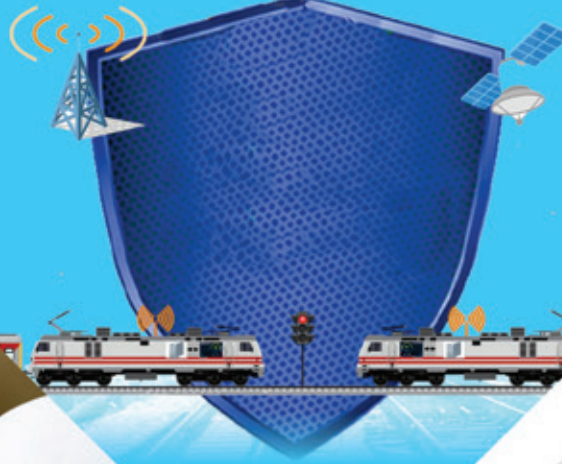


75
Azadi Ka
Amrit Mahotsav

Digital India
Power To Empower



रेलटेल
RAILTEL

A Mini Ratna Enterprise



22^{वी} वार्षिक रिपोर्ट ANNUAL REPORT 2021-22

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	Smt. Aruna Singh	Chairperson & Managing Director (Addl. Charge)
2	Shri Sanjai Kumar	Director-Network Planning and Marketing (He has been entrusted with Additional Charge of the post of Director (Project Operation & Maintenance) w.e.f. 28/09/2020 as per MoR letter.)
3	Shri Anand Kumar Singh	Director-Finance
4	Shri Rakesh Ranjan	Part-time Govt. Nominee Director
5	Dr. Subhash Sharma	Part-time non- official Director/ Independent Director
6	Shri N. Manoharan	Part-time non- official Director/ Independent Director

KEY MANAGERIAL PERSONNEL (KMPs)

1.	Shri Anand Kumar Singh	Chief Financial Officer
2.	Shri J. S. Marwah	Company Secretary & Compliance Officer



REGIONAL OFFICES

Northern Region:

Smt. Vijay Laxmi Kaushik
Executive Director
6th 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, 6th Floor, Gumidelli Towers, Begumpet Airport Road, Opp. Shoppers Stop, Hyderabad – 500016.
Tele: 040-27788000 | Fax: 040-27820682

Eastern Region:

Shri Zakir Hussain Siddiqui
Regional General Manager (RGM)
16th & 3rd Floor Chatterjee International Centre, 33A, Jawaharlal Nehru Road, Kolkata - 700071
Tele: 033-44041499 | Fax: 033-44041499

Western Region:

Shri Vinod Kumar Agarwal
Regional General Manager (RGM)
Western Railway Microwave Complex, Senapati Bapat Marg, Mahalakshmi, Mumbai – 400 013
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



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



STATUTORY AUDITORS

M/s. PSMG & Associates
Chartered Accountants
206 and 207 A Jagdamba Tower
Preet Vihar, New Delhi – 110092
Contact Number: +919958709723
Email: info@psmg.co.in



BRANCH AUDITORS

Northern Region:

M/s. PSMG & Associates,
Chartered Accountants
206 and 207 A Jagdamba Tower
Preet Vihar, New Delhi – 110092
Contact Number: +919958709723
Email: info@psmg.co.in

Southern Region:

M/s. Tukaram & Co. LLP,
Chartered Accountants
3-6-69 Flat No. 209, Venkatarama Towers,
Opp. Talwalkars, Basheerbagh, Hyderabad-500029
Tele: 040-23228785, 040-23221536
E-mail: tukaramco@gmail.com

Eastern Region:

M/s. J L SENGUPTA & CO.,
Chartered Accountants
1st Floor, 70A, Lenin Sarani Rd,
Taltala, Kolkata, West Bengal 700013
Tele: 033 2264 5633
E-mail: cjlsco@gmail.com

Western Region:

M/s. Om Prakash S. Chaplot & Co.,
Chartered Accountants
102, Vatsalya Building, Ekta CHS, Nr. RTO Office
RTO Road, Andheri (W), Mumbai – 400053
Tele: +91-996-707-1844
E-mail:- opc.mum@gmail.com



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INTERNAL AUDITORS

Corporate Office:

M/s. Ravi Rajan & Co

505-A, 5th Floor, Rectangle – 1, District Centre, New Delhi-110017

E mail: rajat@sravigroup.com

Northern Region:

M/s. A R & Co.

C 1 RDC Rajnagar, 2nd Floor, Ghaziabad- 201001

E mail: pawankgoel1@gamil.com

Southern Region:

M/s. A R Sulakhe

Anand Apartment, 1180/2, Behind Hotel Sheetal,

F.C. Road, Shivaji Nagar, Pune – 4111005

E mail: anand@arsulakhe.com

Eastern Region:

M/s. Rao & Emmar

No. P6C, 3rd Floor, 1st Stage, Peenya Industrial Area, Bangalore – 560058

E mail: info@raoemmar.com

Western Region:

M/s. Amit Ray & Co

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

E mail: allahabad@amitraysco.com



SECRETARIAL AUDITORS

Secretarial Auditor:

M/s. VAP & Associates, Company Secretaries

387, First Floor, Shakti Khand- 3, Indirapuram, Ghaziabad – 201010 (U.P.) Tele: 0120-4272409

Email: vapassociatespcs@gmail.com

COST AUDITORS

Cost Auditor:

M/s. R. J. Goel & Co., Cost Accountants

31, Community Centre, Ashok Vihar, Phase-1, Delhi-110052 | Tele: 011-27234124

Email: hkg@rjgcindia.com



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

Investor grievance

e-mail: 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.



Leased Line

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



Data Center Services

Uptime USA Tier-III certified facilities available for Cloud, Co-location, Managed Security, Dedicated Hosting & Management services.



Managed Data & MPLS-VPN services

Managed Data and MPLS- VPN layer 2 and layer 3 services over 4200+ locations across India.



Wi-Fi Hotspot Creation

Expertise in creating public/private Wi-Fi hotspots from concept to commissioning with experience of creating 10000+ 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.



Aadhaar Identity Services

RailTel is Authentication Service Agency (ASA) and Authentication User Agency (AUA) for Aadhaar services.



Innovative Digital Services

Innovative digital service solutions for Healthcare, Education, Surveillance, Smart City, Railways etc.



Railway Signalling Projects

End to end execution of Signalling projects, modern signalling systems, TCAS etc.



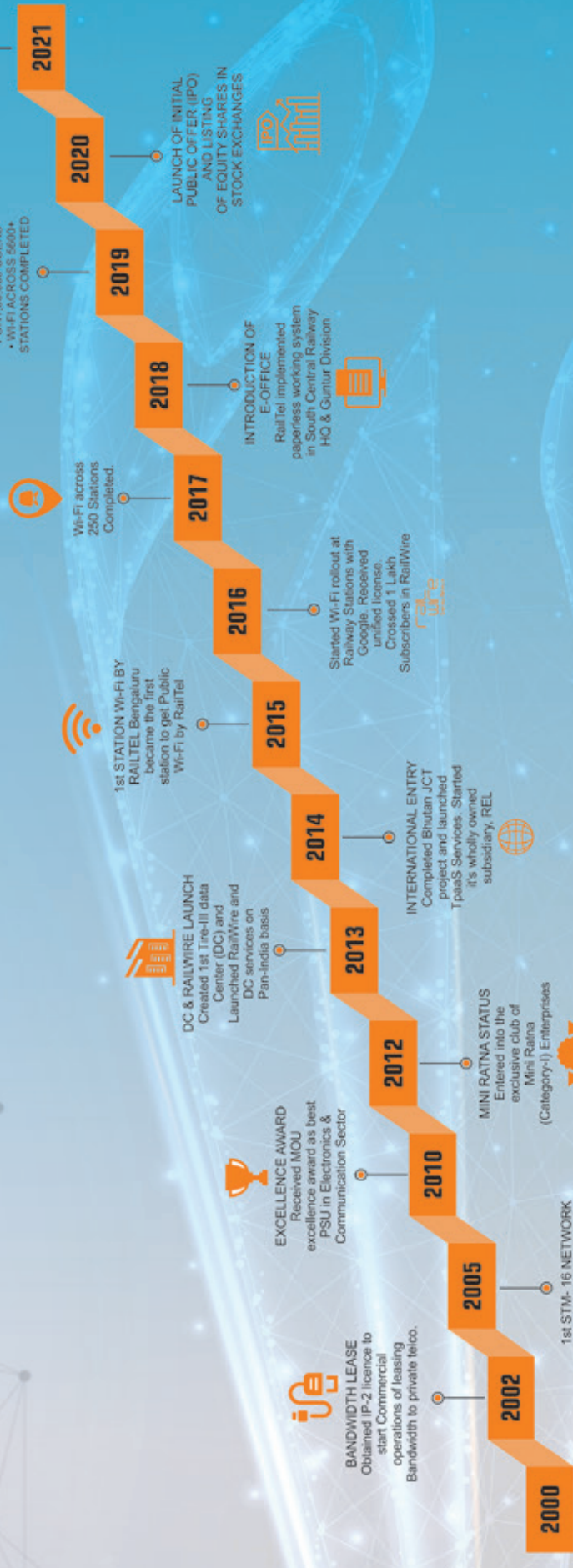
RailTel's Express Network

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

COMPANY MILESTONES

 Completed Hospital Management Information System (HMIS) implementation at 659 Railway Hospitals/Health Unit

 IMPLEMENTED E-OFFICE OVER 106 ESTABLISHMENTS OF INDIAN RAILWAYS FOR 1,00,000 USERS
• WI-FI ACROSS 5600+ STATIONS COMPLETED



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

Chairperson's Speech



“ Digital Transformation is inevitable for rapid and sustainable growth for businesses today and we are well placed to provide such services. ”

Dear Shareholders,

It gives me immense pleasure to present to you the 22nd Annual Report of your Company.

I am happy to state that despite weak market and fierce competition, RailTel is growing and making consistent profit and paying dividends regularly.

Starting our journey as a Telecom service provider of Indian Railways in the year 2000, we stand today as one of the largest neutral telecom infrastructure providers and a trusted IT & ICT service provider of the country.



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I am proud to inform, that your company has featured in the Fortune India Next 500 list for the 2nd consecutive year as well.

RailTel is now a ₹ 3000 Cr company in terms of market capitalization with ₹ 1600+ cr turnover, 61,000+ RKM high-capacity OFC network along Railway Track, 21000+ KM Citywide Access Network, two UPTIME USA certified TIER III Data Centres, MeitY empaneled Railcloud, State of the Art Security Operation Centre and 700+ manpower which serve as a backbone of its services. We have planned a capex investment of ₹ 205 Cr. for network upgradation for current FY to further strengthen our vital infrastructure.

Results & Progress

Despite the global pandemic the company registered growth of 15% with total revenue at all-time high of ₹ 1628 crores for FY 2021-22 as against ₹ 1411 crores in the previous Financial Year. We have posted Profit before Tax of ₹ 281 Crores during Financial Year 2021-22 with robust growth of 43% as compared to last financial year. Profit After Tax for the Financial Year registered the growth of 47% at ₹ 209 Crores. Our Earnings per Share for FY 2021-22 has grown to ₹ 6.51 per share as compared to ₹ 4.44 per share during last financial year.

We have incurred expense towards license fee to DoT for ₹ 6679 Lakhs. We have also paid an amount of ₹ 3972 Lakhs as revenue share to Indian Railways and paid interim dividend of ₹ 5616 lakhs out of which ₹ 4091 Lakhs was paid to Indian Railways.

We have paid ₹ 1.75 per share as interim dividend which is 17.5% of the paid-up share capital to all our shareholders. Further the Board has proposed final dividend of ₹ 0.65 per share which is 6.5% of the paid-up share capital.

During Q1 & Q2 of FY 2021-22, the second wave of COVID impacted company's working and

performance. By the end of reporting Financial Year, COVID situation in India has improved significantly resulting in normalization of business activities to a great extent. However, due to global shortage of semiconductor chips, the project business has been impacted. But this shortage is now easing out, though at a slow pace.

RailTel and Indian Railways

RailTel is an integral partner of Digital transformation of Indian Railways. RailTel has executed NIC e-office (a digital workplace solution) for Indian Railways, provides HD video conferencing services for meetings and events which have cut down the administrative cost and man hours for IR. I can proudly say that our HD video conference service is being provided for many prestigious events of national importance being graced by Hon'ble Prime Minister of India, Hon'ble Prime Minister of Nepal, Hon'ble Chief Ministers, Hon'ble Union Ministers, Hon'ble State Ministers and many more. We have also implemented Hospital Management Information System (HMIS) for all hospitals and health units of Indian Railways digitizing entire gamut of hospital administration. Railway HMIS app ensures easy access to patient information, teleconsultation etc. and is integrated with Ayushman Bharat Digital Mission. We are also working on providing IP based Video Surveillance System (VSS) at more than 5000 Railway stations and Centralized monitoring rooms at all Divisional & Zonal Head Quarters of Indian Railways.

