-source software's and Broadband access server at a cost of ₹ 5.13 Crore. Various initiatives were undertaken for the fiscal year 2022-23. These initiatives included enhanced automation in CNOC operations, unified IP and DWDM management, secured router access, project deployment dashboard, operational network map, Open Stack Pilot, Ansible Automation, automated endpoint hardening, SOC service portal, server farm record-keeping portal, and a task manager app. The total expenses incurred for these initiatives amounted to ₹ 5.37 crore.
<b>Capex</b>			Total Capital expenditure for the company for FY 2021-22 is ₹ 103 Cr.

- a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Considering the Business Activities of the Company, the above question has limited applicability for RailTel. RailTel ensures responsible sourcing of all its material requirements. The company promotes GeM (Government e-marketplace) in its procurement and promotes sourcing through MSME vendors. All Procurements/sourcing of material and service is done as per the procurement manual of the company.

- b. If yes, what percentage of inputs were sourced sustainably?**

In terms of material requirements, RailTel made it mandatory to procure commonly used goods and services available on GeM portal with purchase preference to MSME. During the FY 2022-23, Procurement from GeM portal was 11.14 % and Procurement from MSME was 54.12% of total procurement.

- Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

<b>a) Plastic waste</b>	Not applicable. RailTel, as a Telecom services company, does not engage in the manufacturing of any products.
<b>b) E-waste</b>	RailTel has established a dedicated committee for Scraping Assets, overseeing the management and disposal of scrap materials. The company also has a comprehensive Scrap Disposal Policy in place, which outlines detailed Standard Operating Procedures (SOP) for both scrap disposal and the sale of scrap. These SOPs ensure proper handling, documentation, and compliance during the disposal process, promoting transparency and efficiency in scrap management practices.

<b>c) Hazardous Waste</b>	Not applicable
<b>d) other waste</b>	None

4. **Whether Extended Producer Responsibility (EPR) is applicable to the Company's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards. If not, provide steps taken to address the same.**

Not applicable.

**Principle 3: Businesses should respect and promote the well-being of all employees including those in their value chains.**

### Essential Indicators

1. **a. Details of measures for the well-being of employees:**

Category	% of employees covered by										
	To- tal(A)	Health benefits		Accident Insurance		Maternity benefits		Paternity Benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent employees</b>											
Male	422	422	100	422	100	NA	0	422	100	Nil	Nil
Female	52	52	100	52	100	52	100	NA	0	Nil	Nil
Total	474	474	100	474	100	52	10.9	422	89.0	Nil	Nil
<b>Other than Permanent employees</b>											
Male	259	0	0	197	76	NA	0	259	100	Nil	Nil
Female	19	0	0	9	47.3	19	100	NA	0	Nil	Nil
Total	278	0	0	206	74.1	19	6.8	259	93.1	Nil	Nil

- b. Details of measures for the well-being of workers**

Category	% of employees covered by										
	Total(A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent workers</b>											
Male	Not applicable.										
Female	Not applicable.										
Total	Not applicable.										
<b>Other than Permanent workers</b>											
Male	Not applicable										
Female	Not applicable										
Total	Not applicable										

## 2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers.	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
<b>PF</b>	100	NA	Y	100	NA	Y
<b>Gratuity</b>	100	NA	Y	100	NA	Y
<b>ESI</b>	0	NA	N.A.	0	NA	N.A.
<b>NPS</b>	100	NA	Y	100	NA	Y

## 3. Accessibility of workplaces

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

RailTel ensures that its office premises are designed to be accessible and inclusive for differently abled employees and workers in compliance with the requirements of the Rights of Persons with Disabilities Act, 2016. The company makes sure to create an environment that promotes accessibility. Here are some key features:

1. Automated Doors with Sensors: RailTel has automated doors equipped with sensors, allowing easy access for individuals with mobility challenges.
2. Ramps: The office premises are equipped with ramps, enabling smooth movement for employees and workers who use wheelchairs or other mobility aids.
3. Lift Facilities: To ensure vertical accessibility, RailTel has lifts that comply with accessibility standards. This enables employees and workers with mobility limitations to access different floors of the office building effortlessly.
4. Wheelchair Facilities: The Company provides wheelchair facilities to cater to the needs of individuals with mobility impairments. These facilities include designated areas for storing and utilizing wheelchairs within the office premises.

## 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the company has Equal Opportunity Guidelines as per the Government of India Policy issued from time to time. RailTel being a CPSE, adheres to the recruitment policies laid down by Govt. of India which in promotes Equal Opportunity and follows the Disabilities Act, 2016. Weblink of the Same is given below:

[https://documents.doptcirculars.nic.in/D2/D02est/36035\\_02\\_2017-Estt-Res-15012018JKXMk.pdf](https://documents.doptcirculars.nic.in/D2/D02est/36035_02_2017-Estt-Res-15012018JKXMk.pdf)



**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	100	Not applicable	
Female	100	100		
Total	200	200		

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief. Yes/No (If yes, then give details of the mechanism in brief)**

Yes/No (If yes, then give details of the mechanism in brief)	
Permanent Workers	Not applicable
Other than Permanent Workers	Not applicable
Permanent Employees	RailTel prioritizes the well-being of its employees by offering multiple professional channels to submit grievances, such as email, letter, suggestion box, or in-person meetings with HR. The HR department promptly forwards received grievances for evaluation and resolution. Thorough investigations are conducted, and prompt measures are taken to address the grievances within specified timeframes. This robust approach reflects RailTel's commitment to maintaining a supportive and responsive work environment for its employees.
Other than Permanent Employees	Contractual employees at RailTel have equal access to channels to formally report their grievances, which include email, letter, suggestion box, or in-person meetings with HR officials. Received grievances are promptly assessed and resolved by conducting a thorough investigation and taking appropriate action within a specified timeframe.



**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity**

Category	FY 2022-23			FY 2021-22		
	Total employ-ees/ workers in respective category (A)	No. of employ-ees/ workers in respective category, who are part of association(s) or Union. (B)	% (B/A)	Total employ-ees / workers in respective category (A)	No. of employ-ees / workers in respective category, who are part of association(s) or Union. (B)	% (B/A)
Total Permanent Employees	Not Applicable					
Male						
Female						
Total Permanent Workers						
Male						
Female						

**8. Details of training given to employees and workers**

Category	FY 2022-23						FY 2021-22					
	Total (A)	On health & safety measures		On skill upgradation		Total (D)	On health & safety measures		On skill upgradation			
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)		
<b>Employees</b>												
Male	681	1	0.1%	87	12.8%	634	0	0%	68	10.7%		
Female	71	4	5.6%	8	11.3%	64	0	0%	12	18.8%		
Total	752	5	0.7%	95	12.6%	698	0	0%	80	11.5%		
<b>Workers</b>												
Male	Not applicable											
Female												
Total												



## 9. Details of performance and career development reviews of employees and worker

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	422	422	100	396	396	100%
Female	52	52	100	47	47	100%
Total	474	474	100.00%	443	443	100%
<b>Workers</b>						
Male	Not applicable					
Female						
Total						

## 10. Health and safety management system:

### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, Considering the nature of business and operations the occupational health and safety issues are negligible. The company takes care of health and wellbeing of its employees by reimbursing inpatient and outpatient medical cost and provisions of leave on medical grounds through a detailed medical policy.

### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

RailTel conducts periodic medical camps, safety drills, and adhering to health and safety protocols at various project sites & office premises. RailTel maintains a proactive approach to hazard identification and risk assessment. The availability of 24/7 standardized first-aid kits and essential medicines in each office further contributes to ensuring the health and well-being of employees.

### c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Not Applicable

### d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, RailTel ensures that its employees have access to non-occupational medical and healthcare services. The company provides a range of benefits to both permanent and non-permanent employees, including outdoor treatment reimbursement, indoor cashless treatment in company-empanelled hospitals, and re-imburement of medical expenses within the allowed limit for treatment obtained in non-empanelled hospitals. Additionally, RailTel offers medical advances to employees based on the criticality of the disease. These provisions underscore RailTel's commitment to supporting the well-being and healthcare needs of its employees beyond occupational health services.

Additionally, the company medical policy covers healthcare facilities for dependents family members of employees. The company conducts healthcare camps, several Covid vaccination camps for employees and its dependent family members.

### 11. Details of safety related incidents

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTI-FR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NA	NA
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NA	NA
No. of fatalities	Employees	NIL	NIL
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NA	NA

### 12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

RailTel takes several measures to ensure a safe and healthy workplace. The company conduct regular hazard identification and risk assessments, including safety drills for various scenarios. Compliance with health and safety guidelines is strictly followed. First-aid kits and essential medicines are available 24/7 in all office premises. RailTel also provides access to non-occupational medical services, including treatment reimbursement, cashless treatment in empanelled hospitals, and medical advances based on disease criticality. These measures demonstrate RailTel's commitment to employee well-being beyond occupational health services.

### 13. Number of Complaints on the following made by employees and workers

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	
Health & Safety	NIL	NIL	NIL	NIL	NIL	

### 14. Assessment for the year

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	RailTel has implemented a comprehensive process for healthcare and safety practices, ensuring the well-being of its employees. This is achieved through associations with reputed and recognized empanelled hospitals and diagnostics centres that offer state-of-the-art health facilities. Moreover, the working conditions at RailTel and all its offices adhere to the norms set for a Scheduled "A" CPSU under the Government of India.
Working Conditions	

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Not applicable

**Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

To identify the key stakeholders, RailTel uses a comprehensive process. This involves materiality assessment and peer analysis. The materiality assessment evaluates the impact and significance of internal and external stakeholders on RailTel's operations and long-term sustainability. It helps prioritize stakeholders based on their influence and dependence on the company. RailTel also conducts peer analysis to understand industry-specific stakeholders by studying similar entities in the railway and telecommunications sectors. By combining the results of the materiality assessment and peer analysis, RailTel maps and categorizes stakeholders based on their importance and influence. This process enables effective engagement with key stakeholders, understanding their needs and concerns, and incorporating feedback into the company's strategies and decision-making. RailTel further consults stakeholders to gain insights into their opinions regarding the company's vision, ESG practices, and business actions.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholder and Investor Group	No	Investor and Analyst meetings, Annual general meetings, Corporate Website  Newspaper Advertisements, Stock Exchange websites. Investor Conferences	Event based, As and when required.	Focus is on creating shareholders wealth.  Key topics: - Financial Performance, Entry into new segments, Business Performance, Corporate Governance, Major work orders, etc.
Customers	No	Social Media, Marketing branding, References, Advertisements	Ongoing	Information, Service improvement, Feedbacks
Employees	No	Conferences, Social gathering, Sports meets, Meetings, Notice Board, Emails, Office orders, Website	Ongoing	Information, Events, Trainings, business activities
Government & regulators	No	Notice, emails, Office Memorandum, Media releases	Ongoing	Information regulatory matters
Business partners	No	Emails, Calls, Letters	Need based	Business activities
NGOs/ Communities	Yes	Emails, Calls, Letters	Need based	Audits, Feedbacks



**Principle 5: Businesses should respect and promote human rights.**

**Essential Indicators**

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	474	12	2.5	459	7	1.5
Other than permanent	278	0	0.0	239	0	0.0
Total Employees	752	12	1.6	698	7	1.0
<b>Workers</b>						
Permanent	Not applicable					
Other than permanent	Not applicable					
Total Workers	Not applicable					

**2. Details of minimum wages paid to employees and workers**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	422	0	0	422	100	396	0	0	396	100
Female	52	0	0	52	100	47	0	0	47	100
<b>Other than permanent</b>										
Male	259	0	0	259	100	239	0	0	239	100
Female	19	0	0	19	100	17	0	0	17	100
<b>Workers</b>										
<b>Permanent</b>										
Male	Not applicable									
Female	Not applicable									
<b>Other than permanent</b>										
Male	Not applicable									
Female	Not applicable									

### 3. Details of remuneration/salary/wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	181620	0	0
Key Managerial Personnel	5	169762	0	0
Employees other than BoD and KMP	676	65570	71	65570
Workers	NA	NA	NA	NA

#### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

#### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

RailTel has implemented a comprehensive internal mechanism to address grievances related to human rights issues. Employees are provided with various avenues to submit their grievances, including email, letter, suggestion box, or in-person meetings with the relevant HR official or authority. Once a grievance is received, the HR department takes prompt action by forwarding it to the departmental head at the head office for further redressal within a defined timeframe. The company recognizes the sensitivity of human rights complaints and has a dedicated whistle-blower policy in place. This policy ensures confidentiality and protection for employees who raise concerns about human rights violations or other sensitive matters. Throughout the process, RailTel maintains transparent communication by informing the concerned employee about the progress and resolution of their grievance through official channels.

#### 6. Number of Complaints on sexual harassment, discrimination, made by employees and workers

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	No new complaint reported during the year, resolution provided for previous year pending complaint	1	1	Complaint now resolved
Discrimination at work-place	0	0		0	0	

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Child Labour	NA	NA	NA	NA	NA	
Forced Labour/ Involuntary Labour	NA	NA	NA	NA	NA	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

**7. Mechanisms to prevent adverse consequences to the complaints in discrimination and harassment cases.**

RailTel has implemented an extensive system in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and its corresponding regulations. The framework aims to safeguard women against sexual harassment and ensure prompt resolution of complaints. RailTel's dedication to upholding a secure working environment is further strengthened by a strong code of conduct that discourages any instance of sexual harassment. RailTel has an Internal Complaints Committee (ICC) in place at its Corporate Office and all four Regional Office(s) which is responsible to: -

1. Investigate every formal written complaint of sexual harassment.
2. Meet at regular intervals.
3. Prepare an Annual Report containing the details of complaints of sexual harassment pursuant to the provisions of Act and provide the same to employer.
4. Take appropriate remedial measures to respond to any substantial allegations of sexual harassment.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

No

**9. Assessments for the year**

	% of your plants and offices that were assessed
Child Labour	NA
Forced/involuntary labour	NA
Sexual harassment	100%
Discrimination at work-place	NA
Wages	NA
Others-please specify	NA

**10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.**

Not applicable

**Principle 6: Businesses should respect and make efforts to protect & restore the environment.**

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity**

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	RailTel is Schedule "A" CPSE under Ministry of Railways and does not have any production/manufacturing facilities. Therefore, the energy consumption is limited to buildings/ office complex which are owned/rented. However, RailTel is committed to reducing total energy consumptions through energy saving mechanisms.	
Total fuel consumption (B)		
Energy consumption through other sources (C)		
Total energy consumption (A+B+C)		
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)		
Energy intensity (optional) – the relevant metric may be selected by the entity		
<b>Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.</b>		
No, the Company did not carry out independent assessment by an external agency, as the energy consumptions are limited to buildings and office complex.		

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not applicable

**3. Provide details of the following disclosures related to water**

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	RailTel is Schedule "A" CPSE under Ministry of Railways and does not have any production/manufacturing facilities. Therefore, the water consumption is limited to buildings/ office complex though municipal sources. However, RailTel is committed to reducing total water consumption.	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>		
<b>Total volume of water consumption (in kilolitres)</b>		
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)		
<b>Water intensity (optional)</b> – the relevant metric may be selected by the entity		



**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Not applicable, RailTel is not a manufacturing or production entity. However, environmental issues if any, are identified through site visits and the review of applicable rules laid down by the concern local government authorities.

**5. Please provide details of air emissions (other than GHG emissions) by the entity**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx			
Sox			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			
Not applicable			
<b>Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.</b>			
No, the Company did not carry out independent assessment by an external agency			

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)		Not applicable	Not applicable
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)		Not applicable	Not applicable
Total Scope 1 and Scope 2 emissions per rupee of turnover			
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			
<b>Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.</b>			
Not applicable, as RailTel is not a manufacturing or production entity.			

**7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

Not applicable.

## 8. Provide details related to waste management by the entity

Parameter	FY 2022-23	FY 2021-22
	Total Waste generated (in metric tons)	
Plastic waste (A)	Not applicable	
E-waste (B)	Being handled on regular basis in accordance with scrap management policy.	
Bio-medical waste (C)	Not applicable	
Construction and demolition waste (D)	Not applicable	
Battery waste (E)	Being handled on regular basis in accordance with scrap management policy.	
Radioactive waste (F)	Not applicable	
Other Hazardous waste. Please specify, if any. (G)	Not applicable	
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	Not applicable	
<b>Total (A+ B + C + D + E + F + G + H)</b>		

**For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)**

Category of waste	
(i) Recycled	Not applicable
(ii) Re-used	
(iii) Other recovery operations	
Total	
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)	
Category of waste	
(i) Incineration	Not applicable
(ii) Landfilling	
(iii) Other disposal operations	
<b>Total</b>	

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

The Company did not carry out independent assessment by an external agency considering its nature of business wherein no manufacturing/production is made.

## 9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

RailTel has established a dedicated committee to oversee the management and disposal of scrap

materials, thereby emphasizing their commitment to efficient waste management. Additionally, the company has implemented a comprehensive Scrap Disposal Policy that provides detailed Standard Operating Procedures (SOPs) for both scrap disposal and the sale of scrap. These SOPs ensure that the entire process, from handling to documentation, is conducted in a transparent and compliant manner, promoting effectiveness in managing scrap materials. Moreover, RailTel conducts auctions for hazardous battery waste, ensuring responsible handling and disposal in accordance with specific guidelines and regulations. This approach not only fosters transparency and efficiency but also upholds sustainable waste management practices, contributing to a greener and more environmentally conscious approach.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required**

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
RailTel Schedule A PSU with PAN India presence, its registered and corporate office in New Delhi. The Company has no office in/around ecologic sensitive area.		

**11 Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year**

Name and brief details of project	EIA Notifica-tion Number	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Not applicable					

**12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances.**

Specify the law/ regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/ action taken by regulatory agencies such as pollution con-trol boards or by courts	Corrective action taken, if any
RailTel is not a manufacturing company and hence it is not applicable.			

**Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do in a manner that is responsible and transparent.**

**Essential Indicators**

1.	<b>a. Number of affiliations with trade and industry chambers/ associations</b>	2
	<b>b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.</b>	
	<b>Name of the trade and industry chambers/ Associations</b>	<b>Reach of trade and industry chambers/ associations (State/national)</b>
	1 Standing Conference of Public Enterprises	National
	2 Bharat IPV6 Forum	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

<b>Name of authority</b>	<b>Brief of the case</b>	<b>Corrective action taken</b>
For FY 2022-23 there are no complaints regarding anti-competitive conduct.		

**Principle 8: Businesses should promote inclusive growth and equitable.**

**Essential Indicators**

**1. Details of social impact assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
<b>Akanksha Super 30 program-</b> As part of the corporate social responsibility program, RailTel Corporation is a "Mini Ratna (Category-I)" PSU has carried out CSR initiative in Dehradun, Uttarakhand. In FY 2015-16, the company inaugurated the "RailTel Akanksha Super 30 program" in Dehradun. RailTel Akanksha Super 30 program in Dehradun is being implemented by the Centre for Social Responsibility & Leadership (CSRL), New Delhi. RailTel has approached the Centre of Excellence in CSR at the Tata Institute of Social Sciences, Mumbai (TISS) to assess the Impact of the Akanksha Super 30 Programme.	1002110615	26-May-22	Yes	Yes	<a href="https://www.railtelindia.com/images/pdf/RailTel%20Impact%20Assessment%20Report%20Akanksha%20Super%2030%20Final.pdf">https://www.railtelindia.com/images/pdf/RailTel%20Impact%20Assessment%20Report%20Akanksha%20Super%2030%20Final.pdf</a>

**2. Provide information on project(s) for which ongoing rehabilitation and resettlement (R&R) is being undertaken by your entity**

Name of Project for which R&R is ongoing	State	District	No. of Project Affect-ed Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable					

**3. Describe the mechanisms to receive and redress grievances of the community**

RailTel has a robust CPGRAMS mechanism to receive and redress grievances. Legislated timeframe has been set to redress the grievances. Local community members also submit their grievances conveniently online, by phone, and by email. These grievances are promptly investigated by RailTel, appropriate action is taken, and the issue is resolved in a timely manner

#### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

Particulars	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	54.12%	61.65%
Sourced directly from within the district and neighbouring district	NA	NA

**Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.**

#### Essential Indicators

##### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback

RailTel has implemented a robust response mechanism to effectively handle consumer complaints and feedback. In addition to the dedicated Network Operating Centre (NOC) for addressing service-related issues of corporate customers, RailTel employs various channels such as email communication, social media monitoring, helpline services, and the CPGRAM portal to receive and track complaints. Additionally, RailTel provides a 24/7 helpline for its B2B services, ensuring continuous support and assistance for corporate customers. Once a complaint is received, it undergoes a thorough analysis and is forwarded to the respective department for feedback and resolution. RailTel prioritizes timely and customer-centric complaint resolution, ensuring that consumers receive appropriate and satisfactory replies or solutions. The company actively encourages consumers to provide feedback as it plays a vital role in driving continuous improvement.

##### 2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable
Safe and responsible usage	Not applicable
Recycling and/or safe disposal	Not applicable

##### 3. Number of consumer complaints

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	1	0	Law Enforcement Agency reported that machine hosted in RailTel infrastructure was infected. The machine was isolated and corrective action was taken after forensics.	0	0	

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Advertising	0	0		0	0	
Cyber-security	0	0		1	0	Law Enforcement Agency reported that there was a data leak from a machine hosted in RailTel infrastructure. The incident was found to be false positive after doing forensics.
Delivery of essential services	NA	NA		NA	NA	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	NA	NA		NA	NA	

#### 4. Details of instances of product recalls on account of safety issues

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

#### 5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, RailTel has a comprehensive framework and policy in place for cyber security and risks related to data privacy. The company has adopted the Cyber Security Guidelines for Government Employees issued by the Ministry of Electronics & Information Technology. Additionally, RailTel follows detailed directions under sub-section (6) of section 70B of the Information Technology Act 2000, which cover various aspects of information security practices, procedures, prevention, response, and reporting of cyber incidents. This framework includes features such as the collection, analysis, and dissemination of information on cyber incidents, forecasting and alerts for cyber security incidents, emergency measures for handling such incidents, coordination of response activities, and issuing guidelines, advisories, vulnerability notes, and whitepapers. RailTel is committed to ensuring a safe and trusted cyber environment through its robust cyber security framework.

The web-link for the policy is given here - <https://www.railtelindia.com/images/Cyber%20Security%20Policy%20Ver%20no.%201.1.pdf>



**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Various industry standards and frameworks have been implemented by RailTel to guarantee robust cyber security and privacy. These include ISO/IEC 27001:2013, ISO/IEC 27017:2015, and ISO/IEC 27018:2019. These standards provide guidelines for establishing and maintaining an information security management system, ensuring the confidentiality, integrity, and availability of customer data. RailTel also adheres to ISO/IEC 20000-1:2018 for IT service management and ISO 9001:2015 for quality management. Additionally, RailTel follows the Payment Card Industry Data Security Standard (PCI-DSS) to secure cardholder data during payment transactions. These measures are in place to prevent incidents related to cyber security and protect the privacy of customer data.

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**S R GOYAL & CO**  
**CHARTERED ACCOUNTANTS**

## Independent Auditor's Report

To

**The Members of**

**RailTel Corporation of India Limited**

**Report on the Audit of the Standalone Financial Statements**

### Opinion

We have audited the Standalone Financial Statements of RailTel Corporation of India Limited ("the Company"), which comprises the Standalone Balance Sheet as at 31st March 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies ( India Accounting Standards ) Rule 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023 and its net profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report*. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Emphasis of Matter

We draw attention to the following matters in the notes to the Standalone Financial Statements:

Refer Note no. 42 of the accompanying Audited Standalone Financial Statements which states that during the year, the company has rationalized the estimates for calculation of Expected Credit Loss as permitted by Ind AS- 109. This has resulted into reduction of Expected credit loss provision by Rs. 4,498 lakhs and corresponding increase in profit before tax for the year.

Our Opinion is not modified in respect of the above matter.



## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report –

S. No.	Key Audit Matters	How our audit addressed the key audit matter
1.	<p><b>Recognition, measurement, estimation, presentation and disclosures in respect of “Revenue from contracts with Customers” under Ind AS 115</b></p> <p>The application of this revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period, and disclosures including presentations of balances in the financial statements.</p> <p>Estimated efforts is a critical estimate to determine revenue, as it requires consideration of progress of the contract, efforts incurred till date, efforts required to complete the remaining performance obligation.</p> <p>(Refer Note No. 30 of the Standalone financial statements.)</p>	<p>Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:</p> <ul style="list-style-type: none"> <li>Evaluated the effectiveness of controls over the preparation of information that are designed to ensure the completeness and accuracy.</li> <li>Selected a sample of existing continuing contracts and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.</li> <li>Tested the relevant information, accounting systems and change relating to contracts and related information used in recording and disclosing revenue in accordance with Ind AS 115.</li> <li>Reviewed a sample of contracts to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations.</li> <li>Performed analytical procedures and test of details for reasonableness and other related material items.</li> </ul>

S. No.	Key Audit Matters	How our audit addressed the key audit matter
2.	<p><b>Expected Credit Loss (ECL) for Trade Receivables</b></p> <p>The company has applied simplified approach to measure ECL for trade receivables, which allows for lifetime expected credit losses to be recognized from initial recognition of the receivables. The company determines the expected credit losses on trade receivables by using a provision matrix that is based on historical credit loss experience, adjusted for forward looking factors to the debtors and the economic environment. Recognition and measurement of expected credit loss involves significant management judgement. These include:</p> <ul style="list-style-type: none"> <li>• Identification of exposures where there is a significant increase in credit risk</li> <li>• Completeness and timing of recognition of default, in accordance with the credit policy of the company</li> <li>• Estimation of Forward-Looking Adjustments</li> </ul> <p>Due to significance of trade receivables and the complexity involved in the ECL calculation, this was considered as a key audit matter.</p> <p>(Refer Note No. 11 and item no II (2A) of the Significant Accounting Policy to the Standalone financial statements.)</p>	<p>We have applied the following audit procedures in this regard:</p> <ul style="list-style-type: none"> <li>• We have obtained an understanding of the company's credit policy along with the applications controls associated with the accuracy of the information included in the debtors ageing report.</li> <li>• We evaluated the company's process of ECL calculation. We assessed the reasonableness of the assumptions used in ECL calculation by comparing them with the historic data adjusted for current market condition and forward-looking information.</li> <li>• We have also considered the disclosures made by the company under the head credit risk.</li> </ul> <p>Based on the above procedure performed, the management estimations and judgement in ECL were found to be reasonable.</p>



S. No.	Key Audit Matters	How our audit addressed the key audit matter
3.	<p><b>Contingent Liabilities</b></p> <p>The Company is subject to a number of legal, regulatory, arbitration and tax cases for which final outcome cannot be easily predicted and which could potentially result in significant liabilities.</p> <p>The assessment of whether a liability is recognised as a provision or disclosed as a contingent liability in the standalone financial statements is inherently subjective and requires significant management judgement in determination of the cash outflows from the business, interpretation of applicable laws and regulations, and careful examination of pending assessments at various levels of regulatory authorities.</p> <p>We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgement in interpreting the cases and it may be subject to management bias.</p> <p>(Refer item no. 23 of note no. 43 and Item No. 25 of the significant Accounting Policy to the Consolidated Financial Statements)</p>	<p>We have adopted the following audit procedures</p> <ul style="list-style-type: none"> <li>Understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases</li> <li>Discussed with the management any material developments and latest status of legal matters at the corporate office.</li> <li>Read various correspondences and related documents pertaining to litigation cases and performed substantive procedures on calculations supporting the disclosure of contingent liabilities Assessed the adequacy and completeness of disclosures.</li> </ul> <p>Based on the above procedure performed, the estimations and disclosure of contingent liabilities are considered to be adequate and reasonable</p>

### Information other than the Standalone Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Corporate Governance Report, and the information included in the Directors' Report including Annexures, Management Discussion and Analysis, Business Responsibility and Sustainability Report and other company related information (but does not include the Standalone Financial Statements and our auditors' report thereon), which are expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read such other information, as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required

### **Responsibilities of Management for the Standalone Financial Statements**

The Company's management is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. And we have placed reliance on resolution plan submitted by company to its bankers. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matters

We have not audited the financial results / information of Eastern Region, Western Region and Southern Region included in these audited standalone financial results; whose financial results / information reflect total revenues of Rs. 1,35,987 lakhs, total net profit after tax of Rs. 24,706 lakhs for the year ended March 31, 2023 and total assets of Rs.2,03,262 lakhs as on March 31, 2023. The same have been audited by other auditors appointed by the CAG. Our opinion in so far as it relates to the amounts and disclosures in respect of these regional offices is solely based on reports of other auditors

- a) The Standalone Financial Results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year ended 31 March 2023 and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
- b) The Standalone financial results for the quarter and year ended 31st March, 2022 were reviewed / audited by the predecessor statutory auditor of the Company.

Our report is not modified in respect of above matters.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Comptroller and Auditor General of India through directions/sub-directions issued under Section 143(5) of the Companies Act 2013, on the basis of written representation received from the management, we give our report on the matter specified in the "**Annexure -B**" attached.
3. As required by Section 143(3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
  - e. Being a Government Company pursuant to the Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act 2013, are not applicable to the Company.
  - f. With respect to the adequacy of the internal financial controls with reference to the Standalone Financial Statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**".
  - g. As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Companies Act 2013, is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable on the Company.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. - Refer item No. 23 of Note No. 43 to the Financial Statement.
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii. During the year there is no requirement of any amount to be transferred of an unclaimed dividend to the Investor Education and Protection Fund under section 124(5) of the Companies Act, 2013

- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note No. 43 (Item No. 33) to the Standalone Financial Statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note No. 43 (Item No. 33) to the Standalone Financial Statements, as that no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(ii) of Rule 11(e) contain any material misstatement.
- v. (a) The final dividend proposed for the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable
- (b) Interim dividend declared and paid by the Company during the year is in accordance with Section 123 of the Act.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For S R Goyal & Co.**  
**Chartered Accountants**  
**FRN: 001537C**

**Sd/-**  
**A.K. Atolia**  
**(Partner)**  
**M.No.: 077201**

**Place: New Delhi**  
**Date: 17.05.2023**  
**UDIN: 23077201BGXMRT2947**



## ANNEXURE "A"

### TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report, of even date, to the Members of **RailTel Corporation of India Limited** on Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023)

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets: -
  - a. (A) The Company has maintained proper records showing full particulars with respect to most of its Property, Plant and Equipment, and is in the process of updating the quantitative, identification marks and situation details with respect to certain Property, Plant and Equipment in the records maintained by the Company
  - (B) The Company has generally maintained proper records showing full particulars of Intangible assets.
  - b. The Company has a program of verification of Property, Plant and Equipment to cover all the items in a phased manner. Pursuant to the program, during the year, as part of the internal audit, the internal auditors have carried out the physical verification of Property, Plant and Equipment of the Company and no material discrepancies were noticed on such verification.
  - c. According to the information and explanations given to us, we report that the title deeds of all the immovable properties which are included under the head property, plant and equipment (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
  - d. The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provision of clause 3(i)(d) is not applicable.
  - e. According to the information and explanations given to us, there are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. As informed to us, the Inventory is located in the Western Region and verified by the respective Statutory Auditor. The following has been reported as follows:
  - (a) The Inventory of the Western Region has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. The procedures of physical verification of inventory followed by the management are, in our opinion reasonable and adequate in relation to the size of the company and nature of its business. The WR is maintaining proper records of inventory. No material discrepancies were noticed on the last physical verification
  - (b) In our opinion and according to the information and explanations given to us, during the year, the Company has not been sanctioned working capital, hence this clause is not applicable.
- iii. According to the information and explanations given to us, the Company has not made any investment, provided guarantee, security and not granted loans and advances in the nature of loans, secured and unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties. In view of this, sub-clause (a) (b) (c) (d) (e) and (f) of clause 3(iii) of the Order is not applicable on the Company.
- iv. According to the information and explanations given to us, the Company has not made any loans,

investments, guarantees, and security in terms of Section 185 and 186 of Companies Act, 2013. Accordingly, clause 3(iv) of the Order is not applicable.

- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits or amount which deemed to be deposits. As such, the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable to the Company.

No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

- vi. We have broadly reviewed the accounts and records maintained by the Company for the year 2022-23 pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act read with Companies (Cost Records & Audit) Rules, 2014, as amended and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.

- vii. (a) According to the information and explanations given to us, the Company is generally regular in depositing the undisputed statutory dues including goods and service tax, provident fund, income tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, there are no undisputed statutory dues are outstanding arrears as on 31st March, 2023 for a period of more than six months from the date they became payable.

(b) According to records of the company and information and explanations given to us by the Company, the gross statutory dues of income tax or sale tax or service tax or duty of custom or duty of excise or value added tax or Cess or Goods and Service Tax and any other statutory dues of the Company which have not been deposited on account of dispute or deposited under protest and the forum where the dispute is pending are given below:

S. No	OU	Name of the Statute	Nature of Dues	Opening Amount (In Lacs)	Addi-tion (In Lacs)	Amount Adjusted (In Lacs)	Closing Amount (In Lacs)	Period to which the amount relates	Forums where dispute is pending
1	SR	Service Tax	Levy of service tax on consideration received for maintaining electricity and power at major railway stations, Non-payment of service tax on on service rendered to Associated enterprises, Non-reversal of CENVAT credit on common input services received for providing taxable as well as exempted services, Difference in reconciliation for the period 2011-14. Order no. 70 & 71/2015-16.	508.14	Nil	Nil	508.14	2011-14	Tribunal Hyderabad

S. No	OU	Name of the Statute	Nature of Dues	Opening Amount (In Lacs)	Addi-tion (In Lacs)	Amount Adjusted (In Lacs)	Closing Amount (In Lacs)	Period to which the amount relates	Forums where dispute is pending
2	SR	Service Tax	Classification of Railway deposit works under works contract tax. Department contention is service tax payable on 13% service charge for the period 2008-2011. Stay order provided by CESTAT.	320.07	Nil	Nil	320.07	2008-2011	Tribunal, Hyderabad
3	SR	GST	Demand as per Notice DIN No. 20211255YK0000333C1F Dt. 28-Dec-2021 regarding Mismatch in liability declared against RCM and ITC availed under RCM in GSTR-3B for the period Apr-21 to Sep-21	11.67	Nil	Nil	11.67	Apr-21 to Sep-21	Andhra Pradesh
4	SR	GST	Demand for Recovery of for Sanjana Telecom vide Notice No. STO/NAN-BCP-C-003/NED/Recovery/2021-22/Nanded/B-1095/Demand No 31 Dt. 23-Mar-2022 for F.Y 2017-18.	1.87	Nil	1.87	0		Maharashtra (Nanded)
5	SR	GST	Demand vide Notice No. ZB3312211776351 Dt. 14-Dec-2021 for F.Y 2018-19 regarding intimating discrepancies in the return after scrutiny.	510.98	Nil	Nil	510.98	FY 2018-19	Tamil Nadu
6	SR	GST	Demand vide Notice Ref. No. ZB3311211704579 Dt. 30-Nov-2021 for F.Y 2019-20 regarding intimating discrepancies in the April 2019 return (GSTR-1 &GSTR-3B) after scrutiny and GST ASMT-10 Dated 04-12-2020	6.68	Nil	Nil	6.68	FY 2019-20	Tamil Nadu
7	SR	GST	Demand vide Notice Dt. 01-Mar-2022 for F.Y 2018-19 regarding Return Scrutiny intimating discrepancies like Determination of Tax not paid, Short paid, Input wrongly availed.	535.15	Nil	Nil	535.15	FY 2018-19	Tamil Nadu
8	SR	GST	Demand vide Notice No. ZD361121015643W Dt. 13-Nov-2021 for F.Y 2017-18, Show Cause Notice under section 73	10.47	Nil	10.47	0	FY 2017-18	Telangana
9	SR	GST	Demand vide Notice No. ZD3611210157004 Dt. 13-Nov-2021 for F.Y 2018-19, Show Cause Notice under section 73	58.29	Nil	4.54	53.75	FY 2018-19	Telangana

S. No	OU	Name of the Statute	Nature of Dues	Opening Amount (In Lacs)	Addi-tion (In Lacs)	Amount Adjusted (In Lacs)	Closing Amount (In Lacs)	Period to which the amount relates	Forums where dispute is pending
10	SR	GST	Demand vide Notice No. ZD3611210157301 Dt. 13-Nov-2021 for F.Y 2019-20, Show Cause Notice under section 73	97.63	Nil	Nil	97.63	FY 2019-20	Telangana
11	SR	GST	Demand vide Notice No.ZD360222013737M Dt. 17-Feb-2022 for F.Y 2020-21, Show Cause Notice under section 73	64.12	Nil	Nil	64.12	FY 2020-21	Telangana
12	ER	GST	demand on ground that excess ITC Claimed in GSTR-3B w.r.t. ITC auto populated in GSTR-2A.	33.71	Nil	Nil	33.71	FY 2018-19	GST-BIHAR
13	ER	GST	demand on ground that excess ITC Claimed in GSTR-3B w.r.t. ITC auto populated in GSTR-2A.	17.40	Nil	17.4	0	FY 2019-20	GST-BIHAR
14	ER	GST	Excess ITC Claimed	222.19	Nil	222.19	0	FY 2018-19	GST - CHHATISGARH
15	NR	RVAT Act	Levy of entry Tax and demand raised under the act.	5.41	Nil	Nil	5.41	2015-16	RVAT Department
16	NR	RVAT Act	Levy of entry Tax and demand raised under the act.	12.46	Nil	Nil	12.46	2016-17	RVAT Department
17	NR	RVAT Act	Demand as per Notice u/s 49, 50 of RVAT Act-2003, u/s 9(3) of CST Act-1956 & u/s 174 of RGST Act-2017 of F.Y 2017-18 dt. 01-Oct-2019.	13.40	Nil	Nil	13.4	2017-18	RVAT Department
18	NR	UP VAT Act	Demand raised on assessment.	56.23	Nil	56.23	0	FY 2014-15	UPVAT Department
19	NR	HVAT Act	Demand raised on assessment.	7.74	Nil	Nil	7.74	FY 2015-16	HVAT Department
20	NR	DVAT	Demand Raised due to Mismatch of ITC	Nil	52.58	47.16	5.42	FY 2015-16	DVAT
21	NR	DVAT	Demand Raised due to Mismatch of ITC	Nil	1360.68	Nil	1360.68	FY 2016-17	DVAT
22	NR	DVAT	Demand Raised due to Mismatch of ITC	Nil	511.54	Nil	511.54	FY 2017-18	DVAT
23	WR	MVAT	Demand raised on assessment for FY 2013-14	2.03	Nil	2.03	0	FY 2013-14	MVAT Department
24	NR	Income Tax Act 1961	TDS demand due to short deduction of TDS.	0.27	Nil	Nil	0.27	2010-11 to 2012-13	TDS (Commissioner)

S. No	OU	Name of the Statute	Nature of Dues	Opening Amount (In Lacs)	Addition (In Lacs)	Amount Adjusted (In Lacs)	Closing Amount (In Lacs)	Period to which the amount relates	Forums where dispute is pending
25	CO	Income Tax Act 1961	Appeal filed against AO's order for AY 2016-17 for making additions on account of disallowance for "Exp booked in FY 2016-17 and claimed in FY 15-16 for avoiding prior period expenses in FY 2016-17" & Rs. 10 Lakh u/s 14A rwr 8D, an amount equal to 1% of Annual Avg. of Investment in REL	144.09	Nil	Nil	144.09	AY 2016-17	CIT-(A), New Delhi
26	CO	Income Tax Act 1961	Appeal filed against AO's order for AY 2017-18 for making additions on account of disallowance for "Balance Amount (i.e., Actuarial gain/loss) debited in Other Comprehensive Income which was paid on 06-09-2017 vide DD No. 19906" & Rs. 10 Lakh u/s 14A rwr 8D, an amount equal to 1% of Annual Avg. of Investment in REL	117.94	Nil	117.94	0	AY 2017-18	CIT-(A), New Delhi
27	CO	Income Tax Act 1961	Appeal filed against AO's order for AY 2018-19 for additions made u/s 143(3)	1,013.78	Nil	682.592	331.1914	AY 2018-19	CIT-(A), New Delhi
28	CO	Income Tax Act 1961	Appeal filed against AO's Penalty Order under section 270A of the Income Tax Act, 1961	Nil	5.03	Nil	5.03	AY 2020-21	CIT-(A), New Delhi
29	CO	Income Tax Act 1961	TDS demand due to short deduction of TDS.	0.09	Nil	Nil	0.09	2010-11, 11-12, 12-13, 13-14, 14-15, 15-16, 16-17, 17-18, 18-19, 19-20	Traces
30	CO	Service Tax	Appeal Filed against Penalty Order u/s 78 in case of Service Tax Audit of Corporate Office for the period 2014-15 to Jun-2017 (Order No. 04/Adj./DC/DIV-EAST-II/2021-22)	17.02	Nil	1.70	15.32	FY 2014-15 to Jun-2017	CESTAT, Chandigarh
			<b>Total</b>	<b>3,788.83</b>	<b>1929.83</b>	<b>1164.12</b>	<b>4554.54</b>		

viii. In our opinion and according to the information and explanations given to us, the Company has not surrendered or disclosed as income, any transaction not recorded in the books of account, during the year in the income tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

ix. According to the information and explanations given to us, the Company has not taken any loan or other borrowings. Hence, sub-clauses (a) (b) (c) (d) (e) and (f) of clause 3(ix) of the Order is not applicable the Company.

- x. According to the information and explanations given to us, the Company has not raised any money by way of initial offer or further public offer (including debt instruments) during the year. Hence, sub-clause (a) and (b) of clause 3(x) are not applicable.
- xi. (a) According to the information and explanations given to us and as represented by the management and Based on examination of the books and records of the Company, no case of material fraud by the Company or on the Company has been noticed or reported during the year.
- (b) We have not submitted any report under sub section (12) of Section 143 of the Companies Act, 2013 in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this audit report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year, accordingly, provisions of clause 3(xi)(c) of the order are not applicable.
- xii. The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the standalone financial statements as required by the applicable Indian accounting Standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the Internal Auditors issued to the Company during the year in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under section 192 of the Act. Accordingly, provision of clause 3(xv) of the Order is not applicable.
- xvi. (a.) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause (xvi)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations provided to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities therefore the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3(xvi)(b) of the Order are not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, provisions of clause 3(xvi) (d) of the Order are not applicable.

- xvii. Based on our examination of the books and records of the Company, the Company has not incurred any cash losses in the financial year and the immediately preceding financial year. Accordingly, paragraph 3(xvii) of the Order is not applicable.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, provisions of clause 3(xviii) of the Order are not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet, will get discharged by the Company as and when they fall due.
- xx. (a) In our opinion and according to the information and explanations given to us, there is no such case in respect of other than ongoing projects. Therefore, the second proviso to sub-section (5) of section 135 of the said Act is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the company has incurred expenditure under Corporate Social Responsibility as required by the provisions of Section 135 of the Act and the unspent amount of Rs. 210 Lakhs, as required has been transferred to the respective CSR bank account as per the guidelines.

**For S R Goyal & Co.**  
**Chartered Accountants**  
**FRN: 001537C**

**Place: New Delhi**  
**Date: 17.05.2023**  
**UDIN: 23077201BGXMRT2947**

**Sd/-**  
**A.K. Atolia**  
**(Partner)**  
**M. No.: 077201**

## ANNEXURE "B"

### TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report, of even date of RailTel Corporation of India Limited on standalone Financial Statements for the year ended 31st March 2023)

As required by section 143(5) of the Act and in pursuance of directions issued by the Office of the Comptroller and Auditor General of India for the year ended 31st March 2023, we report that:

S. No.	Directions / Sub-Directions Issued by Comptroller and Auditor General of India	Auditors' reply on action taken on the directions	Impact on financial Statement
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, as per the explanation and information provided to us that the company has implemented Oracle-ERP system which is processing all the accounting transactions. Since no transactions are processed outside IT system, the Company is not prone to any such risk and hence, there is no financial implication of it.	Nil
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?	The company has not availed any loan from any bank or financial institution.	Nil
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	The company is in receipt of subsidy in respect of the following project: <b>A. Rural Wi-Fi Project</b> -The Company is in receipt of subsidy from Universal Service Obligation Fund (USOF) to the tune of Rs 1,437 lakhs till 31.03.2023 for Rural Wi-Fi Project. The said subsidy has been properly accounted for and utilized as per its terms and conditions and for the project for which it has been received. No deviation observed.	Nil



S. No.	Directions / Sub-Directions Issued by Comptroller and Auditor General of India	Auditors' reply on action taken on the directions	Impact on financial Statement
		<b>B. NE -1 &amp; NE -2 Project</b> – The Company has received subsidy of Rs. 3,146 lakhs From USOF till 31.03.2023 against execution of the project. The said subsidy has been properly accounted for and utilized as per its terms and conditions and for the project for which it has been received. No deviation observed.	

**For S R Goyal & Co.**  
**Chartered Accountants**  
**FRN: 001537C**

**Place: New Delhi**  
**Date: 17.05.2023**  
**UDIN: 23077201BGXMRT2947**

**Sd/-**  
**A.K. Atolia**  
**(Partner)**  
**M. No.: 077201**

## ANNEXURE "C"

### TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS

(Referred to in paragraph 3 (f) under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report, of even date, to the members of RailTel Corporation of India Limited on Standalone Financial Statements for the year ended 31st March 2023)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Standalone Financial Statements of **RailTel Corporation of India Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the Standalone Financial Statements includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements in place and such internal financial controls with reference to the Standalone Financial Statements were operating effectively as at 31 March 2023, based on the internal controls over financial reporting criteria established by the Company considering the components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

**For S R Goyal & Co.**  
**Chartered Accountants**  
**FRN: 001537C**

**Place: New Delhi**  
**Date: 17.05.2023**  
**UDIN: 23077201BGXMRT2947**

**Sd/-**  
**A.K. Atolia**  
**(Partner)**  
**M. No.: 077201**

## RailTel Corporation of India Limited

### Standalone Balance Sheet as at 31<sup>st</sup> March 2023

(₹ in lakhs)

Particulars	Note No.	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>(A) ASSETS</b>			
<b>(1) NON CURRENT ASSETS</b>			
i. Property, Plant and Equipments	2	64,679	60,142
ii. Capital Work-in-Progress	3	15,693	16,394
iii. Right of Use Assets	4	16,900	16,502
iv. Intangible Assets	2	548	841
v. Financial Assets			
a. Investment	5	1,000	1,000
b. Loans and Advances	6	-	-
c. Other Non Current Financial Assets	7	23,319	33,983
vi. Deferred tax assets (net)	23	3,121	2,502
vii. Other Non Current Assets	8	32	68
<b>TOTAL NON CURRENT ASSETS</b>		<b>1,25,292</b>	<b>1,31,432</b>
<b>(2) CURRENT ASSETS</b>			
i. Inventories	9	92	94
ii. Financial Assets			
a. Investment	10	4,007	3,005
b. Trade Receivables	11	1,03,257	66,647
c. Cash and Cash Equivalents	12	18,615	18,510
d. Other Bank Balances	13	5,371	9,107
e. Loans and Advances	14	21	32
f. Other Current Financial Assets	15	45,148	32,595
iii. Current Tax Assets (Net)	16	1,341	1,095
iv. Other Current Assets	17	23,435	13,424
<b>TOTAL CURRENT ASSETS</b>		<b>2,01,287</b>	<b>1,44,509</b>
<b>TOTAL ASSETS</b>		<b>3,26,579</b>	<b>2,75,941</b>
<b>(B) EQUITY AND LIABILITIES</b>			
(1) Equity			
i. Equity Share Capital	18	32,094	32,094
ii. Other Equity	19	1,31,556	1,19,508
<b>TOTAL EQUITY</b>		<b>1,63,650</b>	<b>1,51,602</b>
<b>(2) LIABILITIES</b>			
<b>(a.) NON CURRENT LIABILITIES</b>			
i. Financial Liabilities			
a. Borrowings		-	-
b. Other Non Current Financial Liabilities	21	5,050	2,614
ii. Leasing Liabilities	20	3,627	2,349
iii. Provisions	22	864	945
iv. Deferred Tax Liabilities (Net)	23	-	-
v. Other Non Current Liabilities	24	8,053	7,341
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>17,594</b>	<b>13,249</b>
<b>(b.) CURRENT LIABILITIES</b>			
i. Financial Liabilities			
a. Borrowings		-	-
b. Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	25	14,623	14,916
Total outstanding dues of creditors other than micro enterprises and small enterprises		41,851	33,340
c. Other Current Financial Liabilities	27	38,904	30,232
ii. Leasing Liabilities	26	552	802
iii. Provisions	28	3,115	2,794
iv. Other Current Liabilities	29	46,290	29,006
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,45,335</b>	<b>1,11,090</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,26,579</b>	<b>2,75,941</b>

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 43)

As per our report of even date attached

**For M/s S R GOYAL & CO**  
Chartered Accountants  
FRN : 001537C

**For and on behalf of the Board of Directors of**  
RailTel Corporation of India Limited

Sd/-  
CA A.K. Atolia  
M. No. 077201

Sd/-  
J S Marwah  
Company Secretary  
(M. No. : F8075)

Sd/-  
V Rama Manohara Rao  
Director Finance  
(DIN : 06689335)

Sd/-  
Sanjai Kumar  
Chairman & Managing Director  
(DIN: 06923630)

Place New Delhi  
Date: 17.05.2023

## RailTel Corporation of India Limited

### Standalone Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2023

(₹ in lakhs)

Particulars	Notes No.	For the year ended 31st March 2023	For the year ended 31st March 2022
I. Income			
a. Revenue from operations	30	1,94,652	1,52,154
b. Other Income	31	3,264	2,390
c. Finance Income	32	151	204
<b>Total Income (a+b+c)</b>		<b>1,98,067</b>	<b>1,54,748</b>
II. Expenses :			
a. Access and other Charges	33	51,495	43,260
b. License fee and spectrum charges	34	7,726	6,679
c. Expenses on Project	35	74,079	43,754
d. Employee Benefits Expenses	36	19,401	18,250
e. Administrative & Other Expenses	37	3,483	3,255
f. Corporate Social Responsibility		701	278
g. Depreciation, amortisation and impairment	38	15,427	16,013
h. Finance Expenses	39	291	322
<b>Total Expenses</b>		<b>1,72,603</b>	<b>1,31,811</b>
<b>III. Profit/(Loss) before exceptional items and tax (I-II)</b>		<b>25,464</b>	<b>22,937</b>
IV. Exceptional Items	42	206	(5,018)
<b>V. Profit/(Loss) Before Tax (III-IV)</b>		<b>25,258</b>	<b>27,955</b>
VI. Tax expenses			
a. Current tax	40	7,094	7,212
b. Deferred tax		(619)	(79)
c. Tax impact of earlier years		45	(12)
<b>VII. Profit/(Loss) for the year(V-VI) (A)</b>		<b>18,738</b>	<b>20,834</b>
<b>Net profit attributable to</b>			
VIII. Other comprehensive income(OCI):			
(a) Items that will not be reclassified to Profit & Loss	41		
Remeasurement gain/(losses) on defined benefit plans		281	(51)
Income tax relating to item that will not be reclassified to Profit & Loss		(71)	13
(b.) Items that will be reclassified to Profit & Loss			
<b>Other comprehensive income/(Loss) (a+b) (B)</b>		<b>210</b>	<b>(38)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>18,948</b>	<b>20,796</b>
IX Earning per Equity Share of Rs 10/- each			
(a) Basic (Amount in ₹)		5.84	6.49
(b) Diluted (Amount in ₹)		5.84	6.49

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 43)

As per our report of even date attached

**For M/s S R GOYAL & CO**  
**Chartered Accountants**  
**FRN : 001537C**

**For and on behalf of the Board of Directors of**  
**RailTel Corporation of India Limited**

**Sd/-**  
**CA A.K. Atolia**  
M. No. 077201

**Sd/-**  
**J S Marwah**  
Company Secretary  
(M. No. : F8075)

**Sd/-**  
**V Rama Manohara Rao**  
Director Finance  
(DIN : 06689335 )

**Sd/-**  
**Sanjai Kumar**  
Chairman & Managing Director  
(DIN: 06923630)

Place New Delhi

Date: 17.05.2023



## Railtel Corporation of India Limited

### Standalone Statement of Cash Flow for the year ended March 31, 2023

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Profit after tax</b>	<b>18,738</b>	<b>20,834</b>
Adjustments for:		
Other comprehensive income(Net of taxes)	210	(38)
Depreciation, Amortisation and Impairment	15,427	16,013
Amortisation of Deferred Govt Grant	(359)	(266)
Non Cash Income (Discounting)	(151)	(204)
Non Cash Expense(Discounting)	55	55
Interest Expenses for Lease Liabilities	235	267
Non Cash Expense(Loss on sale of fixed asset)	14	8
Non Cash Expense(Forex Loss)	7	-
Interest income	(2,584)	(1,998)
Mutual fund income	(73)	(60)
<b>Operating profit/(loss) before working capital change</b>	<b>31,519</b>	<b>34,611</b>
(Increase)/decrease in Financial Current Assets	(34,782)	(4,203)
(Increase)/decrease in Non Financial Current Assets	(7,155)	2,922
Increase/(decrease) in Financial Current Liabilities	16,890	10,373
Increase/(decrease) in Non Financial Current Liabilities	17,798	(3,788)
(Increase)/decrease in Financial Non Current Assets	831	(614)
(Increase)/decrease in Non Financial Non Current Assets	(584)	(123)
Increase/(decrease) in Financial Non Current Liabilities	2,581	681
Increase/(decrease) in Non Financial Non Current Liabilities	647	(4,216)
<b>Net cash generated from Operation before Tax</b>	<b>27,745</b>	<b>35,643</b>
Advance Tax Paid	(3,100)	(4,795)
<b>Net cash generated from Operating Activities before exceptional items</b>	<b>24,645</b>	<b>30,848</b>
<b>Exceptional items</b>	<b>206</b>	<b>(5,018)</b>
<b>Net cash generated from Operating Activities after exceptional items</b>	<b>24,851</b>	<b>25,830</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Tangible & Intangible Assets	(17,637)	(11,652)
(Increase)/decrease in Short term investment	(11,834)	15,442
Interest income received	1,433	3,307

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Mutual Fund income received	66	55
Subsidy/Advances received	149	266
(Increase)/Decrease in Term Deposit	10,928	(28,735)
<b>Net cash used in Investing Activities</b>	<b>(16,895)</b>	<b>(21,317)</b>
<b>Cash Flow from Financing Activities</b>		
Payment for Lease Liability of Right to Use Assets	(951)	(909)
Dividend paid	(6,900)	(9,467)
<b>Net cash generated from / (used in) financing activities</b>	<b>(7,851)</b>	<b>(10,376)</b>
Effect of exchange difference on translation of cash and cash equivalents	-	-
<b>Net increase /(decrease) in cash and cash equivalents during the year</b>	<b>105</b>	<b>(5,863)</b>
Cash and cash equivalents at the beginning of the year	18,510	24,373
<b>Cash and cash equivalents at the end of the year</b>	<b>18,615</b>	<b>18,510</b>

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 43).

### 1. Cash and Cash Equivalents include the following Balance Sheet amounts (Amount in Lakhs)

(i) Cash and Cash Equivalent (Maturity <= 3 Months)		
Flexi Deposits	10,872	6,885
(ii) Balances with Scheduled Bank		
a. In Current A/c	3,739	4,031
b. In Collection A/c	3,987	7,576
c. In Imprest A/c	17	18
<b>Total</b>	<b>18,615</b>	<b>18,510</b>

Details of amount spent for year ended 31-March-2023 in relation to CSR activities out of the Budget for FY 2022-23 is mentioned below

(Amount in Lakhs)

Particulars	Approved Budget	Amount spent	Amount yet to be spent
Construction/Acquisition of any asset	-	-	-
On any other purpose	437	227	210
<b>Total – A</b>	<b>437</b>	<b>227</b>	<b>210</b>



**Details of amount spent on CSR activities during the current year in relation to earlier years is given hereunder –** (Amount in Lakhs)

Particulars	Unspent amount as on 01.04.2022	Amount Paid	Amount yet to be spent
Construction/Acquisition of any asset			
On any other purpose	264	219	45
<b>Total -B</b>	<b>264</b>	<b>219</b>	<b>45</b>

**Disclosure as per Ind AS-116** (Amount in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Total cash outflow for leases	951	909

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 43)

As per our report of even date attached

**For M/s S R GOYAL & CO**  
**Chartered Accountants**  
**FRN : 001537C**

**For and on behalf of the Board of Directors of**  
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**Sd/-**  
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M. No. 077201

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Company Secretary  
(M. No. : F8075)

**Sd/-**  
**V Rama Manohara Rao**  
Director Finance  
(DIN : 06689335 )

**Sd/-**  
**Sanjai Kumar**  
Chairman & Managing Director  
(DIN: 06923630)

Place New Delhi

Date: 17.05.2023



रेलटेल  
RAILTEL

A Mini Ratna Enterprise

23वीं वार्षिक रिपोर्ट 2022-23  
23<sup>rd</sup> Annual Report 2022-23

## Railtel Corporation of India Limited

### Standalone Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2023

#### A. EQUITY SHARE CAPITAL

(₹ in lakhs)

<b>As on 01.04.2021</b>	32,094
Change in Equity Share Capital during the year	-
Change due to Prior period errors	-
<b>As on 31.03.2022</b>	32,094
<b>As on 01.04.2022</b>	32,094
Change in Equity Share Capital during the year	-
Change due to Prior period errors	-
<b>As on 31.03.2023</b>	32,094

#### B. OTHER EQUITY

(₹ in lakhs)

Particulars	Retained Earnings	General Reserve	Self Insurance Reserve	Total Equity
<b>Opening balance as on 1st April 2021</b>	<b>51,870</b>	<b>56,000</b>	<b>309</b>	<b>1,08,179</b>
Profit for the year	20,834			
Other comprehensive Income/ (Loss)	(38)			
<b>Add: Total Comprehensive Income for the year ended 31st March 2022</b>	<b>20,796</b>			<b>20,796</b>
Less: Final Dividend for FY 2020-21	(3,851)			(3,851)
Less: Interim Dividend for FY 2021-22	(5,616)			(5,616)
Less: transfer to self insurance reserve	(112)	-	112	-
Less: Transfer to General Reserve	(4,000)	4,000	-	-
<b>Balance as at 31st March 2022</b>	<b>59,087</b>	<b>60,000</b>	<b>421</b>	<b>1,19,508</b>
<b>Opening balance as on 1st April 2022</b>	<b>59,087</b>	<b>60,000</b>	<b>421</b>	<b>1,19,508</b>
Profit for the year	18,738			
Other comprehensive Income/ (Loss)	210			
<b>Add: Total Comprehensive Income for the year ended 31st March 2023</b>	<b>18,949</b>			<b>18,949</b>
Less: Final Dividend for FY 2021-22	(2,086)			(2,086)



Particulars	Retained Earnings	General Reserve	Self Insurance Reserve	Total Equity
Less: Interim Dividend for FY 2022-23	(4,814)			(4,814)
Less: transfer to self insurance reserve	(126)		126	-
Less: Transfer to General Reserve				-
<b>Balance as at 31st March 2023</b>	<b>71,009</b>	<b>60,000</b>	<b>547</b>	<b>1,31,556</b>

### C. Change in promoter shareholding during FY 2022-23

Particulars	As at 31st March 2023	As at 31st March 2022	Change in %
Ministry of Railways (in the name of President of India)*	23,37,85,038	23,37,85,038	Nil
	<b>72.84</b>	<b>72.84</b>	<b>Nil</b>

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 43)

As per our report of even date attached

**For M/s S R GOYAL & CO**  
**Chartered Accountants**  
**FRN : 001537C**

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Chairman & Managing Director  
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Place New Delhi

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## Significant Accounting Policy

Notes forming part of Standalone Financial Statements

### Note No. – 1

#### A. Corporate Information

RailTel Corporation of India Limited ('the Company') incorporated in India on 26th September 2000 is a public sector undertaking. The company is promoted by and is under administrative control of Ministry of Railways. The Registered office and Corporate Office of the Company is situated at Plate-A, 6th Floor, Office Block Tower-2, East Kidwai Nagar, New Delhi-110023.

RailTel Corporation a "Mini Ratna (Category-I)" PSU is one of the largest neutral telecom infrastructure providers in the country owning a Pan-India optic fibre network on exclusive Right of Way (ROW) along Railway track. The OFC network covers all important towns & cities of the country and several rural areas covering 70% of India's population. RailTel with strong nationwide presence is committed to bring cutting edge technology and offer innovative services to the Indian Telecom market. RailTel is in the forefront in providing nationwide Broadband Telecom & Multimedia Network in all parts of the country in addition to modernization of Train operations and administration network systems. With its Pan India high capacity network, RailTel is working towards creating a knowledge society at various fronts.

#### 1. Main objective of the company is-

- i. To facilitate Railways in expeditiously modernizing their operation and safety systems and network by providing state of art communication infrastructure.
- ii. To plan, build, develop, operate and maintain a nationwide broadband telecom and multimedia network to supplement national telecom infrastructure to spur growth of telecom, broadband and IT enabled value-added services in all parts of country especially rural, remote and backward areas.
- iii. To generate revenue through commercial exploitation of its telecom network.

#### 2. RailTel Corporation of India Limited is having following operations: -

- a. Telepresence Services - RailTel offers enterprise class Full High Definition (HD) & secure multi-point managed video conferencing service that enables users a virtual, face to face meeting experience.
- b. Data Centre Services - RailTel has its own Data Centres at Secunderabad and Gurugram.
- c. Retail Broadband - Rail Wire is a retail Broadband initiative of the RailTel.
- d. Leased Line Service
- e. Virtual Private Network Service
- f. Internet Leased Line Service
- g. Rack and Space Collocation Service
- h. Tower Co-location Service



3. Govt. of India offered for sale 8,71,53,369 equity shares of face value of ₹ 10/- each at a premium of ₹ 84/- per share through Initial Public Offer. The entire equity shares of the Company were listed on BSE limited and National Stock Exchange of India Limited on 26th February' 2021. The proceeds of the disinvestment have been realised by Govt. of India.

## B. Summary of Significant Accounting Policies as per Ind-AS

Some of the accounting policies are summarized as below:

SN	Particulars
i.	Inventories are valued at the lower of cost and the estimated net realizable value after providing for obsolescence and other losses, where considered necessary.
ii.	Property plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses if any.
iii.	Foreign exchange transactions are recorded at the exchange rates prevailing at the date of transaction.

### 1. Basis for Preparation of Standalone financial statement

The financial statements of the Company have been prepared to comply in all the material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rule 2015 (as amended). Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised Ind AS on an ongoing basis.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

These financial statements are presented in Indian Rupees (₹) and all amounts are rounded to the nearest lakhs, except as stated otherwise.

### 2. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Examples of such estimates include estimates of expected costs to be incurred to complete contracts, provision for doubtful debts, future obligations under employee retirement benefit plans and estimated useful life of fixed assets. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the year in which the results are known / materialize.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the estimate affects only that year or in the year of the revision and future years, if the revision affects both current year and future years.

## 2A. Critical Accounting Estimates and Management Judgements

In application of the accounting policies, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

Information about significant areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is stated here under:

### Property, Plant and Equipment (PPE)

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

### Current tax

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

### Deferred Tax Assets

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/ recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

### Fair value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

### Impairment of Trade Receivables

The impairment assessment for trade receivables are done based on assumptions about risk of default and expected loss. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

### Impairment of Non-financial assets (PPE)

The impairment assessment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

### **Defined Benefit Plans and Other long term employee benefits**

The cost of the defined benefit plan and other long term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

### **Provisions and contingencies**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

### **3. Inventory**

Inventories are valued at the lower of cost and the estimated net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale.

The Company provides for obsolete and slow-moving inventory based on management estimates of the usability of inventory.

Net Realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

### **4. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### **5. Property Plant and Equipment's (PPE)**

- a) Property plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing cost for long term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life. Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item can be measured reliably. The

carrying amount of the replaced part is derecognized. All other repair and maintenance costs are recognized in profit or loss as incurred.

- b) Assets are recognized as tangible assets or intangible assets if provisional acceptance certificate has been issued or company has started offering services from these tangible or intangible assets.
- c) Where assets are installed on the premises of the customers (commonly called customer premise equipment –'CPE') such assets continue to be treated as PPE as the associated risks and rewards remain with the company and the management is confident of exercising control over them, expenses on such assets are treated as retrievable expenses (returnable item of assets after the decommissioning of link) and a depreciation of 100% may be charged on all these assets.
- d) All the non-retrievable expenses (Used only once and cannot be returned back from the customer premises) may be charged as expenses to Statement of profit & loss in the year of commissioning of services.
- e) Gain and losses arising from retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit & loss on the date of retirement or disposal.
- f) Advance paid towards acquisition of fixed assets and cost of assets not put to use before the year end, are disclosed as other non-current assets.
- g) Fixed assets under construction and cost of assets not put to use before the year end, are disclosed as capital work in progress.
- h) Freehold land is not depreciated. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each Balance Sheet date or whenever there are indicators for review.
- i) Assets are depreciated to the residual value on a straight-line basis over the estimated useful lives. The assets residual values and useful lives are reviewed at each financial year end or whenever there are indicators for review and adjusted prospectively.

Sr. No	Name of Assets	Main asset/Component	Useful life of assets
1	OFC & Related Assets	Main Assets	18 Year. 5.28%
2	Leasehold Land/Flats	Main Assets	Period of Lease
3	Leasehold Building	Main Assets	Period of Lease
4	Freehold Building	Main Assets	60 Years, 1.67%
5	Leasehold Improvements	Main Assets	Period of lease
6	Prefabricated Building	Main Assets	15 Year 6.67%
7	Computer	Main Assets	3 Year 31.67%
8	Office Equipment's	Main Assets	5 Year 19%
9	Software-ERP	Main Assets	5 Year with 20%
10	Furniture	Main Assets	10 Year 9.5%
11	Licenses	Main Assets	Period of license
12	ERP Hardware	Main Assets	6 Year 15.83%
13	Vehicle	Main Assets	8 Year 11.875%

Sr. No	Name of Assets	Main asset/Component	Useful life of assets
14	Temporary Fixtures	Main Assets	Fully Depreciated
15	Telecom Equipment's	Main Assets	8 Year. 12.5%
16	Last Mile/Access Equipment's	Main Assets	8 Year. 12.5%
	Radio/Access Switches	Component	3 Year 33.33%
17	Power Plant Equipment's	Main Assets	8 Year. 12.5%
	Battery	Component	5 Year. 20%
18	Data Centre	Main Assets	8 Year. 12.5%
	Data Centre infrastructure	Component	13 Year. 7.31%
19	Other Infrastructure	Main Assets	8 Year. 12.5%
	Data Network	Main Assets	8 Year. 12.5%

## 6. Intangible Assets

- a) Identifiable intangible assets are recognized when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.
- b) At initial recognition, the separately acquired intangible assets are recognized at cost. Following initial recognition, the intangible assets are accounted at cost less any accumulated amortization & accumulated impairment loss, if any.
- c) Amortization is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.
  - i. Software-Software is capitalized at the amounts paid to acquire the respective license for use and is amortized over the period of license, generally not exceeding three years. Software costing up to rupees five lakh which has independent use is amortized over a period of twelve months from the date of place in service.
  - ii. Licenses-Acquired licenses are initially recognized at cost. Subsequently, licenses are measured at cost less accumulated amortization and accumulated impairment loss, if any. Amortization is recognized in the statement of profit and loss on a straight-line basis over the unexpired period of the license commencing from the date when the related network is available for intended use in the respective jurisdiction. Spectrum charges paid to DoT is charged to Statement of Profit & Loss on straight line basis over the period of use.

## 7. Non-current Assets (or disposal groups) held for Sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale. Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.



If the criteria stated by IND AS 5 “Non-current Assets Held for Sale and Discontinued Operations” are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognized had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

## 8. Impairment of Assets

The carrying amounts of assets are reviewed by management whenever events or changes in circumstances indicate that the carrying amount may not be recoverable (except intangible assets, for which testing to be done irrespective of whether there is an indication of impairment). An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Fair value less costs to sell is the best estimate of the amount obtainable from the sale of an asset in an arm’s length transaction between knowledgeable, willing parties, less the costs of disposal. Impairment losses, if any, are recognized in profit or loss as a component of depreciation and amortization expense.

An impairment loss is only reversed to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had previously been recognized.

## 9. Leases

### a. As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use asset or the end of the lease term. The estimated useful life of right-of-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company’s incremental borrowing rate.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use asset that do not meet the definition of investment property as a separate line item and lease liabilities in "other financial liabilities" in the Balance Sheet.

The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have a lease term of 12 months or less, leases of low value assets and leases with no written agreement. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### **b. As a lessor**

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 "Revenue from contract with customers" to allocate the consideration in the contract.

The Company recognizes lease payments received under operating lease as income on a straight-line basis over the lease term as part of "Revenue from operations".

**c. Infeasible Right to Use ('IRU')**-The Company enters into agreement for leasing assets (capacity) under "Infeasible right to use" with third parties. Under the arrangement the assets are taken or given on lease over the substantial part of the asset life. However, the title to the assets and associated risks are retained by the lessor.

The contracted price is received in advance and is recognized as revenue during the tenure of the agreement. Unearned IRU revenue net of the amount recognizable beyond one year is disclosed as deferred revenue in other long term liabilities and the amount recognizable within one year is disclosed as deferred revenue in current liabilities.

Exchange of Network capabilities with other telecommunication service providers are recorded as monetary transactions and measured at the carrying amount of capacities relinquished, as these exchanges are for similar productive assets used to provide telecommunication services to customers.

### **10. Borrowing Costs**

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. The interest cost incurred for funding a qualifying asset during the construction period is capitalized based on actual investment in the asset at the interest rate for specific borrowings. All other borrowing costs are expensed in the period they occur.

### **11. Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and on hand, and other short term highly liquid deposits with bank, with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and Cash Equivalents include outstanding Bank Overdraft shown within the borrowings in current Liabilities in Statement of Financial Position and which are considered an integral part of Company's cash management.

## 12. Government Grant

Government Grant related to acquisition of Fixed Assets is treated as 'Deferred Government Grant' and an amount equal to proportionate depreciation of such assets is credited to Statement of Profit and Loss.

## 13. Revenue Recognition and Receivables

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

### Income from Telecom Services

Income from Telecom Services include incomes from National Long-Distance services, Internet Service, infrastructure provider services such as co-location, dark fiber, Tower Space etc. Service revenue also includes revenues associated with access and Inter connection for usage of the network of other operators. Corporation's performance Obligation in such kind of contracts is providing infrastructure bandwidth/connectivity as per the agreed norms. Since the customer simultaneously receives and consumed benefit provided by the Corporation's performance as the Corporation's performs, Corporation's transfer control of service overtime and, therefore, satisfies a performance obligation and recognizes revenue overtime. The Corporation uses output methods to recognize revenue as the output selected faithfully depict the Corporation's performance towards complete satisfaction of the performance obligation. Since the performance obligation is being satisfied directly in relation to time, the passage of time is the best output which would depict the satisfaction of the performance obligation. Generally, payment against provision of such services becomes due as per payment terms, and fixed transaction price as per contracts with customers, which is generally is on periodical basis. Warranties are commonly included in arrangements to sell services. They can be explicitly stated, required by law or implied based on the 'RCIL' customary business practices. The price of a warranty may be included in the overall purchase price or listed separately as an optional product. All the assurance type warranties are considered as part of primary performance obligation, while the service type warranties are considered as distinct performance obligation.

The determination of transaction price, its allocation to promised services and allocation of discount or variable consideration (if any) is done based on the contract with the customers. Penalties, if inherent in determination of transaction price, are considered as variable consideration. The transaction price is also allocated separately for the service type warranties.

### Income from Projects

Income from Projects include laying of Optical Fiber Cable, installation of Network Operations Center, installation of Indoor/Outdoor Wireless Access Points, Load Balancer, Wi-Fi Access Controller, installation of software, chats, Anti-Virus, Fire walls etc. Corporation's performance obligation in such kind of contracts is installation, testing and commissioning of various equipment

as per the agreed norms. Under this type of contract, generally assets are installed at customer's site. However, customer does not have ability to direct the use of, and obtain substantially all of the remaining benefits from, these assets unless they are connected to main server/data center or commissioned properly. Since the customer receives control of the goods and/or service after Successful commissioning of indented facilities, Corporation's transfer control of goods and/or service at a point in time and, therefore, satisfies a performance obligation and Recognizes revenue at a point in time. The Corporation uses output methods to recognize Revenue as the output selected faithfully depict the Corporation's performance towards Complete satisfaction of the performance obligation. Customer's acceptance of Commissioning report is the best output which would depict the satisfaction of the Performance obligation. Generally payment against provision of such contracts becomes due as per payment terms, and fixed transaction price as per contracts with customers, Which is generally is on milestone basis. Warranties are commonly included in such arrangements. They can be explicitly stated, required by law or implied based on the 'RICL' customary business practices. The price of a warranty may be included in the Overall purchase price or listed separately as an optional product. All the assurance type Warranties are considered as part of primary performance obligation, while the service Type warranties are considered as distinct performance obligation.

The determination of transaction price, its allocation to promised services and allocation of discount or variable consideration (if any) is done based on the contract with the customers. Penalties, if inherent in determination of transaction price, are considered as variable consideration. The transaction price is also allocated separately for the service type warranties.

The incremental costs that the Corporation incurs to obtain a contract with a customer that it Would not have incurred if the contract had not been obtained are recognized as an asset if its Recovery is expected and its amortization period is more than one year, all other such costs Are recognized as an expense in statement of profit and loss. The incremental cost recognized as an asset is amortized over the period till when such cost is expected to be recovered. Amount so recovered is recognized as revenue in statement of profit and loss.

#### Subsidy

Revenue from subsidy are accounted for on commissioning of specified projects, if the Entitlements can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.

#### 14. Uncollectible accounts receivable

Amounts due from debtors that have been outstanding, though fully provided, are evaluated on a regular basis by the management and are written off, if as a result of such evaluation, it is determined that these amounts will not be collected.

#### 15. Unbilled Revenue

Unbilled revenue represent revenue recognized in respect of services provided from the last bill cycle date to the end of the reporting period. These are billed in subsequent periods as per the terms of the billing plans/contractual arrangements.

#### 16. License Fees – Revenue Share

The revenue-share is computed as per the licensing agreement at the prescribed rate and is expensed as incurred. As per the NLD and ISP license condition, company is required to share 8% of its adjusted gross revenue with Department of Telecommunication, the same is provided

on the basis of adjusted gross revenue booked during the year. In addition, the company is also required to share 7% of its gross revenue with Indian Railways as per agreement between RailTel and Railways dated 21/09/2006. The same is provided for in the statement of profit & Loss account.

## 17. Employee Benefits

Employee benefits include provident fund, gratuity and compensated absences.

### 1. Defined contribution plans

- a. **Provident Fund:** The Company's contribution to provident fund is considered as defined contribution plans and is charged as an expense as they fall due based on the amount of contribution required to be made. 12% of the Basic pay plus dearness allowance of employees and equal contribution of the corporation is contributed to provident fund maintained with the Regional Provident Fund Commissioner. Corporation's contribution to provident fund is charged to revenue.
- b. **Pension:** Company has pension Scheme for its employees, under defined contribution plan Company will pay an amount equal to 10% of Basic pay+ DA of the eligible employees

### 2. Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each year end. Actuarial gains and losses are recognized in the Statement of Other Comprehensive Income in the year in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

- i) Gratuity is payable on separation @15 days pay for each completed year of service to eligible employee, who rendered continuous service of 5 year or more. The gratuity ceiling of Rs 20 lakhs has been considered for actuarial valuation.
- ii) Leave Encashment is payable on separation to eligible employee who have accumulated earned leave. Leave salary is provided for based on valuation, as balance sheet date, made by independent actuary.
- iii) The Company has Post- Retirement Medical Scheme (PRMS) to provide assistance for meeting a part of medical expenses incurred by retired members only after their retirement for dependent family members and self and dependent family members of the ex-employee in case of death of the employee.
- iv) Foreign Service Contribution payable for leave salary and pension in respect of employees who have joined the corporation on deputation for a fixed period from Indian Railways in terms of Government rules and regulations is charged to revenue on accrual basis.

### 3. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the

employee renders the related service. The cost of such compensated absences is accounted as under:

- i) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- ii) in case of non-accumulating compensated absences, when the absences occur.

#### 4. Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

### 18. Post Sales client support and warranties

The Company provides its clients with fixed period warranty for correction of errors and support on its fixed price product orders. Revenue for such warranty period is recognized in the year of sale itself with a corresponding provision for expenses likely to be incurred during the period of warranty.

### 19. Foreign exchange transactions

Foreign exchange transactions are recorded at the exchange rates prevailing at the date of transaction. Realized gains and losses on foreign exchange transactions during the year are recognized in the Statement of Profit and Loss. Monetary assets and monetary liabilities that are determined in foreign currency are translated at the exchange rate prevalent at the date of balance sheet. The resulting difference is recorded in the Statement of Profit & Loss.

### 20. Taxes

#### a) Current Income Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

#### b) Deferred Tax

Deferred tax Asset/Liability is recognized on temporary differences calculated based on the Balance Sheet Approach being the differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose that accumulate over the period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all temporary differences. Deferred tax assets in respect of unabsorbed depreciation, carry forward of losses and unused tax credits are recognized to the extent it is probable that future taxable income will be available to realize such assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realizability.

### 21. Research and development

Revenue expenditure incurred on research and development is expensed as incurred. Capital expenditure incurred on research and development is capitalized as fixed assets and depreciated in accordance with the depreciation policy of the Company.

## 22. Earnings Per Share

The earnings considered in ascertaining the Company's Earnings per Share ('EPS') comprise the net profit after tax attributable to equity shareholders. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

## 23. Prior Period Expenses

Income/Expenditure relating to prior period, which do not exceed ₹ 2,00,000/- in each case, are treated as income/expenditure of current year.

## 24. Exceptional Item

Exceptional items are generally non-recurring item of income & expenses within profit & loss from ordinary activity which are of such size, nature or incidence that their disclosure is relevant to explain the performance of the company for the year.

## 25. Provisions and Contingencies

The Company recognizes a provision when there is a present obligation as a result of a past event and it is probable that it would involve an outflow of resources and a reliable estimate can be made of the amount of such obligation.

When the Company expects some or all of provision to be reimbursed, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate the risks specific to the liability. Where discounting is used the increase in the provision due to the passage of time is recognized as finance cost.

A disclosure for a contingent liability is made at Fair Value where it is more likely than not that a present obligation or possible obligation may result in or involve an outflow of resources. When no present or possible obligation exists and the possibility of an outflow of resources is remote, no disclosure is made.

Contingent assets are not recognized in the financial statements.

## 26. Operating cycle

Based on the nature of services / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and noncurrent.

## 27. Dividend

Dividend distribution to the Company's shareholders is recognized as a liability in the company's financial statements in the period in which the dividends are approved by the Company's shareholders.

Interim dividend is provided for in the year of payment.