RailTel, with its signalling and telecommunication expertise got orders from Indian Railways for their 5 tunnel communication projects costing ₹ 350 Crore and we are exploring more such opportunities. The technology that we are using is first of its kind on Indian Railways. We are currently executing the project of replacing manual signalling system with electronic interlocking for 26 stations of Northern Railway. Expanding our existing stream of business

with Railways, we intend to become a key player in the National Transporter's plan to modernize train control system over LTE/4G communication backbone.

RailWire

Our retail broadband service RailWire have reached 4.72 lakh subscribers and we are targeting for 6 lakh subscribers by the end of Mar'23. In order to expand the reach of its services MoU with various state power transmission companies are being entered into for utilising their OFC network. We are also roping in more partner to cover more ground. We have recently launched plans with OTT bundled with them which will be helpful in getting more subscribers and business of RailWire in coming future.

PM WANI

RailTel is also playing a pivotal role in the implementation of PM WANI (Wi-Fi Access Network Interface) project which envisages creating a nationwide Public Wi-Fi Ecosystem. We have already launched Prime Minister Wi-Fi Access Network Interface (PM-WANI) scheme-based access of its Public WiFi services across 400 Railway Stations. It would be extended to all 6102 Wi-Fi enabled Railway Stations in phased manner soon.

Service to other sectors and opportunities-

We are already implementing various projects in Defence & Coal sectors and also entering into education, banking, insurance, power, health sector etc. RailTel's network is very secure which makes us one of the preferred network choices for defence forces of the country. We are working on a number of critical network projects of Airforce, DRDO etc. We are also providing secure connectivity for Coal India and all its Subsidiaries including Central Mine Planning

and Design Institute (CMPDI) across the country. This strong standard homogeneous MPLS-VPN network being built by us is helping Coal India to synergize their total operational processes.

Currently our total orderbook is of ₹ 5800 crore and we have been winning multi crore orders consistently through competitive biddings. We are focused on getting more business and with covid situation slowly normalizing and expecting easing of semiconductor chip shortage, a sustained growth in the topline for FY 23 is being aimed at.

The company is working on opportunities of safe city surveillance projects, IP based CCTV Surveillance System for Police Stations, District Courts & Sub Divisional Courts, Smart Energy Meters, Automatic Number Plate Recognition, RFID Boom Barrier based weighbridge Automation, vehicle tracking and fleet management etc.

We are also in the process of setting-up of Edge Data Centers at 102 locations in Tier-II & III cities to take advantage of OTT boom and reducing latency for IoT based applications.

Human resource

Human Resources are the most valuable assets that a company can have. Keeping their morale high and keeping them motivated all the time to deliver their best is the philosophy that RailTel follows.

We earnestly believe in continuously honing their capabilities through regular training and development programs. During FY 22, around 100 employees attended various training modules in relevant fields like Project Management, Contract Management, Cyber Security, AI for Business, Public Procurement, Finance, HR to keep them updated with best & modern practices in the industry. A number of training sessions were also organized at RailTel



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offices across country. We are also contributing in skill development initiative of the Government through engaging apprentices and training them on various skills. 45 such apprentices were engaged during FY-2022. We are going to induct new members in our teams across verticals on need basis to further boost our strength. We are gearing up to recruit 100+ new personnel soon.

Awards & Accolades

Your company bagged 7 awards and recognition in FY 2022 from prestigious organizations like Dun & Bradstreet, Governance Now, Institute of Chartered Accountants of India (ICAI) which speaks volumes of RailTel's achievement.

Corporate Governance

We are very conscious of maintaining good standards of Corporate governance, deep rooted values, best practices, transparency, & integrity throughout the company. We already have a number of committees such as Audit Committee, CSR Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee etc for ensuring ethical governance. RailTel is compliant to all the applicable guidelines issued by Department of Public Enterprises & Govt of India to the extent within the control of the company.

Corporate Social Responsibility

RailTel as an organization believes in putting sincere effort towards societal development along with growing business. RailTel's Corporate Social

Responsibility (CSR) projects are carefully curated to cater to the marginalized sections of the society. Health, education and economic empowerment of women and children has always been at the core of the CSR activities of RailTel.

The company has contributed an amount of ₹ 369.60 Lakh in FY 2021-22 in CSR initiatives that focusses on supporting underprivileged students for engineering entrance exam coaching, cancer patients, specially abled children, adolescent girls, women empowerment etc. We will continue to work on building a sustainable society in coming years as well.

Acknowledgement

I express my deepest gratitude to our esteemed Shareholders, my colleagues on the Board of Directors and to the Chairman & CEO, Members and Officers of the Railway Board, Ministry of Railways, other Govt departments and regulators for their valuable support, advice and co-operation. I would also like to extend my deepest appreciation for my RailTel team for their sincere efforts and valuable contribution which is the driving power of this company.

I would once again like to assure all our stakeholders that in spite of the challenges still being faced by the country in general and the economy in particular, the company is and will continue to strive to achieve new benchmark in the current financial year and in the years to come.

Sd/-
(Aruna Singh)
Chairperson & Managing Director

PROFILE OF DIRECTORS



Smt. Aruna Singh

Chairperson & Managing Director
DIN: 09602957

Smt. Aruna Singh is an IRSSE officer (batch of 1985). She has over 35 years of experience in Indian Railways.

Prior to joining RailTel, she has held many important assignments in different zones & wings of Indian Railways like Chief Workshop Manager (CWM), Ghaziabad; Divisional Railway Manager (DRM), Hyderabad Division, South Central Railway; Chief Signal & Telecom Engineer (CSTE)/(Project) & Chief Communication Engineer, Northern Railway; Principal Chief Safety Officer, North Western Railway; Additional General Manager (AGM)/North Western Railway & Executive Director (ED)/Railway Electrification /(S& T) in Railway Board, etc.

She holds a Bachelor's degree in Electronics & Telecommunication from Delhi College of Engineering, Delhi and Diploma in Public Policy from IIPA, New Delhi. She has also undergone training programmes/Courses in India & Abroad during her career which includes professional courses from Indian Railways Institute of Signal Engineering and Telecommunications, (IRISET) Secunderabad, Strategic Management courses from Shanghai and Paris and Management Strategies course from Carnegie Mellon University, USA.



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Shri Sanjai Kumar

Director Network Planning & Marketing
(DIN: 06923630)

He has been entrusted with Additional Charge of the post of Director (Project Operation & Maintenance) w.e.f 28/09/2020 as per MoR letter.

Shri Sanjai Kumar is a Director (Network, Planning & Marketing) of RailTel. He took over as Director/ NPM w.e.f. 23/05/2018. 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 organisation from scratch. He has been instrumental in creation of National Knowledge Network while associating with NIC.

Shri Anand Kumar Singh, joined RailTel Corporation of India Ltd. as Director (Finance) on 4th September, 2019 and he was appointed as Chief Financial Officer on 26.09.2019. Prior to his joining, he was Executive Director/Finance in IRCON International Limited. He was also non-functional Director in four SPVs of IRCON International Limited. He is post graduate in commerce from Calcutta University and Associate member of The Institute of Chartered Accountants of India. He has varied experience of more than 34 years in the field of Financial Management, Budgeting, Treasury Management, Financial Accounting, Fund raising, Project Management, etc. He has also successfully completed the Initial Public Offer (IPO) of IRCON International Limited and was Chief Investor Relation Officer of the company.



Shri Anand Kumar Singh

Director/Finance & Chief Financial Officer
(DIN: 07018776)

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 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 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.

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. 18/04/2022.



Shri Rakesh Ranjan

Part-time Government Nominee Director
(DIN : 09575567)

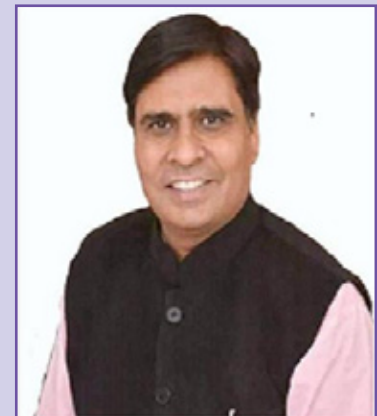
Dr. Subhash Sharma is a trained Economist who is engaged in various academic and social activities.

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)



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Shri Manoharan Nallasamy

Independent Director
(DIN: 06430322)

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.

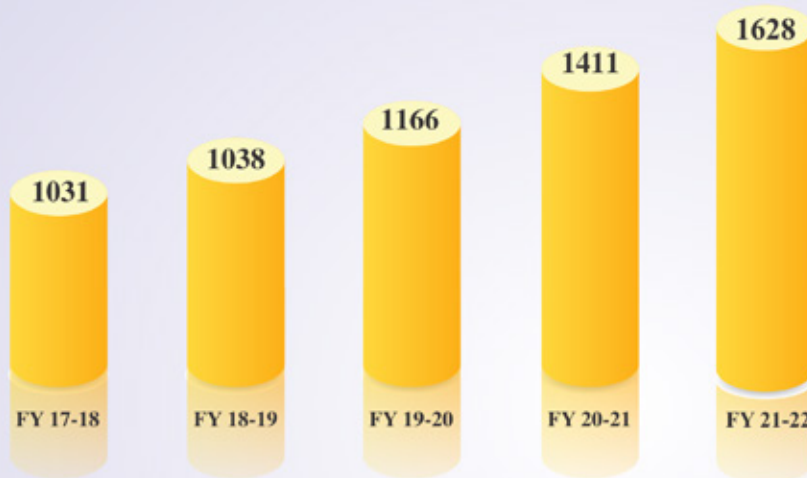
Main areas of experience include product design & development, product management, business process improvement, and supply chain management. Manoharan has worked in Consumer Products, Heavy Equipment & Machinery, Life Science & Laboratory Products, Analytical Instruments and Automation & Control industries.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

KEY FINANCIAL HIGHLIGHTS

GROSS REVENUE (CONSOLIDATED)

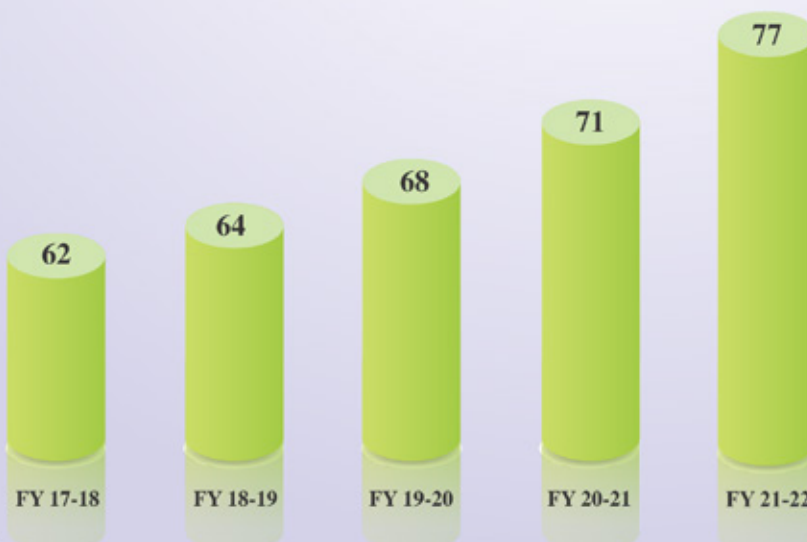
IN ₹ CRORE



12%
CAGR

DIVIDEND PAYOUT

IN ₹ CRORE



6%
CAGR

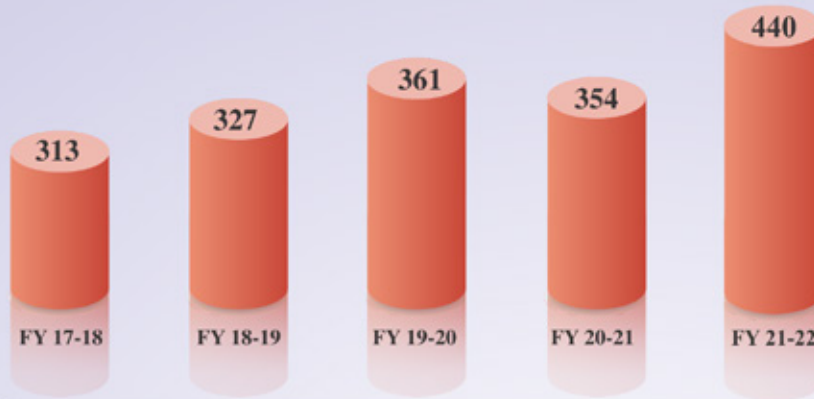


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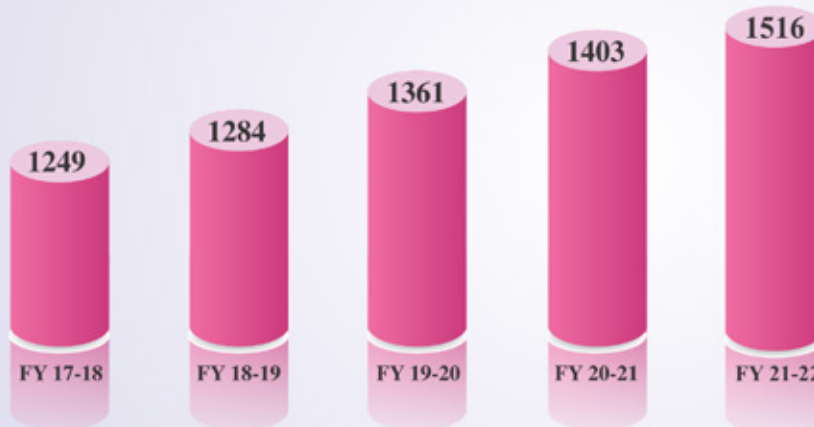
GROSS MARGIN