## 28. Asset Retirement Obligation

Asset retirement obligations (ARO) are provided for those operating lease arrangements where the Company has a binding obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are settled obligation using discounted cash flows and are recognized as part of the cost of that particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is recognized in the income statement as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

## 29. Financial Instruments

### A. Financial Instruments –

#### Initial Recognition and Measurement

Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and liabilities at initial recognition. All financial assets and liabilities are initially recognized at fair value, plus directly attributable transaction costs in case of financial assets and liabilities not at fair value through profit or loss. Financial assets and liabilities carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the statement of profit & loss. However, trade, receivables that do not contain a significant financing component are measured at transaction price.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

### B. Financial Assets

#### 1. Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

##### a. Financial assets are carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### b. Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### c. Financial assets at Fair Value through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.



## 2. Derecognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

## C. Financial Liabilities

### 1. Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss.

### 2. Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in Statement of Profit and Loss.

## D. Investment in Subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

## 30. Basis for Preparation of Interim financial statement

The Interim financial statements of the Company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with rule 3 of Companies (Indian Accounting Rules), 2015 (as amended). Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised Ind AS on an ongoing basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

## Note 2. Property Plant & Equipment

(₹ in lakhs)

Particulars	TANGIBLE ASSETS							INTANGIBLE ASSETS						
	Freshhold Land	Free Hold Building	Prefabricated Building	Plant & Machinery	Leasehold Improvements	ERP Hard-ware	Computers	Furniture & Fixtures	Vehicles	Office Equipments	Total	Licenses	Software	Total
<b>As at 31.03.2022</b>														
<b>Gross Carrying amount</b>														
Cost as at 1 Apr 2021	223	2,539	1,361	1,66,025	2,669	222	1,116	456	39	1,082	1,75,732	561	1,838	2,399
Additions	-	43	(0)	14,760	(1)	0	147	42	1	468	15,460	(0)	21	21
Disposal	-	-	-	(2)	-	-	(27)	-	-	(24)	(53)	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing Gross Carrying amount (31.03.2022)</b>	<b>223</b>	<b>2,582</b>	<b>1,361</b>	<b>1,80,782</b>	<b>2,668</b>	<b>222</b>	<b>1,236</b>	<b>498</b>	<b>40</b>	<b>1,526</b>	<b>1,91,139</b>	<b>561</b>	<b>1,860</b>	<b>2,420</b>
<b>Accumulated Depreciation/ amortisation</b>														
Accumulated Depreciation as at 1st April 2021	-	325	1,287	1,12,469	1,815	206	895	273	36	781	1,18,087	252	840	1,092
Charge during the year	-	62	8	12,461	178	3	77	32	1	122	12,943	33	454	486
Disposal	-	-	-	-	-	-	(22)	-	-	(11)	(33)	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing accumulated depreciation/ amortisation (31.03.2022)</b>	<b>-</b>	<b>387</b>	<b>1,295</b>	<b>1,24,930</b>	<b>1,993</b>	<b>208</b>	<b>950</b>	<b>305</b>	<b>37</b>	<b>892</b>	<b>1,30,997</b>	<b>285</b>	<b>1,294</b>	<b>1,579</b>
<b>NET CARRYING AMOUNT- 31.03.2022</b>	<b>223</b>	<b>2,195</b>	<b>65</b>	<b>55,852</b>	<b>675</b>	<b>14</b>	<b>286</b>	<b>195</b>	<b>3</b>	<b>635</b>	<b>60,142</b>	<b>276</b>	<b>566</b>	<b>841</b>
<b>As at 31.03.2023</b>														
<b>Gross Carrying amount</b>														
Cost as at 1 Apr 2022	223	2,582	1,361	1,80,782	2,668	222	1,236	498	40	1,526	1,91,139	561	1,860	2,420
Additions	-	-	-	16,008	240	224	222	61	-	511	17,267	-	210	210
Disposal	-	-	-	(2)	-	-	(27)	-	-	(24)	(53)	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing Gross Carrying amount (31.03.2023)</b>	<b>223</b>	<b>2,582</b>	<b>1,361</b>	<b>1,96,789</b>	<b>2,909</b>	<b>446</b>	<b>1,431</b>	<b>559</b>	<b>40</b>	<b>2,014</b>	<b>2,08,353</b>	<b>561</b>	<b>2,070</b>	<b>2,631</b>
<b>Accumulated Depreciation/ amortisation</b>														
Accumulated Depreciation as at 1st April 2022	-	387	1,295	1,24,930	1,993	208	950	305	37	892	1,30,997	285	1,294	1,579
Charge during the year	-	61	8	11,943	207	31	185	42	-	233	12,710	33	471	504
Disposal	-	-	-	-	-	-	(22)	-	-	(11)	(33)	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing accumulated depreciation/ amortisation (31.03.2023)</b>	<b>-</b>	<b>448</b>	<b>1,304</b>	<b>1,36,873</b>	<b>2,200</b>	<b>240</b>	<b>1,112</b>	<b>347</b>	<b>37</b>	<b>1,113</b>	<b>1,43,674</b>	<b>318</b>	<b>1,765</b>	<b>2,083</b>
<b>NET CARRYING AMOUNT- 31.03.2023</b>	<b>223</b>	<b>2,134</b>	<b>57</b>	<b>59,916</b>	<b>708</b>	<b>207</b>	<b>319</b>	<b>214</b>	<b>3</b>	<b>900</b>	<b>64,679</b>	<b>243</b>	<b>305</b>	<b>548</b>



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### Note 3. Capital Work in Progress

(₹ in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
NE Project (Net of Impairment Loss)	4,407	8,344
OFC Laying Works	517	569
MPLS, STM, Other Telecom Radio Equipment, Data Centre & OSS/BSS	7,047	4,484
Capital Stores lying at project site	3,643	2,883
Building	-	78
Others	79	36
<b>Total</b>	<b>15,693</b>	<b>16,394</b>

### Note-4 Right of Use Assets

(₹ in lakhs)

Particulars	Building	Land	Telecom Assets	Total
<b>As at 31.03.2022</b>				
<b>Gross Carrying amount</b>				
As at 31.03.2022				
Gross Carrying amount				
Cost as at 1 Apr 2021	14,904	1,904	3,123	19,931
Additions	190	597	(0)	787
Disposal	-	-	-	-
Transfer/adjustments	-	-	-	-
<b>Closing Gross Carrying amount (31.03.2022)</b>	<b>15,094</b>	<b>2,501</b>	<b>3,123</b>	<b>20,718</b>
<b>Accumulated Depreciation/ amortisation</b>				
Accumulated Depreciation as at 1st April 2021	2,249	142	514	2,905
Charge during the year	997	57	257	1,311
Disposal	-	-	-	-
Transfer/adjustments	-	-	-	-
<b>Closing accumulated depreciation/ amortisation (31.03.2022)</b>	<b>3,246</b>	<b>199</b>	<b>771</b>	<b>4,216</b>
<b>Net carrying Amount- 31.03.2022</b>	<b>11,848</b>	<b>2,302</b>	<b>2,352</b>	<b>16,502</b>
<b>As at 31.03.2023</b>				
<b>Gross Carrying amount</b>				
Cost as at 1 Apr 2022	15,094	2,501	3,123	20,718
Additions	1,816	-	-	1,816
Disposal	(435)	-	-	(435)
Transfer/adjustments	-	-	-	-
<b>Closing Gross Carrying amount (31.03.2023)</b>	<b>16,475</b>	<b>2,501</b>	<b>3,123</b>	<b>22,099</b>
<b>Accumulated Depreciation/ amortisation</b>				
Accumulated Depreciation as at 1st April 2022	3,246	199	771	4,216
Charge during the year	1,040	57	249	1,346
Disposal	(363)	-	-	(363)
Transfer/adjustments	-	-	-	-
<b>Closing accumulated depreciation/ amortisation (31.03.2023)</b>	<b>3,923</b>	<b>256</b>	<b>1,021</b>	<b>5,199</b>
<b>Net carrying Amount- 31.03.2023</b>	<b>12,552</b>	<b>2,246</b>	<b>2,102</b>	<b>16,900</b>

## NON CURRENT ASSETS

### Note 5. Investment (At amortised cost)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Long Term Investments-at Cost</b>		
Trade (Unquoted)*	-	-
Investment in Shares of subsidiaries		
<b>Railtel Enterprises Limited (Fully Owned Subsidiary)#</b>		
100,00,000 equity shares of ₹ 10 each fully paid	1,000	1,000
<b>Total Carrying Value</b>	<b>1,000</b>	<b>1,000</b>

\* This include one equity share of ₹ 10 of BBNL.

# Investment in subsidiary has been valued at cost.

### Note 6. Loans and Advances

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Advances		-
<b>Total</b>	<b>-</b>	<b>-</b>

No loans & advances has been given to the promoters, Directors, KMPs & other related parties

### Note 7. Other Non Current Financial Assets

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Deposits with Banks for Ex-Gratia	73	73
Bank Term Deposit (Having residual maturity of more than 12 months)	21,608	32,536
BG Margin Money (Having residual maturity of more than 12 months)*	20	20
Accrued interest on term deposit - Non Current	947	859
Security Deposit (Considered Good)	671	495
<b>Total</b>	<b>23,319</b>	<b>33,983</b>

\*BG Margin Money A/c represents deposit under lien for issuing Bank guarantee by bank.

### Note 8. Other Non Current Assets

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Unsecured Considered Good unless stated otherwise</b>		
<b>Capital Advances</b>		
Considered Good	-	-
<b>Other</b>		
Lease prepayment/Prepaid Expenses	32	68
<b>Total</b>	<b>32</b>	<b>68</b>

**CURRENT ASSETS****Note 9. Inventories (Valued at lower of cost or net realisable value)**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Inventory (Consumables for O&M Work)	92	94
<b>Total</b>	<b>92</b>	<b>94</b>

**Note 10. Investment (At fair value through Profit & Loss Account)**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Investment (Unquoted)	4,007	3,005
<b>Total</b>	<b>4,007</b>	<b>3,005</b>

Aggregate Value of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate Value of unquoted investments	4,000	3,000
Market value of unquoted investments	4,007	3,005
Aggregate value of impairment of investments	-	-

**Note 11. Trade Receivables**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Unsecured, Considered Good</b>		
Telecommunication Business	63,258	25,804
Project works	39,999	40,843
<b>Sub Total - A</b>	<b>1,03,257</b>	<b>66,647</b>
<b>Significant Increase in Credit Risk - B</b>	<b>7,510</b>	<b>7,235</b>
<b>Trade Receivables (A+B)</b>	<b>1,10,767</b>	<b>73,882</b>
Loss Allowance	(7,510)	(7,235)
<b>Total</b>	<b>1,03,257</b>	<b>66,647</b>

Trade receivables are neither due from directors or other officers of the company either severally or jointly with any other persons nor any trade receivables are due from firms or private company in which any director is partner or a director or a member.

**Movement of Provision for expected credit loss**

Balance at the beginning of the year	7,235	12,523
Add: Additional provision during the year	275	
Less: Provision written back/adjusted during the year	-	5,288
<b>Balance at the end of year</b>	<b>7,510</b>	<b>7,235</b>

## Note 12. Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
(i) Cash and Cash Equivalent (Maturity <= 3 Months)		
Flexi Deposits	10,872	6,885
(ii) Balances with Scheduled Bank		
a. In Current A/c	3,739*	4,031
b. In Collection A/c	3,987	7,576
c. In Imprest A/c	17	18
<b>Total</b>	<b>18,615</b>	<b>18,510</b>

\*This includes ₹ 18 Lakhs for earmarked balance is with banks for unpaid dividends.

## Note 13. Other Bank Balances

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
BG Margin Money A/c *	122	265
In Term Deposit (Having original maturity of more than 3 months but less than 12 months and residual maturity less than 12 months)	5,204	8,827
(iii) CSR Escrow A/c**	45	15
<b>Total</b>	<b>5,371</b>	<b>9,107</b>

\*BG Margin Money A/c represents deposit under lien for issuing Bank guarantee by bank.

\*\* The said escrow account is for restricted use of CSR only.

## Note 14. Loans and Advances

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Advances to Employee	21	32
<b>Total</b>	<b>21</b>	<b>32</b>

## Note 15. Other Current Financial Assets

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Unsecured, Considered good unless stated otherwise</b>		
Accrued interest on term deposit	1,387	325
Recoverable from Railways	560	561
Unbilled Revenue (Refer to item no 27 of Note No. 43)	22,692	28,710
Loss Allowance for Unbilled Revenue	(167)	(238)
EMD Deposited	1,207	746
Security Deposit	3,340	818
In Term Deposit (Having original maturity of more than 12 months and residual maturity less than 12 months)*	16,129	1,673
<b>Total</b>	<b>45,148</b>	<b>32,595</b>

\* Amount of ₹ 1,673 lakhs of FY 2021-22 has been regrouped from Non Current Financial Assets to other current financial assets as these FDRs were in the nature of current.



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## Note 16. Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Income Tax/TDS	1,341	1,095
<b>Total</b>	<b>1,341</b>	<b>1,095</b>

## Note 17. Other Current Assets

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Advances recoverable in cash or in kind for value to be received	904	5,146
Indirect Tax Credit Available	12,641	6,550
Fund Assets for Defined Retirement Plans	-	42
Others	3,406	356
Project WIP	5,224	-
Advance Indirect Tax	1,193	1,229
Prepaid expenses	67	101
<b>Total</b>	<b>23,435</b>	<b>13,424</b>

## Note No. -18 Equity Share Capital

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Authorized Share Capital</b>		
Equity Shares		
1,00,00,00,000 equity shares of Rs 10 each	1,00,000	1,00,000
<b>Issued, Subscribed and fully paid-up shares</b>		
1,50,00,007 equity shares of Rs 10 each in Cash	1,500	1,500
30,59,38,400 equity shares of Rs 10 each in consideration other than cash	30,594	30,594
<b>Total</b>	<b>32,094</b>	<b>32,094</b>

### a. Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	Opening Balance	Allotted During The Period/Year	Closing Balance
<b>As at 31st March 2022</b>			
No of Equity Shares - In Cash	1,50,00,007	-	1,50,00,007
No of Shares - In consideration other than cash	30,59,38,400	-	30,59,38,400
Amount in Lakhs	32,094	-	32,094
<b>AS at 31st March 2023</b>			
No of Equity Shares - In Cash	1,50,00,007	-	1,50,00,007
No of Shares - In consideration other than cash	30,59,38,400	-	30,59,38,400
Amount in Lakhs	32,094	-	32,094

Structure of Shares as above remain unchanged during last five years and no bonus share are issued since incorporation of the Company.



## b. Right, Preference and restriction attached to shares

The equity share are the only class of Share capital having par value of Rs 10 per share. Every holder of equity share present at a meeting in person or by a proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Equity share carry voting right proportionate to the paid up value per share. In the event of liquidation of the company, holders of the equity share are entitled to be repaid the amounts credited as paid up on those equity share. All surplus assets after settlement of liabilities as at the commencement of winding up shall be paid to the holders of equity share in proportion of their shareholding.

## c. Number of share held by shareholders holding (as per the register of shareholders) more than 5% of aggregate shares in the Company

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Ministry of Railways (in the name of President of India)*	23,37,85,038	23,37,85,038
	<b>72.84</b>	<b>72.84</b>

## d. Aggregate number of shares issued for consideration other than cash in last five years - NIL

\* The President of India acting through the Ministry of Railways has disinvested 87153369 equity shares of the company of facevalue of ₹ 10 each by way of initial public offering through an offer for sale. The equity shares of the company were listed on the stock exchanges (i.e. BSE Limited ("BSE") and National Stock Exchange of India Ltd. ("NSE") w.e.f. 26.02.2021.

## NOTE 19. OTHER EQUITY

(₹ in lakhs)

Particulars	Retained Earnings	General Reserve	Self Insurance Reserve	Total Equity	
<b>Opening balance as on 1st April 2021</b>		<b>51,870</b>	<b>56,000</b>	<b>309</b>	<b>1,08,179</b>
Profit for the year	20,834				
Other comprehensive Income/ (Loss)	(38)				
<b>Add: Total Comprehensive Income for the year ended 31st March 2022</b>		<b>20,796</b>			<b>20,796</b>
Less: Final Dividend for FY 2020-21	(3,851)				(3,851)
Less: Interim Dividend for FY 2021-22	(5,616)				(5,616)
Less: transfer to self insurance reserve	(112)		-	112	-
Less: Transfer to General Reserve	(4,000)	4,000		-	-
<b>Balance as at 31st March 2022</b>	<b>59,087</b>	<b>60,000</b>	<b>421</b>		<b>1,19,508</b>
<b>Opening balance as on 1st April 2022</b>	<b>59,087</b>	<b>60,000</b>	<b>421</b>		<b>1,19,508</b>
Profit for the year	18,738				
Other comprehensive Income/ (Loss)	210				
Add: Total Comprehensive Income for the year ended 31st March 2023		18,948			18,948
Less: Final Dividend for FY 2021-22	(2,086)				(2,086)
Less: Interim Dividend for FY 2022-23	(4,814)				(4,814)
Less: transfer to self insurance reserve	(126)			126	-
Less: Transfer to General Reserve					-
Balance as at 31st March 2023	71,009	60,000	547		1,31,556



## NON CURRENT LIABILITIES

### Note 20. Leasing Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Leasing Liabilities	3,627	2,349
<b>Total</b>	<b>3,627</b>	<b>2,349</b>

### Note 21. Other Non Current Financial Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Unsecured</b>		
Security Deposit	1,227	620
Retention Money	3,823	1,994
<b>Total</b>	<b>5,050</b>	<b>2,614</b>

### Note 22. Provisions

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Provision for Post Retirement Medical Benefit	864	899
Provision for Arbitration Claim	-	46
<b>Total</b>	<b>864</b>	<b>945</b>

### Note 23. Deferred Tax Liabilities/(Assets) (Net)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Deferred Tax Liabilities</b>		
Depreciation claimed as deduction under Income Tax Act but chargeable in the statement of profit and loss in future years	896	1,311
<b>Less:</b>		
<b>Deferred Tax Assets</b>		
Provision for doubtful debts charged in the statement of profit and loss but to be allowed as deduction under the Income Tax Act in future years	1932	1,880
Expenditure to be allowed on payment basis under Income Tax Law/Provisions	730	831
Others	1355	1,102
<b>Deferred Tax Liability/ (Assets) (Net)</b>	<b>(3,121)</b>	<b>(2,502)</b>



## Note 24. Other Non Current Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Deferred Revenue and Advance from Customers* Long Term	2,184	1,494
<b>Deferred Revenue from Government Grant</b>		
NE 1 & NE 2 Deferred	1,289	1,182
Rural WiFi Deferred	467	592
Advances for VSS Project	4,113	4,073
<b>Total</b>	<b>8,053</b>	<b>7,341</b>

\*Deferred Revenue include advance income against IRU lease for providing telecom services under licenses taken from DoT.

## CURRENT LIABILITIES

### Note 25. Trade Payables

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Trade Payables</b>		
Micro and Small Enterprises	14,623	14,916
<b>Other than Micro and Small Enterprises</b>		
Revenue Share Payable to Indian Railway	4,309	6,185
Towards purchase of Goods and Services	36,768	27,156
Amount Payables to DoT	774	-
<b>Total</b>	<b>56,474</b>	<b>48,257</b>

### Note 26. Leasing Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Leasing Liabilities - Current	552	802
<b>Total</b>	<b>552</b>	<b>802</b>

### Note 27. Other Current Financial liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Security Deposits	3,964	4,276
Retention Money	31,452	20,235
EMD Payable	1,954	795
Bank Guarantee Deductions	1,533	4,923
Interest Accrued but not due on Noida Instalment	-	3
<b>Total</b>	<b>38,904</b>	<b>30,232</b>

**Note 28. Provisions**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Provisions for Employee Benefits</b>		
Provision for Post Retirement Medical Benefit Current	2	2
Provision for Pension	6	41
Provision for Gratuity & Leave Encashment	1,080	455
Provision for PRP & Exgratia	2,027	2,296
<b>Total</b>	<b>3,115</b>	<b>2,794</b>

**Note 29. Other Current Liabilities**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Deferred Revenue and Advance from Customers* Current	25,109	14,109
Advance for Railway Deposits#	6,906	7,474
Advance-Others**	-	0
<b>Deferred Revenue from Government Grant</b>		
NE 1 & NE 2 Current	151	112
Rural WiFi Current	164	152
<b>Government Grant</b>		
Subsidy of NE-1 & NE-2	1,063	1,353
Rural WiFi Subsidy	127	80
Payable to Others	12,770	5,726
<b>Total</b>	<b>46,290</b>	<b>29,006</b>

\*Deferred Revenue include advance income against IRU lease for providing telecom services under licenses taken from DoT.

# Advances from Railways represent advance received towards execution of works from Railways .

**Note 30. Revenue from operations**

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Income from Telecom Services</b>		
NLD Services	56,923	47,813
ISP Services	37,958	34,883
IP-1 Services	21,664	21,115
<b>Income from Projects</b>		
Railways Project Works	15,547	7,848
Other Projects	61,904	39,949
<b>Other Operating Revenue</b>	656	546
<b>Total</b>	<b>1,94,652</b>	<b>1,52,154</b>



### Note 31. Other income

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Interest Income</b>		
Interest Income on deposits with Bank	2,584	1,938
Interest on Income Tax Refunds	-	55
<b>Other Non Operating Income</b>		
Miscellaneous Income	473	259
Income on Mutual Funds	66	55
Gain on Fair Valuation of Mutual Funds	7	5
Income from Rent	134	78
<b>Total</b>	<b>3,264</b>	<b>2,390</b>

### Note 32. Finance Income

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Reversal of Discounting impact of Liability for FY of 2020-21		(156)
Discounting Impact of Liability for FY 2021-22		360
Reversal of Discounting impact of Liability for FY of 2021-22	(360)	
Discounting Impact of Liability for FY 2022-23	511	
<b>Total</b>	<b>151</b>	<b>204</b>

### Note 33. Access & Other Charges

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Operation & Maintenance of Fiber & Equipment	12,435	10,349
Share of Revenue with Konkan Railway	49	48
Hire Charges Radio Modem/Optic Fibers and Internet Access	9,478	6,869
Railwire Expenses	21,004	18,754
Power & Fuel Expenses on network	4,336	3,268
Revenue Share to Railways	4,193	3,972
<b>Total</b>	<b>51,495</b>	<b>43,260</b>

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**Note 34. License fee and Spectrum charges**

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Licence Fee to DoT (Revenue Share)	7,726	6,679
<b>Total</b>	<b>7,726</b>	<b>6,679</b>

**Note 35. Expenses on Project**

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Expenses on Railway Projects	13,869	6,845
Expenses on Projects (Other Than Railway)	58,053	35,634
Allocation of Employee Benefit Expenses (Refer Note No. 36)	1,438	850
Allocation of Administrative & Other Expenses (Refer Note No. 37)	719	425
<b>Total</b>	<b>74,079</b>	<b>43,754</b>

**Note 36. Employee Benefits Expenses**

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Salaries & Wages	19,485	17,934
Contribution to Provident fund	785	702
Contribution to Pension	530	432
Staff welfare expenses	40	32
<b>Less: Allocation of Expenses to Projects (Refer to Note no. 35)</b>	<b>1,438</b>	<b>850</b>
<b>Total</b>	<b>19,401</b>	<b>18,250</b>

**Note 37. Administrative & Other Expenses**

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Auditor Remuneration		
As Auditor	32	29
As Tax Auditor	6	6
Books & Periodicals	2	2
Communication Expenses	114	105
Conveyance Expenses	45	30
Bank Charges & Commission	92	84
Legal & Professional Expenses	478	403
Insurance	16	104
Rates & Taxes	163	559

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Rent	703	448
Repair & Maintenance - Others	593	568
Tender Expenses	70	63
Training & Recruitment Expenses	18	15
Travelling Expenses	458	222
Printing & Stationary Expenses	75	53
Vehicle Hire charges	492	434
Business promotion Expenses	152	79
Other Miscellaneous Expenses	672	468
Loss on sale of Fixed Assets	14	8
Loss on foreign Exchange transactions	7	-
<b>Less:- Allocation of Expenses to Project (Refer to Note no. 35)</b>	719	425
<b>Total</b>	<b>3,483</b>	<b>3,255</b>

### Note 38. Depreciation, Amortisation and Impairment

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Depreciation on tangible Assets	12,713	12,991
Charge over Right of Use (Refer Note No.4)	1,347	1,311
Amortization on Intangible Assets	504	487
Impairment on CWIP Assets (NE Project)*	863	1,224
<b>Total</b>	<b>15,427</b>	<b>16,013</b>

\*Refer point no.22 of Note 43.

### Note 39. Finance Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Reversal of Discounting impact of Assets for FY 2020-21		(99)
Discounting Impact of Assets for FY 2021-22		154
Reversal of Discounting impact of Assets for FY 2021-22	(154)	
Discounting Impact of Assets for FY 2022-23	209	
Finance charge - Interest Cost Unwinding of Lease Liabilities	233	248
Finance charge on Instalment of Noida land	3	19
<b>Total</b>	<b>291</b>	<b>322</b>

## Note 40. Tax Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Current Tax (Income Tax)	7,094	7,212
Tax impact of earlier Years	45	(12)
Deferred Tax	(619)	(79)
<b>Total</b>	<b>6,520</b>	<b>7,122</b>

## Note 41. Other comprehensive income (OCI)

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Items that will not be reclassified to Profit &amp; Loss</b>		
Remeasurement gain/(losses) on defined benefit plans	281	(51)
Income tax relating to item that will not be reclassified to Profit & Loss	(71)	13
<b>Items that will be reclassified to Profit &amp; Loss</b>		
<b>Other comprehensive income/(Loss)</b>	<b>210</b>	<b>(38)</b>

## Note 42. Exceptional Items

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Provision for Expected Credit Loss*	206	(5,018)
<b>Total</b>	<b>206</b>	<b>(5,018)</b>

\* The company has rationalised the estimate of expected credit loss as per Ind AS-109, which has resulted into reduction of Expected credit loss provision of ₹ 4,498 Lakhs in FY 2022-23 and the same has been reclassified under exceptional items from other income of FY 2021-22 (Note No.-31).

## Note No 43

### OTHER EXPLANATORY NOTES AND DISCLOSURES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March '2023

- These Financial Statements are presented in Indian Rupees (INR) which is the Company's functional currency.
- Figures have been rounded off to nearest Rupees in lakhs. Previous year figures have, wherever necessary, been rearranged/regrouped to conform the presentation of the Current year.
- License fee to DoT and Railways Revenue Share computed at prescribed rate of 8% and 7% respectively.
- Employees benefit expenses and administrative expenses are apportioned to project works based on 2% and 1% respectively of expenses incurred on projects.



- 5 The Current Assets/ Liabilities have been determined if they are receivable / payable within 1 year from the date of Balance Sheet. Rest has been treated as Non-Current.
- 6 Self-Insurance Reserve has been provided @ 0.12% p.a. on the Gross Block of Property, Plant & Equipment's installed at PoP's and customer premises to meet future losses which may arise from un-insured risks.

### 7 Disclosure relating to dues to Micro, Small and Medium Enterprise:

(₹ in lakhs)

S. No.	Particulars	March'23	March'22
i	Amount remaining unpaid to any supplier:		
	a) Principal Amount	14,623	14,916
	b) Interest due thereon	-	-
ii	Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount paid to the supplier beyond the appointed day;	-	-
iii	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
iv	Amount of interest accrued and remaining unpaid.	-	-
v	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

### 8 Value of imports calculated on CIF basis

(₹ in lakhs)

Particulars	March'23	March'22
Consumables and Spare parts	-	-
Capital goods	612	195
<b>Total</b>	<b>612</b>	<b>195</b>

### 9 Expenditure in foreign currency (accrual basis)

(₹ in lakhs)

Particulars	March'23	March'22
Service charges	-	-



## 10 Corporate Social Responsibility Expenditure

(₹ in lakhs)

Current Year Budget	437	370
Amount required to be spent by the company out of Previous years budget	264	172
Total Amount to be spent by Company	701	542
Amount of expenditure	446	278
Total Shortfall at the end of the year	255	264
Previous years shortfall ( In CSR Escrow A/c )	45	15
"Unspent amount out of current year budget, have been deposited in CSR account with Bank as per guidelines"	210	249
Reason for shortfall	Amount pertains to ongoing project which will be completed as per project schedule	Amount pertains to ongoing project which will be completed as per project schedule
Nature of CSR activities	As per DPE theme/guidelines on CSR of FY 22-23	As per DPE theme/guidelines on CSR of FY 21-22
Details of related party transactions	N.A	N.A
A provision made with respect to a liability incurred by entering into a contractual obligation,	255	Nil

Para-wise disclosure of Applicable Indian Accounting Standards are as below:

### 111. Financial Instruments

#### FINANCIAL ASSETS

##### Trade receivables

As per Ind AS 109, Company is following simplified approach of expected credit loss model for recognizing the allowance for doubtful debts.

##### Security Deposits

There are some deposits which are being kept with government authorities e.g., commercial taxes department, Railways, Electricity etc. which are considered as financial asset. A period of 10 years has been assumed for discounting these items.

##### Investments

Company makes investment in liquid mutual funds which are fair valued based on the unit price prevailing as at the period end and consequent gain/loss is taken to the profit and loss A/c.

#### FINANCIAL LIABILITIES

Security Deposits, Retention Money and Earnest Money Deposit are classified as Financial Liabilities.



## 12 IND AS 2: Inventories

- The total carrying amounts of inventories as at 31.03.2023 is ₹ 92 Lakhs ( March'22 – ₹ 94 Lakhs) as shown in Note No 9 of Balance Sheet.
- There is no reversal or any write-down that is recognized as a reduction in the amounts of inventories recognized as expense in the year and presented in cost of sales.
- Nothing out of carrying amounts of inventories has been pledged as security for liabilities.

## 13 Disclosures in respect of IND AS 8: Accounting Policies, Changes In Accounting Estimates And Errors

Any item of prior period error which exceeds 1% of revenue from operations is considered for materiality test which is in accordance with Schedule III of the Companies Act 2013. Accordingly, in compliance with Ind AS-8, there is no need to re-state financial statements of prior period, since prior period errors are not material in nature.

## 14 Disclosures as required by IND AS 12 – Income Taxes

(Amount in Lakhs)

Particulars	Provided during the year ended 31 <sup>st</sup> March'23	As at 31 <sup>st</sup> March' 23	Provided during the year ended 31 <sup>st</sup> March'22	As at 31 <sup>st</sup> March' 2022
<b>Deferred Tax Liability</b>				
Related to Depreciation on Fixed Assets	-415	896	-731	1311
<b>Total Deferred Tax Liabilities</b>	<b>-415</b>	<b>896</b>	<b>-731</b>	<b>1311</b>
<b>Deferred Tax Assets</b>				
Provision on debtors	52	1,932	-1,272	1880
43B Disallowances etc.	-101	730	303	831
Others	253	1,355	316	1101
<b>Total Deferred Tax Assets</b>	<b>204</b>	<b>4,017</b>	<b>-653</b>	<b>3812</b>
Deferred Tax Liability / (Asset) (Net)	<b>-619</b>	<b>-3,121</b>	<b>-78</b>	<b>-2502</b>

## Reconciliation between the average effective tax rate and the applicable tax rate –

Effective tax rate is generally influenced by various factors, including differential tax rates, non-deductible expenses, provisions, and other tax deductions. The change in effective tax rate from Mar'2022 to Mar'2023 is mainly due to change in tax rates as tabulated here under:



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(₹ in lakhs)

Particulars	March'23 (In %)	March,23 (In ₹ Lakhs)	March'22 (In %)	March,22 (In ₹ Lakhs)
PBT		25259		27,955
Applicable Tax Rate	25.17%	6357	25.17%	7,036
1. Tax effect of income that are not taxable in determining taxable profit	-0.36%	-90	-5%	(1,328)
2. Tax effect of expenses that are not deductible in determining taxable profit	5.19%	1310	5.91%	1,653
3. Tax effect on previous years disallowances	-1.63%	-413	-0.58%	(161)
4. Tax effect of additional deductions	0.00%	0	0%	-
5. Tax expenses/income related to prior period	0.00%	0	0%	-
6. difference in tax due to reclassification of income and expenses	0.00%	0	0%	-
<b>Average Effective Tax</b>	<b>28.36%</b>	<b>7164</b>	<b>25.76%</b>	<b>7,200</b>

#### 15 Disclosures as required by Ind AS 16 – Property, Plant & Equipment & Ind AS 38 – Intangible Assets

- i The depreciation / amortization has been charged at the straight-line method.
- ii Company assessed the impairment of Assets and is of the opinion that since the Company is going concern and there is no indication exist for the impairment of the PPE except in case of NE project for which disclosure is given under Ind AS-36.
- iii The useful life of all the PPE / Intangible Assets have been defined in the accounting policies.
- iv A reconciliation of the carrying amount at the beginning and end of the period is as per Note No. 2 of Balance Sheet.
- v No assets have been classified as held for sale in accordance with Ind AS 105.
- vi Company has not revalued its property, plant & Equipment (including right of use assets ).There is no increase or decrease on account of impairment loss recognized or reversed in other comprehensive income in accordance with Ind AS 36.
- vii No Capital expenses was incurred on Assets not owned by the Company during the period ended 31.03.2023.
- viii There is no obsolete asset which has been so far held under CWIP/Fixed Asset.
- ix Depreciation / amortization on all the PPE / Intangible assets have been disclosed separately.
- x There is no restriction on title of PPE / Intangible Assets, and nothing has been pledged as security and liability.
- xi The amount of contractual commitment for acquisition of PPE is ₹ 14522 lakhs (March'22 – ₹ 17004 Lakhs).
- xii There is no amount to be received on account of compensation from third party for items of PPE / Intangible assets that were impaired, lost or given to Company that is to be recognized in the statement of profit & Loss account.



- xiii** Entire depreciation / amortization has been recognized in the statement of Profit & Loss account; nothing has been charged to cost of other assets. Accumulated depreciation at the end of the year has been shown separately.
- xiv** There are no temporarily idle PPE / intangible assets.
- xv** ₹ 53890 (FY22- 41072) Lakhs Gross Carrying value of assets have been fully depreciated, but still are in use.
- xvi** During the reporting year Assets having Net Book Value of ₹ 20 Lakh (Gross Book Value 53 Lakhs) has been retired with sale proceeds of ₹ 6 Lakh and loss of Rs 14 lakh has been booked.
- xvii** In the following asset category, depreciation is charged at different rates as compare to the rates prescribed in part C of Schedule II of the Companies Act'2013 on the basis of useful life determined by technical committee:

S. No	Assets Category	Useful life as specified in Part C of schedule II	Useful life as per company's policy
1	Prefabricated Building	RCC 60 years and others 30 years	15 Years
2	Temporary Structure	3 Years	Fully Depreciated
3	Telecom Equipment's	13 Years	8 Years
4	Last Mile/Access Equipment's	13 Years	8 Years
5	Data Centre	13 Years	8 Years
6	Leasehold Improvements	Over the lease Period	Over the lease Period or 10 years when there is no lease agreement

**16** In terms of contractual Clause of agreement, if the customer terminates the services of the link during minimum subscription period, RailTel shall refund or adjust (against the future orders) the already paid IRU charges after deducting the termination penalty.

**17** Disclosure Requirement as per IND AS 19 – Employee Benefits

**Employee Benefits – Defined Contribution Plan**

**National Pension Scheme:**

RailTel pays an amount equal to 10% of Basic pay+ DA of the eligible employees in National pension scheme. Amount for FY 2022-23 is ₹ 530 Lakhs

**Provident Fund:**

All employees of the Company (excluding those on deputations) are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and employer make monthly contribution to the plan at a pre-determined rate (presently 12%) of the employees' salary consisting of Basic pay and Dearness allowance. These contributions are made to the fund administered and managed by Provident Fund Commissioner. The contributions of PF of the employee on deputation are made to the funds of their parent department. Amount for FY 2022-23 is ₹ 785 Lakhs

## Employee Benefits – Defined Benefit Plan

### Gratuity

The Company has scheme of gratuity plan for its employees from LIC. Every employee who has completed at least five years of service are entitled for gratuity at the time of relinquishment of employment for 15 days of last drawn salary for each completed year of service. The scheme is funded through LIC in the form of qualifying insurance policy for its employees except outsourced Manpower.

### Leave Encashment

The Company has scheme of Leave Encashment payable to eligible employees who have accumulated earned leave subject to maximum ceiling of 300 earned leave including half pay leave. Leave salary is provided for based on actuarial valuations, as at the Balance Sheet date. The scheme is funded through LIC.

### Post-Retirement Medical:

The Company has Post-Retirement Medical Scheme (PRMS) to provide assistance for meeting a part of medical expenses incurred by retired members only after their retirement for dependent family members and self and dependent family members of the ex-employee in case of death of the employee. Post-Retirement Medical is provided for based on actuarial valuations, as at the Balance Sheet date. The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the Balance Sheet for the above defined benefit plan.

**Table I: Assumptions**

(₹ in Lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Assumptions	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Discount Rate	7.45% per annum	7.45% per annum	7.24% per annum	7.24% per annum
Rate of increase in Compensation levels	6.00% per annum	6.00% per annum	6.00% per annum	6.00% per annum
Rate of Return on Plan Assets	7.24% per annum	7.24% per annum	6.79% per annum	6.79% per annum
Average future service (in Years)	26.21 Years	20.33 Years	21.74 Years	20.34 Years

**Table II: Service Cost**

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Current Service Cost	294	238	177	227
Past Service Cost (including curtailment Gains/Losses)	763	-	-	-
Gains or losses on Non Routine settlements	-	-	-	-
<b>Total</b>	<b>1,056</b>	<b>238</b>	<b>177</b>	<b>227</b>

**Table III: Net Interest Cost**

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Interest Cost on Defined Benefit Obligation	172	209	134	176
Interest Income on Plan Assets	175	177	160	164
<b>Net Interest Cost (Income)</b>	<b>(3)</b>	<b>33</b>	<b>(26)</b>	<b>12</b>

**Table IV: Change in Present Value of Obligations**

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Opening of defined benefit obligations	2,376	2,893	1,973	2,599
Service cost	1,056	238	177	227
Interest Cost	172	209	134	176
Benefit Paid	(104)	(124)	(94)	(127)
<b>Actuarial (Gain)/Loss on total liabilities:</b>	<b>(154)</b>	<b>(68)</b>	<b>187</b>	<b>19</b>
- due to change in financial assumptions	(77)	(53)	(117)	(107)
- due to change in demographic assumptions	-	-	-	-
- due to experience variance	(77)	(15)	303	126
<b>Closing of defined benefit obligation</b>	<b>3,347</b>	<b>3,149</b>	<b>2,376</b>	<b>2,893</b>

**Table V: Change in Fair Value of Plan Assets**

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Opening fair value of plan assets	2,418	2,438	2,355	2,410
Actual Return on Plan Assets	162	185	158	156
Employer Contribution	1	440	-	-
Benefit Paid	(104)	(124)	(94)	(127)
<b>Closing fair value of plan assets</b>	<b>2,477</b>	<b>2,939</b>	<b>2,418</b>	<b>2,438</b>

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**Table VI: Actuarial (Gain)/Loss on Plan Asset**

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Expected Interest Income	175	177	160	164
Actual Income on Plan Asset	162	185	158	156
<b>Actuarial gain /(loss) on Assets</b>	<b>(13)</b>	<b>(8)</b>	<b>(2)</b>	<b>(8)</b>

**Table VII: Other Comprehensive Income/(Loss)**

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Opening amount recognized in OCI outside P&L account	-	N/A	-	N/A
Actuarial gain / (loss) on liabilities	154	N/A	(187)	N/A
Actuarial gain / (loss) on assets	(13)	N/A	(2)	N/A
<b>Closing amount recognized in OCI outside P&amp;L account</b>	<b>140</b>	<b>N/A</b>	<b>(189)</b>	<b>N/A</b>

**Table VIII: The amount to be recognized in Balance Sheet Statement**

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Present Value of Obligations	3,347	3,149	2,376	2,893
Fair value of plan assets	2,477	2,939	2,418	2,438
Net Obligations	870	210	(42)	455
Amount not recognized due to asset limit	-	-	-	-
<b>Net defined benefit liability / (assets) recognized in balance sheet</b>	<b>870</b>	<b>210</b>	<b>(42)</b>	<b>455</b>

**Table IX: Expense Recognized in Statement of Profit and Loss**

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Service cost	1,056	238	177	227
Net Interest Cost	3	33	(26)	13
Net actuarial (gain)/ loss		(76)		26
<b>Expenses Recognized in the statement of Profit &amp; Loss</b>	<b>1,053</b>	<b>195</b>	<b>151</b>	<b>266</b>

**Table X: Major categories of plan assets (as percentage of total plan assets)**

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Fund Managed by Insurer	100%	100%	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Table XI: Change in Net Defined Obligations**

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Opening of Net defined benefit liability	(42)	455	(382)	189
Service cost	1,056	238	177	227
Net Interest Cost	(3)	33	(26)	13
Re-measurements	(140)	(76)	189	26
Contribution paid to fund	(1)	(440)	-	-
<b>Closing of Net defined benefit liability</b>	<b>870</b>	<b>210</b>	<b>(42)</b>	<b>455</b>

**Table XII: Reconciliation of Expense in Profit and Loss Statement**

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Present Value of Obligation as at the end of the year	3,347	3,149	2,376	2,893
Present Value of Obligation as at the beginning of the year	(2,376)	(2,893)	(1,973)	(2,599)
Benefit Paid	104	124	94	127
Actual Return on Assets	(162)	(185)	(158)	(156)
OCI	140	N/A	(189)	N/A
<b>Expenses Recognized in the Statement of Profit and Loss</b>	<b>1,053</b>	<b>195</b>	<b>151</b>	<b>266</b>



**Table XIII: Reconciliation of Liability in Balance Sheet**

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Opening net defined benefit liability / (asset)	(42)	455	(382)	189
Expense charged to profit and loss account	1,053	195	151	266
Amount recognized outside profit & loss account	-	-	-	-
Employer Contributions	1	(440)	-	-
OCI	140	N/A	189	N/A
<b>Closing net defined benefit liability / (asset)</b>	<b>870</b>	<b>210</b>	<b>(42)</b>	<b>455</b>

**Gratuity Note:**

The closing net liability amount mentioned in Table XI of Section 9 reconciled with Zero difference.

The following material developments in the inter-investigation period have led to a significant variation in the liability.

- There has been an increase in the number of employees due to outsourced employees covered under Employees gratuity scheme.
- The average salary over the period has decreased due to inclusion of outsourced employees.

**Leave Encashment Note:**

The closing net liability amount mentioned in Table XI of Section 9 reconciled with Zero difference.

The following material developments in the inter-investigation period have led to a significant variation in the liability.

- There has been an increase in the number of employees.
- The average salary over the period has increased.
- The leaves valued over the period has increased."

**Table XIV: Sensitivity Analysis**

Following table shows the sensitivity results on liability due to change in the assumptions:

(₹ in Lakhs)

Item	Period	Gratuity			Leave Encashment		
		Amt.	Impact (Absolute)	Impact %	Amt.	Impact (Absolute)	Impact %
Base Liability	March'23	3,347			3,149		
	March'22	2,376			2,893		
Increase Discount Rate by 0.50%	March'23	3,175	(172)	-5.14%	3,029	(119)	-3.79%
	March'22	2,257	(119)	-5.03%	2,782	(111)	-3.84%
Decrease Discount Rate by 0.50%	March'23	3,535	188	5.61%	3,277	128	4.07%
	March'22	2,506	130	5.48%	3,013	119	4.13%
Increase Salary Inflation by 1.00%	March'23	3,590	243	7.27%	3,410	261	8.30%
	March'22	2,527	151	6.37%	3,136	243	8.40%
Decrease Salary Inflation by 1.00%	March'23	3,098	(249)	-7.44%	2,918	(231)	-7.33%
	March'22	2,206	(170)	-7.16%	2,679	(214)	-7.40%



Item	Period	Gratuity			Leave Encashment		
		Amt.	Impact (Absolute)	Impact %	Amt.	Impact (Absolute)	Impact %
Increase Withdrawal Rate by 1.00%	March'23	3,436	89	2.66%	3,070	(79)	-2.51%
	March'22	2,434	58	2.45%	2,816	(78)	-2.69%
Decrease Withdrawal Rate by 1.00%	March'23	3,244	(103)	-3.08%	3,240	92	2.91%
	March'22	2,309	(67)	-2.82%	2,983	90	3.11%

**Note:**

\*\* The base liability is calculated at discount rate of 7.45% per annum and salary inflation rate of 6.00% per annum for all future years.

\* Liabilities are very sensitive to salary escalation rate, discount rate & withdrawal rate.

\* Liabilities are very less sensitive due to change in mortality assumptions. Hence, sensitivities due to change in mortality are ignored."

**Table XV: Maturity Profile of Defined Benefit Obligation (Valued on discounted basis)**

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Year 1	229	325	143	278
Year 2	123	297	86	292
Year 3	217	249	161	272
Year 4	185	239	155	235
Year 5	184	206	135	218
After 5th Year	2,409	1,832	1,696	1,598
<b>Total</b>	<b>3,347</b>	<b>3,148</b>	<b>2,376</b>	<b>2,893</b>

**Post-Retirement Medical Scheme**

**Table I: Change in Present Value of Obligations**

(₹ in Lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
<b>Defined Benefit Obligation at beginning of year</b>	901	933
Current Service Cost	41	43
Past Service Cost	0	-
(Gain) / Loss on settlements	0	-
Interest Expense	65	63
Benefit Payments from Plan Assets	0	-
Benefit Payments from Employer	(0)	(0)
Settlement Payments from Plan Assets	0	-
Settlement Payments from Employer	0	-
Other (Employee Contribution, Taxes, Expenses)	0	-
Increase / (Decrease) due to effect of any business combination / divestiture / transfer	0	-
Increase / (Decrease) due to Plan combination	0	-
Remeasurements - Due to Demographic Assumptions	0	-
Remeasurements - Due to Financial Assumptions	(48)	(111)
Remeasurements - Due to Experience Adjustments	(92)	(27)
<b>Defined Benefit Obligation at end of year</b>	<b>866</b>	<b>901</b>
<b>Discount Rate (%)</b>	<b>7.45%</b>	<b>7.24%</b>
<b>Medical Inflation Rate (%)</b>	<b>5.00%</b>	<b>5.00%</b>

**Table II: Change in Fair Value of Plan Assets**

(₹ in Lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
<b>Fair Value of Plan Assets at beginning of year</b>	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	(0)	0
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(0)	(0)
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	-	-
	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Return on Assets (Excluding Interest Income)	-	-
<b>Fair Value of Plan Assets at end of year</b>	-	-

**Table III: Changes in Reimbursement Rights**

(₹ in Lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
Reimbursement Rights at beginning of year	0	0
Reimbursement Service Cost	0	0
Gain/ (loss) on Settlements	0	0
Interest Income	0	0
Employer Contributions to Reimbursement Rights	0	0
Reimbursements to Employer	0	0
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	0	0
Increase / (Decrease) due to Plan combination	0	0
Benefits paid by the Company in Prior Year and settled by Fund Manager in current year	0	0
Net Transfer In / (Out) (Including the effect of any business combination / divestiture)	0	0
Remeasurements - Return on Reimbursement Rights (Excluding Interest Income)	0	0
<b>Reimbursement Rights at end of year</b>	<b>0</b>	<b>0</b>



**Table IV: Changes in Asset Ceiling / Onerous Liability**

(₹ in Lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
<b>Asset Ceiling / Onerous Liability at beginning of year</b>	0	0
Interest Income	0	0
Gain / (Loss) on Settlements	0	0
Remeasurement - Due to Asset Ceiling / Onerous Liability (Excluding Interest Income)	0	0
<b>Asset Ceiling / Onerous Liability at end of year</b>	<b>0</b>	<b>0</b>

**Table V: Components of Defined Benefit Cost**

(₹ in Lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
<b>Current Service Cost</b>	41	43
Past Service Cost	-	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	41	43
Interest Expense on DBO	65	63
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	65	63
Reimbursement of Other Long-Term Benefits	-	-
<b>Defined Benefit Cost included in P &amp; L</b>	<b>106</b>	<b>106</b>
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	(48)	(111)
Remeasurements - Due to Experience Adjustments	(92)	(27)
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
<b>Total Remeasurements in OCI</b>	<b>(141)</b>	<b>(138)</b>
<b>Total Defined Benefit Cost recognized in P&amp;L and OCI</b>	<b>(34)</b>	<b>(32)</b>
<b>Discount Rate (%)</b>	<b>7.45%</b>	<b>7.24%</b>
<b>Medical Inflation Rate (%)</b>	<b>5%</b>	<b>5%</b>

**Table VI: Amounts recognized in the Statement of Financial Position**

(₹ in Lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
Defined Benefit Obligation	866	901
Fair Value of Plan Assets	-	-
<b>Funded Status</b>	<b>866</b>	<b>901</b>
Effect of Asset Ceiling / Onerous Liability	-	-
<b>Net Defined Benefit Liability / (Asset)</b>	<b>866</b>	<b>901</b>

**Table VII: Net Defined Benefit Liability / (Asset) reconciliation**

(₹ in Lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
<b>Net Defined Benefit Liability / (Asset) at beginning of year</b>	901	933
Defined Benefit Cost included in P & L	106	106
Total Remeasurements included in OCI	(141)	(138)
Net Transfer In / (Out) (Including the effect of any business combination / divestiture)	-	-
Amount recognized due to Plan Combinations	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	(0)	(0)
Employer Direct Settlement Payments	-	-
Credit to Reimbursements	-	-
<b>Net Defined Benefit Liability / (Asset) at end of year</b>	<b>866</b>	<b>901</b>

**Table VIII: Sensitivity Analysis**

Discount Rate and Medical Inflation Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

(₹ in Lakhs)

Particulars		Period	Base	+ 100 Basis Points	-100 Basis Points
Discount Rate	Assumptions (%)	March'23	7.45%	8.45%	6.45%
		March'22	7.24%	8.24%	6.24%
	PV of DBO (In lakhs)	March'23	866	645	1,081
		March'22	901	672	1,122
Medical Inflation Rate	Variation (%)	March'23	0.00%	-25.58%	24.83%
		March'22	0.00%	-25.38%	24.59%
	Assumptions (%)	March'23	5.00%	6.00%	4.00%
		March'22	5.00%	6.00%	4.00%
PV of DBO (In lakhs)	March'23	866	1,144	670	
		901	1,180	693	
	Variation (%)	March'23	0%	32.11%	-22.61%
		March'22	0.00%	31.01%	-23.07%

**Table IX: Maturity Profile of Defined Benefit Obligation**

(₹ in Lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
Year 1	18	19
Year 2	-	-
Year 3	-	-
Year 4	3	-
Year 5	5	5
After 5th Year	834	874

**Movement of provisions for employee benefits during the year is as under:**

Particulars	Provision for pension	Provision for Post-Retirement Medical	Provision for Gratuity & Leave Encashment	Total
Carrying Amount at the beginning of the year as on 01.04.2022	41	901	413	1,355
Additional provision made in the year	-	106	1,248	1,354
Amount utilized/adjusted during the year	(35)	(141)	(581)	(757)
Unused amount reversed during the year	-	-	-	-
Carrying amount at the end of the year as on 31.03.2023	6	866	1,080	1,953

Particulars	Provision for pension	Provision for Post-Retirement Medical	Provision for Gratuity & Leave Encashment	Total
Carrying Amount at the beginning of the year as on 01.04.2021	87	933	(194)	826
Additional provision made in the year	-	-	607	607
Amount utilized/adjusted during the year	(46)	(32)	-	(78)
Unused amount reversed during the year	-	-	-	-
Carrying amount at the end of the year as on 31.03.2022	41	901	413	1,355

**19 Disclosure in respect of Indian Accounting Standard (Ind AS) 20 "Accounting for Government Grants and disclosure of Government Assistance":**

The break-up of total grant in aid/subsidy received up to 31.03.2023 for various purposes is as under:-  
(₹ in Lakhs)

Grant/Subsidy Received For	Up to 31.03.2023	Up to 31.03.2022
North East Project	3,146	3,146
Rural Wi-Fi	1,437	1,296
<b>Total</b>	<b>4,583</b>	<b>4,442</b>

### Grant/Subsidy on NE Project:

1. The Company had undertaken projects of NE-1 and NE-2 with a total capital outlay of ₹ 45125 Lakhs for which anticipated subsidy of Universal Service Obligation Fund of Department of Telecommunication, Government of India was pegged at ₹ 38800 Lakhs and net cash outflow of ₹ 6325 Lakhs. Against this, the Company has incurred total capital expenditure of ₹ 29520 Lakhs (Net of Recovery) out of which material of an amount of ₹ 2707 lakhs have been transferred to other projects/regions. Company has received subsidy of ₹ 3146 Lakhs with a net cash outflow of ₹ 23667 Lakhs up to 31.03.2023. In the opinion of the management, the Company has complied with all the conditions set out for the subsidy and accordingly, there is no liability to refund the subsidy already received."
2. During the period ended 31.03.23, depreciation of ₹ 767 Lakhs (March'22 – ₹ 1074 lakhs) have been charged to Statement of Profit and Loss due to capitalization and accordingly impact of amortization of subsidy is recognized in Statement of Profit and Loss for ₹ 151 Lakhs (March'22 – ₹ 104 lakhs) in proportion to depreciation which is shown under the head other operating revenue"

### Grant/Subsidy on Rural Wi-Fi:

The Company had received Rural Wi-Fi Subsidy amounting to ₹ 1437 lakhs up to 31.03.2023 from Department of Telecommunication (DoT-USOF) for installation of Wi-Fi in rural areas. An amount of ₹ 1513 lakhs have been capitalized up to 31.03.2023 on account of partial commissioning of wi-fi services at the stations. The Company has amortized an amount of ₹ 208 lakhs out of the subsidy received in proportion to the depreciation on assets capitalized and the same has been recognized under the head other operating revenue.

## 19. Disclosures as required by IND AS- 21: Effects of change in foreign exchange rates

### Exchange Difference

(₹ in Lakhs)

S. No	Particulars	March'23	March'22
1	The amount of exchange differences recognised in profit or (loss).	(7)	3
2	Net exchange differences recognised in other comprehensive income and accumulated in a separate component of equity.	-	-
3	Reconciliation of the amount of such exchange differences at the beginning and end of the year.	-	-

## 20. IND-AS – 24: Related party disclosures

### Government Related Entities:

The Company is a Central Public Sector Enterprise (CPSE) under the Ministry of Railways. The Company is controlled by Government of India (GOI), by holding 72.84 % of equity shares in the name of President of India as at 31st March, 2023. Pursuant to Para 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. Transactions with these parties are carried out at market terms at arm length basis. The company has applied the exemption available for government related entities and have made limited disclosures in the financial statements.

Names of related parties and their relationship:

(i) Enterprises under common control are as follows: -

S. No.	Enterprise
1	Centre For Railway Information Systems
2	Container Corporation of India Ltd
3	Dedicated freight corridor Corporation of India Limited
4	Indian Railway Catering and Tourism Corporation Limited
5	IRCON International Limited
6	Konkan Railway Corporation of India Limited
7	Rail Land Development Authority
8	Rail Vikas Nigam Limited
9	RITES Limited
10	India Railways
11	National High Speed Rail Corporation
12	Mumbai Railway Vikas Corporation
13	Maharashtra Rail Infrastructure Development Corporation Ltd
14	Indian Railway Stations Development Corporation Ltd
15	Indian Railway Finance Corporation
16	CLW/Chittaranjan
17	Railway Recruitment Board
18	Chhattisgarh East Railway Limited
19	Central Railside Warehouse Company Limited
20	Braithwaite & Co. Ltd
21	Research Design and Standards Organization
22	Indian Railway Institute of Transport Management (IRITM)
23	Office of Dy CSTE-Const
24	Pipavav Railway Corporation Limited

ii) Subsidiaries: RailTel Enterprises Limited



## iii) Key Management Personnel:

S. No.	Name	Designation	Date of appointment	Date of Cessation (If any)
1	Sh. Puneet Chawla	CMD	14-12-2018	11-05-2022
2	Smt. Aruna Singh	CMD	11-05-2022	23-09-2022
3	Sh. Sanjai Kumar	CMD	"D/NPM - 23-05-2018 CMD - 23/09/2022"	Ceased as D/NPM from 23-09-2022
4	Sh. Rakesh Ranjan	"Director/NPM (Addl. Charge)"	06-10-2022	-
5	Sh. Anand Kumar Singh	Director/ Finance and CFO	"D/F - 04/09/2019 CFO - 26/09/2019"	01-10-2022
6	Sh. Rabindranath Mishra	Director/ Finance	07/10/2022	27-10-2022
7	Sh. V. Rama Manohara Rao	Director/ Finance and CFO	"D/F - 27/10/2022 CFO - 10/11/2022"	-
8	Sh. Manoj Tandon	Director/POM	20-03-2023	-
9	Sh. J S Marwah	Company Secretary	05-02-2015	-

## (iv) Disclosures of transactions of the Company with Key Management Personnel: (₹ in Lakhs)

Particulars	Name	Sh. Puneet Chawla	Sh. Sanjai Kumar	Sh. Anand Kumar Singh	V Rama Manohara Rao	Sh. Manoj Tandon	Sh. J S Marwah
	Designation						
Salaries and Allowances	March'23	26	63	73	16	1	28
	March'22	37	59	46	-	-	25
Provident Fund Contribution	March'23	-	5	2	2	0	2
	March'22	-	4	4	-	-	2
Pension Contribution	March'23	-	4	2	1	0	2
	March'22	6	3	3	-	-	2
Value of Perquisites	March'23	-	13	6	2	0	1
	March'22	7	12	10	-	-	1
Leave Encashment (Part of FSC)	March'23	1	-	-	-	-	-
	March'22	3	-	-	-	-	-



The actuarial liability for the key managerial personnel is as follows:

Employee Name	Designation	Gratuity	Leave Encashment	Gratuity	Leave Encashment
		As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2022
Sh. Sanjai Kumar	CMD	14	30	14	27
Sh. J S Marwah	Company Secretary	6	12	5	12
Sh. Anand Kumar Singh	Director/Finance	-	-	-	18
Sh. Manoj Tandon	Director/POM	8	16	-	-
Sh.V Rama Manohara Rao	Director/Finance	-	1	-	-

(v) Transactions with subsidiary (RailTel Enterprises Limited):

Nature of Transactions	Amount
On account of operating Income	₹ 199 Lakhs (March'22 – ₹ 2399 Lakhs)
On account of Non-Operating Income	₹ 61 Lakhs (March'22 – ₹ 52 Lakhs)
Receivables as at 31.03.2023	₹ 409 Lakhs (March'22 – ₹ 1667 Lakhs)
Other Current Assets (Unbilled Receivables) as at 31.03.23	₹ 103 Lakhs (March'22 – 558 Lakhs)
On account of Operating Expenses	₹ 72 Lakhs (March'22 – 174)
On account of Capital Work in Progress	₹ Nil (March'22 – ₹ 69 )
Trade Payable as at 31.03.2023	₹ 3 Lakhs (March'22 – ₹ Nil )
Other Liability as at 31.03.2023	₹ 56 Lakhs (March'22 – ₹ 67 )

(vii) Transactions with Railway PSUs & Railway Units

Transactions with Railway PSUs and Railway Units are in relation to Telecommunication Services & Other Projects. (₹ in Lakhs)

Particulars	Period	Revenue	Expense	Receivable	Payable	Advance received
Centre For Railway Information Systems	Mar'23	478	-	237	-	-
	Mar'22	1,978	-	375	-	-
Container Corporation of India Ltd	Mar'23	38	-	32	-	-
	Mar'22	17	-	21	-	-
Dedicated freight corridor Corporation of India Limited	Mar'23	808	-	360	-	549
	Mar'22	641	-	288	-	373
Indian Railway Catering and Tourism Corporation Limited	Mar'23	460	22	175	2	7
	Mar'22	458	3	115	4	4
IRCON International Limited	Mar'23	6,298	-	1,073	-	4
	Mar'22	315	-	354	-	-
Konkan Railway Corporation of India Limited	Mar'23	2,667	140	81	81	2
	Mar'22	124	246	84	107	2
Rail Land Development Authority	Mar'23	16	-	16	-	-
	Mar'22	-	-	18	-	-

Particulars	Period	Revenue	Expense	Receivable	Payable	Advance received
Rail Vikas Nigam Limited	Mar'23	319	-	415	-	238
	Mar'22	559	-	320	-	365
RITES Limited	Mar'23	62	-	33	-	-
	Mar'22	52	-	23	-	1
India Railways	Mar'23	25,290	5,375	24,597	5,066	10,154
	Mar'22	22,621	8,944	19,264	9,524	11,752
National High-Speed Rail Corporation	Mar'23	743	-	143	-	341
	Mar'22	141	-	29	-	393
Mumbai Railway Vikas Corporation	Mar'23	25	-	23	-	5
	Mar'22	23	-	7	-	5
Maharashtra Rail Infrastructure Development Corporation Ltd	Mar'23	2	-	3	-	22
	Mar'22	-	-	-	-	19
Indian Railway Station Development Corporation Ltd	Mar'23	-2	-	-	-	-
	Mar'22	1	-	2	-	-
Indian Railway Finance Corporation	Mar'23	308	-	361	-	-
	Mar'22	-234	-	12	-	-
CLW/Chittaranjan	Mar'23	106	-	0	-	46
	Mar'22	-	-	-	-	-
Railway Recruitment Board	Mar'23	3	-	1	-	-
	Mar'22	-	-	-	-	-
Chhattisgarh East Railway Limited	Mar'23	6	-	7	-	-
	Mar'22	7	-	8	-	-
Central Railside Warehouse Company Limited	Mar'23	-	-	1	-	-
	Mar'22	-	-	1	-	-
Braithwaite & Co. Ltd	Mar'23	-	-	4	-	-
	Mar'22	19	-	28	-	-
Research Design and Standards Organization	Mar'23	39	-	62	-	-
	Mar'22	-	-	-	-	-
Indian Railway Institute of Transport Management (IRITM)	Mar'23	11	-	-	-	-
	Mar'22	-	-	-	-	-
Office of Dy CSTE-Const	Mar'23	2	-	126	-	-
	Mar'22	-	-	-	-	-
Pipavav Railway Corporation Limited	Mar'23	1	-	-	-	-
	Mar'22	-	-	-	-	-
<b>Total</b>	<b>Mar'23</b>	<b>37,701</b>	<b>5,537</b>	<b>27,752</b>	<b>5,149</b>	<b>11,368</b>
	<b>Mar'22</b>	<b>26,722</b>	<b>9,193</b>	<b>20,950</b>	<b>9,635</b>	<b>12,914</b>



## 21. Disclosures as required by IND AS 33: Earning Per Share

Numerator	For the year ended 31st March 2023	For the year ended 31st March 2022
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Used as Numerator (₹ in Lakhs))	18,738	20,834
<b>Denominator</b>		
Number of Equity Shares (Face value of ₹ 10/- each)	320938407	320938407
Number of Shares allotted during the year	NIL	NIL
Weighted Average number of equity shares for calculating Basic Earnings Per Share	320938407	320938407
Weighted Average number of equity shares for calculating Diluted Earnings Per Share	320938407	320938407
Basic Earnings Per Share (₹ / per share) (Face value of ₹ 10/- each)	5.84	6.49
Diluted Earnings Per Share (₹ / per share) (Face value of ₹ 10/each)	5.84	6.49

## 22 Disclosure as per Ind AS 36 and 113: Impairment of Assets, Fair Value Measurement

Based on an impairment study, the Company has recognized the impairment loss amounting ₹ 863 lakhs (March'22 – ₹ 1224 lakhs) during the current year in statement of profit and loss for NE Project. This project was halted for the long time due to difficult working conditions in north eastern region and various other reasons. The part of the project is currently accounted under the capital work in progress and contains mainly the plant and machinery. Hence, company has assessed and recognized the impairment loss on the project. Out of the total impairment loss as at 31.03.2023 of ₹ 9175 lakhs (as at 31.03.22 ₹ 8313 Lakhs), Impairment loss of ₹ 4709 Lakhs pertains to the assets totally damaged and no future economic benefits are expected from these assets. Impairment loss have been calculated by taking the whole project as "Cash Generating Unit".

Recoverable amount has been calculated as per Ind AS 36 and 113. Recoverable amount is calculated as the higher of an asset's fair value less costs of disposal and its value in use.

However, the Company will continue review and monitor the impairment assessment at every subsequent reporting period based on comprehensive review of further information that may be available during such reporting periods as required by Ind AS.

## 23 Disclosures as required by IND AS 37: Provisions, Contingent Liabilities and Contingent Assets

- Provisions are recognized in respect of obligations, based on the evidence available, and wherever their existence on the Balance Sheet date is considered probable.

(₹ in Lakhs)

Particulars	Provision for Arbitration Claim	Provision for Performance Related Pay	Total
Carrying Amount at the beginning of the year as on 01.04.2022	46	2,296	2,342
Additional provision made in the period	-	736	736
Amount utilized/adjusted during the period	(46)	(1,005)	(1,051)
Unused amount reversed during the period	-	-	-
Carrying amount at the end of the period as on 31.03.2023	-	2,027	2,027

(₹ in Lakhs)

Particulars	Provision for Arbitration Claim	Provision for Performance Related Pay	Total
Carrying Amount at the beginning of the year as on 01.04.2021	46	1,013	1,059
Additional provision made in the year	-	2,075	2,075
Amount utilized/adjusted during the year	-	792	792
Unused amount reversed during the year	-	-	-
Carrying amount at the end of the year as on 31.03.2022	46	2,296	2,342

**b. Contingent liabilities:**

Contingent liabilities are determined based on available information. These liabilities are not provided for and are disclosed by way of notes on accounts.

**(a). Claim against the Company not acknowledged as debts:**

(₹ in Lakhs)

Particulars	Service Tax	Income Tax	VAT	GST	Arbitration/ Court Cases	DOT	Total
Carrying Amount at the beginning of the year 01.04.2022	845	3,296	96	1,590	13,308	537	19,672
Additions during the year	-	8	1,925	-	4,585	29156*	35,674
Amount adjusted during the year	-	-309	-104	-273	-75	-	-761
Carrying amount at the end of the year 31.03.2023	845	2,995	1,917	1,317	17,818	29,693	54,585

\* Hon'ble Supreme Court passed an order dated 11.06.2020 wherein it was held that definition of AGR as per the licenses given to the Public Sector Undertaking (PSUs) is different than the definition of AGR as per Universal Access Service License (UASL) given to other network service providers. It was also upheld that the Hon'ble Supreme Court Judgement dated 24.10.2019 never dealt with the issue of PSUs as their agreements are quite different and therefore, the judgement held on AGR issue could not have been made the basis for raising the demand against Public Sector Undertaking as they are not in the actual business of providing mobile services to the general Public. The Company has filed an application to Ministry of Railways for settlement of the dispute through administrative Mechanism for resolution of CPSE dispute (AMRCD). Department of public enterprises (DPE) wide its letter dated 10.02.2023 has notified the committee of secretaries for settlement of disputes. considering the case in AMRCD, the amount has been shown under contingent liability.

(b) Bank Guarantees given by the Company to Customers/Government as on 31.03.2023 is ₹ 37704 lakhs (March'22 – ₹ 31510 lakhs).

**(c) Capital Commitments**

(₹ in lakhs)

Particulars	March'23	March'22
Estimated amounts of contracts remaining to be executed on capital account	14,522	17,004

**Capital-Work-in Progress (CWIP): ageing schedule as on 31.03.2023**

(Amount in lakh)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	10,778	423	85	-	11,286
Projects temporarily suspended *	978	43	356	3,030	4,407

\* NE Project halted due to reason mentioned in point no.22 of note no 43

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule is given:

**As at 31st March 2023**

(₹ in lakhs)

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
OFC Laying Works	27	-	-	-
MPLS, STM, Other Telecom Radio Equipment, Data Centre & OSS/BSS	393	-	-	-
Capital Stores lying at project site	3	-	-	-
Building	-	-	-	-
Others	1	-	-	-
<b>Total</b>	<b>424</b>	<b>-</b>	<b>-</b>	<b>-</b>

NE Project halted due to reason mentioned in point No.22 of note No. 43

**Capital-Work-in Progress (CWIP): ageing schedule as on 31.03.2022**

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7,148	782	73	47	8,050
Projects temporarily suspended *	84	3,345	3,150	1,765	8,344

\* NE Project halted due to reason mentioned in point no.22 of note no 43.

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule is given:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
OFC Laying Works	569				
MPLS, STM, Other Telecom Radio Equipment, Data Centre & OSS/BSS	4484				
Capital Stores lying at project site	2883				
Building	78				
Others	36				
<b>Total</b>	<b>8050</b>	<b>0</b>	<b>0</b>	<b>0</b>	

NE Project halted due to reason mentioned in point No.22 of note No. 43

## 24 Disclosure Requirements as per IND AS 108 – Operating Segments

The Company publishes this financial statement along with the consolidated financial statements, in accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

## 25 Disclosure Requirement as per IND AS 112 – Disclosure of Interest in Other entities

### Particulars of Subsidiaries of the Company

Particulars	Name of the Entity	Country of Incorporation	% of Ownership Interest
Subsidiary	RailTel Enterprises Limited	India	100%

## 26 Disclosure as required by Ind AS 107, Ind AS 109 & Ind AS 113

Valuation techniques and process used to determine fair values

- The carrying value of financial assets and liabilities with maturity less than 12 months are considered to be representative of their fair value.
- Fair value of other financial assets and liabilities carried at amortized cost is determined by discounting of cash flows using discount rate.
- A discount rate of 5.1% (SBI Rate) has been used for balances as on 31/03/2023.

### Financial Instrument

#### Financial Instruments by Category

The carrying value of financial instruments by each category were as follows: - (₹ in lakhs)

Particulars	Financial Assets/Liabilities at amortised costs		Financial Assets/Liabilities at FVTPL		Financial Assets/Liabilities at FVTOCI	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Assets</b>						
Trade Receivables (Refer to Note No. 11)	1,03,257	66,647	0	0	0	0
Cash and Cash Equivalents & Other Bank Balances (Refer to Note No. 12 & 13)	23,985	27,617	0	0	0	0
Other Financial Assets (Refer to Note No. 6,7,14 & 15)	68,489	66,611	0	0	0	0
<b>Liabilities</b>						
Trade Payables (Refer to Note No. 25)	56,474	48,256	0	0	0	0
Other Financial Liabilities (Refer to Note No. 20, 21, 26 & 27)	48,133	35,997	0	0	0	0

**Trade Receivables ageing schedule as on 31.03.2023\***

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment/ date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	56,585	19,053	9,679	11,528	1,504	98,350
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	417	335	5,281	6,033
(iii) Undisputed Trade Receivables – credit impaired	-	-	84	-	2,113	2,197
(iv) Disputed Trade Receivables–considered good						-
(v) Disputed Trade Receivables – which have significant increase in credit risk						-
(vi) Disputed Trade Receivables – credit impaired	2	10	-	-	4,175	4,187
	56,587	19,063	10,180	11,863	13,073	1,10,767
Less: Allowance for credit Loss						(7,510)
<b>Trade Receivables</b>						<b>1,03,256</b>

**Unbilled Revenue ageing schedule as on 31.03.2023**

(₹ in Lakhs)

Particulars	Outstanding for Unbilled revenue from the date of transaction					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Unbilled Revenue	21,916	619	157	-	-	22,692
Less: Allowance for credit Loss						(167)
<b>Total</b>						<b>22,525</b>

Unbilled receivables are recognised based on mercantile accounting system and are not due for payment as at the close of financial year.

**Trade Receivables ageing schedule as on 31.03.2022**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment/date of transaction					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	40,428	12,258	7,492	2,649	-	62,827
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	1,106	235	3,329	4,670
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	2,197	2,197
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-





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Particulars	Outstanding for following periods from due date of payment/date of transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(vi) Disputed Trade Receivables – credit impaired	13	-	-	963	3,212	4,188
	40,441	12,258	8,598	3,847	8,738	73,882
Less: Allowance for credit Loss						-7,234
<b>Trade Receivables</b>						<b>66,648</b>

#### Unbilled Revenue ageing schedule as on 31.03.2022

(₹ in Lakhs)

Particulars	Outstanding for Unbilled revenue from the date of transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled Revenue	22,638	5,059	144	-	869	28,710
Less: Allowance for credit Loss						(238)
<b>Total</b>						<b>28,472</b>

Unbilled receivables are recognised based on mercantile accounting system and are not due for payment as at the close of financial year.

#### Trade Payables ageing schedule as on 31.03.2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment/date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME *	12,983	870	105	665	14,623
(ii) Others	35,631	2,720	1,704	1,797	41,851
(iii) Disputed dues – MSME	-	-	-	-	-
iv) Disputed dues – Others	-	-	-	-	-

Unbilled dues are provided for based on mercantile accounting system and are not due for payment as at the close of financial year.

\* Age analysis is based on date of transaction as payment milestones are not yet achieved as per contractual terms.

#### Trade Payables ageing schedule as on 31.03.2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment/date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME *	11,939	955	80	1,941	14,916
(ii) Others	27,822	890	1,241	3,388	33,340
(iii) Disputed dues – MSME	-	-	-	-	-
iv) Disputed dues – Others	-	-	-	-	-



Unbilled dues are provided for based on mercantile accounting system and are not due for payment as at the close of financial year.

\* Age analysis is based on date of transaction as payment milestones are not yet achieved as per contractual terms.

### Interest Income/(Expenses) recognized on financial assets and liabilities:

Particulars	As at March'23	As at March'22
<b>Financial assets at amortised cost</b>		
Interest expenses on other financial assets	85	115
Interest income on other financial liabilities	253	167
<b>Financial assets at Fair Value through Profit or Loss (FVTPL)</b>	-	-
<b>Financial assets at Fair Value through Other Comprehensive Income (FVTOCI)</b>	-	-

### Financial Risk Management

The Company has constituted Risk Management Committee in line with the requirement of Regulation 21 of the SEBI (LODR) Regulations, 2015 (as amended).

The role and responsibilities of Risk Management Committee is in line with the provisions of Regulation 21 of the SEBI (LODR) Regulations, 2015.

Risk Management frame work of the company is as follows:-

- Apex level Risk Management committee
- Functional Risk Management Committee

The Company has a risk management policy to identify and analyse the risks faced by the Company. The audit committee evaluates the internal financial controls and risk management system. The Audit Committee monitor the Risk assessment and minimization procedure across the company after review of the same by Risk Management Committee (Apex Level) The audit committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has exposure to the following risk from its use of financial instruments: -

- Credit Risk
- Liquidity Risk
- Market Risk
- Project Risk
- Insurable Risk

#### 1. Credit Risk:

Credit risk is the risk of financial losses to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation and arises principally from the Company's trade receivables, employee loans and other activities that are in the nature of leases.

The Company assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there

has been a significant increase in credit risk. For trade receivables, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109 i.e. expected credit loss allowance as computed based on historical credit loss experience. Company have used the methodology of provisional matrix as per Ind AS 109 to compute the historical loss rate and adjust the impact of macroeconomic factors into the historical loss rate to compute the forward-looking rates.

### Exposure to Credit Risk

In the current year, Company used expected credit loss model to assess the impairment loss or gain. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix considers historical credit loss experienced and adjusted for forward-looking information. The expected credit loss allowance is based on ageing of the days the receivables are due. The trade receivables which share the similar credit risk characteristics have been taken into the one bucket. Hence, company has divided the trade receivable into two categories as follows:

- Government & PSU Customers
- Private Customers

The company has rationalised the estimate of expected credit loss as per Ind AS-109, which has resulted into reduction of Expected credit loss provision of ₹ 4,498 Lakhs and corresponding increase in profit before tax.

The gross carrying amount of trade receivables and unbilled revenue, net of any impairment losses recognized represents the maximum credit exposure. (₹ in lakhs)

Ageing	March 31, 2023			
	Gross Amount	Expected credit Loss	Gross Amount	Expected credit Loss
	Government and PSU		Private	
Within 1 year	76,571	752	4,513	82
1 -2 years	10,783	554	551	175
2 -3 years	6,495	580	299	94
3 -4 years	3,053	1,069	140	97
4 -5 years	3,676	523	123	79
More than 5 years	1,649	590	2,914	2,914
Unbilled More than 1 Year	167	167	-	-
<b>Total</b>	<b>1,02,393</b>	<b>4,235</b>	<b>8,541</b>	<b>3,442</b>
<b>Total Expected Credit Loss</b>				<b>7,678</b>



Ageing	March 31, 2022			
	Gross Amount	Expected credit Loss	Gross Amount	Expected credit Loss
	Government and PSU		Private	
Within 1 year	45,785	708	6,913	167
1 -2 years	7,492	1,065	1,106	193
2 -3 years	3,612	505	235	94
More than 3 years	5,477	1,785	3,261	2,716
Unbilled More than 1 Year	983	204	34	34
<b>Total</b>	<b>63,349</b>	<b>4,267</b>	<b>11,549</b>	<b>3,204</b>
<b>Total Expected Credit Loss</b>				<b>7,472</b>

The company does not hold any collateral or other enhancements to cover its credit risks associated with its trade receivables and unbilled revenue.

The gross carrying amount of financial assets, net of any impairment losses recognized represents the maximum credit exposure. The maximum exposure to credit risk as at March' 2023 & March' 2022 was as follows: -

(₹ in lakhs)

Particulars	As at March'23		As at March'22	
	Gross Carrying Value	Net Value after Impairment	Gross Carrying Value	Net Value after Impairment
Trade Receivables (Refer to Note No. 11)	1,10,767	1,03,257	73,882	66,647
Other Financial Assets (Refer to Note No. 6,7,14 & 15)	68,656	68,489	66,848	66,610

Employee Loans, and other assets are either not past due or past due but not impaired.

## 2. Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company reputation, typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

## 3. Market Risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments.



The Company makes investment in mutual fund which are subject to market risk. Hence, the investment is classified in the Balance Sheet at fair value through profit and loss (FVTPL) and resultant gain/loss on investment is classified as FVTPL. However, to manage the price risk, the Company invests in liquid funds and the level of the investments is insignificant in view of the level of the operation of the Company.

#### 4. Project Risk:

A project risk is an uncertain event that may or may not occur during a project. There is risk of time overrun/cost overrun which is mitigated by ensuring time schedule for each activity of the project execution based on milestone and monitoring based on cost estimate..

#### 5. Insurable Risk:

Insurable Risks are mitigated based on definite policy of the company in regard to insurance of assets, material, Risks during Project execution, workmen and Directors and officers liability as decided by the company from time to time.

#### 6. Capital Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern, while maximizing the return to stakeholders through efficient allocation of capital towards expansion of business, optimization of working capital requirements and deployment of surplus funds. The Company uses the operational cash flows to meet its working capital requirements. The funding requirements are met through internal accruals. The Company is not subject to any externally imposed capital requirements.