IN ₹ CRORE



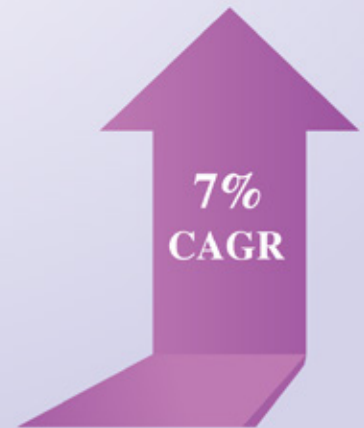
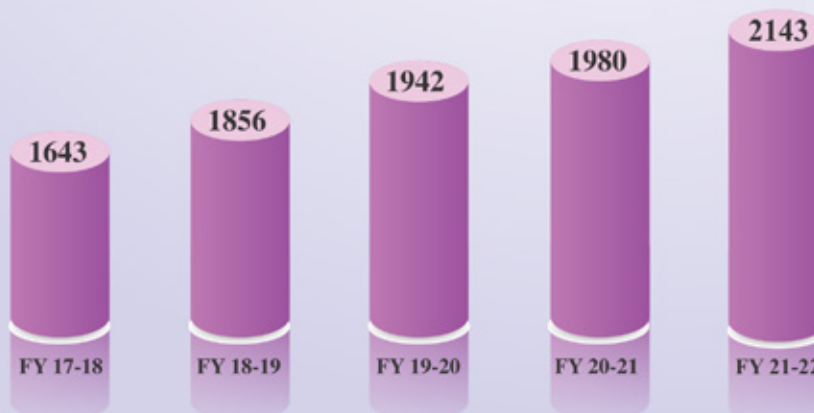
NET WORTH

IN ₹ CRORE

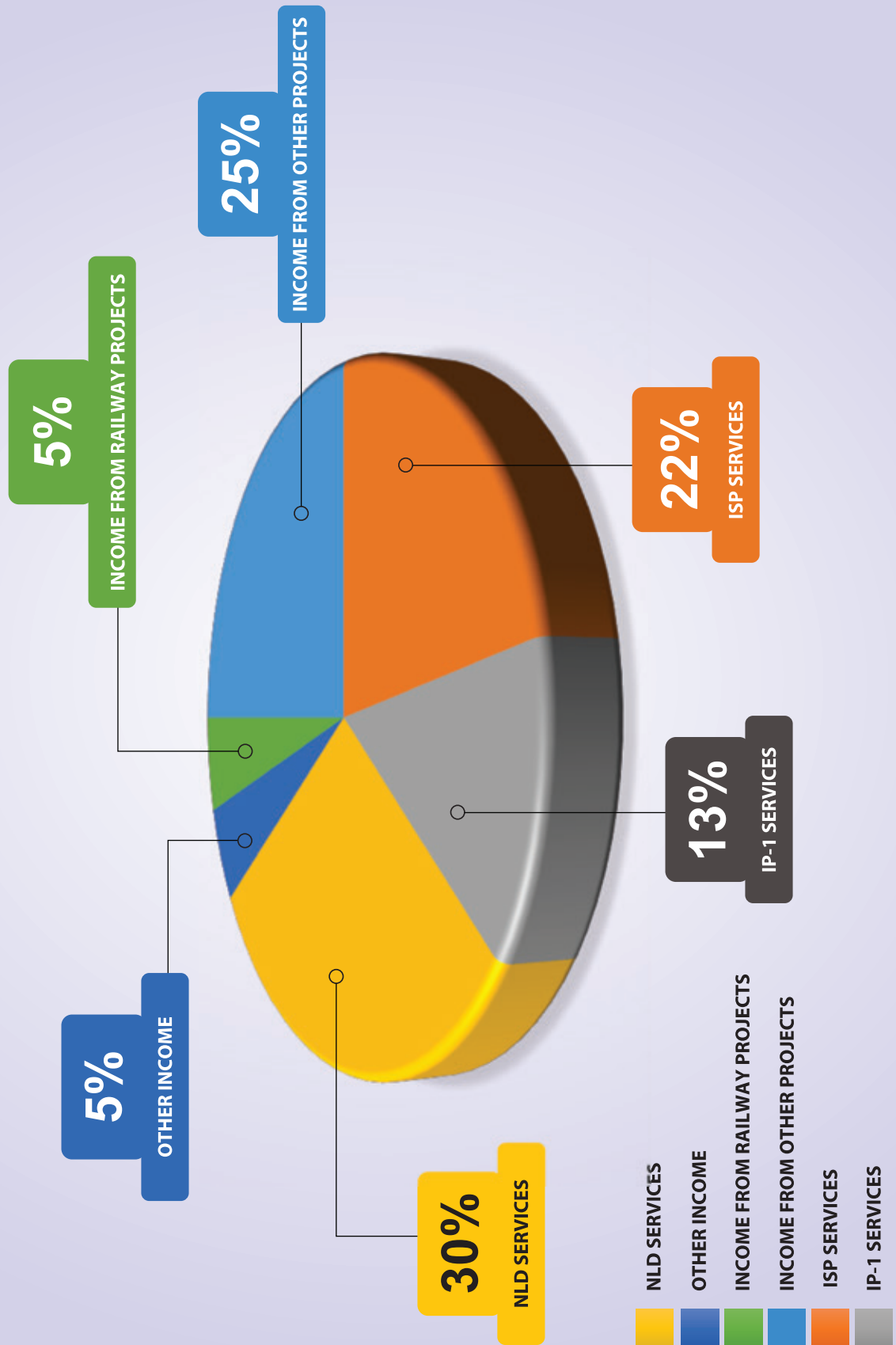


FIXED ASSETS (GROSS BLOCK)

IN ₹ CRORE



REVENUE MIX



FINANCIAL DATA FOR LAST 10 FINANCIAL YEARS

(₹ in Crore)

S. No.	Particulars	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
1	Total Income (incl. other income)	440	538	554	642	900	1025	1017	1112	1366	1598
2	Expenditure (incl. increase/decrease in stock)	209	284	298	367	595	712	690	751	1012	1158
3	Gross Margin	231	254	256	275	305	313	327	361	354	440
4	Interest Expenses	1.00	-	-	-	-	-	-	-	-	-
5	Depreciation	88	85	90	81	116	119	112	131	159	160
6	Profit before tax and Exceptional Item	-	-	-	-	-	194	215	230	195	280
7	Exceptional Items	-	-	-	-	-	-	36	49	-	-
8	Profit before tax	142	169	166	194	189	194	179	181	195	280
9	Profit after tax	113	138	121	102	127	156	110	138	140	208
10	Dividend pertaining to FY	15	17	17	41.53	51.53	62.47	64.20	68.06	70.61	77.02
11	Reserves & surplus	476	592	683	763	836	928	963	1040	1082	1195
12	Fixed Assets (Gross block)	983	1,078	1,236	1,431	1,531	1,643	1,856	*1942	*1980	*2143
13	Inventories	3.80	2.92	1.00	0.59	0.22	-	0.87	0.49	1.21	1.00
14	Share Capital	321	321	321	321	321	321	321	321	321	321
15	Capital employed	770	851	833	1,084	1,153	1,249	1,284	1,361	1,403	1,516
16	Net Worth	797	913	1,004	1,084	1,153	1,249	1,284	1,361	1,403	1,516
17	Number of Employees (nos)	490	490	525	537	814	793	754	721	700	698
18	Income per employee	0.90	1.10	1.06	1.19	1.11	1.29	1.35	1.54	1.95	2.29
19	Current ratio	3.08:1	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
20	Debt/equity ratio	-	-	-	-	-	-	-	-	-	-
21	Operating margin/ capital employed	30.07%	29.80%	30.73%	25.33%	26.45%	25.06%	25.47%	26.52%	25.23%	29.02%
22	Expenditure / income	47.43%	52.83%	53.79%	57.20%	66.11%	69.46%	67.85%	67.54%	74.08%	72.47%
23	PBT Before Exceptional Item/ Capital Employed	-	-	-	-	-	15.53%	16.74%	16.90%	13.90%	18.47%
24	PBT/ Capital Employed	18.51%	19.84%	19.93%	17.89%	16.36%	15.53%	13.94%	13.30%	13.90%	18.47%
25	PAT/ Share capital	35.07%	42.98%	37.68%	31.77%	39.48%	48.60%	34.27%	42.99%	43.61%	64.80%
26	PBT Before Exceptional Item/ Turnover	-	-	-	-	-	18.93%	21.14%	20.68%	14.28%	17.52%
27	PBT/ Turnover	32.37%	31.41%	29.96%	30.23%	20.95%	18.93%	17.60%	16.28%	14.28%	17.52%
28	PAT/ Turnover	25.57%	25.65%	21.83%	15.89%	14.08%	15.22%	10.82%	12.41%	10.25%	13.02%
29	PAT/Net Worth	14.13%	15.11%	12.05%	9.40%	10.99%	12.49%	8.57%	10.14%	9.98%	13.72%
30	Dividend/PAT	13.33%	12.33%	14.06%	40.73%	40.66%	40.04%	58.36%	49.32%	50.44%	26.92%
31	Dividend/Net worth	1.88%	1.86%	1.69%	3.83%	4.47%	5.00%	5.00%	5.00%	5.03%	5.08%
32	Book Value per share (In Rupees)	25	28	31	34	36	39	40	42	44	47
33	Basic EPS (In Rupees)	3.51	4.30	3.77	3.18	3.95	4.87	3.42	4.31	4.37	6.49

*It Includes Right of use Assets.



RAILTEL CORPORATION OF INDIA LIMITED

(A Govt. of India Undertaking)

CIN: L64202DL2000GOI107905

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

Website: www.railtelindia.com **Email ID:** cs@railtelindia.com

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

NOTICE

NOTICE is hereby given that the **Twenty-Second (22nd) Annual General Meeting ("AGM")** of the Members of RailTel Corporation of India Limited will be held on Friday, 30th September, 2022 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 31st March, 2022 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 2021-22 and to declare the Final Dividend for the Financial Year 2021-22.
- 3) To appoint a Director in place of Shri Sanjai Kumar, Director/Network, Planning and Marketing (DIN: 06923630) who retires by rotation and being eligible, offers himself for re-appointment.
- 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 2022-23.

SPECIAL BUSINESS:

- 5) To ratify the remuneration of the Cost Auditors for the Financial Year 2022-23, 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



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RAILTEL

A Mini Ratna Enterprise

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 2022-23, at a remuneration of ₹ 40,000/- plus applicable taxes."

**By order of the Board of Directors of
RailTel Corporation of India Limited**
Sd/-
(J.S. Marwah)
Company Secretary & Compliance Officer

Date: 05.09.2022

Place: New Delhi

Notes:

1. In view of the prevailing COVID-19 pandemic, pursuant to the General Circular no. 2/2022 dated May 5, 2022, read with Circulars nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021 and 21/2021 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021 and December 14, 2021 respectively issued by the Ministry of Corporate Affairs ("MCA Circulars") and SEBI Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India ("SEBI") and all other relevant circulars issued from time to time, Companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. Hence, in compliance with the said Circulars, the AGM of the Company is being held through VC/OAVM. The members can attend and participate in the AGM through VC/OAVM. The deemed venue for the 22nd AGM shall be the Registered office of the company.
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 Circulars, the Notice of AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories as on 02/09/2022.
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. 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 and 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.
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 2022-23.
9. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business, as set out above is annexed hereto.
10. Brief resume of the Directors seeking 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 10th January, 2022, had declared an Interim Dividend of ₹ 1.75/- per share (i.e. @ 17.5% on the paid-up equity share capital of the Company) for the Financial Year 2021-22. The Board of Directors of the Company in its meeting held on 09th July, 2022 had further recommended a Final Dividend of ₹ 0.65/- per share (i.e. @ 6.5% on the paid-up equity share capital of the Company) for the Financial Year 2021-22 which is subject to approval of shareholders in the AGM.
- ii) The Company has fixed Friday, 23rd September, 2022 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 on or before Tuesday, 27th September, 2022 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 Monday, 26th September, 2022 at 09:00 A.M. and ends on Thursday, 29th September, 2022 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. Friday, 23rd September, 2022 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.

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.	1. If you are already registered for NSDL IDeAS facility , please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-services is launched, click on the " Beneficial Owner " icon under "Login" which is available under " IDeAS " section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	<p>2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ 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 held 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 options available against company name or e-Voting service provider -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.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="613 961 1112 1255" style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>



Type of shareholders	Login Method
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. Once login, you will be able to see e-Voting option. Once you 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 options available against company name or e-Voting service provider - 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 evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 helpdesk.evoting@cDSLindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method 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.	<p>EVEN Number followed by Folio Number registered with the company</p> <p>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</p>
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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.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on 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 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 General 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 with a copy marked to evoting@nsdl.co.in
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 to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members who need assistance before or during the AGM and e-voting user manual for Members available on the website www.evoting.nsdl.com under the 'Downloads Section'. You can also contact NSDL on toll free number 1800-1020-990 and 1800 22 44 30 or Ms. Sarita Mote, Assistant Manager, NSDL, at designated e-mail IDs: evoting@nsdl.co.in, who will address the grievances related to electronic voting.