### 27 1. IND AS 115 – Revenue from Contracts with Customers

#### Disaggregation of Revenue

The company disaggregates revenue from contract with customer into categories that depicts how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. In project business segment the company provides warranty to customer which is implicit in the contract revenue. The said warranty is provided by OEMs with back to back performance obligation and hence the company does not have additional obligation for warranty in addition to the same provided by OEMs. Since warranty is implicit in transaction price on back to back agreement with OEMs and hence not been accounted for separately.

The following table illustrates the disaggregation of disclosure by primary geographical region, major product line, market or type of customer, type of contract, contract duration, sales channel and timing of revenue recognition in accordance with Ind AS 115.

The Company's principal business is to provide neutral telecom infrastructure. The Company operates within India and does not have operations in economic environment with different risks and returns. Hence, it is considered operating in Pan India-single geographical segment.



(₹ in lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Geographical Segment</b>		
Pan India	81,717	51,684
Abroad	-	-
<b>Total</b>	<b>81,717</b>	<b>51,684</b>

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Major Product Line</b>		
Railway Project Works	15,547	7,848
Other Projects	61,904	39,949
Others	4,265	3,887
<b>Total</b>	<b>81,717</b>	<b>51,684</b>

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Type of Customer</b>		
Government Customers	70,023	36,002
Non - Government Customers	11,694	15,682
<b>Total</b>	<b>81,717</b>	<b>51,684</b>

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Type of Contract</b>		
Fixed Price Contracts	68,739	44,430
Time- and- Materials Contracts	12,978	7,254
<b>Total</b>	<b>81,717</b>	<b>51,684</b>

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Sales Channel</b>		
Direct to Customer	81,717	51,684
Through Intermediaries	-	-
<b>Total</b>	<b>81,717</b>	<b>51,684</b>

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(₹ in lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Duration of Contract</b>		
Short Term	80,892	51,351
Long Term	825	333
<b>Total</b>	<b>81,717</b>	<b>51,684</b>

**Contract Assets**

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Trade Receivable *</b>	85,910	40,843
Unbilled Revenue	9,656	24,636
Work in Progress	5,225	-
<b>Total</b>	<b>1,00,791</b>	<b>65,479</b>

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Contract Liability	9,873	16,494
<b>Total</b>	<b>9,873</b>	<b>16,494</b>

**Revenue recognized during the year from the contract liability balance at the beginning**

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Revenue recognized during the year from the contract liability balance at the beginning	2,460	2,200
<b>Total</b>	<b>2,460</b>	<b>2,200</b>

**Revenue Recognized from performance obligations satisfied partially in Previous year**

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Revenue recognized due to change in Transaction Price	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

\* Includes trade receivable of ₹ 4278 lakhs recoverable from a customer out of which ₹ 2638 lakhs is disputed by the customer and management is of the opinion that it is fully recoverable. However, due to significant increase in credit risk, in addition to the ECL as per Ind AS requirement, the company has made additional provision under ECL in respect of outstanding for more than 3 years taking the underlying obligation into consideration on this project. Further, the Company has also claimed an amount of ₹ 2666 lakhs towards SLA deduction and interest for delayed payment. However, the same has not been recognized in the books of accounts on conservative basis as per Ind AS-115. Company has filed an application to Ministry of Railways for settlement of the dispute through administrative Mechanism for resolution of CPSE dispute (AMRCD). The same is under active consideration of AMRCD.

## 28 Ind AS 116 –Leases

### A. As a Lessee

Right of Use Assets Comprises of leased assets that do not meet the definition of Investment property.

#### Right of use – Asset

(₹ in lakhs)

Right-of-use assets, except for investment property (Note No. 4)		
Particulars	As at March 31, 2023	As at March 31, 2022
Building	12,552	11,848
Land	2,246	2,302
Telecom Assets	2,102	2,352
<b>Total</b>	<b>16,900</b>	<b>16,503</b>

The Company takes many assets on lease including Land and Buildings, Plant & Machinery (Telecom Assets) such as Dark Fibers, OFC/Duct spaces etc.

#### Lease Liabilities

(₹ in lakhs)

Maturity analysis - Contractual undiscounted cash flows	As at March 31, 2023	As at March 31, 2022
Less than one year	779	982
One to five years	1,246	1,387
More than five years	3,460	3,607
<b>Total undiscounted lease liabilities</b>	<b>5,485</b>	<b>5,976</b>

#### Lease Liabilities included in the statement of Financial Position

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Current	552	802
Non – Current	3,627	2,349
<b>Total</b>	<b>4,179</b>	<b>3,151</b>

#### Amount Recognized in profit & Loss Account

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Interest on lease liabilities	236	267
Variable lease payments not included in the measurement of lease liabilities	-	-
Expenses relating to Short term leases and leases of low-value assets, excluding short-term leases of low-value assets	-	-



### Amounts recognized in the statement of Cash flows -

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Total cash outflow for leases	951	909

### 29 Other Disclosure-

- There are no significant restrictions or covenants imposed by the leases.
- There are no lease pending commencement to which the Company has committed as at year ended March 31, 2023.
- The incremental borrowing rate considered is the SBI MCLR rate at the lease commencement date for new leases and April 1st, 2019 for pre-existing leases except NOIDA Land lease where there is inbuilt coupon rate in the future financial obligation.

### B. As a Lessor

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Lease Income	110288	98105

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date in respect of non-cancellable operating lease:

### Lease Payments to be received after the reporting date

Particulars	As at 31 <sup>st</sup> March 2023
Less than one year	17821
One to two years	3853
Two to three years	2013
Three to four years	768
Four to five years	524
More than five years	629
<b>Total undiscounted lease payments</b>	<b>25,608</b>

### Other Disclosures –

- The Company has been offering NLD Services, infrastructure services (Dark Fibers, Tower space and co-location etc.) under IP-I registration, ILD and Internet services under unified license to its customers under respective operating lease.
- The Company has entered into a non-cancellable long-term lease arrangement to provide optical fiber on indefeasible right of use (IRU) basis. The lease rental receivable proportionate to actual kilometers accepted by the customer is credited to the statement of profit and loss on a straight – line basis over the lease term. Due to the nature of the transaction, it is not possible to compute gross carrying amount, depreciation for the period and accumulated depreciation of the asset given on operating



lease as of September, 2020 and accordingly respective disclosures required by IND AS 116 are not provided.

### 30 Struck off Companies: -

The details of struck off companies having transaction during the FY 2022-23:

Name of Struck Off Company	Nature of Transaction with Struck Off Companies	Balance Outstanding (₹ In Lacs)	Relationship with the Struck Off Company, if any, to be disclosed
-	-	-	-

### 31 COVID -19 Impact & Assessment

The Covid-19 pandemic has resulted in economic slowdown throughout the world including India. The Company has evaluated the impact of this pandemic on its business operations and financial position while preparing these financial statements and has considered internal and external information for making this evaluation. The Company's assessment is based on its current estimates while assessing the provision towards employee benefits and assessing the realizability of trade receivables and other financial assets. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial reporting and controls etc. However, Covid situation in india has improved significantly at the end of financial year, resulting in normalization of business activity to the great extent. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions.

### 32 Benami Property held : N.A

### 33 Willful Defaulter : N.A

### 34 Utilization of borrowed funds and share premium : N.A

### 35 Registration of Charges or satisfaction with Registrar of Companies (ROC) : N.A

### 36 Compliance with number of layers of companies : N.A

### 37 Compliance with approved scheme(s) of arrangements : N.A

### 38 Details of Crypto Currency or virtual currency : N.A

### 39 Ratio Analysis

Sr. No.	Particulars	As at 31st March 2023	As at 31st March 2022	Change in ratio as compared to preceding year	Reason for variance more than 25%
1	Current Ratio= Current Assets/ Current Liability	1.38	1.30	6%	
2	Debt-Equity Ratio = Debt/Equity	N/A	N/A	NA	
3	Debt Service Coverage Ratio = Earnings available for debt service/ Debt Service	36.17	40.84	-11%	
4	Return on Equity Ratio =Net Income/Shareholder's Equity	11.45%	13.74%	-17%	
5	Trade Receivables Turnover Ratio = Net Credit Sales/Average Accounts Receivable	2.02	1.73	17%	
6	Trade Payables Turnover Ratio = Net Credit Purchase/Average Accounts Payable	2.55	1.87	36%	Improved liquidity management and alignment of vendor payment terms with customer payment terms
7	Net Capital Turnover Ratio = Net Annual Sales/ Working Capital	3.48	4.55	-24%	
8	Net Profit Ratio= PAT/Net Sales	9.63%	13.69%	-30%	Reduced due to higher competition in project segment
9	Return on Capital Employed Ratio = EBIT/Capital Employed	15.43%	18.44%	-16%	
10	Return on Investment	10.10%	13.04%	-23%	
11	Inventory Turnover Ratio	N/A	N/A	NA	

**40** The Board of Directors in its meeting dated 17.05.2023 have approved the company's financial statements for the FY22-23. CMD and /or Director Finance of the company is authorised by the Board to make necessary correction/modification/alteration in the financial statements on behalf of the Board.

**41** Board of Holding Company i.e. "Railtel Corporation of India Limited" and board of subsidiary Company i.e."Railtel Enterprises Ltd." has approved the merger of REL with RCIL. Same is pending for approval with NCLT and once approved by NCLT it will be merged with the Holding Company.

As per our report of even date attached

**For M/s S R GOYAL & CO**  
**Chartered Accountants**  
**FRN : 001537C**

**For and on behalf of the Board of Directors of**  
**RailTel Corporation of India Limited**

**Sd/-**  
**CA A.K. Atolia**  
M. No. 077201

**Sd/-**  
**J S Marwah**  
Company Secretary  
(M. No. : F8075)

**Sd/-**  
**V Rama Manohara Rao**  
Director Finance  
(DIN : 06689335 )

**Sd/-**  
**Sanjai Kumar**  
Chairman & Managing Director  
(DIN: 06923630)

Place New Delhi

Date: 17.05.2023

**S R GOYAL & CO**  
**CHARTERED ACCOUNTANTS**

# Independent Auditor's Report

**To**  
**The Members of**  
**RailTel Corporation of India Limited**  
**Report on the Audit of the Consolidated Financial Statements**

## Opinion

We have audited the Consolidated Financial Statements of RailTel Corporation of India Limited ("the Holding Company") and its subsidiary RailTel Enterprises Limited, (the Holding Company and its subsidiary together referred to as "the Group") , which comprises the Consolidated Balance Sheet as at 31st March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the Consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies ( India Accounting Standards) Rule 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Company as at 31st March 2023 and its Consolidated net profit (financial performance including other comprehensive income), Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

## Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report*. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

## Emphasis of Matter

We draw attention to the following matters in the notes to the Consolidated Financial Statements:  
Refer Note no. 42 of the accompanying Audited Consolidated Financial Statements which states that during the year, the company has rationalized the estimates for calculation of Expected Credit Loss as

permitted by Ind AS- 109. This has resulted into reduction of Expected credit loss provision by Rs. 4,498 lakhs and corresponding increase in profit before tax for the year.

Our Opinion is not modified in respect of the above matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, description of how our audit addressed the matter is provided in that context.

S. No.	Key Audit Matters	How our audit addressed the key audit matter
1.	<p><b>Recognition, measurement, estimation, presentation and disclosures in respect of "Revenue from contracts with Customers" under Ind AS 115</b></p> <p>The application of this revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period, and disclosures including presentations of balances in the financial statements.</p> <p>Estimated efforts is a critical estimate to determine revenue, as it requires consideration of progress of the contract, efforts incurred till date, efforts required to complete the remaining performance obligation.</p> <p>(Refer Note No. 30 of the Consolidated financial statements.)</p>	<p>Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:</p> <ul style="list-style-type: none"> <li>• Evaluated the effectiveness of controls over the preparation of information that are designed to ensure the completeness and accuracy.</li> <li>• Selected a sample of existing continuing contracts and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.</li> <li>• Tested the relevant information, accounting systems and change relating to contracts and related information used in recording and disclosing revenue in accordance with Ind AS 115.</li> <li>• Reviewed a sample of contracts to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations.</li> <li>• Performed analytical procedures and test of details for reasonableness and other related material items.</li> </ul>

S. No.	Key Audit Matters	How our audit addressed the key audit matter
2.	<p><b>Expected Credit Loss (ECL) for Trade Receivables</b></p> <p>The company has applied simplified approach to measure ECL for trade receivables, which allows for lifetime expected credit losses to be recognized from initial recognition of the receivables. The company determines the expected credit losses on trade receivables by using a provision matrix that is based on historical credit loss experience, adjusted for forward looking factors to the debtors and the economic environment. Recognition and measurement of expected credit loss involves significant management judgement. These include:</p> <ul style="list-style-type: none"> <li>• Identification of exposures where there is a significant increase in credit risk</li> <li>• Completeness and timing of recognition of default, in accordance with the credit policy of the company</li> <li>• Estimation of Forward-Looking Adjustments</li> </ul> <p>Due to significance of trade receivables and the complexity involved in the ECL calculation, this was considered as a key audit matter. (Refer Note No. 11 and item no II (2A) of the Significant Accounting Policy to the Consolidated financial statements.)</p>	<p>We have applied the following audit procedures in this regard:</p> <ul style="list-style-type: none"> <li>• We have obtained an understanding of the company's credit policy along with the applications controls associated with the accuracy of the information included in the debtors ageing report.</li> <li>• We evaluated the company's process of ECL calculation. We assessed the reasonableness of the assumptions used in ECL calculation by comparing them with the historic data adjusted for current market condition and forward-looking information.</li> <li>• We have also considered the disclosures made by the company under the head credit risk.</li> </ul> <p>Based on the above procedure performed, the management estimations and judgement in ECL were found to be reasonable.</p>

S. No.	Key Audit Matters	How our audit addressed the key audit matter
3.	<p><b>Contingent Liabilities</b></p> <p>There are a number of litigations pending before various forums against the Holding Company and the management's judgement is required for estimating the amount to be disclosed as contingent liability. We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgement in interpreting the cases and it may be subject to management bias</p> <p>(Refer item no. 24 of note no. 43 and Item No. 26 of the significant Accounting Policy to the Consolidated financial statements)</p>	<p>We have adopted the following audit procedures</p> <ul style="list-style-type: none"> <li>Understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases</li> <li>Discussed with the management any material developments and latest status of legal matters at the corporate office.</li> <li>Read various correspondences and related documents pertaining to litigation cases and performed substantive procedures on calculations supporting the disclosure of contingent liabilities Assessed the adequacy and completeness of disclosures.</li> </ul> <p>Based on the above procedure performed, the estimations and disclosure of contingent liabilities are considered to be adequate and reasonable</p>

### Information other than the Consolidated Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Corporate Governance Report, and the information included in the Directors' Report including Annexures, Management Discussion and Analysis, Business Responsibility and Sustainability Report and other company related information (but does not include the Consolidated Financial Statements and our auditors' report thereon), which are expected to be made available to us after the date of this auditors' report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read such other information, as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required

## Responsibilities of Management and those charged with governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the Consolidated financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, , which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. And we have placed reliance on resolution plan submitted by company to its bankers. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Other Matters

- a) We did not audit the financial statements of one subsidiary included in the audited consolidated financial results, whose financial statements reflect total assets of Rs. 8,905.73 lakhs at 31st March 2023, total revenues of Rs. 1,958.85 lakhs, total net profit after tax of Rs. 100.74 lakhs and total comprehensive income of Rs. 100.67 lakhs, for the year ended 31st March 2023 and net cash outflows amounting to Rs. 20.54 lakhs for the year ended on that date, as considered in the consolidated audited financial statements. This financial statement has been audited by respective auditor whose reports has been furnished to us by the management of Holding company and our opinion on the statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the reports of the other auditor and the procedures performed by us as stated in Auditors' Responsibility section above after considering the requirement of Standard on Auditing (SA 600) on "Using the work of Another Auditor" .
- b) We have not audited the financial results / information of Eastern Region, Western Region and Southern Region included in these audited Consolidated financial results; whose financial results / information reflect total revenues of Rs. 1,35,987 lakhs, total net profit after tax of Rs. 24,706 lakhs for the year ended March 31, 2023 and total assets of Rs.2,03,262 lakhs as on March 31, 2023. The same have been audited by other auditors appointed by the CAG. Our opinion in so far as it relates to the amounts and disclosures in respect of these regional offices is solely based on reports of other auditors
- c) The Consolidated Financial Results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year ended 31 March 2023 and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
- d) The Consolidated financial results for the quarter and year ended 31st March, 2022 were reviewed/ audited by the predecessor statutory auditor of the Company.  
Our report is not modified in respect of above matters.

## Report on Other Legal and Regulatory Requirements

1. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act. We report that there are no qualifications or adverse remarks included in the CARO report in respect of the Standalone Financial Statements of the Holding Company which are included in these Consolidated Financial Statements. In respect of Subsidiary whose accounts are audited, we report that no qualifications or adverse remarks given by the respective auditor in the Companies (Auditor's Report) Order (CARO) report of the Company's included in the Consolidated Financial Statements.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary as mentioned in the 'Other Matters' paragraph, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account for the purpose of preparation of the Consolidated Financial Statements.
- d. In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
- e. Being a Government Company pursuant to the Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act 2013, are not applicable to the Holding company and its subsidiary.
- f. With respect to the adequacy of the internal financial controls over financial reporting with reference to consolidated financial statements of the Holding Company, its subsidiary incorporated in India and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**.
- g. As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Companies Act 2013, is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable to the Holding company and its subsidiary.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiary, as mentioned in the 'Other Matters' paragraph:
  - i. The Consolidated Financial Statements disclose the impact of pending litigations on consolidated financial position of the Group. - Refer item No. 24 of Note No. 43 to the Consolidated Financial Statement.
  - ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. During the year there is no requirement of any amount to be transferred of an unclaimed dividend to the Investor Education and Protection Fund under section 124(5) by the Holding Company and its Subsidiary incorporated in India.
  - iv. (a) The respective Managements of the Holding Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditor of such subsidiary that, to the best of their knowledge and belief, as disclosed in the Note no. 43 (Item no. 33) to the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Holding Company and its subsidiary whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiary that to the best of their knowledge and belief, as disclosed in the Note no. 43 (Item no. 33) to the Consolidated Financial Statements, no funds have been received by the Holding Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or other auditors to believe that the representations under sub-clause (a) and (b) of Rule 11(e) contain any material misstatement.
- v. The final proposed dividend for the previous year and interim dividend declared or paid during the year by the Holding Company and its subsidiary incorporated in India is in compliance with section 123 of the Act.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**Place: New Delhi**  
**Date: 17.05.2023**  
**UDIN: 23077201BGXMRU2641**

**For S R Goyal & Co.**  
**Chartered Accountants**  
**FRN: 001537C**

**Sd/-**  
**A.K. Atolia**  
**(Partner)**  
**M.No.: 077201**



रेलटेल  
RAILTEL

A Mini Ratna Enterprise

## ANNEXURE "A"

### TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report, of even date, to the members of RailTel Corporation of India Limited on Consolidated Financial Statements for the year ended 31st March 2023)

Report on the Internal Financial Controls Over Financial Reporting with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to Consolidated Financial Statements of RailTel Corporation of India Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary, incorporated in India, in terms of their reports referred to in the 'Other

Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls of the Group incorporated in India, with reference to Consolidated Financial Statements.

### Meaning of Internal Financial Controls over Financial Reporting with reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements in place and such internal financial controls with reference to the Consolidated Financial Statements were operating effectively as at 31 March 2023, based on the internal controls over financial reporting criteria established by the Company considering the components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

**For S R Goyal & Co.**  
**Chartered Accountants**  
**FRN: 001537C**

**Place: New Delhi**  
**Date: 17.05.2023**  
**UDIN: 23077201BGXMRU2641**

**Sd/-**  
**A.K. Atolia**  
**(Partner)**  
**M. No.: 077201**

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. Lakhs)

Sl. No.	Particulars	F.Y. 2022-23	F.Y. 2021-22
1.	Name of the subsidiary	RailTel Enterprises Limited	RailTel Enterprises Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2021 to 31.03.2022 (same as Holding Company)	01.04.2020 to 31.03.2021 (same as Holding Company)
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	N.A.	N.A.
4.	Share capital	Authorised -5000 Subscribed, Issued & Paid up- 1000	Authorised -5000 Subscribed, Issued & Paid up- 1000
5.	Reserves & surplus	1239.65	1138.98
6.	Total assets	8905.73	13246.70
7.	Total Liabilities	6666.08	11107.72
8.	Investments	Nil	Nil
9.	Turnover	1958.85	5156.85
10.	Profit before taxation	151.87	175.98
11.	Provision for taxation	51.13	45.58
12.	Profit after taxation	100.74	130.40
13.	Proposed Dividend	Nil	Nil
14.	% of shareholding	100	100

#### Part "B": Associates and Joint Ventures - Not Applicable

As per our report of even date attached

**For M/s S R GOYAL & CO**  
**Chartered Accountants**  
**FRN : 001537C**

**Sd/-**  
**CA A.K. Atolia**  
M. No. 077201

Place New Delhi  
Date: 17.05.2023

**Sd/-**  
**J S Marwah**  
Company Secretary  
(M. No. : F8075)

**Sd/-**  
**V Rama Manohara Rao**  
Director Finance  
(DIN : 06689335 )

**Sd/-**  
**Sanjai Kumar**  
Chairman & Managing Director  
(DIN: 06923630)

**For and on behalf of the Board of Directors of**  
**RailTel Corporation of India Limited**

## RailTel Corporation of India Limited

### Consolidated Balance Sheet as at 31<sup>st</sup> March 2023

(₹ in lakhs)

Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
<b>(A) ASSETS</b>			
<b>(1) NON CURRENT ASSETS</b>			
i. Property, Plant and Equipments	2	64,683	60,149
ii. Capital Work-in-Progress	3	15,693	16,326
iii. Right of Use Assets	4	16,900	16,502
iv. Intangible Assets	2	548	841
v. Financial Assets			
a. Investment	5	-	-
b. Loans and Advances	6	-	-
c. Other Non Current Financial Assets	7	23,357	33,983
vi. Deferred tax assets (net)	23	3,120	2,494
vii. Other Non Current Assets	8	32	68
<b>TOTAL NON CURRENT ASSETS</b>		<b>1,24,333</b>	<b>1,30,363</b>
<b>(2) CURRENT ASSETS</b>			
i. Inventories	9	92	94
ii. Financial Assets			
a. Investment	10	4,007	3,005
b. Trade Receivables	11	1,04,834	68,476
c. Cash and Cash Equivalents	12	18,797	18,711
d. Other Bank Balances	13	8,468	14,098
e. Loans and Advances	14	21	37
f. Other Current Financial Assets	15	47,155	34,637
iii. Current Tax Assets (Net)	16	1,544	1,545
iv. Other Current Assets	17	24,663	14,851
<b>TOTAL CURRENT ASSETS</b>		<b>2,09,581</b>	<b>1,55,454</b>
<b>TOTAL ASSETS</b>		<b>3,33,914</b>	<b>2,85,817</b>
<b>(B) EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
i. Equity Share Capital	18	32,094	32,094
ii. Other Equity	19	1,32,794	1,20,577
<b>TOTAL EQUITY</b>		<b>1,64,888</b>	<b>1,52,671</b>
<b>(2) LIABILITIES</b>			
<b>(a). NON CURRENT LIABILITIES</b>			
i. Financial Liabilities			
a. Borrowings		-	-
b. Other Non Current Financial Liabilities	21	5,232	3,859
ii. Leasing Liabilities	20	3,627	2,349
iii. Provisions	22	869	951
iv. Deferred Tax Liabilities (Net)	23	-	-
v. Other Non Current Liabilities	24	8,054	7,341
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>17,782</b>	<b>14,500</b>
<b>(b.) CURRENT LIABILITIES</b>			
i. Financial Liabilities			
a. Borrowings		-	-
b. Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	25	14,902	14,992
Total outstanding dues of creditors other than micro enterprises and small enterprises		41,968	34,311
c. Other Current Financial Liabilities	27	40,644	30,479
ii. Leasing Liabilities	26	552	802
iii. Provisions	28	3,115	2,794
iv. Other Current Liabilities	29	50,063	35,268
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,51,244</b>	<b>1,18,646</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,33,914</b>	<b>2,85,817</b>

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 43)

As per our report of even date attached

For M/s S R GOYAL & CO  
Chartered Accountants  
FRN : 001537C

For and on behalf of the Board of Directors of  
RailTel Corporation of India Limited

Sd/-  
CA A.K. Atolia  
M. No. 077201

Sd/-  
J S Marwah  
Company Secretary  
(M. No. : F8075)

Sd/-  
V Rama Manohara Rao  
Director Finance  
(DIN : 06689335)

Sd/-  
Sanjai Kumar  
Chairman & Managing Director  
(DIN: 06923630)

Place New Delhi

Date: 17.05.2023





रेलटेल  
RAILTEL

A Mini Ratna Enterprise

23वीं वार्षिक रिपोर्ट 2022-23  
23<sup>rd</sup> Annual Report 2022-23

## RailTel Corporation of India Limited

### Consolidated Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2023

(₹ in lakhs)

Particulars	Notes No.	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
<b>I. Income</b>			
a. Revenue from operations	30	1,96,351	1,54,845
b. Other Income	31	3,701	2,683
c. Finance Income	32	168	245
<b>Total Income (a+b+c)</b>		<b>2,00,220</b>	<b>1,57,773</b>
<b>II. Expenses :</b>			
a. Access and other Charges	33	51,496	43,260
b. License fee and spectrum charges	34	7,726	6,679
c. Expenses on Project	35	75,483	45,947
d. Employee Benefits Expenses	36	19,527	18,579
e. Administrative & Other Expenses	37	3,570	3,411
f. Corporate Social Responsibility		701	278
g. Depreciation, amortisation and impairment	38	15,431	16,018
h. Finance Expenses	39	602	549
<b>Total Expenses</b>		<b>1,74,536</b>	<b>1,34,721</b>
<b>III. Profit/(Loss) before exceptional items and tax (I-II)</b>		<b>25,684</b>	<b>23,052</b>
IV. Exceptional Items	42	206	(5,010)
<b>V. Profit/(Loss) Before Tax (III-IV)</b>		<b>25,478</b>	<b>28,062</b>
<b>VI. Tax expenses</b>			
a. Current tax	40	7,151	7,250
b. Deferred tax		(625)	(71)
c. Tax impact of earlier years		45	(11)
<b>VII. Profit/(Loss) for the year(V-VI) (A)</b>		<b>18,907</b>	<b>20,894</b>
<b>Net profit attributable to</b>			
<b>VIII. Other comprehensive income(OCI):</b>			
(a) Items that will not be reclassified to Profit & Loss	41		
Remeasurement gain/(losses) on defined benefit plans		281	(51)
Income tax relating to item that will not be reclassified to Profit & Loss		(71)	13
(b.) Items that will be reclassified to Profit & Loss			
<b>Other comprehensive income/(Loss) (a+b) (B)</b>		<b>210</b>	<b>(38)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>19,117</b>	<b>20,856</b>
IX Earning per Equity Share of Rs 10/- each			
(a) Basic (Amount in ₹)		5.89	6.51
(b) Diluted (Amount in ₹)		5.89	6.51

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 43)

As per our report of even date attached

**For M/s S R GOYAL & CO**  
**Chartered Accountants**  
**FRN : 001537C**

**For and on behalf of the Board of Directors of**  
**RailTel Corporation of India Limited**

**Sd/-**  
**CA A.K. Atolia**  
M. No. 077201

**Sd/-**  
**J S Marwah**  
Company Secretary  
(M. No. : F8075)

**Sd/-**  
**V Rama Manohara Rao**  
Director Finance  
(DIN : 06689335 )

**Sd/-**  
**Sanjai Kumar**  
Chairman & Managing Director  
(DIN: 06923630)

Place New Delhi  
Date: 17.05.2023



## Railtel Corporation of India Limited

### Consolidated Statement of Cash Flow for the period ended March 31, 2023

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Profit after tax</b>	<b>18,907</b>	<b>20,894</b>
Adjustments for:		
Other comprehensive income(Net of taxes)	210	(38)
Depreciation, Amortisation and Impairment	15,431	16,018
Amortisation of Deferred Govt Grant	(359)	(266)
Non Cash Income (Discounting)	(168)	(245)
Non Cash Expense(Discounting)	59	55
Non Cash Expense(Interest credited in project expenses)	217	227
Interest Expenses for Lease Liabilities	235	267
Non Cash Expense(Loss on sale of fixed asset)	14	9
Non Cash Expense(Forex Loss)	7	-
Interest income	(2,959)	(2,337)
Mutual fund income	(73)	(60)
<b>Operating profit/(loss) before working capital change</b>	<b>31,521</b>	<b>34,525</b>
(Increase)/decrease in Financial Current Assets	(34,088)	(5,136)
(Increase)/decrease in Non Financial Current Assets	(6,708)	2,859
Increase/(decrease) in Financial Current Liabilities	17,733	10,234
Increase/(decrease) in Non Financial Current Liabilities	15,089	(3,808)
(Increase)/decrease in Financial Non Current Assets	709	(614)
(Increase)/decrease in Non Financial Non Current Assets	(590)	(114)
Increase/(decrease) in Financial Non Current Liabilities	1,534	1,090
Increase/(decrease) in Non Financial Non Current Liabilities	648	(4,216)
<b>Net cash generated from Operation before Tax</b>	<b>25,848</b>	<b>34,819</b>
Advance Tax Paid	(3,100)	(4,833)
<b>Net cash generated from Operating Activities before exceptional Item</b>	<b>22,748</b>	<b>29,986</b>
Exceptional Item	206	(5,010)
<b>Net cash generated from Operating Activities after exceptional Item</b>	<b>22,954</b>	<b>24,976</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Tangible & Intangible Assets	(17,707)	(11,582)
(Increase)/decrease in Short term investment	(10,341)	15,437

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Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest income received	1,888	3,700
Mutual fund income received	66	55
Subsidy/Advances received	149	266
(Increase)/Decrease in Term Deposit	10,928	(28,739)
<b>Net cash used in Investing Activities</b>	<b>(15,017)</b>	<b>(20,863)</b>
<b>Cash Flow from Financing Activities</b>		
Payment for Lease Liability of Right to Use Assets	(951)	(909)
Dividend paid	(6,900)	(9,467)
<b>Net cash generated from / (used in) financing activities</b>	<b>(7,851)</b>	<b>(10,376)</b>
Effect of exchange difference on translation of cash and cash equivalents	-	-
<b>Net increase /(decrease) in cash and cash equivalents during the year</b>	<b>86</b>	<b>(6,263)</b>
Cash and cash equivalents at the beginning of the year	18,711	24,974
<b>Cash and cash equivalents at the end of the year</b>	<b>18,797</b>	<b>18,711</b>

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 43)

#### 1. Cash and Cash Equivalents include the following Balance Sheet amounts

(i) Cash and Cash Equivalent (Maturity <= 3 Months)		
Flexi Deposits	11,014	7,081
(ii) Balances with Scheduled Bank		
a. In Current A/c	3,739	4,035
b. In Collection A/c	4,026	7,576
c. In Imprest A/c	18	19
<b>Total</b>	<b>18,797</b>	<b>18,711</b>

Details of amount spent for year ended 31-March-2023 in relation to CSR activities out of the Budget for FY 2022-23 is mentioned below

(₹ in lakhs)

Particulars	Approved Budget	Amount spent	Amount yet to be spent
Construction/Acquisition of any asset			
On any other purpose	437	227	210
<b>Total – A</b>	<b>437</b>	<b>227</b>	<b>210</b>

Details of amount spent on CSR activities during the current year in relation to earlier years is given hereunder

Particulars	Unspent amount as on 01.04.2022	Amount Paid	Amount yet to be spent
<b>Construction/Acquisition of any asset</b>			
On any other purpose	264	219	45
<b>Total -B</b>	<b>264</b>	<b>219</b>	<b>45</b>

### Disclosure as per Ind AS-116

(₹ in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Total cash outflow for leases	951	909

As per our report of even date attached

**For M/s S R GOYAL & CO**  
**Chartered Accountants**  
**FRN : 001537C**

**For and on behalf of the Board of Directors of**  
**RailTel Corporation of India Limited**

**Sd/-**  
**CA A.K. Atolia**  
M. No. 077201

**Sd/-**  
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(M. No. : F8075)

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**V Rama Manohara Rao**  
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**Sd/-**  
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Chairman & Managing Director  
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Place New Delhi

Date: 17.05.2023

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## Railtel Corporation of India Limited

### Consolidated Statement of Changes in Equity for the year ended 31st March 2023

#### A. EQUITY SHARE CAPITAL

(₹ in lakhs)

<b>As on 01.04.2021</b>	32,094
Change in Equity Share Capital during the year	-
Change due to Prior period errors	-
<b>As on 31.03.2022</b>	32,094
<b>As on 01.04.2022</b>	<b>32,094</b>
Change in Equity Share Capital during the year	-
Change due to Prior period errors	-
<b>As on 31.03.2023</b>	32,094

#### B. OTHER EQUITY

(₹ in lakhs)

Particulars	Retained Earnings	General Reserve	Self Insurance Reserve	Total Equity
<b>Opening balance as on 1st April 2021</b>	52,879	56,000	309	1,09,188
Profit for the year	20,894			
Other comprehensive Income/ (Loss)	(38)			
<b>Add: Total Comprehensive Income for the year ended 31st March 2022</b>	<b>20,856</b>			<b>20,856</b>
Less: Final Dividend for FY 2020-21	(3,851)			(3,851)
Less: Interim Dividend for FY 2021-22	(5,616)			(5,616)
Less: transfer to self insurance reserve	(112)	-	112	-
Less: Transfer to General Reserve	(4,000)	4,000	-	-
<b>Balance as at 31st March 2022</b>	<b>60,156</b>	<b>60,000</b>	<b>421</b>	<b>1,20,577</b>
<b>Opening balance as on 1st April 2022</b>	<b>60,156</b>	<b>60,000</b>	<b>421</b>	<b>1,20,577</b>
Profit for the year	18,907			
Other comprehensive Income/ (Loss)	210			
<b>Add: Total Comprehensive Income for the year ended 31st March 2023</b>	<b>19,117</b>			<b>19,117</b>
Less: Final Dividend for FY 2021-22	(2,086)			(2,086)
Less: Interim Dividend for FY 2022-23	(4,814)			(4,814)



Particulars	Retained Earnings	General Reserve	Self Insurance Reserve	Total Equity
Less: transfer to self insurance reserve		(126)	126	-
Less: Transfer to General Reserve				-
<b>Balance as at 31st March 2023</b>	<b>72,248</b>	<b>60,000</b>	<b>547</b>	<b>1,32,794</b>

### C. Change in promoter shareholding during FY 2022-23

Particulars	As at 31st March 2023	As at 31st March 2022	Change in %
Ministry of Railways (in the name of President of India)	23,37,85,038 72.84	23,37,85,038 72.84	Nil Nil

As per our report of even date attached

**For M/s S R GOYAL & CO**  
**Chartered Accountants**  
**FRN : 001537C**

**For and on behalf of the Board of Directors of**  
**RailTel Corporation of India Limited**

**Sd/-**  
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(DIN : 06689335 )

**Sd/-**  
**Sanjai Kumar**  
Chairman & Managing Director  
(DIN: 06923630)

Place New Delhi

Date: 17.05.2023

## Significant Accounting Policy

### Note – 1

#### I. Corporate Information

RailTel Corporation of India Limited incorporated in India on 26th September 2000 is a Public Sector Undertaking. The company is promoted by and is under administrative control of Ministry of Railways. The Registered office and Corporate Office of the Company is situated at Plate-A, 6th Floor, Office Block Tower-2, East Kidwai Nagar, New Delhi-110023.

RailTel Corporation a “Mini Ratna (Category-I)” PSU is one of the largest neutral telecom infrastructure providers in the country owning a Pan-India Optic Fibre Network on exclusive Right of Way (ROW) along Railway track. The OFC network covers all important towns & cities of the country and several rural areas covering 70% of India’s population. RailTel with strong nationwide presence is committed to bring cutting edge technology and offer innovative services to the Indian Telecom market. RailTel is in the forefront in providing nationwide Broadband Telecom & Multimedia Network in all parts of the country in addition to modernization of Train operations and administration network systems. With its Pan India high capacity network, RailTel is working towards creating a knowledge society at various fronts.

#### 1. Main objective of the Group is-

- i. To facilitate Railways in expeditiously modernizing their operation and safety systems and network by providing state of art communication infrastructure.
- ii. To plan, build, develop, operate and maintain a nationwide broadband telecom and multimedia network to supplement national telecom infrastructure to spur growth of telecom, broadband and IT enabled value-added services in all parts of country especially rural, remote and backward areas.
- iii. To generate revenue through commercial exploitation of its telecom network.

#### 2. RailTel Corporation of India Limited is having following operations: -

- a. Telepresence Services - RailTel offers enterprise class Full High Definition (HD) & secure multi-point managed video conferencing service that enables users a virtual, face to face meeting experience.
- b. Data Centre Services - RailTel has its own Data Centres at Secunderabad and Gurugram.
- c. Retail Broadband - Rail Wire is a retail Broadband initiative of the RailTel.
- d. Leased Line Service
- e. Virtual Private Network Service
- f. Internet Leased Line Service
- g. Rack and Space Collocation Service
- h. Tower Co-location Service



- Govt. of India offered for sale 8,71,53,369 equity shares of face value of ₹ 10/- each at a premium of ₹ 84/- per share through Initial Public Offer. The entire equity shares of the Company were listed on BSE limited and National Stock Exchange of India Limited on 26th February' 2021. The proceeds of the disinvestment have been realised by Govt. of India.

## II. Summary of Significant Accounting Policies

Some of the accounting policies are summarized as below:

SN	Particulars
i.	Inventories are valued at the lower of cost and the estimated net realizable value after providing for obsolescence and other losses, where considered necessary.
ii.	Property plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses if any.
iii.	Foreign exchange transactions are recorded at the exchange rates prevailing at the date of transaction.

Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised Ind AS on an ongoing basis.

### 1. Basis of Preparation of Consolidated financial statement

The Consolidated financial statements of the Company have been prepared to comply in all the material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rule 2015 (as amended). Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised Ind AS on an ongoing basis.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

These consolidated financial statements are presented in Indian Rupees (₹) and all amounts are rounded to the nearest lakhs, except as stated otherwise.

#### Principles of Consolidation

The Consolidated Financial Statements relate to RailTel Corporation of India Limited ("Parent Company") and its subsidiary Company (the Parent Company and its subsidiary together referred to as "the Group").

The Standalone financial statements of the Company and its subsidiary Company have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses, if any, as per Indian Accounting Standard notified under section 133 of the Companies Act, 2013 read together with the Rules made thereunder. The results of operations of a subsidiary are included in the Consolidated Financial Statements from the date on which the parent subsidiary relationship came into existence.



The Subsidiary Company which is included in the consolidation and the Company's holding therein is as under:

S. No.	Name of the Subsidiary Company	Nature of Relationship	% of holding
1	RailTel Enterprises Limited	Subsidiary	100%

## 2. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Examples of such estimates include estimates of expected costs to be incurred to complete contracts, provision for doubtful debts, future obligations under employee retirement benefit plans and estimated useful life of fixed assets. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the year in which the results are known / materialize.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the estimate affects only that year or in the year of the revision and future years, if the revision affects both current year and future years.

### 2A. Critical Accounting Estimates and Management Judgements

In application of the accounting policies, the management of the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

Information about significant areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is stated here under:

#### Property, Plant and Equipment (PPE)

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

#### Current tax

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

#### Deferred Tax Assets

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting

date to determine the amount of deferred tax assets that can be retained/ recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

### **Fair value**

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

### **Impairment of Trade Receivables**

The impairment assessment for trade receivables are done based on assumptions about risk of default and expected loss. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward-looking estimates at the end of each reporting date.

### **Impairment of Non-financial assets (PPE)**

The impairment assessment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

### **Defined Benefit Plans and Other long-term employee benefits**

The cost of the defined benefit plan and other long-term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long-term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

### **Provisions and contingencies**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

### 3. Inventory

Inventories are valued at the lower of cost and the estimated net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale.

The Group provides for obsolete and slow-moving inventory based on management estimates of the usability of inventory.

Net Realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

### 4. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

### 5. Property Plant and Equipment's (PPE)

- a) Property plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing cost for long term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life. Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repair and maintenance costs are recognized in profit or loss as incurred.
- b) Assets are recognized as tangible assets or intangible assets if provisional acceptance certificate has been issued or Group has started offering services from these tangible or intangible assets.
- c) Where assets are installed on the premises of the customers (commonly called customer premise equipment –'CPE') such assets continue to be treated as PPE as the associated risks and rewards remain with the Group and the management is confident of exercising control over them, expenses on such assets are treated as retrievable expenses (returnable item of assets after the decommissioning of link) and a depreciation of 100% may be charged on all these assets.
- d) All the non-retrievable expenses (Used only once and cannot be returned back from the customer premises) may be charged as expenses to Statement of profit & loss in the year of commissioning of services.
- e) Gain and losses arising from retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit & loss on the date of retirement or disposal.

- f) Advance paid towards acquisition of fixed assets and cost of assets not put to use before the year end, are disclosed as other non-current assets.
- g) Fixed assets under construction and cost of assets not put to use before the year end, are disclosed as capital work in progress.
- h) Freehold land is not depreciated. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each Balance Sheet date or whenever there are indicators for review.
- i) Assets are depreciated to the residual value on a straight-line basis over the estimated useful lives. The assets residual values and useful lives are reviewed at each financial year end or whenever there are indicators for review and adjusted prospectively.

Sr No	Name of Assets	Main asset/Component	Useful life of assets
1	OFC & Related Assets	Main Assets	18 Year. 5.28%
2	Leasehold Land/Flats	Main Assets	Period of Lease
3	Leasehold Building	Main Assets	Period of Lease
4	Freehold Building	Main Assets	60 Years, 1.67%
5	Leasehold Improvements	Main Assets	Period of lease
6	Prefabricated Building	Main Assets	15 Year 6.67%
7	Computer	Main Assets	3 Year 31.67%
8	Office Equipment's	Main Assets	5 Year 19%
9	Software-ERP	Main Assets	5 Year with 20%
10	Furniture	Main Assets	10 Year 9.5%
11	Licenses	Main Assets	Period of license
12	ERP Hardware	Main Assets	6 Year 15.83%
13	Vehicle	Main Assets	8 Year 11.875%
14	Temporary Fixtures	Main Assets	Fully Depreciated
15	Telecom Equipment's	Main Assets	8 Year. 12.5%
16	Last Mile/Access Equipment's	Main Assets	8 Year. 12.5%
	Radio/Access Switches	Component	3 Year 33.33%
17	Power Plant Equipment's	Main Assets	8 Year. 12.5%
	Battery	Component	5 Year. 20%
18	Data Centre	Main Assets	8 Year. 12.5%
	Data Centre infrastructure	Component	13 Year. 7.31%
19	Other Infrastructure	Main Assets	8 Year. 12.5%
	Data Network	Main Assets	8 Year. 12.5%

## 6. Intangible Assets

- a) Identifiable intangible assets are recognized when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.
- b) At initial recognition, the separately acquired intangible assets are recognized at cost. Following initial recognition, the intangible assets are accounted at cost less any accumulated amortization & accumulated impairment loss, if any.

- c) Amortization is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.
- i. Software-Software is capitalized at the amounts paid to acquire the respective license for use and is amortized over the period of license, generally not exceeding three years. Software costing up to rupees five lakh which has independent use is amortized over a period of twelve months from the date of place in service.
  - ii. Licenses-Acquired licenses are initially recognized at cost. Subsequently, licenses are measured at cost less accumulated amortization and accumulated impairment loss, if any. Amortization is recognized in the statement of profit and loss on a straight-line basis over the unexpired period of the license commencing from the date when the related network is available for intended use in the respective jurisdiction. Spectrum charges paid to DoT is charged to Statement of Profit & Loss on straight line basis over the period of use.

## 7. Non-current Assets (or disposal groups) held for Sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale. Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.

If the criteria stated by IND AS 5 “Non-current Assets Held for Sale and Discontinued Operations” are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognized had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

## 8. Impairment of Assets

The carrying amounts of assets are reviewed by management whenever events or changes in circumstances indicate that the carrying amount may not be recoverable (except intangible assets, for which testing to be done irrespective of whether there is an indication of impairment). An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Fair value less costs to sell is the best estimate of the amount obtainable from the sale of an asset in an arm’s length transaction between knowledgeable, willing parties, less the costs of disposal. Impairment losses, if any, are recognized in profit or loss as a component of depreciation and amortization expense.

An impairment loss is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had previously been recognized.

## 9. Leases

### a. As a Lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use asset or the end of the lease term. The estimated useful life of right-of-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use asset that do not meet the definition of investment property as a separate line item and lease liabilities in "other financial liabilities" in the Balance Sheet.

The Group has elected not to recognize right-of-use asset and lease liabilities for short term leases that have a lease term of 12 months or less, leases of low value assets and leases with no written agreement. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### b. As a Lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, then it is an operating lease. As part of the assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 "Revenue from contract with customers" to allocate the consideration in the contract.

The Group recognizes lease payments received under operating lease as income on a straight-line basis over the lease term as part of "Revenue from operations".

### c. Indefeasible Right to Use ('IRU')

The Group enters into agreement for leasing assets (capacity) under "Indefeasible right to use" with third parties. Under the arrangement the assets are taken or given on lease over the substantial part of the asset life. However, the title to the assets and associated risks are retained by the lessor.

The contracted price is received in advance and is recognized as revenue during the tenure of the agreement. Unearned IRU revenue net of the amount recognizable beyond one year is disclosed as deferred revenue in other long-term liabilities and the amount recognizable within one year is disclosed as deferred revenue in current liabilities.

Exchange of Network capabilities with other telecommunication service providers are recorded as monetary transactions and measured at the carrying amount of capacities relinquished, as these exchanges are for similar productive assets used to provide telecommunication services to customers.

## 10. Borrowing Costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. The interest cost incurred for funding a qualifying asset during the construction period is capitalized based on actual investment in the asset at the interest rate for specific borrowings. All other borrowing costs are expensed in the period they occur.

## 11. Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and on hand, and other short term highly liquid deposits with bank, with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and Cash Equivalents include outstanding Bank Overdraft shown within the borrowings in current Liabilities in Statement of Financial Position and which are considered an integral part of Group's cash management.

## 12. Government Grant

Government Grant related to acquisition of Fixed Assets is treated as 'Deferred Government Grant' and an amount equal to proportionate depreciation of such assets is credited to Statement of Profit and Loss.

## 13. Revenue Recognition and Receivables

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

### Income from Telecom Services

Income from Telecom Services include incomes from National Long-Distance services, Internet Service, infrastructure provider services such as co-location, dark fibre, Tower Space etc. Service revenue also includes revenues associated with access and Inter connection for usage of the network of other operators. Group's performance Obligation in such kind of contracts is providing infrastructure bandwidth/connectivity as per the agreed norms. Since the customer simultaneously receives and consumed benefit provided by the Group's performance as the Group's performs, Group's transfer control of service overtime and, therefore, satisfies a performance obligation and recognizes revenue overtime. The Group uses output methods to recognize revenue as the output selected faithfully depict the Group's performance towards complete satisfaction of the performance obligation. Since the performance obligation is being satisfied directly in relation to time, the passage of time is the best output which would depict the satisfaction of the performance obligation. Generally, payment against provision of such services becomes due as per payment terms, and fixed transaction price as per contracts with customers, which is generally is on periodical basis. Warranties are commonly included in arrangements to sell services. They can be explicitly stated, required by law or implied based on the 'RCIL' customary business practices. The price of a warranty may be included in the overall purchase price or listed separately as an optional product. All the assurance type warranties are considered as part of primary performance obligation, while the service type warranties are considered as distinct performance obligation.

The determination of transaction price, its allocation to promised services and allocation of discount or variable consideration (if any) is done based on the contract with the customers. Penalties, if inherent in determination of transaction price, are considered as variable consideration. The transaction price is also allocated separately for the service type warranties.

### Income from Projects

Income from Projects include laying of Optical Fibre Cable, installation of Network Operations Centre, installation of Indoor/Outdoor Wireless Access Points, Load Balancer, Wi-Fi Access Controller, installation of software, chats, Anti-Virus, Fire walls etc. Group's performance obligation in such kind of contracts is installation, testing and commissioning of various equipment as per the agreed norms. Under this type of contract, generally assets are installed at customer's site. However, customer does not have ability to direct the use of, and obtain substantially all of the remaining benefits from, these assets unless they are connected to main server/data centre or commissioned properly. Since the customer receives control of the goods and/or service after Successful commissioning of indented facilities, Group's transfer control of goods and/or service at a point in time and, therefore, satisfies a performance obligation and Recognizes revenue at a point in time. The Group uses output methods to recognize Revenue as the output selected faithfully depict the Group's performance towards Complete satisfaction of the performance obligation. Customer's acceptance of Commissioning report is the best output which would depict the satisfaction of the Performance obligation. Generally, payment against provision of such contracts becomes due as per payment terms, and fixed transaction price as per contracts with customers, which is generally is on milestone basis. Warranties are commonly included in such arrangements. They can be explicitly stated, required by law or implied based on the 'RCIL' customary business practices. The price of a warranty may be included in the Overall purchase price or listed separately as an optional product. All the assurance type Warranties are considered as part of primary performance obligation, while the service Type warranties are considered as distinct performance obligation.



The determination of transaction price, its allocation to promised services and allocation of discount or variable consideration (if any) is done based on the contract with the customers. Penalties, if inherent in determination of transaction price, are considered as variable consideration. The transaction price is also allocated separately for the service type warranties.

The incremental costs that the Corporation incurs to obtain a contract with a customer that it Would not have incurred if the contract had not been obtained are recognized as an asset if its Recovery is expected and its amortization period is more than one year, all other such costs Are recognized as an expense in statement of profit and loss. The incremental cost recognized as an asset is amortized over the period till when such cost is expected to be recovered. Amount so recovered is recognized as revenue in statement of profit and loss.

#### Subsidy

Revenue from subsidy are accounted for on commissioning of specified projects, if the entitlements can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.

### 14. Uncollectible accounts receivable

Amounts due from debtors that have been outstanding, though fully provided, are evaluated on a regular basis by the management and are written off, if as a result of such evaluation, it is determined that these amounts will not be collected.

### 15. Unbilled Revenue

Unbilled revenue represent revenue recognized in respect of services provided from the last bill cycle date to the end of the reporting period. These are billed in subsequent periods as per the terms of the billing plans/contractual arrangements.

### 16. License Fees – Revenue Share

The revenue-share is computed as per the licensing agreement at the prescribed rate and is expensed as incurred. As per the NLD and ISP license condition, the Group is required to share 8% of its adjusted gross revenue with Department of Telecommunication, the same is provided on the basis of adjusted gross revenue booked during the year. In addition, the company is also required to share 7% of its gross revenue with Indian Railways as per agreement between the Group and Railways dated 21/09/2006. The same is provided for in the Restated Consolidated Statement of profit & Loss.

### 17. Employee Benefits

Employee benefits include provident fund, pension, gratuity and compensated absences.

#### 1. Defined contribution plans

**a. Provident Fund:** The Group's contribution to provident fund is considered as defined contribution plans and is charged as an expense as they fall due based on the amount of contribution required to be made. 12% of the Basic pay plus dearness allowance of employees and equal contribution of the corporation is contributed to provident fund maintained with the Regional Provident Fund Commissioner. Corporation's contribution to provident fund is charged to revenue.

**b. Pension:** Group has pension Scheme for its employees, under defined contribution plan Group will pay an amount equal to 10% of Basic pay+ DA of the eligible employees

## 2. Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each year end. Actuarial gains and losses are recognized in the Statement of Other Comprehensive Income in the year in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

- i) Gratuity is payable on separation @15 days' pay for each completed year of service to eligible employee, who rendered continuous service of 5 year or more. The gratuity ceiling of Rs 20 lakhs has been considered for actuarial valuation.
- ii) Leave Encashment is payable on separation to eligible employee who have accumulated earned leave. Leave salary is provided for based on valuation, as balance sheet date, made by independent actuary.
- iii) The Group has Post- Retirement Medical Scheme (PRMS) to provide assistance for meeting a part of medical expenses incurred by retired members only after their retirement for dependent family members and self and dependent family members of the ex-employee in case of death of the employee.
- iv) Foreign Service Contribution payable for leave salary and pension in respect of employees who have joined the corporation on deputation for a fixed period from Indian Railways in terms of Government rules and regulations is charged to revenue on accrual basis.

## 3. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under:

- i) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- ii) in case of non-accumulating compensated absences, when the absences occur.

## 4. Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

## 18. Post Sales client support and warranties

The Group provides its clients with fixed period warranty for correction of errors and support on its fixed price product orders. Revenue for such warranty period is recognized in the year of sale itself with a corresponding provision for expenses likely to be incurred during the period of warranty.

## 19. Foreign exchange transactions

Foreign exchange transactions are recorded at the exchange rates prevailing at the date of transaction. Realized gains and losses on foreign exchange transactions during the year are recognized in the Statement of Profit and Loss. Monetary assets and monetary liabilities that are determined in foreign currency are translated at the exchange rate prevalent at the date of balance sheet. The resulting difference is recorded in the Statement of Profit & Loss.

## 20. Taxes

### a) Current Income Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

### b) Deferred Tax

Deferred tax Asset/Liability is recognized on temporary differences calculated based on the Balance Sheet Approach being the differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose that accumulate over the period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all temporary differences. Deferred tax assets in respect of unabsorbed depreciation, carry forward of losses and unused tax credits are recognized to the extent it is probable that future taxable income will be available to realize such assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realizability.

## 21. Research and development

Revenue expenditure incurred on research and development is expensed as incurred. Capital expenditure incurred on research and development is capitalized as fixed assets and depreciated in accordance with the depreciation policy of the Group.

## 22. Segment Reporting

The operating segment are organized and managed separately through the respective business managers, according to the nature of product and service provided and geographies in which services are provided, with each segment representing a strategic business unit.

## 23. Earnings Per Share

The earnings considered in ascertaining the Company's Earnings per Share ('EPS') comprise the net profit after tax attributable to equity shareholders. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

## 24. Prior Period Expenses

Income/Expenditure relating to prior period, which do not exceed ₹ 2,00,000/- in each case, are treated as income/expenditure of current year.

## 25. Exceptional Item

Exceptional items are generally non-recurring item of income & expenses within profit & loss from ordinary activity which are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the year.

## 26. Provisions and Contingencies

The Group recognizes a provision when there is a present obligation as a result of a past event and it is probable that it would involve an outflow of resources and a reliable estimate can be made of the amount of such obligation.

When the Group expects some or all of provision to be reimbursed, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate the risks specific to the liability. Where discounting is used the increase in the provision due to the passage of time is recognized as finance cost.

A disclosure for a contingent liability is made at Fair Value where it is more likely than not that a present obligation or possible obligation may result in or involve an outflow of resources. When no present or possible obligation exists and the possibility of an outflow of resources is remote, no disclosure is made.

Contingent assets are not recognized in the financial statements.

## 27. Operating cycle

Based on the nature of services / activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and noncurrent.

## 28. Dividend

Dividend distribution to the Group's shareholders is recognized as a liability in the financial statements in the period in which the dividend is approved by the shareholders.

Interim dividend is provided for in the year of payment.

## 29. Financial Instruments

### A. Financial Instruments –

#### Initial Recognition and Measurement

Financial assets and financial liabilities are recognized in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. The Group determines the classification of its financial assets and liabilities at initial recognition. **All financial assets and**

**liabilities are initially recognized at fair value** plus directly attributable transaction costs in case of financial assets and liabilities not at fair value through profit or loss. Financial assets and liabilities carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the statement of profit & loss. However, trade, receivables that do not contain a significant financing component are measured at transaction price.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

## **B. Financial Assets**

### **1. Subsequent measurement**

**The subsequent measurement of financial assets depends on their classification as follows:**

#### **a. Financial assets are carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **b. Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **c. Financial assets at Fair Value through Profit or Loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

### **2. Derecognition**

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

## **C. Financial Liabilities**

### **1. Subsequent measurement**

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss.

### **2. Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or



modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in Statement of Profit and Loss.

### 30. Basis for Preparation of Interim financial statement

The Interim financial statements of the Company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with rule 3 of Companies (Indian Accounting Rules), 2015 (as amended). Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised Ind AS on an ongoing basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

## Note 2. Property Plant & Equipment

(₹ in lakhs)

Particulars	TANGIBLE ASSETS								INTANGIBLE ASSETS					
	Freehold Land	Free Hold Building	Prefabricated Building	Plant & Machinery	Leasehold Improvements	ERP Hardware	Computers	Furniture & Fixtures	Vehicles	Office Equipments	Total	Licenses	Software	Total
<b>As at 31.03.2022</b>														
<b>Gross Carrying amount</b>														
Cost as at 1 Apr 2021	223	2,539	1,361	1,66,025	2,669	222	1,137	456	39	1,085	1,75,756	561	1,838	2,399
Additions	-	43	(0)	14,755	(1)	0	190	42	1	468	15,499	(0)	21	21
Disposal	-	-	-	2	-	-	(70)	0	-	(25)	(93)	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing Gross Carrying amount (31.03.2022)</b>	<b>223</b>	<b>2,582</b>	<b>1,361</b>	<b>1,80,782</b>	<b>2,668</b>	<b>222</b>	<b>1,256</b>	<b>498</b>	<b>40</b>	<b>1,529</b>	<b>1,91,161</b>	<b>561</b>	<b>1,860</b>	<b>2,420</b>
<b>Accumulated Depreciation/ amortisation</b>														
Accumulated Depreciation as at 1st April 2021	-	325	1,287	1,12,470	1,814	206	905	273	36	782	1,18,099	252	840	1,092
Charge during the year	-	62	8	12,459	179	3	123	32	1	128	12,994	33	454	486
Disposal	-	-	-	1	-	-	(64)	(0)	-	(17)	(80)	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing accumulated depreciation/ amortisation (31.03.2022)</b>	<b>-</b>	<b>387</b>	<b>1,295</b>	<b>1,24,930</b>	<b>1,993</b>	<b>208</b>	<b>964</b>	<b>305</b>	<b>37</b>	<b>893</b>	<b>1,31,013</b>	<b>285</b>	<b>1,294</b>	<b>1,579</b>
<b>NET CARRYING AMOUNT- 31.03.2022</b>	<b>223</b>	<b>2,195</b>	<b>65</b>	<b>55,852</b>	<b>675</b>	<b>14</b>	<b>292</b>	<b>195</b>	<b>3</b>	<b>636</b>	<b>60,149</b>	<b>276</b>	<b>566</b>	<b>841</b>
<b>As at 31.03.2023</b>														
<b>Gross Carrying amount</b>														
Cost as at 1 Apr 2022	223	2,582	1,361	1,80,782	2,668	222	1,256	498	40	1,529	1,91,161	561	1,860	2,420
Additions	-	-	-	16,008	240	224	223	62	-	512	17,269	-	210	210
Disposal	-	-	-	(2)	-	-	(28)	-	-	(24)	(54)	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing Gross Carrying amount (31.03.2023)</b>	<b>223</b>	<b>2,582</b>	<b>1,361</b>	<b>1,96,789</b>	<b>2,909</b>	<b>446</b>	<b>1,452</b>	<b>560</b>	<b>40</b>	<b>2,016</b>	<b>2,08,377</b>	<b>561</b>	<b>2,070</b>	<b>2,631</b>
<b>Accumulated Depreciation/ amortisation</b>														
Accumulated Depreciation as at 1st April 2022	-	387	1,295	1,24,930	1,993	208	964	305	37	893	1,31,013	285	1,294	1,579
Charge during the year	-	61	8	11,943	207	31	188	42	-	233	12,714	33	471	504
Disposal	-	-	-	-	-	-	(22)	-	-	(11)	(33)	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing accumulated depreciation/ amortisation (31.03.2023)</b>	<b>-</b>	<b>448</b>	<b>1,304</b>	<b>1,36,873</b>	<b>2,200</b>	<b>240</b>	<b>1,130</b>	<b>347</b>	<b>37</b>	<b>1,115</b>	<b>1,43,693</b>	<b>318</b>	<b>1,765</b>	<b>2,083</b>
<b>NET CARRYING AMOUNT- 31.03.2023</b>	<b>223</b>	<b>2,134</b>	<b>57</b>	<b>59,916</b>	<b>708</b>	<b>207</b>	<b>322</b>	<b>214</b>	<b>3</b>	<b>901</b>	<b>64,683</b>	<b>243</b>	<b>305</b>	<b>548</b>

### Note 3. Capital Work in Progress

(₹ in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
NE Project (Net of Impairment Loss)	4,407	8,344
OFC Laying Works	517	569
MPLS, STM, Other Telecom Radio Equipment, Data Centre & OSS/BSS	7,047	4,416
Capital Stores lying at project site	3,643	2,883
Building	2	78
Others	77	36
<b>Total</b>	<b>15,693</b>	<b>16,326</b>

### Note-4 Right of Use Assets

(₹ in lakhs)

Particulars	Building	Land	Telecom Assets	Total
<b>As at 31.03.2022</b>				
<b>Gross Carrying amount</b>				
Cost as at 1 Apr 2021	14,904	1,904	3,123	<b>19,931</b>
Additions	190	597	(0)	<b>787</b>
Disposal	-	-	-	-
Transfer/adjustments	-	-	-	-
<b>Closing Gross Carrying amount (31.03.2022)</b>	<b>15,094</b>	<b>2,501</b>	<b>3,123</b>	<b>20,718</b>
<b>Accumulated Depreciation/ amortisation</b>				
Accumulated Depreciation as at 1st April 2021	2,249	142	514	<b>2,905</b>
Charge during the year	997	57	257	<b>1,311</b>
Disposal	-	-	-	-
Transfer/adjustments	-	-	-	-
<b>Closing accumulated depreciation/ amortisation (31.03.2022)</b>	<b>3,246</b>	<b>199</b>	<b>771</b>	<b>4,216</b>
<b>Net carrying Amount- 31.03.2022</b>	<b>11,848</b>	<b>2,302</b>	<b>2,352</b>	<b>16,502</b>
<b>As at 31.03.2023</b>				
<b>Gross Carrying amount</b>				
Cost as at 1 Apr 2022	15,094	2,501	3,123	20,718
Additions	1,816	-	-	<b>1,816</b>
Disposal	(435)	-	-	<b>(435)</b>
Transfer/adjustments	-	-	-	-
<b>Closing Gross Carrying amount (31.03.2023)</b>	<b>16,475</b>	<b>2,501</b>	<b>3,123</b>	<b>22,099</b>
<b>Accumulated Depreciation/ amortisation</b>				
Accumulated Depreciation as at 1st April 2022	3,246	199	771	4,216
Charge during the year	1,040	57	249	1,346
Disposal	(363)	-	-	(363)
Transfer/adjustments	-	-	-	-
<b>Closing accumulated depreciation/ amortisation (31.03.2023)</b>	<b>3,923</b>	<b>256</b>	<b>1,021</b>	<b>5,199</b>
<b>Net carrying Amount- 31.03.2023</b>	<b>12,552</b>	<b>2,246</b>	<b>2,102</b>	<b>16,900</b>





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## NON CURRENT ASSETS

### Note 5. Investment (At amortised cost)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Long Term Investments-at Cost		
Trade (Unquoted)*	-	-
Investment in Shares of subsidiaries		
<b>Railtel Enterprises Limited (Fully Owned Subsidiary)#</b>		
100,00,000 equity shares of ₹ 10 each fully paid	-	-
<b>Total Carrying Value</b>	-	-

\* This include one equity share of ₹ 10 of BBNL.

### Note 6. Loans and Advances

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Advances	-	-
<b>Total</b>	-	-

No loans & advances has been given to the promoters, Directors, KMPs & other related parties

### Note 7. Other Non Current Financial Assets

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Deposits with Banks for Ex-Gratia	73	73
Bank Term Deposit (Having residual maturity of more than 12 months)	21,608	32,536
BG Margin Money (Having residual maturity of more than 12 months)*	20	20
Accrued interest on term deposit - Non Current	947	859
Security Deposit (Considered Good)	709	495
<b>Total</b>	<b>23,357</b>	<b>33,983</b>

\*BG Margin Money A/c represents deposit under lien for issuing Bank guarantee by bank.

### Note 8. Other Non Current Assets

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Unsecured Considered Good unless stated otherwise</b>		
<b>Capital Advances</b>		
Considered Good	-	-
<b>Other</b>		
Lease prepayment/Prepaid Expenses	32	68
<b>Total</b>	<b>32</b>	<b>68</b>



## CURRENT ASSETS

### Note 9. Inventories (Valued at lower of cost or net realisable value)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Inventory (Consumables for O&M Work)	92	94
<b>Total</b>	<b>92</b>	<b>94</b>

### Note 10. Investment (At fair value through Profit & Loss Account)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Investment (Unquoted)	4,007	3,005
<b>Total</b>	<b>4,007</b>	<b>3,005</b>

Aggregate Value of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate Value of unquoted investments	4,000	3,000
Market value of unquoted investments	4,007	3,005
Aggregate value of impairment of investments	-	-

### Note 11. Trade Receivables

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Unsecured, Considered Good</b>		
Telecommunication Business	63,253	25,796
Project works	41,581	42,680
<b>Sub Total - A</b>	<b>1,04,834</b>	<b>68,476</b>
<b>Significant Increase in Credit Risk - B</b>	<b>7,515</b>	<b>7,242</b>
<b>Trade Receivables (A+B)</b>	<b>1,12,349</b>	<b>75,718</b>
Loss Allowance	(7,515)	(7,242)
<b>Total</b>	<b>1,04,834</b>	<b>68,476</b>

Trade receivables are neither due from directors or other officers of the company either severally or jointly with any other persons nor any trade receivables are due from firms or private company in which any director is partner or a director or a member

### Movement of Provision for expected credit loss

Balance at the beginning of the year	7,242	12,523
Add: Additional provision during the year		
Less: Provision written back/adjusted during the year	(273)	5,280
<b>Balance at the end of year</b>	<b>7,515</b>	<b>7,242</b>

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**Note 12. Cash and Cash Equivalents**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
(i) Cash and Cash Equivalent (Maturity <= 3 Months)		
Flexi Deposits	11,014	7,081
(ii) Balances with Scheduled Bank		
a. In Current A/c	3,739*	4,035
b. In Collection A/c	4,026	7,576
c. In Imprest A/c	18	19
<b>Total</b>	<b>18,797</b>	<b>18,711</b>

\*This includes ₹ 18 Lakhs for earmarked balance is with banks for unpaid dividends.

**Note 13. Other Bank Balances**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
BG Margin Money A/c *	144	337
In Term Deposit (Having original maturity of more than 3 months but less than 12 months and residual maturity less than 12 months)	8,279	13,746
(iii) CSR Escrow A/c**	45	15
<b>Total</b>	<b>8,468</b>	<b>14,098</b>

\*BG Margin Money A/c represents deposit under lien for issuing Bank guarantee by bank.

\*\* The said escrow account is for restricted use of CSR only.

**Note 14. Loans and Advances**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Advances to Employee	21	37
<b>Total</b>	<b>21</b>	<b>37</b>

**Note 15. Other Current Financial Assets**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Unsecured, Considered good unless stated otherwise		
Accrued interest on term deposit	1,544	561
Term Deposit (Having original maturity of more than 12 months but residual maturity less than 12 months)*	17,658	2,852
Recoverable from Railways	560	561
Unbilled Revenue (Refer to item no 27 of Note No. 43)	22,979	29,320
Loss Allowance for Unbilled Revenue	(168)	(238)
EMD Deposited	1,208	752
Security Deposit	3,374	829
<b>Total</b>	<b>47,155</b>	<b>34,637</b>

\*Amount of ₹ 1,673 lakhs of FY 2021-22 has been regrouped from Non Current Financial Assets as these FDRs were in the nature of current and ₹ 1179 lakhs of FY 2021-22 has been regrouped from other bank balance to other current financial assets for FDRs having original maturity of more than 12 months.

### Note 16. Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Income Tax/TDS	1,544	1,545
<b>Total</b>	<b>1,544</b>	<b>1,545</b>

### Note 17. Other Current Assets

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Advances recoverable in cash or in kind for value to be received	905	5,146
Indirect Tax Credit Available	13,865	7,976
Fund Assets for Defined Retirement Plans	-	42
Others	3,409	357
Project WIP	5,224	-
Advance Indirect Tax	1,193	1,229
Prepaid expenses	67	101
<b>Total</b>	<b>24,663</b>	<b>14,851</b>

### Note No. -18 Equity Share Capital

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Authorized Share Capital</b>		
Equity Shares		
1,00,00,00,000 equity shares of Rs 10 each	1,00,000	1,00,000
<b>Issued, Subscribed and fully paid-up shares</b>		
1,50,00,007 equity shares of Rs 10 each in Cash	1,500	1,500
30,59,38,400 equity shares of Rs 10 each in consideration other than cash	30,594	30,594
<b>Total</b>	<b>32,094</b>	<b>32,094</b>

#### a. Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	Opening Balance	Allotted During The Period/Year	Closing Balance
<b>As at 31st March 2022</b>			
No of Equity Shares - In Cash	1,50,00,007	-	1,50,00,007
No of Shares - In consideration other than cash	30,59,38,400	-	30,59,38,400
Amount in Lakhs	32,094	-	32,094
<b>AS at 31st March 2023</b>			
No of Equity Shares - In Cash	1,50,00,007	-	1,50,00,007
No of Shares - In consideration other than cash	30,59,38,400	-	30,59,38,400
Amount in Lakhs	32,094	-	32,094

Structure of Shares as above remain unchanged during last five years and no bonus share are issued since incorporation of the Company.



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## b. Right, Preference and restriction attached to shares

The equity share are the only class of Share capital having par value of Rs 10 per share. Every holder of equity share present at a meeting in person or by a proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Equity share carry voting right proportionate to the paid up value per share. In the event of liquidation of the company, holders of the equity share are entitled to be repaid the amounts credited as paid up on those equity share. All surplus assets after settlement of liabilities as at the commencement of winding up shall be paid to the holders of equity share in proportion of their shareholding.

## c. Number of share held by shareholders holding (as per the register of shareholders) more than 5% of aggregate shares in the Company

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Ministry of Railways (in the name of President of India)*	23,37,85,038	23,37,85,038
	<b>72.84</b>	<b>72.84</b>

## d. Aggregate number of shares issued for consideration other than cash in last five years - NIL

\* The President of India acting through the Ministry of Railways has disinvested 87153369 equity shares of the company of facevalue of ₹ 10 each by way of initial public offering through an offer for sale. The equity shares of the company were listed on the stock exchanges (i.e. BSE Limited ("BSE") and National Stock Exchange of India Ltd. ("NSE") w.e.f.26.02.2021.

## NOTE 19. OTHER EQUITY

(₹ in lakhs)

Particulars	Retained Earnings	General Reserve	Self Insurance Reserve	Total Equity
<b>Opening balance as on 1st April 2021</b>	<b>52,879</b>	<b>56,000</b>	<b>309</b>	<b>1,09,188</b>
Profit for the year	20,894			
Other comprehensive Income/ (Loss)	(38)			
<b>Add: Total Comprehensive Income for the year ended 31st March 2022</b>	<b>20,856</b>			<b>20,856</b>
Less: Final Dividend for FY 2020-21	(3,851)			<b>(3,851)</b>
Less: Interim Dividend for FY 2021-22	(5,616)			<b>(5,616)</b>
Less: transfer to self insurance reserve	(112)	-	112	-
Less: Transfer to General Reserve	(4,000)	4,000	-	-
<b>Balance as at 31st March 2022</b>	<b>60,156</b>	<b>60,000</b>	<b>421</b>	<b>1,20,577</b>
<b>Opening balance as on 1st April 2022</b>	<b>60,156</b>	<b>60,000</b>	<b>421</b>	<b>1,20,577</b>
Profit for the year	18,907			
Other comprehensive Income/ (Loss)	210			
<b>Add: Total Comprehensive Income for the year ended 31st March 2023</b>	<b>19,117</b>			<b>19,117</b>
Less: Final Dividend for FY 2021-22	(2,086)			<b>(2,086)</b>
Less: Interim Dividend for FY 2022-23	(4,814)			<b>(4,814)</b>
Less: transfer to self insurance reserve	(126)		126	-
Less: Transfer to General Reserve				-
<b>Balance as at 31st March 2023</b>	<b>72,248</b>	<b>60,000</b>	<b>547</b>	<b>1,32,794</b>



## NON CURRENT LIABILITIES

### Note 20. Leasing Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Leasing Liabilities	3,627	2,349
<b>Total</b>	<b>3,627</b>	<b>2,349</b>

### Note 21. Other Non Current Financial Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Unsecured</b>		
Security Deposit	1,227	991
Retention Money	4,005	2,868
<b>Total</b>	<b>5,232</b>	<b>3,859</b>

### Note 22. Provisions

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Provision for Post Retirement Medical Benefit	864	899
Provision for Gratuity & Leave Encashment	5	6
Provision for Arbitration Claim	-	46
<b>Total</b>	<b>869</b>	<b>951</b>

### Note 23. Deferred Tax Liabilities/(Assets) (Net)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Deferred Tax Liabilities</b>		
Depreciation claimed as deduction under Income Tax Act but chargeable in the statement of profit and loss in future years	896	1,311
Others	3	10
<b>Less:</b>		
<b>Deferred Tax Assets</b>		
Provision for doubtful debts charged in the statement of profit and loss but to be allowed as deduction under the Income Tax Act in future years	1,933	1,882
Expenditure to be allowed on payment basis under Income Tax Law/Provisions	731	831
Others	1,355	1102
<b>Deferred Tax Liability/ (Assets) (Net)</b>	<b>(3,120)</b>	<b>(2,494)</b>

## Note 24. Other Non Current Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Deferred Revenue and Advance from Customers* Long Term	2,186	1,494
<b>Deferred Revenue from Government Grant</b>		
NE 1 & NE 2 Deferred	1,289	1,182
Rural WiFi Deferred	467	592
Advances for VSS Project	4,112	4,073
<b>Total</b>	<b>8,054</b>	<b>7,341</b>

\*Deferred Revenue include advance income against IRU lease for providing telecom services under licenses taken from DoT.

## CURRENT LIABILITIES

### Note 25. Trade Payables

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Trade Payables</b>		
Micro and Small Enterprises	14,902	14,992
<b>Other than Micro and Small Enterprises</b>		
Revenue Share Payable to Indian Railway	4,309	6,185
Towards purchase of Goods and Services	36,885	28,126
Amount Payables to DoT	774	-
<b>Total</b>	<b>56,870</b>	<b>49,303</b>

### Note 26. Leasing Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Leasing Liabilities - Current	552	802
<b>Total</b>	<b>552</b>	<b>802</b>

### Note 27. Other Current Financial liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Security Deposits	4,429	4,333
Retention Money	32,300	20,262
EMD Payable	1,979	820
Bank Guarantee Deductions	1,533	4,923
Interest Accrued but not due on Noida Instalment	-	3
Expense payable	403	138
<b>Total</b>	<b>40,644</b>	<b>30,479</b>

## Note 28. Provisions

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Provisions for Employee Benefits		
Provision for Post Retirement Medical Benefit Current	2	2
Provision for Pension	6	41
Provision for Gratuity & Leave Encashment	1,080	455
Provision for PRP & Exgratia	2,027	2,296
<b>Total</b>	<b>3,115</b>	<b>2,794</b>

## Note 29. Other Current Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Deferred Revenue and Advance from Customers* Current	25,136	14,131
Advance-ETCS Project	2,870	5,034
Advance for Railway Deposits#	6,906	7,474
Advance-Others**	460	257
Project Control Account (ETCS) ##	366	544
<b>Deferred Revenue from Government Grant</b>		
NE 1 & NE 2 Current	151	112
Rural WiFi Current	164	152
<b>Government Grant</b>		
Subsidy of NE-1 & NE-2	1,063	1,353
Rural WiFi Subsidy	127	80
Payable to Others	12,820	6,131
<b>Total</b>	<b>50,063</b>	<b>35,268</b>

\*Deferred Revenue include advance income against IRU lease for providing telecom services under licenses taken from DoT.

\*\*It represents money received from BBNL for carrying out project work relating to laying of OFC.