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 evoting@nsdl.co.in
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 evoting@nsdl.co.in. 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 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.

15. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE 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 cast 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.

16. 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 General 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. 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 from September 23, 2022 to September 27, 2022. 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.

17. A BRIEF RESUME OF DIRECTOR PROPOSED TO BE RE-APPOINTED IS GIVEN BELOW:-

Item No. 3:- To appoint a Director in place of Shri Sanjai Kumar, Director/Network, Planning and Marketing (DIN: 06923630) who retires by rotation and being eligible, offers himself for re-appointment.



Name of Director(s)	Shri Sanjai kumar
Appointment/Re-appointment	Re-appointment as Director (Network, Planning & Marketing)
DIN	06923630
Date of Birth & Age	D.O.B: - 18/02/1968 Age: - 54 years
Date of Appointment	23/05/2018
Brief Resume and Expertise in specific functional areas and Experience	Shri Sanjai Kumar is the Director (Network, Planning & Marketing) and (Project, Operations & Maintenance - Additional Charge) of our Company. He holds a bachelors degree of technology in electronic and telecommunication engineering from University of Allahabad and a post graduate diploma in management from Management Development Institute, Gurgaon. He is an officer of the Indian Railway Service of Signal Engineers ("IRSSE") and joined service on November 30, 1992. While working as an officer of IRSSE, he joined our Company on deputation basis on March 19, 2002 and subsequently was made a regular employee of our Company from August 12, 2008. He has over 29 years of experience of working as an officer of IRSSE including over 20 years of experience of managing projects and marketing departments in our Company.
No. of shares held in RCIL	5,270
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 2021-22	9 out of 9 Board Meetings attended.

18. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FOR SPECIAL BUSINESS ITEM:-

Item No. 5:- To ratify the remuneration of the Cost Auditors for the Financial Year 2022-23:-

The Board of Directors at its meeting held on 10th August, 2022, 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 2022-23, 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 Companies Act, 2013 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 2022-23, as approved by the Board.

2. The Board of Directors of your Company recommends the passing of resolution as an Ordinary Resolution.
3. 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.

Board's Report

Dear Shareholders,

Your Company's Directors are pleased to present 22nd Annual Report of the Company, together with the Auditors' Report and Comments of the Comptroller and Auditor General (C&AG) of India, for the Financial Year ended 31st March, 2022 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 on exclusive Right of Way (ROW) along Railway track. The biggest USP of RCIL is its ownership of a Pan-India 61,000+ RKM high-capacity OFC 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 ₹ 1628 Crore. The Company has observed an increase of 13.78% in its revenue from operations which comes out to be ₹ 1522 Crore on standalone basis. The total turnover of the Company during the year is ₹ 1628 Crore comprising of other income of ₹ 79 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 26th February, 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 31st March, 2022, 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	Year ended	Year ended	Year ended
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	Consolidated		Standalone	
Total Revenue	1628	1411	1598	1366
- Revenue from Operations	1549	1378	1522	1337
- Other Income	79	33	76	29
Expenditure	1187	1055	1158	1012
Gross Margin	441	356	440	354
Depreciation	160	159	160	159
Profit Before Interest, Tax & Exceptional items	281	197	280	195
Interest	Nil	Nil	Nil	Nil
Exceptional Items	Nil	Nil	Nil	Nil
Tax/Others	72	55	72	55
Profit for the Year	209	142	208	140
Basic EPS (In ₹)	6.51	4.44	6.49	4.37

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 ₹ 1.75 per share amounting to ₹ 56.16 Crore for the FY 2021-22. Further, the Board has recommended payment of final dividend of ₹ 0.65 per share amounting to ₹ 20.86 Crore for the FY 2021-22. The total dividend payment for the FY 2021-22 would be ₹ 77.02 crore as compared to ₹ 70.60 crore paid for the FY 2020-21.

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 had formulated and adopted the Dividend Distribution Policy. The said Policy is annexed to this report at **Page No. 66** and is also available on the Company's website i.e. 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 ₹ 40 Crore

as against such share of ₹ 31 Crore in the preceding year. The cumulative revenue share to Railways amounting to ₹ 339 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. It has transferred ₹ 40 Crore to the General Reserves during the year. The total reserves & surplus at the end of the FY 2021-22 is ₹1195 Crore (on Standalone basis).

8. Capital Expenditure

During the year, Capital expenditure of ₹ 117 Crore approx. was incurred mainly on OFC related assets, Telecom & Radio equipment's etc. The Company made commitments to the tune of ₹ 170 Crore on capital account and accordingly, expenditure would be booked during the coming financial year, in addition to the capital expenditure allocated for FY 2021-22.

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. During the year, three (3) Independent Directors were appointed and out of them, One (1) of the Independent Director has resigned from the Company w.e.f. 02/03/2022 citing his busy schedule and inability to give time to the post of Independent Director. 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 Nine (9) times for transacting the businesses of the Company during the FY 2021-22 i.e., on 17/06/2021, 25/06/2021, 16/07/2021, 12/08/2021, 21/09/2021, 11/11/2021, 10/01/2022, 14/02/2022 and 24/03/2022. 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 this Report:

Appointment of Directors:-

1. Dr. Subhash Sharma has been appointed as Independent Director w.e.f. 09/11/2021.
2. Shri N. Manoharan has been appointed as Independent Director w.e.f. 09/11/2021.
3. Shri Avinash Madhukarrao Ghate was appointed as Independent Director w.e.f. 09/11/2021.
4. Shri V. Shanker was appointed as Part-time Govt. Nominee Director w.e.f. 13/12/2021.

5. Shri Rakesh Ranjan has been appointed as Part-time Govt. Nominee Director w.e.f. 18/04/2022.
6. Smt. Aruna Singh has been appointed as CMD (Addl. Charge) w.e.f. 11/05/2022.

Cessation of Directors: -

1. Smt. Rashmi Jain on completion of her tenure ceased to be Independent Director w.e.f. 20/07/2021.
2. Shri Vinay Srivastava on completion of his tenure ceased to be Part time Govt. Nominee Director w.e.f. 23/10/2021.
3. Shri Umesh Balonda on completion of his tenure ceased to be Part time Govt. Nominee Director w.e.f. 21/02/2022.
4. Shri Avinash Madhukarrao Ghate had resigned from the post of Independent Director w.e.f. 02/03/2022 citing his busy schedule and inability to give time to the post of Independent Director.
5. Shri Ashutosh Vasant on completion of his tenure ceased to be Director w.e.f. 31/03/2022.
6. Shri Puneet Chawla on completion of his tenure ceased to be Chairman & Managing Director w.e.f. 11/05/2022.
7. Shri Chinnsamy Ganesan on completion of his tenure ceased to be Independent Director w.e.f. 12/07/2022.
8. Shri V. Shanker on completion of his tenure ceased to be Part-time Govt. Nominee Director w.e.f. 08/08/2022.

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,



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Shri Sanjai Kumar, Director/NPM 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, Government of India. The functional Directors are appointed by the Government of India who draw remunerations under Industrial Dearness Allowance (IDA) pattern of pay scale except in case of Shri Puneet Chawla Ex-CMD, who was on deputation to RCIL from Ministry of Railways 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 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 were 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 Ministry of Railways. The functional directors including Chairman and Managing Director (CMD) are selected on the recommendations of Public Enterprises Selection Board (PESB) 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., Ministry of Railways, Government of India 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 Ministry of Railways, Government of India.

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 Ministry of Railways (the Administrative Ministry).

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

In respect of Part-time Government nominee directors, their evaluation is done by the Ministry of Railways as per the procedure laid down. Since, Independent Directors are appointed by the Administrative Ministry, their evaluation is also done by the Ministry of Railways and Department of Public Enterprises.

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 the 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, Ministry of Corporate Affairs vide its notification dated 5th 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, 2022, the Board had five committees namely the Audit Committee, the Nomination & Remuneration Committee, the Corporate Social Responsibility 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

16. Subsidiary

Your Company has a wholly owned subsidiary by the name of "RailTel Enterprises Limited" (REL) incorporated on 12th 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.

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 (25% including a sub-target of 4% from MSEs owned by SC/ST entrepreneurs) during the financial year 2021-22 in compliance to the aforementioned Public Procurement Policy is shown in **Table-2**

Table-2

Sl.	Particulars	2021-22 (₹ in Cr.)
1	Total annual procurement (in value)	1001.79
2	Total value of procurement from MSEs	617.65
3	% age of procurement from MSEs (including SC/ST and women)	61.66
4	Total value of procurement from only MSEs owned by SC/ST entrepreneurs	2.79
5	% age of procurement from MSEs owned by SC/ST entrepreneurs w.r.t. procurement through MSEs	0.45
6	Total value of procurement from only MSEs owned by Women entrepreneurs	20.81
7	% age of procurement from MSEs owned by Women entrepreneurs w.r.t. procurement through MSEs	3.37

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. RCIL being a responsible Public Sector Undertaking has complied with the provisions of the RTI Act, 2005 and has

designated CPIO, CAPIO, Appellate Authority and also a Nodal Officer to oversee its implementation as required under the provisions of the RTI Act, 2005. The RTI Act, 2005 seeks to provide for setting out the practical regime of Right to Information for citizens to secure access to information under the



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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

No. of RTI cases pending as on 01/04/2021	20
Received during the Year	149
Disposed off during the year	165
Pending as on 31/3/2022	4

20. Business Responsibility Report

In compliance with the requirement of Clause (f) of sub-regulation (2) of Regulation 34 of Listing Regulations, the Business Responsibility Report (BRR) disclosures are integrated into the Annual report and aimed at describing RCIL initiatives in discharging responsibilities from an environmental, social and governance perspective in the specified format. The BRR is presented in 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 details 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.

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 quick decision making in the system. During year 2021-22, RCIL's IT team continuously worked towards strengthening 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 Web Start Application, Dark Fiber Billing Application, Last Mile Provisioning through implementation target Application have been developed, vigilance application, vigilance portal, tower wise revenue application, project wise revenue mapping configuration, JV approval process during FY 2021-22 apart from regular O&M and enhancements works including development of new reports.

Further, as per management and business requirement, During FY 2022-23 ERP team shall be working for development of new applications like Vendor Bill tracking Application, Dashboard Mobile App for higher management, Credit Policy automation, Customer PO to Invoice single dashboard, enhancement in EMD application, enhancement in supplier BG module, ERP HPSM integration, Account Manager wise revenue portal, new dashboard portal, Tender tracker application, ERP version upgrade. In 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 for the financial year ended on March 31, 2022 is available on the company's website at

<https://www.railtelindia.com/profile-4/annual-report-review-and-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. RCIL has also organized free COVID vaccination camps/RTPCR Test Camps at its Corporate/Regional Offices for the benefit of its employees including outsourced/contractual staff and their eligible family members.

As on 31st March, 2022, the Company had total manpower strength of **698** employees including regular, deputationist, contractual and consultants. The details are shown in **Table-4**. During the year, Company has also availed the services of **1678** outsourced employees.

Table-4

Category	No. of Employees for the year ended 31.03.2021	No. of Employees for the year ended 31.03. 2022
Regular Employees	452	443
Deputationist	52	57
On Contract (Direct)	169	162
On Contract (Re-employed)	9	16
Consultants	18	20



Organised Covid Vaccination Camp at CO/RCIL



Mass RTPCR Tests conducted at RCIL

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 31.03.2021	% of total no. of regular employees during financial year ended 31.03.2022	No. of recruitment made in these categories*
Women Employees	47	46	10.5	0
SC Personnel	61	64	13.8	0
ST Personnel	17	18	3.9	0
Other Backward Classes	118	119	26.6	0
Person with Disabilities	7	7	1.6	0
Ex-Serviceman	0	1	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 (Pwds) 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. The terms and conditions of the appointment of Functional Directors are subject to the applicable guidelines issued by the Department of Public Enterprises (DPE), Government of India.

27. Rajbhasha (Official Language)

For the implementation of official language in RailTel, guidelines and instruction received from Ministry of Home Affairs (Official Language Deptt.) through the Directorate of Official Language, Ministry of Railways are followed. The company has an Official Language Implementation Committee at the Corporate Office level which, organizes regular quarterly meetings to review the use of the Official Language being carried out in the office functioning



Visit of Parliament Committee on official language

in the Corporate Office and Regional Offices & Territories. All officers/employees are encouraged to do their work in Hindi using easy vocabulary. Bilingual Unicode facility has been provided in all computers / laptops available in the office.

The company has been regularly attending the quarterly meetings of the Official Language Implementation Committee of the Railway Board and quarterly progress reports are being sent regularly to the Railway Board. The company is also a member of the Town Official Language Implementation Committee (UPKRAM-I), New Delhi and Hindi progress reports are being submitted regularly to the Committee. The representatives of the Company also participates in the periodical meetings of the said Committees and follow the instructions received through minutes of the meetings. The Northern Region, Delhi and Western Region, Mumbai of the Company were also inspected by the Second Sub-Committee of the Parliamentary Committee on Official Language on 17th December, 2021 and 30th December, 2021, respectively, to review of the use of Hindi. The Company is also following the directions given by the Committee.

Like every year, this year also on the occasion of Hindi Diwas, Hindi Pakhwada was organised in RailTel from 10th to 24th September, 2021 and various activities/programs were organized during Pakhwada. The following programs were organized in the Pakhwada: -

- Essay writing competition in Hindi
- Noting and drafting competition in Hindi,
- Short story competition in Hindi
- Recitation competition of self-written poetry in Hindi

A Hindi workshop was also organized on 20th September, 2021 through Webex on the topic of 'Modern features for use of Hindi in computer and mobile' for which Shri Kewal Krishan, Former Director(NIC) /MHA (Official Language Deptt.) was invited as Speaker. Prizes were distributed to the winners on closing ceremony held on 24.09.2021 by Chairman & Managing Director. Chief Guests of the program, Sh. Manoj Kumar Ram, ED/MoR/RB, Establishment (R) and Dr Mukta, Hindi Scholar, Social Worker and Awardee of Subramaniam Bharati Award by the his Excellency President of India, were also present and they had shared their views.



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Organised Rajbhasha Pakhwada

A quarterly illustrated "RailTel Gatividhian" newsletter is being published regularly by RailTel for the use of the Official Language, the first edition of which was published from October to December, 2018. Apart from this, the official language magazine "RailTel Pragati" is also being printed on a half-yearly basis. Five editions have been published so far and the Sixth issue of the Magazine is under publication. In addition to this, on the occasion of International Women's Day, A Women Hindi newsletter namely "Aprajitha" was published and distributed.

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 at Corporate Office comprises of one independent nominee from M/s

Udayan Care Advocacy, CR Park, New Delhi (NGO) as member of the committee, besides, three other executives from corporate office of the company as members of the committee. The Committee is headed by woman Chairperson.

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

Table-6

Number of complaints of Sexual Harassment received in the year.	01
Number of complaints disposed off during the year.	Nil
Number of cases pending for more than 90 days.	01
Number of workshops on awareness programmes against sexual harassment conducted during the year.	2

However, it is submitted that 01 case received in FY 2021-22 has been finalized in April, 2022.

29. Risk Management

The Board of Directors of your Company at their 78th 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 117th meeting held on 22nd December, 2020 had adopted the revised RMP which is in line with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the Board of Directors of your Company in their 122nd meeting held on 17th 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 in 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 the Risk Management System and implement a suitable process, RCIL has also formed a Functional Risk Management Committee (FRMC) comprises of Chief Risk Officer (CRO) 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 respective teams.

In terms of the approved Risk Management Policy, following key risks have been identified:

- 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. 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 forms part of this 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



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DPE Guidelines on Corporate Governance to the extent possible. Pursuant to the requirements of DPE Guidelines, 2010 a certificate obtained from Practising Company Secretary 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 "94.04%" which falls under "Excellent" grade for compliance of DPE Guidelines on Corporate Governance for FY 2021-22.

32. Corporate Social Responsibility

As per 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

disaster management, 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 guidelines issued by DPE from time to time.

During the FY 2021-22, RCIL has undertaken to spend ₹ 542.10 lakh on CSR activities (₹ 369.60 Lakh which is 2% of average net profit before tax (PBT) of the company earned during the immediately preceding three Financial Years plus ₹ 172.50 Lakh as unspent from 2020-21). Out of CSR budget, ₹ 278.06 lakh was spent during FY 2021-22 on CSR activities.

During the year, RCIL has carried out various CSR activities like Promoting Education, establishing Digital Learning Centre in Delhi, Construction of toilets in Nalanda, Bihar, Support to cancer patients, installation of tube wells in West Bengal, Telehealth and Self Group formation at Rajur, Maharashtra, Health camps and better health status of women and support to special children with special needs 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



Batch photo of Akansha Super 30, Dehradun Uttarakhand

admission to IIT's and other premier engineering institutes. The program has success rate of 98% with all the students qualifying JEE Mains exam. 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

During the year, under a full-time Chief Vigilance Officer, the company 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. In certain cases, RCIL Vigilance also recommended punitive action against few employees.

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



Observance of Vigilance Awareness Week

Table-7

S. No.	HEAD	NUMBER	REMARKS
1	Number of Complaints received during the year	60	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)	9	Related to tender/contract management and procedure violations.
3	Number of Officers against whom disciplinary proceeding initiated arising out of investigations (incl. CBI cases)		Action against employees communicated to relevant authorities.
	a) Major departmental action	2 nos.	
	b) Minor departmental action	4 nos.	



S. No.	HEAD	NUMBER	REMARKS
4	Number of Inspections conducted during the year a) Periodic inspection b) Surprise inspection	54 22	Across Corporate Office, Regional offices & field units.
5	Number of System Improvements taken up during the year	63	In respect to HR/Admin policies & procurement matters.

(i) Other important work done in Vigilance department

- **IT Initiatives:** Online Complaint Portal launched with link on 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 ERP updated for all employees. 100% vigilance clearance of all executives processed over ERP.
- **Trainings:** 15 internal trainings conducted on procurement, contract and preventive vigilance matters covering all employees.

(ii) Vigilance awareness week

As per Central Vigilance Commission's directives, Vigilance Awareness Week was observed in RCIL from 26th October to 1st November, 2021 in its true spirit and sense with the "**Independent India @75: Self Reliance with Integrity**; संवत्तर भारत @75: सत्यनिष्ठा से आत्मनिर्भरता".

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 26.10.2021. During the week, a number of vigilance awareness activities were carried out and events organized involving RCIL's officials as well as citizens. A brief of such activities is as under:

- An address by Sh. Sudhir Kumar, Addl. Secretary/CVC on Vigilance matters was conducted on 27.10.2021 duly attended by all officers of Corporate office, Regions & Territories of RCIL. On the occasion, new Complaint portal of RCIL has been

launched/inaugurated by Sh. Sudhir Kumar, Addl. Secretary/CVC.

- A lecture on procurement through GeM was conducted on 28.10.2021 through GeM.
- A lecture on matter related to conducting DAR and Inquiry proceedings was organised on 29.10.2021. The lecture was given by Sh. S.M. Srivastava, Ex. Under Secretary, Ministry of Home Affairs and duly attended by all officers of RCIL in Corporate Office as well as the employees from various Regional & Territorial offices connecting via Telepresence services.
- A competition on article writing & poster creation was held among all employees and dependent children of employees across India on the theme of Vigilance Awareness Week 2021. Total 47 entries received against which prizes and certificates were handed out to shortlisted employees.
- RCIL vigilance department issued a vigilance bulletin on the occasion comprising Public Interest Disclosure & Protection of Informers (PIDPI) Resolution, CTE Type Inspection and Intensive Examination by CVO, Important aspects of Model CDA Rules, 2017 for CPSEs framed by DPE.
- Public grievance redressal camps for customers/Citizens organized for Railwire with help of Railwire Partners.
- Vendor meets organized at Regional Offices during Vigilance Awareness Week 2021.
- Interaction session with Kids of employees those participated in poster competition was organized with CVO and CMD.
- Various housekeeping activities were also carried out in all offices of RCIL as directed by CVC.

35. Statutory Disclosures

Your Director's 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 Comptroller and Auditor General of India (C&AG) has appointed M/s. PSMG & Associates of New Delhi as Central Statutory Auditors of the Company to audit the Financial Statements for the year ended on 31st March, 2022.

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. PSMG & Associates	Northern Region & Corporate Office
M/s. Tukaram & Co. LLP	Southern Region
M/s. J L Sengupta & CO.	Eastern Region
M/s. Om Prakash S Chaplot & Co.	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 ₹ 36 Lakh excluding GST.

36.2 Cost Auditors

The Company has appointed M/s. R. J. Goel & Co., Cost Accountants as Cost Auditors to audit the cost record maintained by the Company for the Financial Year 2021-22.

The Company has filed **Form CRA-2** with the Ministry of Corporate Affairs in this regard.

36.3 Secretarial Auditor

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with rules made thereunder, RCIL has appointed M/s. VAP & Associates, Practicing Company Secretaries, as Secretarial Auditor of the Company for the Financial Year 2021-22. The Secretarial Audit has been conducted by M/s. VAP & 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 31st March, 2022 in **Form MR-3** and the Management's reply on the observation/comments of Secretarial auditor forms part of this report and are placed at **Annexure- III & IV**, respectively.

37. Comments of C&AG

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

38. Auditors' Report

The Auditors' Report of the Company for the year ended 31st March, 2022, 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 2021-22, 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 Ministry of Railways, Government of India whereby laying inter alia the physical and financial targets. The MoU pertaining to FY 2021-22 has been signed with Ministry of Railways within stipulated time. For the year 2020-21, RCIL has got "Good" rating from DPE. For the MoU targets 2021-22, RCIL has complied with the DPE Guidelines on select matters i.e. Pay Revision guidelines and review of profitability of CPSE for pay revision, Expenditure management economy measures and rationalisation of expenditure, Guidelines on Accessible India Campaign (Sugamya Bharat Abhiyan), Guidelines on implementation of the Apprenticeship Act, 1961, Guidelines issued from time to time on CSR expenditure by CPSEs.



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The company has complied with the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the compliance of which are within the ambit 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.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares & employee stock options) to employees of the Company under any scheme.
- Neither the Chairperson and Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from the subsidiary company.
- 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.
- Application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- 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:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- 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;
- 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;
- the directors had prepared the annual accounts on a going concern basis;
- the directors had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively.
- 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 Director's 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, Department of Expenditure, 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 Director's thank all shareholders, business partners and all members of the RCIL Family for their faith, trust and confidence reposed in the Board.

Your Director's 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/-

Aruna Singh
Chairperson and Managing Director
DIN: 09602957

Place: New Delhi
Date: 05.09.2022

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) (Wholly Owned Subsidiary)	Manpower Sharing	2021-22	(1) RCIL providing staff/ executives, who are nominated for devoting limited times for looking after and attending to REL's work. Total amount of salary charged from REL during the F.Y. 2021-22 stood approx. ₹ 51.89 Lakh excluding taxes. (2) REL assisting RCIL in providing staff/ executives of REL for looking after and attending to RCIL's Signaling work by devoting their significant time. Total amount of salary charged from RCIL during the F.Y. 2021-22 stood Rs 174.44 Lakh excluding taxes.	11.11.2021, 14.02.2022 and 24.05.2022	Nil
2.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	DRDO SPIC OFC Laying Work	Ongoing	The total work cost is around 71.96 Cr. (including RoW charges of ₹ 14.96 Cr) The Work was already approved by the RCIL Board on 12.02.2020 Total cost for the F.Y. 2021-22 is Rs. 10.18 Cr excluding taxes for DRDO OFC, Rs 11.39 Cr excluding taxes for DRDO OFC ROW & ₹ 39.82 Lakh excluding taxes for DRDO OFC Maintenance.	12.02.2020	Nil
3.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	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. 2021-22 was ₹ 11.39 Lakh excluding taxes	22.03.2021	Nil



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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) (Wholly Owned Subsidiary)	RCIL has provided Hosting Services (4core, 8 GB RAM, 715.42 GB) to REL Customer RDSO-QAM 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. 19510019,4 Dated 22.02.2022 .Service Period-01.04.2019- 15.10.2022. Total Value of PO was 12,03,600/- incl 18% GST.The annual value of PO for F.Y. 2021-22 for the said service received from RCIL was Rs. 3,40,732/- incl 18% GST	N/A	Nil
2	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	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 15,57,600/- incl 18% GST.The annual value of PO for F.Y. 2021-22 for the said service received from RCIL was Rs. 3,11,306/- incl 18% GST.	N/A	Nil
3.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	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. 19510017,3 Dated 22.02.2022. Service Period: 01.04.2019-30.11.2022 Total Value of PO was Rs 11,42,240/- incl 18% GST. The annual value of PO for F.Y. 2021-22 for the said service received from RCIL was Rs. 3,12,587/- incl 18% GST	N/A	Nil
4.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	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. 19510016,3 Dated 01.01.2021. Service Period 01.01.2020-31.12.2022 The total value of the PO was Rs 80,88,192/- incl 18% GST. The annual value of PO F.Y. 2021-22 for the said service received from RCIL was Rs. 26,96,064/- incl 18% GST	N/A	Nil
5.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	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: 19510015,4. Dated 01.01.2021. Service Period:22.04.2019- 21.04.2022. Total Value of PO was 16,97,076/- incl 18% GST. The annual value of PO F.Y. 2021-22 for the said service received from RCIL was Rs. 5,65,692/- incl 18% GST	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:
6.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	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 annual value of PO F.Y. 2021-22 for the said service received from RCIL was ₹ 7,70,304/- incl 18% GST	N/A	Nil
7.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	RCIL has provided Hosting Services(8core, 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 annual value of PO F.Y. 2021-22 for the said service received from RCIL was ₹ 3,85,152/- incl 18% GST.	N/A	Nil
8.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	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 annual value of PO F.Y. 2021-22 for the said service received from RCIL was ₹ 7,70,304/- incl 18% GST	N/A	Nil
9.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	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: 19510008,5 Dated: 02.09.2021 Service Period: 07.04.2019-31.03.2022 Total Value of PO was ₹ 31,26,295/- incl 18% GST. The annual value of PO F.Y. 2021-22 for the said service received from RCIL was ₹ 10,47,840/- incl 18% GST	N/A	Nil