## Advances from Railways represent advance received towards execution of works from Railways .

## Note 30. Revenue from operations

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
<b>Income from Telecom Services</b>		
NLD Services	56,923	47,813
ISP Services	37,958	34,883
IP-1 Services	21,473	20,914
<b>Income from Projects</b>		
Railways Project Works	16,149	9,271
Other Projects	63,254	41,418
<b>Other Operating Revenue</b>	<b>594</b>	<b>546</b>
<b>Total</b>	<b>1,96,351</b>	<b>1,54,845</b>





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### Note 31. Other income

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
<b>Interest Income</b>		
Interest Income on deposits with Bank #	2,959	2,277
Interest on Income Tax Refunds	32	63
Other Non Operating Income		
Miscellaneous Income	503	206
Income on Mutual Funds	66	55
Gain on Fair Valuation of Mutual Funds	7	5
Income from Rent	134	78
<b>Total</b>	<b>3,701</b>	<b>2,683</b>

# FY 2022-23: Includes Interest Income of ₹ 217 Lacs from ETCS Project.

### Note 32. Finance income

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Reversal of Discounting impact of Liability for FY of 2020-21		(156)
Discounting Impact of Liability for FY 2021-22		401
Reversal of Discounting impact of Liability for FY of 2021-22	(360)	
Discounting Impact of Liability for FY 2022-23	528	
<b>Total</b>	<b>168</b>	<b>245</b>

### Note 33. Access & Other Charges

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Operation & Maintenance of Fiber & Equipment	12,436	10,349
Share of Revenue with Konkan Railway	49	48
Hire Charges Radio Modem/Optic Fibers and Internet Access	9,478	6,869
Railwire Expenses	21,004	18,754
Power & Fuel Expenses on network	4,336	3,268
Revenue Share to Railways	4,193	3,972
<b>Total</b>	<b>51,496</b>	<b>43,260</b>



### Note 34. License fee and Spectrum charges

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Licence Fee to DoT (Revenue Share)	7,726	6,679
<b>Total</b>	<b>7,726</b>	<b>6,679</b>

### Note 35. Expenses on Project

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Expenses on Railway Projects	14,425	8,160
Expenses on Projects (Other Than Railway)	58,901	36,512
Allocation of Employee Benefit Expenses (Refer Note No. 36)	1,438	850
Allocation of Administrative & Other Expenses (Refer Note No. 37)	719	425
<b>Total</b>	<b>75,483</b>	<b>45,947</b>

### Note 36. Employee Benefits Expenses

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Salaries & Wages	19,606	18,245
Contribution to Provident fund	789	720
Contribution to Pension	530	432
Staff welfare expenses	40	32
<b>Less: Allocation of Expenses to Projects (Refer to Note no. 35)</b>	<b>1,438</b>	<b>850</b>
<b>Total</b>	<b>19,527</b>	<b>18,579</b>

### Note 37. Administrative & Other Expenses

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
<u>Auditor Remuneration</u>		
As Auditor	33	30
As Tax Auditor	6	6
Books & Periodicals	2	2
Communication Expenses	114	105
Conveyance Expenses	45	30
Bank Charges & Commission	92	84
Legal & Professional Expenses	484	442
Insurance	16	104
Rates & Taxes	163	560
Rent	703	448
Repair & Maintenance - Others	593	568

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Tender Expenses	70	63
Training & Recruitment Expenses	19	15
Travelling Expenses	476	278
Printing & Stationary Expenses	76	54
Vehicle Hire charges	492	434
Business promotion Expenses	152	80
Other Miscellaneous Expenses	671	472
Loss on sale of Fixed Assets	14	9
Loss on foreign Exchange transactions	7	-
Manpower Support	61	52
<b>Less:- Allocation of Expenses to Project (Refer to Note no. 35)</b>	719	425
<b>Total</b>	<b>3,570</b>	<b>3,411</b>

### Note 38. Depreciation, Amortisation and Impairment

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Depreciation on tangible Assets	12,717	12,996
Charge over Right of Use (Refer Note No.4)	1,347	1,311
Amortization on Intangible Assets	504	487
Impairment on CWIP Assets (NE Project)*	863	1,224
<b>Total</b>	<b>15,431</b>	<b>16,018</b>

\*Refer point no.23 of Note 43

### Note 39. Finance Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Reversal of Discounting impact of Assets for FY 2020-21		(99)
Discounting Impact of Assets for FY 2021-22		154
Reversal of Discounting impact of Assets for FY 2021-22	(154)	
Discounting Impact of Assets for FY 2022-23	213	
Finance charge - Interest Cost Unwinding of Lease Liabilities	233	248
Finance charge on Instalment of Noida land	3	19
Reversal of Discounting Impact of Liability for FY 2021-22	90	
Finance Charges #	217	227
<b>Total</b>	<b>602</b>	<b>549</b>

# FY 2021-22: Interest Income of INR 217 Lacs from ETCS Project FDRs is transferred to ETCS project funds.

## Note 40. Tax Expenses

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Current Tax (Income Tax)	7,151	7,250
Tax impact of earlier Years	45	(11)
Deferred Tax	(625)	(71)
<b>Total</b>	<b>6,571</b>	<b>7,168</b>

## Note 41. Other comprehensive income(OCI)

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
<b>Items that will not be reclassified to Profit &amp; Loss</b>		
Remeasurement gain/(losses) on defined benefit plans	281	(51)
Income tax relating to item that will not be reclassified to Profit & Loss	(71)	13
<b>Items that will be reclassified to Profit &amp; Loss</b>		
<b>Other comprehensive income/(Loss)</b>	<b>210</b>	<b>(38)</b>

## Note 42. Exceptional Items

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
Provision for Expected Credit Loss*	206	(5,010)
<b>Total</b>	<b>206</b>	<b>(5,010)</b>

\*The company has rationalised the estimate of expected credit loss as per Ind AS-109, which has resulted into reduction of Expected credit loss provision of ₹ 4,498 Lakhs in FY 2022-23 and the same has been reclassified under exceptional items from other income of FY 2021-22 (Note No.- 31).

## Note 43: OTHER EXPLANATORY NOTES AND DISCLOSURES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> March'2023

- These Financial Statements are presented in Indian Rupees (INR) which is the Company's functional currency.
- Figures have been rounded off to nearest Rupees in lakhs. Previous year figures have, wherever necessary, been rearranged/regrouped to conform the presentation of the Current year.
- License fee to DoT and Railways Revenue Share computed at prescribed rate of 8% and 7% respectively.
- Employees benefit expenses and administrative expenses are apportioned to project works based on 2% and 1% respectively of expenses incurred on projects.
- The Current Assets/ Liabilities have been determined if they are receivable / payable within 1 year from the date of Balance Sheet. Rest has been treated as Non-Current.
- Self-Insurance Reserve has been provided @ 0.12% p.a. on the Gross Block of Property, Plant & Equipment's installed at PoP's and customer premises to meet future losses which may arise from un-insured risks.
- The Interest income includes Interest received on Bank Term Deposits on account of European Train Control System (ETCS) Project of ₹ 217 lakh. The interest expense recognized on project advances received on ETCS project is ₹ 217 lakh and the same is credited to Project Control Account.



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## 8 Disclosure relating to dues to Micro, Small and Medium Enterprise:

(₹ in lakhs)

S. No.	Particulars	March'23	March'22
i	Amount remaining unpaid to any supplier:		
	a) Principal Amount	14,902	14,992
	b) Interest due thereon	-	-
ii	Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount paid to the supplier beyond the appointed day;	-	-
iii	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
iv	Amount of interest accrued and remaining unpaid.	-	-
v	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

## 9 Value of imports calculated on CIF basis

(₹ in lakhs)

Particulars	March'23	March'22
Consumables and Spare parts	-	-
Capital goods	612	195
<b>Total</b>	<b>612</b>	<b>195</b>

## 10 Expenditure in foreign currency (accrual basis)

(₹ in lakhs)

Particulars	March'23	March'22
Service charges	-	-

## 11 Corporate Social Responsibility Expenditure

(₹ in lakhs)

Particulars	March'23	March'22
Current year Budget	437	370
Amount required to be spent by the company during the year	264	172
Total amount to be spent by the company	701	542
Amount of expenditure	446	278
Total shortfall at the end of the year	255	264
Previous year shortfall	45	15
Reason for shortfall	Amount pertains to ongoing project which will be completed as per project schedule.	Amount pertains to ongoing project which will be completed as per project schedule.
Nature of CSR activities	As per DPE theme/guidelines on CSR of FY 22-23	As per DPE theme/guidelines on CSR of FY 22-23
Details of related party transactions	N.A	N.A
A provision is made with respect to a liability incurred by entering into a contractual obligation.	255	Nil
Unspent amount out of current year budget, have been deposited in CSR account with Bank as per guidelines	210	249



## Para-wise disclosure of Applicable Indian Accounting Standards are as below:

### 12 1. Financial Instruments

#### FINANCIAL ASSETS

##### Trade receivables

As per Ind AS 109, Company is following simplified approach of expected credit loss model for recognizing the allowance for doubtful debts.

##### Security Deposits

There are some deposits which are being kept with government authorities e.g., commercial taxes department, Railways, Electricity etc. which are considered as financial asset. A period of 10 years has been assumed for discounting these items.

##### Investments

Company makes investment in liquid mutual funds which are fair valued based on the unit price prevailing as at the period end and consequent gain/loss is taken to the profit and loss A/c.

#### FINANCIAL LIABILITIES

Security Deposits, Retention Money and Earnest Money Deposit are classified as Financial Liabilities.

### 13 Ind AS 2: Inventories

- The total carrying amounts of inventories as at 31.03.2023 is ₹ 92 Lakhs ( March'22 – ₹ 94 Lakhs) as shown in Note No 9 of Balance Sheet.
- There is no reversal or any write-down that is recognized as a reduction in the amounts of inventories recognized as expense in the year and presented in cost of sales.
- Nothing out of carrying amounts of inventories has been pledged as security for liabilities.

### 14 Disclosures in respect of IND AS 8: Accounting Policies, Changes In Accounting Estimates And Errors

Any item of prior period error which exceeds 1% of revenue from operations is considered for materiality test which is in accordance with Schedule III of the Companies Act 2013. Accordingly, in compliance with Ind AS-8, there is no need to re-state financial statements of prior period, since prior period errors are not material in nature.

### 15 Disclosures as required by IND AS 12 – Income Taxes

(₹ in lakhs)

Particulars	Provided during the year ended 31st March '23	As at 31st March ' 23	Provided during the year ended 31st March '22	As at 31st March ' 2022
<b>Deferred Tax Liability</b>				
Related to Depreciation on Fixed Assets	(415)	896	(731)	1,311
Others	(7)	3	10	10
<b>Total Deferred Tax Liabilities</b>	<b>(422)</b>	<b>899</b>	<b>(721)</b>	<b>1,321</b>

Particulars	Provided during the year ended 31st March'23	As at 31st March' 23	Provided during the year ended 31st March'22	As at 31st March' 2022
<b>Deferred Tax Assets</b>				
Provision on debtors	51	1,933	(1,270)	1,882
43B Disallowances etc.	(101)	731	304	832
Others	254	1,355	316	1,101
<b>Total Deferred Tax Assets</b>	<b>204</b>	<b>4,019</b>	<b>(650)</b>	<b>3,815</b>
<b>Deferred Tax Liability / (Asset) (Net)</b>	<b>(626)</b>	<b>(3,120)</b>	<b>(71)</b>	<b>(2,494)</b>

### Reconciliation between the average effective tax rate and the applicable tax rate –

Effective tax rate is generally influenced by various factors, including differential tax rates, non-deductible expenses, provisions, and other tax deductions. The change in effective tax rate from Mar'2022 to Mar'2023 is mainly due to change in tax rates as tabulated here under:

(₹ in lakhs)

Particulars	Holding Company (RCIL)				Subsidiary Company (REL)			
	March'23	March'23	March'22	March,22	March'23	March'23	March'22	March'22
	(In %)	(In ₹ Lakhs)	(In %)	(In ₹ Lakhs)	(In %)	(In ₹ Lakhs)	(In %)	(In ₹ Lakhs)
Applicable Tax Rate	25.17%	6357	25.17%	7,036	25.17%	38	25.17%	44
1. Tax effect of income that are not taxable in determining taxable profit	-0.36%	-90	-4.75%	(1,328)	-3.28%	-5	-5.86%	(10)
2. Tax effect of expenses that are not deductible in determining taxable profit	5.19%	1310	5.91%	1,653	15.95%	24	2.15%	4
3. Tax effect on previous years disallowances	-1.63%	-413	-0.58%	(161)	0.00%	-161	-	-
4. Tax effect of additional deductions	0.00%	0	0%	-	0.00%	0	-	-
5. Tax expenses/ income related to prior period	0.00%	0	0%	-	0.00%	0	-	-
6. difference in tax due to reclassification of income and expenses	0.00%	0	0%	-	0.00%	0	-	-
<b>Average Effective Tax</b>	<b>28.36%</b>	<b>7164</b>	<b>25.76%</b>	<b>7,200</b>	<b>37.84%</b>	<b>57</b>	<b>21.46%</b>	<b>38</b>



Particulars	For the year ended March 31st 2023	For the year ended March 31st 2022
Weighted average consolidated effective tax rate	28.42%	25.73%

## 16 Disclosures as required by Ind AS 16 – Property, Plant & Equipment & Ind AS 38 – Intangible Assets

- i The depreciation / amortization has been charged at the straight-line method.
- ii Company assessed the impairment of Assets and is of the opinion that since the Company is going concern and there is no indication exist for the impairment of the PPE except in case of NE project for which disclosure is given under Ind AS-36.
- iii The useful life of all the PPE / Intangible Assets have been defined in the accounting policies.
- iv A reconciliation of the carrying amount at the beginning and end of the period is as per Note No. 2 of Balance Sheet.
- v No assets have been classified as held for sale in accordance with Ind AS 105.
- vi Company has not revalued its property, plant & Equipment (including right of use assets). There is no increase or decrease on account of impairment loss recognized or reversed in other comprehensive income in accordance with Ind AS 36.
- vii No Capital expenses was incurred on Assets not owned by the Company during the period ended 31.03.2023.
- viii There is no obsolete asset which has been so far held under CWIP/Fixed Asset.
- ix Depreciation / amortization on all the PPE / Intangible assets have been disclosed separately.
- x There is no restriction on title of PPE / Intangible Assets, and nothing has been pledged as security and liability.
- xi The amount of contractual commitment for acquisition of PPE is ₹ 14522 lakhs (March'22 – ₹ 17004 Lakhs).
- xii There is no amount to be received on account of compensation from third party for items of PPE / Intangible assets that were impaired, lost or given to Company that is to be recognized in the statement of profit & Loss account.
- xiii Entire depreciation / amortization has been recognized in the statement of Profit & Loss account; nothing has been charged to cost of other assets. Accumulated depreciation at the end of the year has been shown separately.
- xiv There are no temporarily idle PPE / intangible assets.
- xv ₹ 53890 (FY22- 41072) Lakhs Gross Carrying value of assets have been fully depreciated, but still are in use.
- xvi During the reporting year Assets having Net Book Value of ₹ 20 Lakh (Gross Book Value 54 Lakhs) has been retired with sale proceeds of ₹ 6 Lakh and loss of Rs 14 lakh has been booked.
- xvii In the following asset category, depreciation is charged at different rates as compare to the rates prescribed in part C of Schedule II of the Companies Act'2013 on the basis of useful life determined by technical committee:



S. No.	Assets Category	Useful life as specified in Part C of schedule II	Useful life as per company's policy
1	Prefabricated Building	RCC 60 years and others 30 years	15 Years
2	Temporary Structure	3 Years	Fully Depreciated
3	Telecom Equipment's	13 Years	8 Years
4	Last Mile/Access Equipment's	13 Years	8 Years
5	Data Centre	13 Years	8 Years
6	Leasehold Improvements	Over the lease Period	Over the lease Period or 10 years when there is no lease agreement

17 In terms of contractual Clause of agreement, if the customer terminates the services of the link during minimum subscription period, RailTel shall refund or adjust (against the future orders) the already paid IRU charges after deducting the termination penalty.

### 18 **Disclosure Requirement as per Ind AS 19 – Employee Benefits**

#### **Employee Benefits – Defined Contribution Plan**

##### **National Pension Scheme:**

RailTel pays an amount equal to 10% of Basic pay+ DA of the eligible employees in National pension scheme. Amount for FY 2022-23 is ₹ 530 Lakhs.

##### **Provident Fund:**

All employees of the Company (excluding those on depositions) are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and employer make monthly contribution to the plan at a pre-determined rate (presently 12%) of the employees' salary consisting of Basic pay and Dearness allowance. These contributions are made to the fund administered and managed by Provident Fund Commissioner. The contributions of PF of the employee on deputation are made to the funds of their parent department. Amount for FY 2022-23 is ₹ 789 Lakhs.

Employee Benefits – Defined Benefit Plan

##### **Gratuity**

The Company has scheme of gratuity plan for its employees from LIC. Every employee who has completed at least five years of service are entitled for gratuity at the time of relinquishment of employment for 15 days of last drawn salary for each completed year of service. The scheme is funded through LIC in the form of qualifying insurance policy for its employees except outsourced Manpower.

##### **Leave Encashment**

The Company has scheme of Leave Encashment payable to eligible employees who have accumulated earned leave subject to maximum ceiling of 300 earned leave including half pay leave. Leave salary is provided for based on actuarial valuations, as at the Balance Sheet date. The scheme is funded through LIC.

##### **Post-Retirement Medical:**

The Company has Post-Retirement Medical Scheme (PRMS) to provide assistance for meeting a part of medical expenses incurred by retired members only after their retirement for dependent family members and self and dependent family members of the ex-employee in case of death of the employee. Post-Retirement Medical is provided for based on actuarial valuations, as at the Balance Sheet date.



The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the Balance Sheet for the above defined benefit plan.

**Table I: Assumptions**

(₹ in lakhs)

Assumptions	Holding Company		Subsidiary Company		Holding Company		Subsidiary Company	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
Discount Rate	7.45% per annum	7.45% per annum	7.45% per annum	7.45% per annum	7.24% per annum	7.24% per annum	6.98% per annum	6.98% per annum
Rate of increase in Compensation levels	6.00% per annum	6.00% per annum	6.00% per annum	6.00% per annum	6.00% per annum	6.00% per annum	6.00% per annum	6.00% per annum
Rate of Return on Plan Assets	7.24% per annum	7.24% per annum	NA	NA	6.79% per annum	6.79% per annum	NA	NA
Average future service (in Years)	26.21 Years	20.33 Years	8.00 Years	8.00 Years	21.74 Years	-	9 Years	-

**Table II: Service Cost**

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Current Service Cost	295	240	178	228
Past Service Cost (including curtailment Gains/Losses)	763	-	-	-
Gains or losses on Non Routine settlements	-	-	-	-
<b>Total</b>	<b>1,058</b>	<b>240</b>	<b>178</b>	<b>228</b>

**Table III: Net Interest Cost**

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Interest Cost on Defined Benefit Obligation	172	210	134	177
Interest Income on Plan Assets	175	177	160	164
<b>Net Interest Cost (Income)</b>	<b>(3)</b>	<b>33</b>	<b>(26)</b>	<b>13</b>



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**Table IV: Change in Present Value of Obligations**

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Opening of defined benefit obligations	2,380	2,899	1,975	2,603
Service cost	1,058	240	178	228
Interest Cost	172	210	134	177
Benefit Paid	(104)	(124)	(94)	(127)
<b>Actuarial (Gain)/Loss on total liabilities:</b>	<b>(154)</b>	<b>(68)</b>	<b>187</b>	<b>18</b>
- due to change in financial assumptions	(77)	(53)	(117)	(107)
- due to change in demographic assumptions	-	-	-	-
- due to experience variance	(77)	(15)	304	126
<b>Closing of defined benefit obligation</b>	<b>3,353</b>	<b>3,157</b>	<b>2,380</b>	<b>2,899</b>

**Table V: Change in Fair Value of Plan Assets**

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Opening fair value of plan assets	2,418	2,438	2,355	2,410
Actual Return on Plan Assets	162	185	158	156
Employer Contribution	1	440	-	-
Benefit Paid	(104)	(124)	(94)	(127)
<b>Closing fair value of plan assets</b>	<b>2,477</b>	<b>2,939</b>	<b>2,418</b>	<b>2,438</b>

**Table VI: Actuarial (Gain)/Loss on Plan Asset**

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Expected Interest Income	175	177	160	164
Actual Income on Plan Asset	162	185	158	156
<b>Actuarial gain /(loss) on Assets</b>	<b>(13)</b>	<b>(8)</b>	<b>(2)</b>	<b>(8)</b>

**Table VII: Other Comprehensive Income/(Loss)**

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Opening amount recognized in OCI outside P&L account	-	N/A	-	N/A
Actuarial gain / (loss) on liabilities	154	N/A	(187)	N/A
Actuarial gain / (loss) on assets	(13)	N/A	(2)	N/A
<b>Closing amount recognized in OCI outside P&amp;L account</b>	<b>140</b>	<b>N/A</b>	<b>(189)</b>	<b>N/A</b>

**Table VIII: The amount to be recognized in Balance Sheet Statement**

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Present Value of Obligations	3,353	3,157	2,385	2,899
Fair value of plan assets	2,477	2,939	2,418	2,438
Net Obligations	876	218	(38)	461
Amount not recognized due to asset limit	-	-	-	-
<b>Net defined benefit liability / (assets) recognized in balance sheet</b>	<b>876</b>	<b>218</b>	<b>(38)</b>	<b>461</b>

**Table IX: Expense Recognized in Statement of Profit and Loss**

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Service cost	1,058	240	178	228
Net Interest Cost	3	33	(26)	13
Net actuarial (gain)/ loss		(76)	-	26
<b>Expenses Recognized in the statement of Profit &amp; Loss</b>	<b>1,055</b>	<b>198</b>	<b>153</b>	<b>268</b>

**Table X: Major categories of plan assets (as percentage of total plan assets)**

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Item	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Fund Managed by Insurer	100%	100%	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



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**Table XI: Change in Net Defined Obligations**

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Opening of Net defined benefit liability	(38)	461	(380)	193
Service cost	1,058	240	178	228
Net Interest Cost	(3)	33	(26)	13
Re-measurements	(140)	(76)	189	26
Contribution paid to fund	(1)	(440)	-	-
<b>Closing of Net defined benefit liability</b>	<b>876</b>	<b>218</b>	<b>(38)</b>	<b>461</b>

**Table XII: Reconciliation of Expense in Profit and Loss Statement**

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Present Value of Obligation as at the end of the year	3,353	3,157	2,380	2,899
Present Value of Obligation as at the beginning of the year	(2,380)	(2,899)	(1,975)	(2,603)
Benefit Paid	104	124	94	127
Actual Return on Assets	(162)	(185)	(158)	(156)
OCI	140	N/A	(189)	N/A
<b>Expenses Recognized in the Statement of Profit and Loss</b>	<b>1,055</b>	<b>198</b>	<b>153</b>	<b>268</b>

**Table XIII: Reconciliation of Liability in Balance Sheet**

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Opening net defined benefit liability / (asset)	(38)	457	(380)	193
Expense charged to profit and loss account	1,055	198	153	268
Amount recognized outside profit & loss account	-	-	-	-
Employer Contributions	1	(440)	-	-
OCI	136	N/A	189	N/A
<b>Closing net defined benefit liability / (asset)</b>	<b>872</b>	<b>213</b>	<b>(38)</b>	<b>461</b>



### Gratuity Note:

The closing net liability amount mentioned in Table XI of Section 9 reconciled with Zero difference.

The following material developments in the inter-investigation period have led to a significant variation in the liability.

- There has been an increase in the number of employees due to outsourced employees covered under Employees gratuity scheme.
- The average salary over the period has decreased due to inclusion of outsourced employees.

### Leave Encashment Note:

The closing net liability amount mentioned in Table XI of Section 9 reconciled with Zero difference

The following material developments in the inter-investigation period have led to a significant variation in the liability.

- There has been an increase in the number of employees.
- The average salary over the period has increased.
- The leaves valued over the period has increased.

### Table XIV: Sensitivity Analysis

Following table shows the sensitivity results on liability due to change in the assumptions:

(₹ in lakhs)

Item	Period	Gratuity			Leave Encashment		
		Amt.	Impact (Absolute)	Impact %	Amt.	Impact (Absolute)	Impact %
Base Liability	March'23	3,353			3,157		
	March'22	2,380			2,899		
Increase Discount Rate by 0.50%	March'23	3,181	(172)	-5.14%	3,038	(120)	-3.79%
	March'22	2,261	(120)	-5.02%	2,788	(111)	-3.84%
Decrease Discount Rate by 0.50%	March'23	3,541	188	5.61%	3,286	128	4.07%
	March'22	2,511	130	5.47%	3,018	120	4.12%
Increase Salary Inflation by 1.00%	March'23	3,597	244	7.27%	3,419	262	8.29%
	March'22	2,532	152	6.37%	3,142	243	8.39%
Decrease Salary Inflation by 1.00%	March'23	3,104	(249)	-7.44%	2,926	(231)	-7.32%
	March'22	2,210	(170)	-7.16%	2,684	(214)	-7.40%
Increase Withdrawal Rate by 1.00%	March'23	3,442	89	2.66%	3,078	(79)	-2.51%
	March'22	2,438	58	2.44%	2,821	(78)	-2.69%
Decrease Withdrawal Rate by 1.00%	March'23	3,250	(103)	-3.07%	3,249	92	2.91%
	March'22	2,313	(67)	-2.81%	2,989	90	3.11%

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23वीं वार्षिक रिपोर्ट 2022-23  
23rd Annual Report 2022-23**Table XV: Maturity Profile of Defined Benefit Obligation (Valued on discounted basis)**

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figure in INR	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Year 1	229	279	143	279
Year 2	123	292	86	293
Year 3	217	278	161	272
Year 4	185	235	155	235
Year 5	185	218	135	219
<b>After 5th Year</b>	<b>2,415</b>	<b>166</b>	<b>1,700</b>	<b>1,602</b>
<b>Total</b>	<b>3,353</b>	<b>1,470</b>	<b>2,380</b>	<b>2,899</b>

**Post-Retirement Medical Scheme****Table I: Change in Present Value of Obligations**

(₹ in lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
<b>Defined Benefit Obligation at beginning of year</b>	901	933
Current Service Cost	41	43
Past Service Cost	-	-
(Gain) / Loss on settlements	-	-
Interest Expense	65	63
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(0)	(0)
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination / divesture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	(48)	(111)
Remeasurements - Due to Experience Adjustments	(92)	(27)
<b>Defined Benefit Obligation at end of year</b>	866	901
<b>Discount Rate (%)</b>	7.45%	7.24%
<b>Medical Inflation Rate (%)</b>	5.00%	5.00%

**Table II: Change in Fair Value of Plan Assets**

(₹ in lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
Fair Value of Plan Assets at beginning of year	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	(0)	0
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(0)	(0)
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
<b>Remeasurements - Return on Assets (Excluding Interest Income)</b>	-	-
<b>Fair Value of Plan Assets at end of year</b>	-	-

**Table III: Changes in Reimbursement Rights**

(₹ in lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
<b>Reimbursement Rights at beginning of year</b>	-	-
Reimbursement Service Cost	-	-
Gain/ (loss) on Settlements	-	-
Interest Income	-	-
Employer Contributions to Reimbursement Rights	-	-
Reimbursements to Employer	-	-
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Benefits paid by the Company in Prior Year and settled by Fund Manager in current year	-	-
Net Transfer In / (Out) (Including the effect of any business combination / divestiture)	-	-
Remeasurements - Return on Reimbursement Rights (Excluding Interest Income)	-	-
<b>Reimbursement Rights at end of year</b>	-	-



**Table IV: Changes in Asset Ceiling / Onerous Liability**

(₹ in lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
<b>Asset Ceiling / Onerous Liability at beginning of year</b>	-	-
Interest Income	-	-
Gain / (Loss) on Settlements	-	-
Remeasurement - Due to Asset Ceiling / Onerous Liability (Excluding Interest Income)	-	-
<b>Asset Ceiling / Onerous Liability at end of year</b>	-	-

**Table V: Components of Defined Benefit Cost**

(₹ in lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
Current Service Cost	41	43
Past Service Cost	-	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	41	43
Interest Expense on DBO	65	63
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	65	63
Reimbursement of Other Long-Term Benefits	-	-
<b>Defined Benefit Cost included in P &amp; L</b>	<b>106</b>	<b>106</b>
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	(48)	(111)
Remeasurements - Due to Experience Adjustments	(92)	(27)
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
<b>Total Remeasurements in OCI</b>	<b>(141)</b>	<b>(138)</b>
<b>Total Defined Benefit Cost recognized in P&amp;L and OCI</b>	<b>(34)</b>	<b>(32)</b>
<b>Discount Rate (%)</b>	<b>7.45%</b>	<b>7.24%</b>
<b>Medical Inflation Rate (%)</b>	<b>5%</b>	<b>5%</b>

**Table VI: Amounts recognized in the Statement of Financial Position**

(₹ in lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
Defined Benefit Obligation	866	901
Fair Value of Plan Assets	-	-
<b>Funded Status</b>	866	901
Effect of Asset Ceiling / Onerous Liability	-	-
<b>Net Defined Benefit Liability / (Asset)</b>	866	901

**Table VII: Net Defined Benefit Liability / (Asset) reconciliation**

(₹ in lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
<b>Net Defined Benefit Liability / (Asset) at beginning of year</b>	901	933
Defined Benefit Cost included in P & L	106	106
Total Remeasurements included in OCI	(141)	(138)
Net Transfer In / (Out) (Including the effect of any business combination / divesture)	-	-
Amount recognized due to Plan Combinations	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	(0)	(0)
Employer Direct Settlement Payments	-	-
Credit to Reimbursements	-	-
<b>Net Defined Benefit Liability / (Asset) at end of year</b>	866	901

**Table VIII: Sensitivity Analysis**

Discount Rate and Medical Inflation Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

(₹ in lakhs)

Particulars		Period	Base	+ 100 Basis Points	-100 Basis Points
Discount Rate	Assumptions (%)	March'23	7.45%	8.45%	6.45%
		March'22	7.24%	8.24%	6.24%
	PV of DBO (In lakhs)	March'23	866	645	1,081
		March'22	901	672	1,122
	Variation (%)	March'23	0.00%	-25.58%	24.83%
		March'22	0.00%	-25.38%	24.59%
Medical Inflation Rate	Assumptions (%)	March'23	5.00%	6.00%	4.00%
		March'22	5.00%	6.00%	4.00%
	PV of DBO (In lakhs)	March'23	866	1,144	670
		March'22	901	1,180	693
	Variation (%)	March'23	0%	32.11%	-22.61%
		March'22	0.00%	31.01%	-23.07%

**Table IX: Maturity Profile of Defined Benefit Obligation**

(₹ in lakhs)

All Figures in INR	March 31, 2023	March 31, 2022
Year 1	18	19
Year 2	-	-
Year 3	-	-
Year 4	3	-
Year 5	5	5
After 5th Year	834	874

Movement of provisions for employee benefits during the year is as under:

Particulars	Provision for pension	Provision for Post-Retirement Medical	Provision for Gratuity & Leave Encashment	Total
Carrying Amount at the beginning of the year as on 01.04.2022	41	901	419	1,361
Additional provision made in the year	-	106	1,248	1,354
Amount utilized/adjusted during the year	(35)	(141)	(581)	(756)
Unused amount reversed during the year	-	-	-	-
Carrying amount at the end of the year as on 31.03.2023	6	866	1,085	1,958

Particulars	Provision for pension	Provision for Post-Retirement Medical	Provision for Gratuity & Leave Encashment	Total
Carrying Amount at the beginning of the year as on 01.04.2021	87	933	(186)	834
Additional provision made in the year	-	-	605	605
Amount utilized/adjusted during the year	(46)	(32)	-	(78)
Unused amount reversed during the year	-	-	-	-
Carrying amount at the end of the year as on 31.03.2022	41	901	419	1,361

**19 Disclosure in respect of Indian Accounting Standard (Ind AS) 20 "Accounting for Government Grants and disclosure of Government Assistance":**

The break-up of total grant in aid/subsidy received up to 31.03.2023 for various purposes is as under:-

Grant/Subsidy Received For	Up to 31.03.2023	Up to 31.03.2022
North East Project	3,146	3,146
Rural Wi-Fi	1,437	1,296
<b>Total</b>	<b>4,583</b>	<b>4,442</b>



### **Grant/Subsidy on NE Project:**

1. The Company had undertaken projects of NE-1 and NE-2 with a total capital outlay of ₹ 45125 Lakhs for which anticipated subsidy of Universal Service Obligation Fund of Department of Telecommunication, Government of India was pegged at ₹ 38800 Lakhs and net cash outflow of ₹ 6325 Lakhs. Against this, the Company has incurred total capital expenditure of ₹ 29520 Lakhs (Net of Recovery) out of which material of an amount of ₹ 2707 lakhs have been transferred to other projects/regions. Company has received subsidy of ₹ 3146 Lakhs with a net cash outflow of ₹ 23667 Lakhs up to 31.03.2023. In the opinion of the management, the Company has complied with all the conditions set out for the subsidy and accordingly, there is no liability to refund the subsidy already received."
- "2. During the period ended 31.03.23, depreciation of ₹ 767 Lakhs (March'22 – ₹ 1074 lakhs) have been charged to Statement of Profit and Loss due to capitalization and accordingly impact of amortization of subsidy is recognized in Statement of Profit and Loss for ₹ 151 Lakhs (March'22 – ₹ 104 lakhs) in proportion to depreciation which is shown under the head other operating revenue"

### **Grant/Subsidy on Rural Wi-Fi:**

The Company had received Rural Wi-Fi Subsidy amounting to ₹1437 lakhs up to 31.03.2023 from Department of Telecommunication (DoT-USOF) for installation of Wi-Fi in rural areas. An amount of ₹1513 lakhs have been capitalized up to 31.03.2023 on account of partial commissioning of wi-fi services at the stations. The Company has amortized an amount of ₹ 208 lakhs out of the subsidy received in proportion to the depreciation on assets capitalized and same has been recognized under the head other operating revenue.

### **20. Disclosures as required by IND AS- 21: Effects of change in foreign exchange rates**

#### **Exchange Difference**

(₹ in lakhs)

S. No	Particulars	March'23	March'22
1	The amount of exchange differences recognised in profit or (loss).	(7)	3
2	Net exchange differences recognised in other comprehensive income and accumulated in a separate component of equity.	-	-
3	Reconciliation of the amount of such exchange differences at the beginning and end of the year.	-	-

### **21 IND-AS – 24: Related party disclosures**

- i) Government Related entities : The Company is a Central Public Sector Enterprise (CPSE) under the Ministry of Railways. The Company is controlled by Government of India (GOI), by holding 72.84 % of equity shares in the name of President of India as at 31st March, 2023. Pursuant to Para 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. Transactions with these parties are carried out at market terms at arm length basis. The company has applied the exemption available for government related entities and have made limited disclosures in the financial statements.

ii) Enterprises under common control are as follows: -

S. No.	Enterprise
1	Centre For Railway Information Systems
2	Container Corporation of India Ltd
3	Dedicated freight corridor Corporation of India Limited
4	Indian Railway Catering and Tourism Corporation Limited
5	IRCON International Limited
6	Konkan Railway Corporation of India Limited
7	Rail Land Development Authority
8	Rail Vikas Nigam Limited
9	RITES Limited
10	India Railways
11	National High Speed Rail Corporation
12	Office of Dy CSTE-Const
13	Mumbai Railway Vikas Corporation
14	Maharashtra Rail Infrastructure Development Corporation Ltd
15	Indian Railway Stations Development Corporation Ltd
16	Indian Railway Finance Corporation
17	CLW/Chittaranjan
18	Railway Recruitment Board
19	Chhattisgarh East Railway Limited
20	Central Railside Warehouse Company Limited
21	Braithwaite & Co. Ltd
22	Research Design and Standards Organization
23	Indian Railway Institute of Transport Management (IRITM)
24	Pipavav Railway Corporation Limited

(iii) Key Management Personnel:-

S. No.	Name	Designation	Date of appointment	Date of Cessation (If any)
1	Sh. Puneet Chawla	CMD	14-12-2018	11-05-2022
2	Smt. Aruna Singh	CMD	11-05-2022	23-09-2022
3	Sh. Sanjai Kumar	CMD	"D/NPM - 23-05-2018 CMD - 23/09/2022"	Ceased as D/NPM from 23.09.2022.
4	Sh. Rakesh Ranjan	"Director/NPM (Addl. Charge)"	06-10-2022	-
5	Sh. Anand Kumar Singh	Director/Finance and CFO	"D/F - 04/09/2019 CFO - 26/09/2019"	01-10-2022
6	Sh. Rabindranath Mishra	Director/Finance	07/10/2022	27-10-2022 Director/Finance and CFO
7	Sh. Manoj Tandon	Director/POM	20-03-2023	-
8	Sh. J S Marwah	Company Secretary	05-02-2015	- Director & CFO of REL
9	Sh. Suresh Kumar	Director & CEO of REL	01-04-2021	
10	Smt. Nikita Sharma	Company Secretary of REL	23.12.2019	28-Oct-22
11	Sh. Yudhveer	Company Secretary of REL	28-10-2022	

(iv) Disclosures of transactions of the Company with Key Management Personnel:

Particulars	Name	Sh. Puneet Chawla	Sh. Sanjai Kumar	Sh. Anand Kumar Singh	V Rama Manohara Rao	Sh. Manoj Tandon	Sh. J S Marwah
Salaries and Allowances	March'23	26	63	73	16	1	28
	March'22	37	59	46			25
Provident Fund Contribution	March'23	-	5	2	2	-	2
	March'22	-	4	4	-	-	2
Pension Contribution	March'23	-	4	2	1	-	2
	March'22	6	3	3	-	-	2
Value of Perquisites	March'23	-	13	6	2	-	1
	March'22	7	12	10	-	-	1
Leave Encashment (Part of FSC)	March'23	1	-	-	-	-	-
	March'22	3	-	-	-	-	-

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The actuarial liability for the key managerial personnel is as follows:

(₹ in lakhs)

Employee Name	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	As at 31st March 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2022
Sh. Sanjai Kumar	14	30	14	27
Sh. J S Marwah	6	12	5	12
Sh. Manoj Tandon	8	16		
Sh. V Rama Manohara Rao	-	1	-	-
Sh. Anand Kumar Singh	-	-	-	18

Disclosures of transactions of the Subsidiary with their Key Management Personnel :

Particulars	Name	Smt. Nikita Sharma	Sh. Yudhveer
	Designation	Company Secretary	Company Secretary
Salaries and Allowances	March'23	10	5
	March'22	13	-
Retirement Benefit Paid	March'23	1	1
	March'22	2	-

## (v) Transactions with Railway PSUs &amp; Railway Units

Transactions with Railway PSUs and Railway Units are in relation to Telecommunication Services &amp; Other Projects. (₹ in lakhs)

Particulars	Period	Revenue	Expense	Receivable	Payable	Advance received
Centre For Railway Information Systems	Mar'23	478	-	237	-	-
	Mar'22	1,978	-	375	-	-
Container Corporation of India Ltd	Mar'23	38	-	178	-	-
	Mar'22	146	-	341	-	-
Dedicated freight corridor Corporation of India Limited	Mar'23	808	-	360	-	549
	Mar'22	641	-	288	-	373
Indian Railway Catering and Tourism Corporation Limited	Mar'23	826	22	278	2	7
	Mar'22	698	3	195	4	4
IRCON International Limited	Mar'23	6,298	-	1,073	-	4
	Mar'22	315	-	354	-	-
Konkan Railway Corporation of India Limited	Mar'23	2,667	140	81	81	2
	Mar'22	124	246	84	107	2
Rail Land Development Authority	Mar'23	16	-	16	-	-
	Mar'22	-	-	18	-	-
Rail Vikas Nigam Limited	Mar'23	491	-	415	-	238
	Mar'22	559	-	320	-	365
RITES Limited	Mar'23	62	-	33	-	-
	Mar'22	52	-	23	-	1

Particulars	Period	Revenue	Expense	Receivable	Payable	Advance received
India Railways	Mar'23	25,892	5,466	25,844	5,157	14,266
	Mar'22	24,043	8,944	20,566	9,524	17,112
National High-Speed Rail Corporation	Mar'23	756	-	147	-	341
	Mar'22	151	-	34	-	393
Mumbai Railway Vikas Corporation	Mar'23	25	-	23	-	5
	Mar'22	23	-	7	-	5
Maharashtra Rail Infrastructure Development Corporation Ltd	Mar'23	2	-	3	-	22
	Mar'22	-	-	-	-	19
Kolkata Metro Rail Corporation Ltd	Mar'23	21	-	2	-	-
	Mar'22	-	-	-	-	-
Indian Railway Station Development Corporation Ltd	Mar'23	(2)	-	-	-	-
	Mar'22	1	-	2	-	-
Indian Railway Finance Corporation	Mar'23	308	-	361	-	-
	Mar'22	(234)	-	12	-	-
CLW/Chittaranjan	Mar'23	122	-	4	-	46
	Mar'22	13	-	5	-	-
Railway Recruitment Board	Mar'23	3	-	1	-	-
	Mar'22	-	-	-	-	-
Chhattisgarh East Railway Limited	Mar'23	6	-	7	-	-
	Mar'22	7	-	8	-	-
Central Railside Warehouse Company Limited	Mar'23	-	-	1	-	-
	Mar'22	-	-	1	-	-
Braithwaite & Co. Ltd	Mar'23	-	-	4	-	-
	Mar'22	19	-	28	-	-
Research Design and Standards Organization	Mar'23	86	-	63	-	9
	Mar'22	27	-	9	-	-
Indian Railway Construction Limited	Mar'23	-	-	-	-	-
	Mar'22	-	-	-	-	-
Modern Coach Factory (MCF)	Mar'23	-	-	6	-	-
	Mar'22	-	-	6	-	-
Indian Railway Institute of Transport Management (IRITM)	Mar'23	11	-	-	-	-
	Mar'22	-	-	-	-	-
Office of Dy CSTE-Const	Mar'23	2	-	126	-	-
	Mar'22	-	-	-	-	-
Pipavav Railway Corporation Limited	Mar'23	1	-	-	-	-
	Mar'22	-	-	-	-	-
<b>Total</b>	<b>Mar'23</b>	<b>38,917</b>	<b>5,628</b>	<b>29,262</b>	<b>5,240</b>	<b>15,489</b>
	<b>Mar'22</b>	<b>28,564</b>	<b>9,193</b>	<b>22,677</b>	<b>9,635</b>	<b>18,274</b>



## 22 Disclosures as required by IND AS 33: Earning Per Share

Numerator	For the year ended 31st March 2023	For the year ended 31st March 2022
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Used as Numerator (₹ in Lakhs))	18,907	20,894
<b>Denominator</b>		
Number of Equity Shares (Face value of ₹ 10/- each)	320938407	320938407
Number of Shares allotted during the year	NIL	NIL
Weighted Average number of equity shares for calculating Basic Earnings Per Share	320938407	320938407
Weighted Average number of equity shares for calculating Diluted Earnings Per Share	320938407	320938407
Basic Earnings Per Share (₹ / per share) (Face value of ₹ 10/- each)	5.89	6.51
Diluted Earnings Per Share (₹ / per share) (Face value of ₹ 10/each)	5.89	6.51

## 23 Disclosure as per Ind AS 36 and 113: Impairment of Assets, Fair Value Measurement

Based on an impairment study, the Company has recognized the impairment loss amounting ₹ 863 lakhs (March'22 – ₹ 1224 lakhs) during the current year in statement of profit and loss for NE Project. This project was halted for the long time due to difficult working conditions in north eastern region and various other reasons. The part of the project is currently accounted under the capital work in progress and contains mainly the plant and machinery. Hence, company has assessed and recognized the impairment loss on the project. Out of the total impairment loss as at 31.03.2023 of ₹ 9175 lakhs (as at 31.03.22 ₹ 8313 Lakhs), Impairment loss of ₹ 4709 Lakhs pertains to the assets totally damaged and no future economic benefits are expected from these assets. Impairment loss have been calculated by taking the whole project as "Cash Generating Unit".