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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:
10.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	RCIL has provided Additional Storage to REL's Customer HARSAC, in RailTel's Data Centre Gurgaon.(Associated with DC services provided as per REL Po No. 19510015) The price/charges for services were determined as per approved DC tariff policy of RCIL.	Ongoing	Purchase order No: 19510067. Dated 28-12-2020.Service Period- 2 years. Total Value of PO was 32,46,999.76/- incl 18% GST. The annual value of PO F.Y. 2021-22 for the said service received from RCIL was Rs. 16,23,449/- incl 18% GST.	N/A	Nil
11.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	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 Dated 29.01.2020. Service Period:01.07.2019-30.06.2022. Total Value of PO was 98,23,500/- incl 18% GST. The annual value of PO F.Y. 2021-22 for the said service received from RCIL was Rs. 32,74,500/- incl 18% GST.	N/A	Nil
12.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	RCIL has provided rack space services (9 rack Space) 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: 19510012,1. Dated 24.01.2020. Service Period: 01.04.2019-31.03.2022. Total Value of PO was 1,76,82,300/- incl 18% GST. The annual value of PO F.Y. 2021-22 for the said service received from RCIL was Rs. 58,94,100/- incl 18% GST.	N/A	Nil
13	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary))	RCIL has provided Hosting Services(Shared Firewall Service, Rack Space(Full rack), Nexus/Catalyst 1G Fiber, Public IP, secured VPN for 10 users for FY 2019-20) 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: 19510010,1. Dated 24.01.2020. Service Period: 19.07.2019 -18.07.2021 Total Value of PO was 29,94,698.40/- incl 18% GST. The annual value of PO F.Y. 2021-22 for the said service received from RCIL was Rs. 14,97,713/- incl 18% GST	N/A	Nil
14.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	RCIL has provided hosting services 16 CORE, 32GB RAM, 5TB Storage & 8 CORE, 32GB RAM, 1TB Storage(1DC & 1DR) for REL Customer MCG	Ongoing	Purchase Order No: 19510009,5. Dated 22.02.2022. Service Period: 01.12.2019 – 09.07.2022. Total Value of PO was 49,58,703/- incl 18% GST. The annual value of PO F.Y. 2021-22 for the said service received from RCIL was Rs. 25,34,052/- incl 18% GST	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:
15.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	RCIL has provided Hosting Services(2 Core, 8 GB RAM, 100 GB Storage with RHEL) in RailTel's Data Centre Gurgaon for REL customer-MCG.	Ongoing	Purchase Order No: 21510005. Dated 02.09.2021. Service Period: 01.02.2021- 31.07.2021 Total Value of PO was 47,830/- incl 18% GST. The annual value of PO F.Y. 2021-22 for the said service received from RCIL was Rs. 47,830/- incl 18% GST	N/A	Nil
16.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	RCIL has provided Hosting Services for FMDA, 8 Core Server 32GB RAM, 1 TB Storage shared Firewall Network Ports Bandwidth.	Ongoing	Purchase Order No. 21510021 dated 02.03.2022. Service Period 01.04.2021 – 31.03.2026. Total Value of PO was Rs 19,25,760/- incl 18% GST. The annual value of PO F.Y. 2021-22 for the said service received from RCIL was Rs. 3,85,152/- incl 18% GST	N/A	Nil
17.	RailTel Enterprises Limited (REL) (Wholly Owned Subsidiary)	Outdoor work(cabbling, I&C etc.) of Station Wi-Fi project of RCIL.	2021-22	Carrying out of certain outdoor work (like cabbling, I&C) of RCIL's Station Wi-fi Project. Total value of transaction between RCIL & REL was Rs. 80,98,927/- including taxes.	NA	Nil

*Transactions are made on Approved tariff/ Customer tariff

For and on behalf of the Board
Sd/-
Aruna Singh
Chairperson & Managing Director
DIN: 09602957



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ANNEXURE-II

RAILTEL CORPORATION OF INDIA LIMITED

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2021-22

Corporate Overview

Statutory Reports

Financial Statements

<p>1 Brief outline on CSR Policy of the company</p>	<p>RailTel's CSR vision is "To be a Company that sets a defined strategy for Social & Economic Development of communities in an inclusive manner and adhering to sustainable & 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 & 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 ("the Act") and rules made thereunder read with Schedule VII of the Act and DPE guidelines on CSR. During the year 2021-22, the following CSR activities were approved by the Board level CSR committee of RailTel:</p> <ul style="list-style-type: none"> a) Continuity of RailTel Akansha Super-30 at Dehradun, Uttarakhand: This is a flagship project of RailTel, which provides for 11-months long boarding, lodging and coaching to 30 students, who are talented but from economically weaker sections of society, free of cost, for IIT JEE and other premier institute engineering exams. b) Continuity of Digital Learning Center (DLC) at Lalbagh, New Delhi: A center to impart skill for digital literacy, enhance the existing skill of the people in order to make them competitive in the market, to make them familiar with online services so that they can face the world in more confident manner. c) Installation of 40 KW Solar Plant at All India Federation for Deaf (AIFD), New Delhi: The project aims to install a 40 KW solar power plant on the terraces of the Multi-Purpose Training Centre for deaf run by AIFD at Shaheed Jeet Singh Marg, New Delhi. This will save on its electricity bill and savings would be deployed for training other purposes of hearing impaired persons. d) Construction of Toilets in 04 govt. schools in Nalanda, Bihar: This project involving construction of Toilets, will help students of 04 govt. school in maintaining better health and hygiene and address OD issues in the area. e) Environment sustainability through Beautification of approaching area of Delhi stations by providing green corridor: The projects will improve the beauty of the approaching areas of railway station and help in environment sustainability. f) Training Center for personnel supporting cancer patients at Varanasi-Uttar Pradesh, Rishikesh-Uttarakhand and Chandigarh: The project is to train personnel in renowned hospitals through program named Can-Sahyogi-The patient Assistance, counselling and handholding program. The program trains staff to assist and counsel cancer patients so that they motivate them and their families to fight the battle against cancer and not give up hope and treatment, halfway or fully.
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- g) Installation of Tube Well for safe drinking water in Yass affected areas in 24 south parganas, West Bengal: Project envisages installation of deep tube well for safe drinking water in Sagar, Patharpratima Block under Sundarban region in West Bengal. The installation of tube wells will address the problem of pure and safe drinking water in the villages and assist to maintain good health and hygiene of villagers.
- h) Comprehensive Mobile Telehealth Services and Formation of Self-help Group of women of Rajur, Jalna, Maharashtra: Project involves comprehensive mobile telehealth services for needy people at Jalna, Maharashtra. Through this project, we propose to start a mobile tele-polyclinic for identified villages in Jalna. The mobile tele-polyclinic setup will cover 4-5 villages on weekly basis or on need basis. Also, a Self-Help Group (SHG) of women in villages for making sanitary pads after installing sanitary pad making machine and packaging setup. The group will produce, store and market the pads for being a self-sustainable and earning a decent living for them.
- i) Internet connectivity at Shri Sudhakar Pandey Inter-College, Balia, Uttar Pradesh: The project involves provision of internet connectivity and related infrastructure. The internet connectivity at this remote location will help students of school for their betterment by exposure to internet and learning new on ongoing trending skills online classes.
- j) Health Camp in 2 villages in Nalanda District in Bihar: This project involves setting up Health camp in Nalanda, Bihar, Activities in health camp include distribution of face mask and hand sanitizers to the tribal population. The camp will be managed by nurses, volunteers, compounders and will include health check-up by specialist doctors like general Physician, Gynecologist and Pediatrician. Free medicines will also be distributed to tribal population in villages based on prescription by doctors.
- k) Donation of Roti maker and Golf Cart at Safdarjung Hospital, Delhi: RailTel proposes to provide 01 Nos of Roti Maker and 02 Nos of golf cart under CSR initiative to benefit the patients arriving and getting treatment at Safdarjung Hospital, New Delhi. VVMC and Safdarjung hospital is a well-known and reputed hospital with all basic and super specialty facilities for patients like, Kitchen and other infrastructure which are needed for their benefit.
- l) Better Health Status of Women Through Community SEHAT Center: Through this project RailTel envisages, for "Better Health Status of Women through community SEHAT Center" in Ranchi district, Jharkhand, which is also an aspirational district. The program 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. The project will make women aware about their health behavior at awareness and preventive level, provide accessible sanitary facilities for menstrual cycle to the deprived women and adolescent girls.
- m) Support for Early intervention Center for children with special needs: The project has been taken up for inclusive education, skill building and employment support to children with special needs. Early intervention means doing things as early as possible to work on child's developmental, health and support needs. Early intervention services give specialized support to children and families in the early years (from birth to school entry).



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
1	Shri Chinnsamy Ganesan	Chairman/Independent Director	1	1
2	Shri Sanjai Kumar	Member/Whole time Director	1	1
3	Shri Anand Kumar Singh	Member/Whole time Director	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.	https://www.railtelindia.com/corporate-information/csr.html
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4	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable
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5	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any
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S. No.	Financial Year	Amount available for set-off from preceding financial year (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2020-21	Nil	Nil

6	Average net profit of the company as per section 135(5) (₹ Lakh):	18480
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7	(a)	Two percent of average net profit of the company as per section 135(5) (₹ Lakh)	369.60
	(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	0
	(c)	Amount required to be set off for the financial year, if any	0
	(d)	Total CSR obligation for the financial year (7a+7b-7c) (₹ Lakh)	369.60

8	(a)	CSR amount spent or unspent for the financial year:
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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
120.01	249.59	27.04.2022	NA	NA	NA



(b) Details of the CSR amount spent against ongoing projects for the financial year:

(1) S. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/No)	(5) Location of the project		(6) Project Duration	(7) Amount allocated for the project (in ₹ Lakh)	(8) Amount spent in the current financial year (in ₹ Lakh)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Lakh)	(10) Mode of Implementation Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	RailTel Akansha Super -30	Promoting Education	Yes	Uttarakhand	Dehradun	11 months	50.00	30.00	20.00	No	Center for Social Responsibility and Leadership	CSR00001414
2	Impact Assessment of RailTel's Akansha Super 30	Promoting Education	Yes	Uttarakhand	Dehradun	5 months	8.43	0.00	8.43	No	Tata Institute of Social Sciences	NA
3	Installation of Solar Power Plant at All India Federation of Deaf	Promoting Education	Yes	Delhi	Delhi	12 months	23.00	11.50	11.50	No	All India Federation for Deaf	CSR00006061
4	Internet Connectivity at Gyanarjan	Promoting Education	Yes	Uttar Pradesh	Mathura	12 months	0.20	0.00	0.20	Yes	NA	NA
5	Construction of 04 Toilets	Health	Yes	Bihar	Nalanda	12 months	21.04	5.26	15.78	No	Shri Gyan Gangotri Vikas Sansthan	CSR00011956
6	Environment sustainability through providing green corridor	Health	Yes	Delhi	Delhi	12 months	50.01	0.00	50.01	Yes	NA	NA
7	03 Nos of Training Center for supporting cancer patients	Health	Yes	Chandigarh, Uttarakhand and Uttar Pradesh	Chandigarh, Rishikesh and Varanasi	12 months	38.82	9.71	29.12	No	Sanjeevani	CSR00004972
8	Installation of Tube Well for safe drinking water in Yass affected areas	Health	Yes	West Bengal	24 South Parganas	12 months	19.20	6.40	12.80	No	South Sundarban Jan Kalyan Sangh	CSR00001189
9	Comprehensive Telehealth Services & Formation of Self Help Group for needy people of Jalna, Maharashtra	Health	Yes	Maharashtra	Jalna	12 months	37.00	18.50	18.50	No	Healthy Aging India	CSR00005412
10	Health Camp in 2 villages in Nalanda, Bihar	Health	Yes	Bihar	Nalanda	12 months	11.79	0.00	11.79	No	Socio Economic Research Center	CSR00006843
11	Internet connectivity at Shri Sudhakar Pandey Inter-College, Balia, UP	Promoting Education	Yes	Uttar Pradesh	Balia	12 months	1.45	0.00	1.45	Yes	NA	NA
12	Donation of Roti maker and Golf Cart at Safdarjang Hospital, Delhi	Health	Yes	Delhi	Delhi	12 months	27.70	0.00	27.70	Yes	NA	NA
13	Better Health Status of Women Through Community SEHAT Center	Health	Yes	Jharkhand	Ranchi	12 months	22.24	5.56	16.68	No	Society for Advancement of village Economy (SAVE)	CSR00000214
14	Support for Early intervention Center for children with special needs;	Health	Yes	Uttar Pradesh	Ghaziabad	12 months	32.00	8.00	24.00	No	Saarthak Educational Trust	CSR00001093
15	Operational Expenditure (OPEX) for existing CSR activities	Miscellaneous	Yes	Misc	Misc	12 months	11.38	9.74	1.64	Yes	NA	NA
Total							354.26	104.67	249.60			



(c) Details of the CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹ lakh)	(7) Mode of Implementation Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Digital Learning Center	Skill Development	Yes	Delhi	Delhi	6.40	No	Society for Advancement of Village Economy (SAVE)	CSR00000214
Total (in ₹ lakh)						6.40			

(d)	Amount spent in Administrative Overheads	8.94
(e)	Amount spent on Impact Assesment, if applicable	0.00
(f)	Total Amount spent for the financial Year (8b + 8c + 8d + 8e) (In ₹ Lakh)	120.01
(g)	Excess amount for set off, if any	
S. No.	Particular	Amount (in ₹ Lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	369.60
(ii)	Total amount spent for the Financial Year	120.01
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-249.59
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-249.59

9 (a) Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹ Lakh)	Amount spent in the reporting Financial Year (in ₹ Lakh)	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			PM Cares	0.5	28.09.2021	
2	2019-20	172.50	158.05				14.45
3	2018-19			PM Cares	50.80	31.03.2022	
	Total	172.50	158.05		51.30		14.45

9 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project Id	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (in ₹ Lakh)	Amount spent on the project in the reporting Financial Year (in ₹ Lakh)	Cumulative amount spent at the end of reporting Financial Year (in ₹ Lakh)	Status of Project - Completed/Ongoing
1	2507	Continuity of RailTel Akansha Super-30 at Dehradun, Uttarakhand	2020-21	11 Months	55.00	22.00	55.00	Completed
2	2507	Idea Communication	2020-21	12 Months	2.50	2.00	2.00	Ongoing
3	2430	One Digital Literacy center at Lalbagh, Delhi in association with M/s Society for Advancement of village Economy (SAVE)	2019-20	12 Months	20.96	5.24	20.96	Completed
4	2430	Continuity of one skill development Centre women at Jahangirpuri, Delhi, in association with M/s Matrix society for Social Service (MASS)	2019-20	12 Months	17.80	4.45	17.80	Completed
5	2430	One Digital literacy center at Mewat, Haryana-On going CSR project	2019-20	12 Months	14.28	7.14	14.28	Completed
6	2430	Grant to Janta Adarsh Andh Vidyalaya	2019-20	12 Months	4.90	1.23	4.90	Completed
7	2430	Adoption of 2 Nos of ITI's	2019-20	12 Months	10.00	9.63	9.63	Completed
8	2430	Promoting School Education by distributing value educations kits in Delhi/NCR	2019-20	12 Months	8.75	0.00	4.38	Ongoing
9	2430	5 Mini Science Centres at 5 Govt. School's in Motihari, Bihar	2019-20	12 Months	18.00	0.00	10.80	Ongoing
10	510	Menstrual Hygiene Management (MHM) in Government Schools of Aspiration Districts of Uttar Pradesh - - ongoing CSR project of 2018-19	2018-19	12 Months	49.97	5.00	49.97	Completed
11	510	Building public toilets at designated Railway stations by Northern Railway & South-Central Railway through agency fixed by M/s RITES - ongoing CSR project of 2018-19	2018-19	12 Months	51.20	50.06	50.06	Ongoing
12	2507	PM Cares Fund	2020-21	12 Months	0.50	0.50	0.50	Completed
13	510	PM Cares Fund	2018-19	12 Months	50.80	50.80	50.80	Completed
Total					304.66	158.05	291.08	



रेलटेल
RAILTEL

A Mini Ratna Enterprise

10	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) .	
(a)	Date of creation or acquisition of the capital asset(s).	Not Applicable
(b)	Amount of CSR spent for creation or acquisition of capital asset.	Nil
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d)	Provide details of the capital asset(s) created or aquired (including complete address and location of the capital asset).	Not Applicable
11	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 the completion of the projects.

Sd/-
Aruna Singh
Chairperson & Managing Director
(DIN: 09602957)

Sd/-
Chinnsamy Ganesan
Chairman CSR Committee
(DIN: 07615862)

ANNEXURE-III



Head Office:
387, First Floor, Shakti Khand-3,
Indirapuram, Ghaziabad-201010, U.P.
Tel:+91-0120-4272409
M:+91-9910091070, 9711670085
E-mail: vapassociatespcs@gmail.com

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022**
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
**The Members,
Railtel Corporation of India Limited
Plate-A, 6th Floor, Office Block, Tower-2,
East Kidwai Nagar, New Delhi - 110023.**

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.

- A. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 (Audit Period) 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:
- B. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022 according to the 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 there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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:
 - a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('LODR');
 - b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations 2018, to the extent applicable;
 - c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**No such event during Audit Period**);



- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(No such event during Audit Period);**
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the listed entity during the Review Period) **(No such event during Audit Period);**
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 **(No such event during Audit Period);**
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(No such event during Audit Period)**
- j) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act, 2013 and dealing with the client to the extent of securities issued;

(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.

C. We have also examined compliance with the applicable clauses of the following:

I. Secretarial Standards ('SS') with regard to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

II. Listing Agreements entered by the Company with the National Stock Exchange of India Limited (NSE) and the BSE.

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

a) *Composition of the Board (*)*:

i) *As per Regulation 17(1)(a) of LODR read with proviso, fifty per cent of the Board of Directors did not comprise of non-executive directors w.e.f. 20.07.2021 to 08.11.2021, there was no Woman Director and Woman Independent Director on the Board of the Company w.e.f. 20.07.2021 to 31.03.2022.*

ii) *As per Regulation 17(1)(b) of LODR and Clause 3.1.4 of the DPE Guidelines not less than fifty percent of the Board of Directors shall comprise of Independent directors, however, half of the Board did not comprise of Independent Directors.*

iii) *Composition of the Board was not in compliance with the provisions of Section 149 of the Act w.e.f. 20.07.2021 to 08.11.2021 as there was only One Independent Director on the Board.*

(* Including Shri Ashutosh Vasant, Director (Project, Operation and Maintenance), who has been divested of the charge/duties of the post of Director, by the Ministry of Railways, Government of India ('MoR'). Further, as per information and explanation provided by the Company, Shri Ashutosh Vasant did not attend any Board meeting as per direction of MoR and did not provide requisite disclosures and Code of Conduct during the Audit period.

b) *Composition of the Audit Committee was not in compliance with the provisions under Regulation 18(1)(b) of LODR, Section 177(2) of the Act and Clause 4.1.1 of the DPE guidelines, Quorum of the Audit Committee was also not in pursuance to the provisions under Regulation 18(2)(b) of LODR and Clause 4.4 of the DPE guidelines, as there was only One Independent Director member of Audit Committee w.e.f. 20.07.2021 to 23.12.2021.*

c) *Composition of the Nomination and Remuneration Committee ('NRC') was not in compliance with the provisions under Regulation 19(1)(c) of LODR and Section 178(1) of the Act, as there was only One Independent Director member of NRC w.e.f. 20.07.2021 to 23.12.2021.*

d) *Disclosure as per Clause(e) of Directors' Responsibility Statement as required under section 134(5) of the Act regarding internal financial controls was not mentioned in the Board's Report for the Financial Year 2020-21, however, the Company has given separate disclosure under Rule 8(5)(viii) of Companies (Accounts) Rules, 2014.*

e) *As per the Articles of Association ('AOA') of the Company, power of appointment and removal has been mentioned, but in case of Shri Ashutosh Vasant, Director (Project, Operation and Maintenance), powers of the Director have been divested, for which enabling provisions could not be found in AOA.*

f) *As per Regulation 9A(4) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Audit Committee of a listed Company or other analogous body for intermediary or fiduciary shall review compliance with the provisions of these regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively, as per the Minutes of the Audit Committee resolution for review of compliance with the provisions of these regulations was not available during the Audit period.*

g) *Investment held by the Company in One Equity Share of Bharat Broadband Network Limited was not shown in the Investment head in the Financial Statements for the Financial Year 2020-21 and Share Certificate for the investment is not available in the records of the Company.*



E. We further report that

- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors *except as enumerated in para D(a) above regarding Non-executive Directors, Independent Directors and Woman Director*. 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.
- II. 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.
- III. All decisions at Board Meetings and Committee Meetings are carried out by majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

- F. **We further report that** based on the information provided and review of compliance reports taken on record by the Board of Directors of the Company, in our opinion, 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.
- G. **We further report that** based on the information provided, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws during the audit period.

Note:

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.

For **VAP & Associates**
Company Secretaries
FRN: S2014UP280200
Peer Review No: 1083/2021

Sd/-
Parul Jain
Proprietor
M. No. F8323
CP No. 13901
UDIN: F008323D000587143

Place: Ghaziabad
Date: 08.07.2022

Annexure – ‘A’

To
**The Members,
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 audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial record. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. The compliance by the Company of applicable financial laws such as direct and indirect tax laws has not been reviewed in this Audit since the same have been subject to review by statutory auditors and other designated professionals.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
6. 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 check basis.
7. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **VAP & Associates**
Company Secretaries
FRN: S2014UP280200
Peer Review No: 1083/2021

Sd/-
Parul Jain
Proprietor
M. No. F8323
CP No. 13901

Place: Ghaziabad
Date: 08.07.2022



ANNEXURE-IV

RAILTEL CORPORATION OF INDIA LIMITED

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

Sr. No.	Observations/comments made by Secretarial Auditor in their report	Management Replies
a)	<p>Composition of the Board (*):</p> <p>i) As per Regulation 17(1)(a) of LODR read with proviso, fifty per cent of the Board of Directors did not comprise of non-executive directors w.e.f. 20.07.2021 to 08.11.2021, there was no Woman Director and Woman Independent Director on the Board of the Company w.e.f. 20.07.2021 to 31.03.2022.</p> <p>ii) As per Regulation 17(1)(b) of LODR and Clause 3.1.4 of the DPE Guidelines not less than fifty percent of the Board of Directors shall comprise of Independent directors, however, half of the Board did not comprise of Independent Directors.</p> <p>iii) Composition of the Board was not in compliance with the provisions of Section 149 of the Act w.e.f. 20.07.2021 to 08.11.2021 as there was only One Independent Director on the Board.</p> <p>(* Including Shri Ashutosh Vasant, Director (Project, Operation and Maintenance), who has been divested of the charge/duties of the post of Director, by the Ministry of Railways, Government of India ('MoR'). Further, as per information and explanation provided by the Company, Shri Ashutosh Vasant did not attend any Board meeting as per direction of MoR and did not provide requisite disclosures and Code of Conduct during the Audit period.</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. Consequently, the composition requirement of Board level Committees could not be complied with.</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>
b)	<p>Composition of the Audit Committee was not in compliance with the provisions under Regulation 18(1) (b) of LODR, Section 177(2) of the Act and Clause 4.1.1 of the DPE guidelines, Quorum of the Audit Committee was also not in pursuance to the provisions under Regulation 18(2)(b) of LODR and Clause 4.4 of the DPE guidelines, as there was only One Independent Director member of Audit Committee w.e.f. 20.07.2021 to 23.12.2021.</p>	
c)	<p>Composition of the Nomination and Remuneration Committee ('NRC') was not in compliance with the provisions under Regulation 19(1)(c) of LODR and Section 178(1) of the Act, as there was only One Independent Director member of NRC w.e.f. 20.07.2021 to 23.12.2021.</p>	

Sr. No.	Observations/comments made by Secretarial Auditor in their report	Management Replies
d)	Disclosure as per Clause(e) of Directors' Responsibility Statement as required under section 134(5) of the Act regarding internal financial controls was not mentioned in the Board's Report for the Financial Year 2020-21, however, the Company has given separate disclosure under Rule 8(5)(viii) of Companies (Accounts) Rules, 2014.	This observation pertains to the Board's Report of previous Financial Year's (i.e. FY 2020-21). As already indicated in the observation itself, the Company has given separate disclosure under Rule 8(5)(viii) of Companies (Accounts) Rules, 2014.
e)	As per the Articles of Association ('AOA') of the Company, power of appointment and removal has been mentioned, but in case of Shri Ashutosh Vasant, Director (Project, Operation and Maintenance), powers of the Director have been divested, for which enabling provisions could not be found in AOA.	RailTel is a Govt. Company within the meaning of the provisions contained in Section 2 (45) of the Companies Act, 2013. In terms of Article 67 of the Articles of Association of the Company, the power to appoint and remove Directors from the Board of the Company vests with the President of India. This impliedly includes the power to divest from the charge or to entrust the additional charge, whenever need so arises.
f)	As per Regulation 9A(4) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Audit Committee of a listed Company or other analogous body for intermediary or fiduciary shall review compliance with the provisions of these regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively, as per the Minutes of the Audit Committee resolution for review of compliance with the provisions of these regulations was not available during the Audit period.	The status report on compliance of the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 for the FY 2021-22 was reviewed by the Board of Directors in their meeting held on 04/05/2022.
g)	Investment held by the Company in One Equity Share of Bharat Broadband Network Limited was not shown in the Investment head in the Financial Statements for the Financial Year 2020-21 and Share Certificate for the investment is not available in the records of the Company.	Noted for future compliance.