Recoverable amount has been calculated as per Ind AS 36 and 113. Recoverable amount is calculated as the higher of an asset's fair value less costs of disposal and its value in use.

However, the Company will continue review and monitor the impairment assessment at every subsequent reporting period based on comprehensive review of further information that may be available during such reporting periods as required by Ind AS.

## 24 Disclosures as required by IND AS 37: Provisions, Contingent Liabilities and Contingent Assets

- a. Provisions are recognized in respect of obligations, based on the evidence available, and wherever their existence on the Balance Sheet date is considered probable.

(₹ in lakhs)

Particulars	Provision for Arbitration Claim	Provision for Performance Related Pay	Total
Carrying Amount at the beginning of the year as on 01.04.2022	46	2,296	2,342
Additional provision made in the period	-	736	736
Amount utilized/adjusted during the period	(46)	(1,005)	(1,051)
Unused amount reversed during the period	-	-	-
<b>Carrying amount at the end of the period as on 31.03.2023</b>	<b>-</b>	<b>2,027</b>	<b>2,027</b>

Particulars	Provision for Arbitration Claim	Provision for Performance Related Pay	Total
Carrying Amount at the beginning of the year as on 01.04.2021	46	1,013	1,059
Additional provision made in the year	-	2,075	2,075
Amount utilized/adjusted during the year	-	792	792
Unused amount reversed during the year	-	-	-
<b>Carrying amount at the end of the year as on 31.03.2022</b>	<b>46</b>	<b>2,296</b>	<b>2,342</b>

### b. Contingent liabilities:

Contingent liabilities are determined based on available information. These liabilities are not provided for and are disclosed by way of notes on accounts.

### (a). Claim against the Company not acknowledged as debts:

(₹ in lakhs)

Particulars	Service Tax	Income Tax	VAT	GST	Arbitration/ Court Cases	Other	Total
Carrying Amount at the beginning of the year 01.04.2022	845	3,296	96	1,590	13,308	537	19,672
Additions during the year	-	8	1,925	-	4,585	29156*	35,674
Amount adjusted during the year	(0)	(309)	(104)	(273)	(75)	-	(761)
Carrying amount at the end of the year 31.03.2023	845	2,995	1,917	1,317	17,818	29,693	54,585

\*Hon'ble Supreme Court passed an order dated 11.06.2020 wherein it was held that definition of AGR as per the licenses given to the Public Sector Undertaking (PSUs) is different than the definition of AGR as per Universal Access Service License (UASL) given to other network service providers. It was also upheld that the Hon'ble Supreme Court Judgement dated 24.10.2019 never dealt with the issue of PSUs as their agreements are quite different and therefore, the judgement held on AGR issue could not have been made the basis for raising the demand against Public Sector Undertaking as they are not in the actual business of providing mobile services to the general Public. The Company has filed an application to Ministry of Railways for settlement of the dispute through administrative Mechanism for resolution of CPSE

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dispute (AMRCD). Department of public enterprises (DPE) wide its letter dated 10.02.2023 has notified the committee of secretaries for settlement of disputes. The same is under active consideration of AMRCD. considering the case in AMRCD, the amount has been shown under contingent liability.

(b) Bank Guarantees given by the Company to Customers/Government as on 31.03.2023 is ₹ 37726 lakhs (March'22 – ₹ 31600 lakhs).

(c) Capital Commitments (₹ in lakhs)

Particulars	March '23	March '22
Estimated amounts of contracts remaining to be executed on capital account	14,522	17,004

### Capital-Work-in Progress (CWIP): ageing schedule as on 31.03.2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	10,779	423	84	-	11,286
Projects temporarily suspended *	978	43	356	3,030	4,407

\* NE Project halted due to reason mentioned in point no.23 of note no 43

**For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule is given:**

As at 31st March 2023	(Amount in lakh)			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
CWIP				
OFC Laying Works	27	-	-	-
MPLS, STM, Other Telecom Radio Equipment, Data Centre & OSS/BSS	393	-	-	-
Capital Stores lying at project site	3	-	-	-
Building	-	-	-	-
Others	1	-	-	-
<b>Total</b>	<b>424</b>	<b>-</b>	<b>-</b>	<b>-</b>

NE Project halted due to reason mentioned in point No. 23 of note No. 43

### Capital-Work-in Progress (CWIP): ageing schedule as on 31.03.2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7,080	782	73	47	7,982
Projects temporarily suspended *	84	3,345	3,150	1,765	8,344

\* NE Project halted due to reason mentioned in point no. 23 of note no 43.



As at 31st March 2022	(Amount in lakh)			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
CWIP				
OFC Laying Works	569			
MPLS, STM, Other Telecom Radio Equipment, Data Centre & OSS/BSS	4,416			
Capital Stores lying at project site	2,883			
Building	78			
Others	36			
<b>Total</b>	<b>7,982</b>	<b>0</b>	<b>0</b>	<b>0</b>

NE Project halted due to reason mentioned in point No.23 of note No. 43

## 25. Disclosure Requirements as per IND AS 108 – Operating Segments

The Company's principle business is to provide neutral telecom infrastructure. The Company operates within India and does not have operations in economic environment with different risks and returns. Hence, it is considered operating in Pan India-single geographical segment

The Company's operating segments are as follows:

- 1. Telecom Services** - Department of telecommunication has provided licenses to Company, namely ILD, NLD, ISP and IP-1 registration for providing various type of telecommunication services in the country. RailTel with its expertise in Telecom & IT domain for over a decade offers an end-to-end managed data services to its customers within the framework of these licenses.

It provides a wide range of Telecom services to its customer as under:

1. Managed Data Services
2. Leased Line
3. Virtual Private Network
4. Internet Leased Line
5. Data Centre
6. Tower collocation
7. Rack and space
8. NLD for voice carriage

- 2. Project Work services**- To generate revenue through its expertise in telecom field, Company has taken the following projects:

1. National Optical Fiber Network
2. Telecom and IT services related projects
3. Enterprise specific IT & ITES Projects

**The Company's Operating segment information for the period ended March'23 and March'22 is presented below:**

Sr. No.	Particulars	31-Mar-23			31-Mar-22		Total
		Telecom Services	Project Work Services	Total	Telecom Services	Project Work Services	
		A	B	A+B	A	B	A+B
<b>1</b>	<b>Segment Revenue</b>						
	Revenue from operations	1,16,948	79,403	1,96,351	1,04,156	50,689	1,54,845
<b>2</b>	<b>Segment Expenditure</b>	<b>94,049</b>	<b>75,613</b>	<b>1,69,662</b>	<b>84,209</b>	<b>46,445</b>	<b>1,30,654</b>
<b>3</b>	<b>Segment Results</b>						
	<b>Profit/Loss before Taxes</b>						
	Segment Operating Income/ (Loss)	22,899	3,790	26,689	19,947	4,244	24,192
	<b>Total</b>	<b>22,899</b>	<b>3,790</b>	<b>26,689</b>	<b>19,947</b>	<b>4,244</b>	<b>24,192</b>
	Add/Less: (i) Other Un-allocable expenditure net of un-allocable income			775			(4,174)
	(ii) Finance cost net of Finance income			434			304
	Total Profit before Tax			25,480			28,062
<b>4</b>	<b>Segment Assets</b>						
	a. Property, Plant & Equipment Assets and Intangible assets (Net Blocks)	65,231	-	65,231	60,149	-	60,149
	b. Right of Use Assets	16,900	-	16,900	16,502	-	16,502
	c. Other Assets	1,48,054	62,710	2,10,764	88,286	66,559	1,54,845
	d. Capital CWIP	15,693	-	15,693	16,326	-	16,326
	e. Un-allocable assets	-	-	25,326	-	-	37,997
	<b>Total Assets</b>	<b>2,45,878</b>	<b>62,710</b>	<b>3,33,914</b>	<b>1,81,262</b>	<b>66,559</b>	<b>2,85,817</b>
<b>5</b>	<b>Segment Liabilities</b>						
	a. Segment Liabilities	1,47,932	17,116	1,65,048	1,09,054	17,124	1,26,178
	b. Un-allocable Liabilities	-	-	3,979	-	-	6,968
	<b>Total liabilities</b>	<b>1,47,932</b>	<b>17,116</b>	<b>1,69,027</b>	<b>1,09,054</b>	<b>17,124</b>	<b>1,33,148</b>

**26 Disclosure as required by IND AS 107, IND AS 109 & IND AS 113**

Valuation techniques and process used to determine fair values

- The carrying value of financial assets and liabilities with maturity less than 12 months are considered to be representative of their fair value.

- ii. Fair value of other financial assets and liabilities carried at amortized cost is determined by discounting of cash flows using discount rate.
- iii. A discount rate of 5.1% (SBI Rate) has been used for balances as on 31/03/2023.

### Financial Instrument

#### Financial Instruments by Category

The carrying value of financial instruments by each category were as follows: - (₹ in lakhs)

Particulars	Financial Assets/ Liabilities at amortised costs		Financial Assets/ Liabilities at FVTPL		Financial Assets/ Liabilities at FVTOCI	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Assets</b>						
Trade Receivables (Refer to Note No. 11)	1,04,834	68,476	-	-	-	-
Cash & Cash Equivalents & Other bank balances (Refer to Note No. 12 & 13)	27,265	32,809	-	-	-	-
Other Financial Assets (Refer to Note No. 6,7,14 & 15)	70,533	68,658	-	-	-	-
<b>Liabilities</b>						
Trade Payables (Refer to Note No. 25)	56,870	49,303	-	-	-	-
Other Financial Liabilities (Refer to Note No. 20, 21, 26 & 27)	50,056	37,488	-	-	-	-

#### Trade Receivables ageing schedule as on 31.03.2023\*

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment/date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	57,167	19,144	10,057	11,681	1,882	99,931
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	417	335	5,281	6,033
(iii) Undisputed Trade Receivables – credit impaired	-	-	84	-	2,113	2,197
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	3	10	-	-	4,175	4,188
	57,170	19,154	10,558	12,016	13,451	1,12,349
Less: Allowance for credit Loss						7,515
<b>Trade Receivables</b>						<b>1,04,834</b>

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23वीं वार्षिक रिपोर्ट 2022-23  
23<sup>rd</sup> Annual Report 2022-23**Unbilled Revenue ageing schedule as on 31.03.2023**

(₹ in lakhs)

Particulars	Outstanding for Unbilled revenue from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Unbilled Revenue*	21,943	619	417	-	-	22,979
Less: Allowance for credit Loss						168
						<b>22,811</b>

\*Unbilled receivables are recognised based on mercantile accounting system and are not due for payment as at the close of financial year.

**Trade Receivables ageing schedule as on 31.03.2022**

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment/ date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	41,323	13,069	9,020	1,244	-	64,656
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	1,106	235	3,329	4,670
(iii) Undisputed Trade Receivables – credit impaired	2	2	4	1	2,197	2,206
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	13	-	-	963	3,212	4,188
	41,338	13,071	10,130	2,443	8,738	75,720
Less: Allowance for credit Loss						7,242
<b>Trade Receivables</b>						<b>68,477</b>

**Unbilled Revenue ageing schedule as on 31.03.2022**

(₹ in lakhs)

Particulars	Outstanding for Unbilled revenue from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Unbilled Revenue	23,222	5,059	170	-	869	<b>29,320</b>
Less: Allowance for credit Loss						<b>238</b>
<b>Net</b>						<b>29,082</b>

\*Unbilled receivables are recognised based on mercantile accounting system and are not due for payment as at the close of financial year.

### Trade Payables ageing schedule as on 31.03.2023

Particulars	Outstanding for following periods from due date of payment/date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME *	13,204	877	118	703	14,902
(ii) Others	35,630	2,781	1,760	1,797	41,968
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

Unbilled dues are provided for based on mercantile accounting system and are not due for payment as at the close of financial year.

\* Age analysis is based on date of transaction as payment milestones are not yet achieved as per contractual terms.

### Trade Payables ageing schedule as on 31.03.2022

Particulars	Outstanding for following periods from due date of payment/date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME *	11,945	977	128	1,941	14,992
(ii) Others	28,292	1,277	1,354	3,388	34,311
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

Unbilled dues are provided for based on mercantile accounting system and are not due for payment as at the close of financial year.

\* Age analysis is based on date of transaction as payment milestones are not yet achieved as per contractual terms.

### Interest Income/(Expenses) recognized on financial assets and liabilities:

(₹ in lakhs)

Particulars	As at March'23	As at March'23
<b>Financial assets at amortised cost</b>		
Interest expenses on other financial assets	90	115
Interest income on other financial liabilities	179	208
<b>Financial assets at Fair Value through Profit or Loss (FVTPL)</b>	-	-
<b>Financial assets at Fair Value through Other Comprehensive Income (FVTOCI)</b>	-	-

### Financial Risk Management

The Company has constituted Risk Management Committee in line with the requirement of Regulation 21 of the SEBI (LODR) Regulations, 2015 (as amended).





The role and responsibilities of Risk Management Committee is in line with the provisions of Regulation 21 of the SEBI (LODR) Regulations, 2015.

Risk Management frame work of the company is as follows:-

- a. Apex level Risk Management committee
- b. Functional Risk Management Committee

The Company has a risk management policy to identify and analyse the risks faced by the Company. The audit committee evaluates the internal financial controls and risk management system. The Audit Committee monitor the Risk assessment and minimization procedure across the company after review of the same by Risk Management Committee (Apex Level) The audit committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has exposure to the following risk from its use of financial instruments: -

1. Credit Risk
2. Liquidity Risk
3. Market Risk
4. Project Risk
5. Insurable Risk

#### 1. Credit Risk:

Credit risk is the risk of financial losses to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation and arises principally from the Company's trade receivables, employee loans and other activities that are in the nature of leases.

The Company assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109 i.e. expected credit loss allowance as computed based on historical credit loss experience. Company have used the methodology of provisional matrix as per Ind AS 109 to compute the historical loss rate and adjust the impact of macroeconomic factors into the historical loss rate to compute the forward-looking rates.

#### Exposure to Credit Risk

In the current year, Company used expected credit loss model to assess the impairment loss or gain. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix considers historical credit loss experienced and adjusted for forward-looking information. The expected credit loss allowance is based on ageing of the days the receivables are due. The trade receivables which share the similar credit risk

characteristics have been taken into the one bucket. Hence, company has divided the trade receivable into two categories as follows:

- Government & PSU Customers
- Private Customers

The company has rationalised the estimate of expected credit loss as per Ind AS-109, which has resulted into reduction of Expected credit loss provision of ₹ 4,498 Lakhs and corresponding increase in profit before tax.

The gross carrying amount of trade receivables and unbilled revenue, net of any impairment losses recognized represents the maximum credit exposure. (₹ in lakhs)

Ageing	March 31, 2023			
	Gross Amount	Expected credit Loss	Gross Amount	Expected credit Loss
	Government and PSU		Private	
Within 1 year	76,919	754	4,513	82
1 -2 years	11,345	555	551	175
2 -3 years	6,789	581	299	94
3 -4 years	3,431	1,070	140	97
4 -5 years	3,676	523	123	79
More than 5 years	1,649	590	2,914	2,914
Unbilled More than 1 Year	167	167	-	-
<b>Total</b>	<b>1,03,975</b>	<b>4,240</b>	<b>8,541</b>	<b>3,442</b>
<b>Total Expected Credit Loss</b>				<b>7,683</b>

(₹ in lakhs)

Ageing	March 31, 2022			
	Gross Amount	Expected credit Loss	Gross Amount	Expected credit Loss
	Government and PSU		Private	
Within 1 year	47,495	712	6,913	167
1 -2 years	9,023	1,069	1,106	193
2 -3 years	2,208	506	235	94
More than 3 years	5,477	1,785	3,261	2,716
Unbilled More than 1 Year	983	204	34	34
<b>Total</b>	<b>65,186</b>	<b>4,276</b>	<b>11,549</b>	<b>3,204</b>
<b>Total Expected Credit Loss</b>				<b>7,480</b>

The company does not hold any collateral or other enhancements to cover its credit risks associated with its trade receivables and unbilled revenue.

The gross carrying amount of financial assets, net of any impairment losses recognized represents the maximum credit exposure. The maximum exposure to credit risk as at March' 2023 & March' 2022 was as follows: -

Particulars	As at March'23		As at March'22	
	Gross Carrying Value	Net Value after Impairment	Gross Carrying Value	Net Value after Impairment
Trade Receivables (Refer to Note No. 11)	1,12,349	1,04,834	75,718	68,476
Other Financial Assets (Refer to Note No. 6,7,14 & 15)	70,700	70,533	68,896	68,658

Employee Loans, and other assets are either not past due or past due but not impaired.

## 2. Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company reputation, typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

## 3. Market Risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments.

The Company makes investment in mutual fund which are subject to market risk. Hence, the investment is classified in the Balance Sheet at fair value through profit and loss (FVTPL) and resultant gain/loss on investment is classified as FVTPL. However, to manage the price risk, the Company invests in liquid funds and the level of the investments is insignificant in view of the level of the operation of the Company.

## 4. Project Risk:

A project risk is an uncertain event that may or may not occur during a project. There is risk of time overrun/cost overrun which is mitigated by ensuring time schedule for each activity of the project execution based on milestone and monitoring based on cost estimate..

## 5. Insurable Risk:

Insurable Risks are mitigated based on definite policy of the company in regard to insurance of assets, material, Risks during Project execution, workmen and Directors and officers liability as decided by the company from time to time.

## 6. Capital Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern, while maximizing the return to stakeholders through efficient allocation of capital towards expansion of business, optimization of working capital requirements and deployment of surplus funds. The Company uses the operational cash flows to meet its working capital requirements. The funding requirements are met through internal accruals. The Company is not subject to any externally imposed capital requirements.



## 27 1. IND AS 115 – Revenue from Contracts with Customers

### Disaggregation of Revenue

The company disaggregates revenue from contract with customer into categories that depicts how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. In project business segment the company provides warranty to customer which is implicit in the contract revenue. The said warranty is provided by OEMs with back to back performance obligation and hence the company does not have additional obligation for warranty in addition to the same provided by OEMs. Since warranty is implicit in transaction price on back to back agreement with OEMs and hence not been accounted for separately.

The following table illustrates the disaggregation of disclosure by primary geographical region, major product line, market or type of customer, type of contract, contract duration, sales channel and timing of revenue recognition in accordance with Ind AS 115.

The Company's principal business is to provide neutral telecom infrastructure. The Company operates within India and does not have operations in economic environment with different risks and returns. Hence, it is considered operating in Pan India-single geographical segment.

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Geographical Segment</b>		
Pan India	83,605	54,575
Abroad	-	-
<b>Total</b>	<b>83,605</b>	<b>54,575</b>

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Major Product Line</b>		
Railway Project Works	15,844	9,271
Other Projects	64,866	41,418
Others	2,895	3,887
<b>Total</b>	<b>83,605</b>	<b>54,575</b>

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Type of Customer</b>		
Government Customers	71,911	38,893
Non - Government Customers	11,694	15,682
<b>Total</b>	<b>83,605</b>	<b>54,575</b>

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Type of Contract</b>		
Fixed Price Contracts	69,265	46,993
Time- and- Materials Contracts	14,340	7,582
<b>Total</b>	<b>83,605</b>	<b>54,575</b>

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Sales Channel</b>		
Direct to Customer	83,605	54,575
Through Intermediaries	-	-
<b>Total</b>	<b>83,605</b>	<b>54,575</b>

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Duration of Contract</b>		
Short Term	82,780	54,242
Long Term	825	333
<b>Total</b>	<b>83,605</b>	<b>54,575</b>

### Contract Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivable*	87,490	42,680
Unbilled Revenue	10,046	23,390
Work in Progress	5,225	-
<b>Total</b>	<b>1,02,761</b>	<b>66,070</b>

Particulars	As at March 31, 2023	As at March 31, 2022
Contract Liability	13,139	20,125
<b>Total</b>	<b>13,139</b>	<b>20,125</b>

### Revenue recognized during the year from the contract liability balance at the beginning

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Revenue recognized during the year from the contract liability balance at the beginning	2,601	2,284
<b>Total</b>	<b>2,601</b>	<b>2,284</b>



### Revenue Recognized from performance obligations satisfied partially in Previous year

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Revenue recognized due to change in Transaction Price	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

\* Includes trade receivable of ₹ 4278 lakhs recoverable from a customer out of which ₹ 2638 lakhs is disputed by the customer and management is of the opinion that it is fully recoverable. However, due to significant increase in credit risk, in addition to the ECL as per Ind AS requirement, the company has made additional provision under ECL in respect of outstanding for more than 3 years taking the underlying obligation into consideration on this project. Further, the Company has also claimed an amount of ₹ 2666 lakhs towards SLA deduction and interest for delayed payment. However, the same has not been recognized in the books of accounts on conservative basis as per Ind AS-115. Company has filed an application to Ministry of Railways for settlement of the dispute through administrative Mechanism for resolution of CPSE dispute (AMRCD). The same is under active consideration of AMRCD.

## 28 Ind AS 116 –Leases

### A. As a Lessee

Right of Use Assets Comprises of leased assets that do not meet the definition of Investment property

#### Right of use – Asset

(₹ in lakhs)

Right-of-use assets, except for investment property (Note No. 4)		
Particulars	As at 31st March 2023	As at 31st March 2022
Building	12,552	11,848
Land	2,246	2,303
Telecom Assets	2,102	2,352
<b>Total</b>	<b>16,900</b>	<b>16,504</b>

The Company takes many assets on lease including Land and Buildings, Plant & Machinery (Telecom Assets) such as Dark Fibers, OFC/Duct spaces etc.

#### Lease Liabilities

Maturity analysis - Contractual undiscounted cash flows	As at 31st March 2023	As at 31st March 2022
Less than one year	779	982
One to five years	1,246	1,387
More than five years	3,460	3,607
<b>Total undiscounted lease liabilities</b>	<b>5,485</b>	<b>5,976</b>

### Lease Liabilities included in the statement of Financial Position

Particulars	As at 31st March 2023	As at 31st March 2022
Current	552	802
Non – Current	3,627	2,349
<b>Total</b>	<b>4,179</b>	<b>3,151</b>

### Amount Recognized in profit & Loss Account

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Interest on lease liabilities	236	267
Variable lease payments not included in the measurement of lease liabilities	-	-
Expenses relating to Short term leases and leases of low-value assets, excluding short-term leases of low-value assets	-	-

### Amounts recognized in the statement of Cash flows -

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Total cash outflow for leases	951	909

## 29 Other Disclosure-

- There are no significant restrictions or covenants imposed by the leases.
- There are no lease pending commencement to which the Company has committed as at year ended March 31, 2023.
- The incremental borrowing rate considered is the SBI MCLR rate at the lease commencement date for new leases and April 1st, 2019 for pre-existing leases except NOIDA Land lease where there is inbuilt coupon rate in the future financial obligation.

### B. As a Lessor

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Lease Income	1,10,097	98,105

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date in respect of non-cancellable operating lease:

### Lease Payments to be received after the reporting date

(₹ in lakhs)

Particulars	As at 31st March 2023
Less than one year	17821
One to two years	3853
Two to three years	2013
Three to four years	768
Four to five years	524
More than five years	629
<b>Total undiscounted lease payments</b>	<b>25,608</b>

### 30 Other Disclosures –

- The Company has been offering NLD Services, infrastructure services (Dark Fibers, Tower space and co-location etc.) under IP-I registration, ILD and Internet services under unified license to its customers under respective operating lease.
- The Company has entered into a non-cancellable long-term lease arrangement to provide optical fiber on indefeasible right of use (IRU) basis. The lease rental receivable proportionate to actual kilometers accepted by the customer is credited to the statement of profit and loss on a straight – line basis over the lease term. Due to the nature of the transaction, it is not possible to compute gross carrying amount, depreciation for the period and accumulated depreciation of the asset given on operating lease as of September, 2020 and accordingly respective disclosures required by IND AS 116 are not provided.

### 31 Struck off Companies: -

The details of struck off companies having transaction during the FY 2022-23:

Name of Struck Off Company	Nature of Transaction with Struck Off Companies	Balance Outstanding (₹ In Lacs)	Relationship with the Struck Off Company, if any, to be disclosed
		-	-

### 32 COVID -19 Impact & Assessment

The Covid-19 pandemic has resulted in economic slowdown throughout the world including India. The Company has evaluated the impact of this pandemic on its business operations and financial position while preparing these financial statements and has considered internal and external information for making this evaluation. The Company's assessment is based on its current estimates while assessing the provision towards employee benefits and assessing the realizability of trade receivables and other financial assets. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial reporting and controls etc. However, Covid situation in india has improved significantly at the end of financial year, resulting in normalization of business activity to the great extent. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions.

**33 Benami Property held : N.A**

**34 Willful Defaulter : N.A**

**35 Utilization of borrowed funds and share premium : N.A**

**36 Registration of Charges or satisfaction with Registrar of Companies (ROC) : N.A**

**37 Compliance with number of layers of companies : N.A**

**38 Compliance with approved scheme(s) of arrangements : N.A**

**39 Details of Crypto Currency or virtual currency : N.A**

**40 Ratio Analysis**



S. No.	Particulars	As at 31st March 2023	As at 31st March 2022	% Change in ratio	Reason for variation more than 25%
1	Current Ratio= Current Assets/Current Liability	1.39	1.31	6%	
2	Debt-Equity Ratio = Debt/Equity	N/A	N/A	N/A	
3	Debt Service Coverage Ratio = Net Operating Income/Current Debt Obligation	36.35	40.91	-11%	
4	Return on Equity Ratio =Net Income/ Shareholder's Equity	11.47%	13.69%	-16%	
5	Trade Receivables Turnover Ratio = Net Credit Sales/Average Accounts Receivable	2.00	1.72	16%	
6	Trade Payables Turnover Ratio = Net Credit Purchase/Average Accounts Payable	2.54	1.87	36%	Improved liquidity management and alignment of vendor payment terms with customer payment terms
7	Net Capital Turnover Ratio = Net Annual Sales/ Working Capital	3.37	4.21	-20%	
8	Net Profit Ratio= PAT/Total Income	9.63%	13.49%	-29%	Reduced due to higher competition in project segment
9	Return on Capital Employed Ratio = EBIT/Capital Employed	15.45%	18.38%	-16%	
10	Inventory Turnover Ratio	N/A	N/A	N/A	

41

Name of the entity in the Group	Net assets i.e. Total Assets-Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated Net assets	Amount	As % of Consolidated share in Profit & loss	Amount	As % of Consolidated share in OCI	Amount	As % of Consolidated share in TCI	Amount
Railtel Corporation Of India Limited	99%	1,63,650	99.10%	18,738	100%	210	99%	18,948
RailTel Enterprise Limited	1%	2,240	0.53%	101	-0.03%	(0)	0.53%	101

- 42 The Board of Directors in its meeting dated 17.05.2023 have approved the company's financial statements for the FY22-23. CMD and /or Director Finance of the company is authorised by the Board to make necessary correction/modification/alteration in the financial statements on behalf of the Board.
- 43 Board of Holding Company i.e. "Railtel Corporation of India Limited" and Board of Subsidiary Company i.e "Railtel Enterprises Ltd." have approved the merger of REL with RCIL. Same is pending for approval with NCLT and once approved by NCLT it will be merged with the Holding Company.

**As per our report of even date attached**

**For M/s S R GOYAL & CO**  
**Chartered Accountants**  
**FRN : 001537C**

**Sd/-**  
**CA A.K. Atolia**  
M. No. 077201

Place New Delhi

Date: 17.05.2023

**For and on behalf of the Board of Directors**  
**of RailTel Corporation of India Limited**

**Sd/-**  
**J S Marwah**  
Company Secretary  
(M. No. : F8075)

**Sd/-**  
**V Rama Manohara Rao**  
Director Finance  
(DIN : 06689335 )

**Sd/-**  
**Sanjai Kumar**  
Chairman & Managing Director  
(DIN: 06923630)

## C&AG COMMENTS

### COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF RAILTEL CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of financial statements of RailTel Corporation of India Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 17 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of RailTel Corporation of India Limited for the year ended 31 March 2023 under Section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 143(6) (b) of the Act.

For and on the behalf of the  
Comptroller & Auditor General of India

Sd/-

**(Dr. Nilotpal Goswami)**

**Director General of Audit**

**Railway Commercial, New Delhi**

Place: New Delhi

Dated: 21<sup>st</sup> July, 2023

## C&AG COMMENTS

### COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RAILTEL CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of consolidated financial statements of RailTel Corporation of India Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129(4) of the Act is responsible for expressing opinion on the financial statements under Section 143 read with Section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 17 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of RailTel Corporation of India Limited for the year ended 31 March 2023 under Section 143(6)(a) read with Section 129(4) of the Act. We conducted a supplementary audit of the financial statements of RailTel Enterprises Limited for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory Auditor's report under Section 143(6) (b) of the Act.

For and on the behalf of the  
Comptroller & Auditor General of India

Sd/-

**(Dr. Nilotpall Goswami)**

**Director General of Audit**

**Railway Commercial, New Delhi**

Place: New Delhi

Dated: 21<sup>st</sup> July, 2023



Observance of Yoga Day



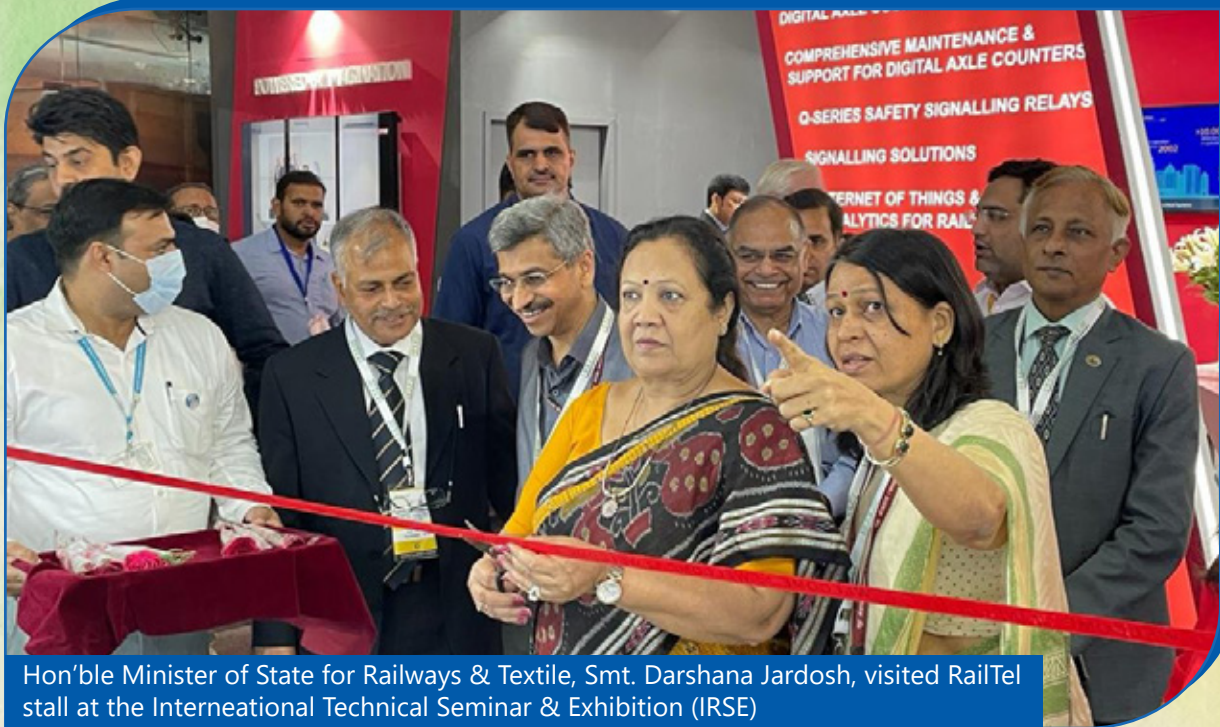
RailTel Manthan Shivir for Strategic Initiatives at Chail (H.P.)



Independence Day Celebration at RailTel's Gurugram Office



Interaction of PED/HR with the students of RailTel Akansha Super 30-CSR activity



Hon'ble Minister of State for Railways & Textile, Smt. Darshana Jardosh, visited RailTel stall at the International Technical Seminar & Exhibition (IRSE)



Inspection of CMD/RailTel of tunnel communication project at Banihal (J&K)



RailTel's 23rd Foundation Day Celebration



RailTel won South Asian Federation of Accounts (SAFA) Award-Certificate of Merit for Integrated Reporting and Corporate Governance Disclosure 2021





रेलटेल  
RAILTEL

A Mini Ratna Enterprise



RailTel signed a MoU with Northeast Frontier Railway for providing State-of-the-art intrusion detection system for detecting the movement of elephants near Railway Tracks and alert Railway official to prevent train collision with elephants.



Panel Discussion at ServiceNow summit, New Delhi on the re-imagining era of digital business



Launched PIPOnet App which will connect advertiser to consumers through Railway Station Wi-Fi Network



RailTel donated multi-purpose mobile testing Van to Bharat Vikas Parishad

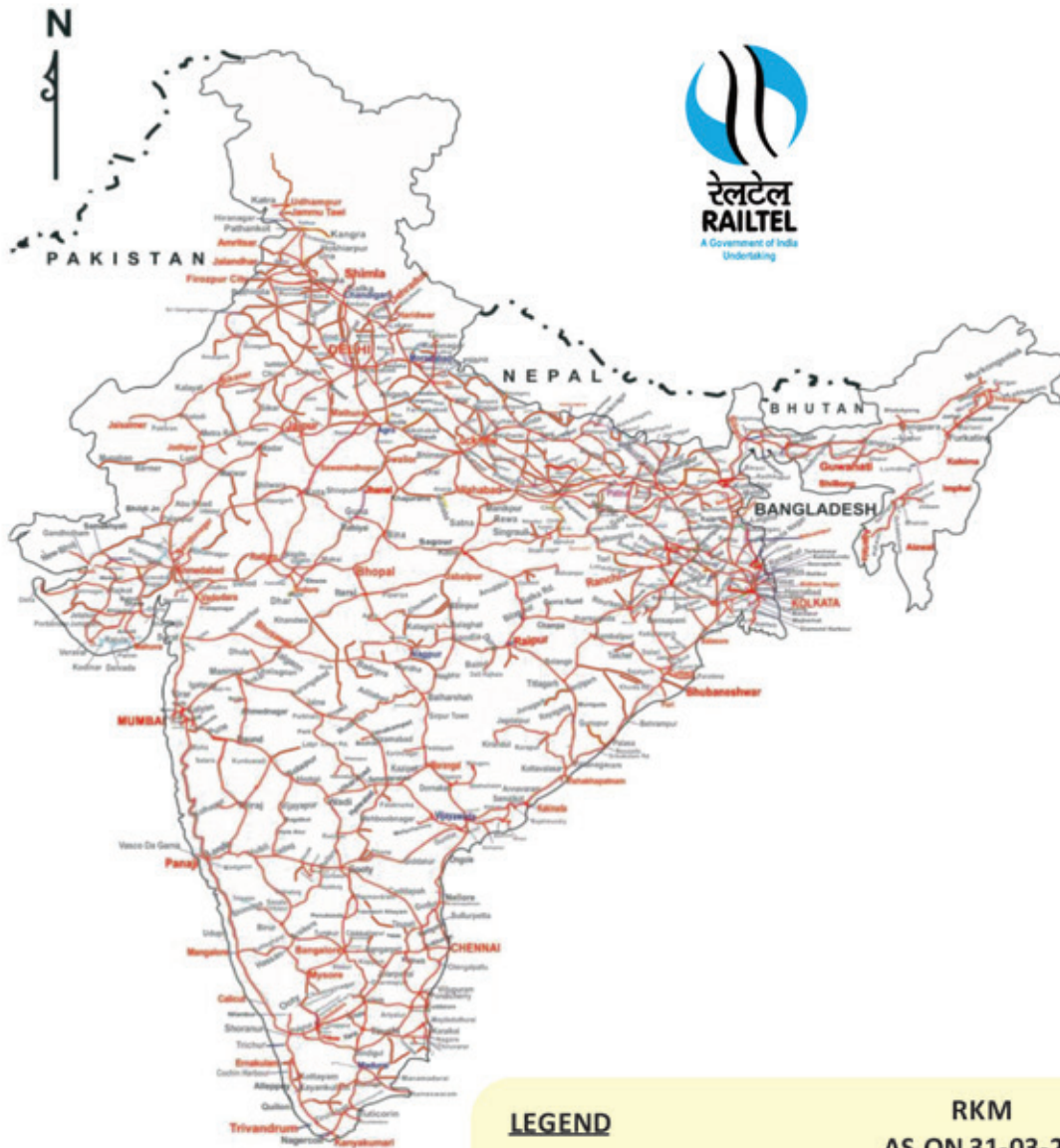


RailTel convened a meeting of shareholders as per direction of Hon'ble Ministry of Corporate Affairs



Women's Day Celebration

# OPTIC FIBRE CABLE NETWORK



MAP NOT TO SCALE

## LEGEND

		RKM AS ON 31-03-23
1. OPTIC FIBER CABLE COMMISSIONED	<span style="display: inline-block; width: 20px; height: 10px; background-color: red; border: 1px solid black;"></span>	61,401
2. OPTIC FIBER CABLE LAID	<span style="display: inline-block; width: 20px; height: 10px; background-color: blue; border: 1px solid black;"></span>	61,894
3. OPTIC FIBER WORK IN PROGRESS	<span style="display: inline-block; width: 20px; height: 10px; background-color: blue; border: 1px solid black;"></span>	493
<b>GRAND TOTAL</b>		<b>61,894</b>



## रेलटेल कॉर्पोरेशन ऑफ इण्डिया लिमिटेड

(भारत सरकार का उपक्रम)

### RailTel Corporation of India Limited

(A Government of India Undertaking)

CIN: L64202DL2000GOI107905

Regd. & Corporate Office:

Plate-A, 6th Floor, Office Block Tower-2, East Kidwai Nagar, New Delhi-110023

Phone: 011-22900600, Fax: 011-22900699