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"> 1. Effective saving during FY 2021-22 by the work of Retrofitment (replacement of old luminaries with LED solution)- The overall yearly energy saving after execution of the project during the FY 2021-22 was around 25% (Approx.). 2. BMS module (centralized AC Control) for HVAC system- Overall savings during the FY 2021-22 was around 10% (Approx.). 3. Saving through Blanking panels- The overall savings during the FY 2021-22 was 10% in the total electricity billing during the year. To avoid the unwanted circulation of cool air throughout the area, temporary partition under false floor was provided, due to this cool area is efficiently deliver to the cold aisle containments leads to reduce pressure on compressor. The overall savings during the FY 2021-22 was 5% in the total electricity billing during the year. 4. Saving through replacement of vertical blinds with roller blinds:- The overall savings during the FY 2021-22 was around 3% approx. in the total electricity billing during the year.
(ii)	Steps taken by the company for utilising alternate sources of energy	<ol style="list-style-type: none"> 1. RailTel is further planning for installation of solar rooftop panel at terrace of the building of capacity 5% of sanctioned electrical power. 2. Replacement of aged SMF VLRA batteries at Data Centre & way sides PoPs. 3. Procuring high efficiency SMPS rectifiers.
(iii)	Capital investment on energy conservation equipment's	No capital investment on energy conservation equipment was made during the FY 2021-22.

(B) Technology Absorption

(i)	Efforts made towards technology absorption	<ol style="list-style-type: none"> 1. As an initiative towards redundancy and reliability of HT line source in the Corporate Office of RailTel and Data Center, RailTel has completed for supply, installation, commissioning and testing of 11KV/2MVA redundant HT line from Sector 52 to RailTel's Corporate Office. This will help in reduction of fuel (HSD) consumption during any failure of HT cable (normally outage time as per past experience for any failure in HT line takes 15 to 40 Hrs) so for reducing HSD consumptions, RailTel has completed the work of redundant HT line. 2. Retrofitting of all DG Sets (05 Nos) to control pollution as per NGT guidelines.
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		<ol style="list-style-type: none"> 3. Drive to ensure the loading in such a way to maintain unity power factor. 4. Drive for major schedules of all equipment's. 5. Drive for Major preventive maintenance activity schedules of all equipment's installed in Data Centre 6. Annual Stack Monitoring (Pollution Check) of all DG Sets (05 Nos) as per CPCB guidelines, preventive maintenance activities, B-check & C-Check activities as per the OEM standards. 7. Installing motion sensor lights. 8. Installing Inverter technology Air Conditioners 9. State of the art PoP commissioned with 30 racks at Mahalaxmi, RailTel Office on the pattern of DC/DR with provision of precision ACs, false flooring and roofing, energy saving LED lights, segregation of AC and DC supply racks, video surveillance, authorized entry system, three different sources of power supply etc. 10. End of life SDH equipments were replaced with energy efficient latest version. Total 7 nos. of TJ-100 MC-16 equipments (consumption 917 W per equipment) were replaced by TJ-1400 equipment (consumption 500 W per equipment). 11. Green DG sets of 100/50 KVA each were provided at different PoPs to control pollution as per NGT guidelines at certain locations. 12. The old over aged Air Conditioners were replaced with New 5 star rating ACs in the offices at certain locations.
(ii)	Benefits derived like product improvement, cost reduction, product development or import substitution	<ul style="list-style-type: none"> • Operational Efficiency - Regular scheduling of all equipment's. • Service Quality improvement - Major overhauling of data centre equipment's.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NA
(a)	Details of technology imported	NA
(b)	Year of import	NA
(c)	Whether the technology been fully absorbed	NA
(d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NA
(iv)	Expenditure incurred on Research and Development	NIL

(C) Foreign Exchange Earnings & Outgo

Sl. No.	Particulars	FY 2021-22	FY 2020-21
i.	Foreign Exchange Earnings	NIL	NIL
ii.	Foreign Exchange Outgo	₹ 2.77 Crore	₹ 6.69 Crore



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.



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(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.

Management Discussion and Analysis Report

1. Economy Overview

Introduction

India has emerged as the fastest - growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by robust democracy and strong partnerships.

India is likely to emerge as the Third-largest economy in the world by 2031 as per the latest World Economic League Table 2022 published by the Centre for Economics and Business Research (CEBR)

India's nominal GDP measured in USD terms is forecast to rise from USD 2.7 trillion in 2021 to USD 8.4 trillion by 2030. This rapid pace of economic expansion would result in the size of the Indian GDP exceeding Japanese GDP by 2030, making India the second largest economy in the Asia-Pacific region. By 2030, the Indian economy would also be larger in size than the largest Western European economies, notably Germany, France and the United Kingdom, as per IHS market report.

1.1 Market size

India's nominal gross domestic product (GDP) at current prices stood at ₹ 232.15 lakh crore (US\$ 3.12 trillion) in FY22.

India is the third-largest unicorn base in the world with over 100 unicorns collectively valued at ₹2.59 Lakh Crore (US\$ 332.7 billion).

India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023-2030 for productivity and economic growth according to Mckinsy Global Institute. The net employment rate needs to be grown by 1.5%

per year from 2023 to 2030 to achieve 8 – 8.5% GDP growth between 2023 and 2030.

India's foreign exchange reserves stood at Rs.4.95 Lakh Crore (US\$ 634.287 billion), as of January, 2022, according to data from Department of Economic Affairs.

1.2 Recent Developments

With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity-venture capital (PE-VC) sector recorded investments worth ₹ 45,791 Crore (US\$ 5.8 billion) across 117 deals in February 2022.

1.3 Government Initiatives for economy

In the Union Budget 2022-23, capital expenditure for FY22-23 is likely to increase by 27% at ₹ 11.28 lakh crore (US\$ 142.93 billion) to boost the economy.

Increased government expenditure is expected to attract private investments, with production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded and measured policy support is anticipated to boost the Indian economy.

In the Union Budget of 2022-23, Hon'ble Minister for Finance & Corporate Affairs announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.

In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.



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In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.

In the Union Budget of 2022-23, Railway got an investment of ₹ 2.51 lakh crore (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.

In the Union Budget of 2022-23, Minister for Finance & Corporate Affairs announced that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.

Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Hon'ble Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy

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

- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY 2022-23; it is expected to raise ₹ 4.23 lakh crore (US\$ 53.58 billion) in the next three years.
- In August 2021, Hon'ble Prime Minister Mr. Narendra Modi launched a digital payment

solution, e-RUPI, a contactless and cashless instrument for digital payments.

- In June 2021, the Indian government signed a US\$ 32 million loan with World Bank for improving healthcare services in Mizoram.
- In May 2021, the Government of India (GoI) and European Investment Bank (EIB) signed the finance contract for the second tranche of EUR 150 million (US\$ 182.30 million) for the Pune Metro Rail project.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5% of the GDP by 2025.

1.4 Road Ahead

As per the data published in a Department of Economic Affairs report, in the first quarter of FY22, India's output recorded a 20.1% YoY growth, recovering >90% of the pre-pandemic output in the first quarter of FY20. India's real gross value added (GVA) also recorded an 18.8% YoY increase in the first quarter of FY22, posting a recovery of >92% of its corresponding pre-pandemic level (in the first quarter of FY20).

India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

India is expected to be the third-largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to a shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass the USA to become the second-largest economy in terms of purchasing power parity (PPP) by 2040, as per a report by Price water house Coopers.

(Source: India Brand Equity Foundation, ibef.org)

2. Telecom Industry

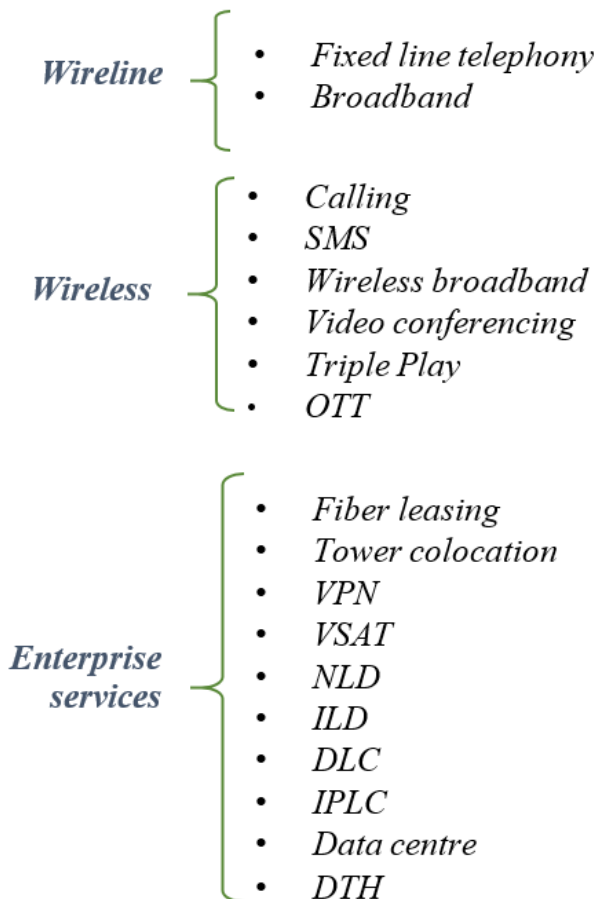
2.1 Telecom Industry Characteristics

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, video conferencing service, triple play service, and over-the-top (OTT) platforms. Enterprise services provide network connectivity across locations and users in an organization.

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.

Structure of the Indian Telecom Industry



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.

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.

Triple play: In telecommunications, the provisioning, over a single broadband connection, of two bandwidth-intensive services, broadband internet access and television, and the latency-sensitive telephone. The bundle package allows one to enjoy a defined group of electronic services, such as satellite TV, internet and home phone, at a single discounted rate. Triple play packages offer the benefits of better value and a single bill for all services.

OTT: Also known as telco-OTT, OTT is a term used when a provider delivers audio, video and other media over an IP network (such as the internet), entirely bypassing the traditional operator's network. Examples of these services are social media apps (WhatsApp, Instagram, etc) and content streaming services (Netflix, Amazon Prime, Zee5, Hot star, etc). To adapt to the growing acceptance of OTT services, communication service providers are resorting to bundling of OTT and data subscription packs.



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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 organizations 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 and symmetrical speed (in terms of equal download and upload speeds). Reliance Jio Infocomm Ltd, Bharti Airtel Ltd, Bharat Sanchar Nigam Ltd (BSNL), RailTel Corporation of India Ltd, 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. Bharti Infratel Ltd, Bharti Airtel Ltd, GTL Infrastructure Ltd, Indus Towers Ltd, Reliance Jio Infocomm Ltd, RailTel Corporation of India 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, increasing demand of 4G & ushering of 5G era, 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 organization's network. These services cost less than alternatives, such as traditional leased lines or remote access servers. Tata teleservices, Sify technologies, RailTel, Tikona, Reliance Jio Infocomm are major services providers in this domain.

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. Tata teleservices, RailTel, Sify technologies, Tikona and Reliance Jio Infocomm 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, RailTel Corporation of India Limited, Power Grid Corporation of India Ltd, 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 Center, Sify Technologies, STT Global Data Center, Vodafone Idea, Amazon and RailTel Corporation of India Ltd. are some of the players providing data centre services in India.

2.2 Recent trends in telecom and telecom data services industry in India

Currently, India is the world's second-largest telecommunications market with a subscriber base of 1.16 billion and has registered strong growth in the last decade. The Indian mobile economy is growing rapidly and will contribute substantially to India's Gross Domestic Product (GDP) according to a report prepared by GSM Association (GSMA) in collaboration with Boston Consulting Group (BCG).

In India, the overall Tele-density was 84.88% at the end of March-22. The Urban Teledensity decreased from 134.94% at the end of March-22 to 134.70% at the end of April-22 however, Rural Tele-density increased from 58.07% to 58.16% during the same period. The share of urban and rural subscribers in total number of telephone subscribers at the end of April 22 was 55.40% and 44.60% respectively.

The liberal and reformist policies of the Government of India have been instrumental along with strong consumer demand in the rapid growth in the Indian telecom sector. The Government has enabled easy market access to telecom equipment and a fair and proactive regulatory framework, that has ensured availability of telecom services to consumer at affordable prices. The deregulation of Foreign Direct Investment (FDI) norms has made the sector one of the fastest growing and the top five employment opportunity generator in the country.

2.3 Key Opportunities and Threats in the telecom services industry

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.



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2.3.1 Opportunities

a) Increase in Digital initiative

The government's increased focus to create a digitally empowered economy is forecast to benefit all sectors, wherein core digital sectors such as information technology & business process management, digital communication services and electronics manufacturing are likely to double their GDPs to US\$ 355-435 billion by 2025. Few projects being pursued by RailTel are CCTV Implementation in Police Stations and Railway Stations, Courts, Smart city Smart metering solutions etc.

b) Rising internet penetration

Internet penetration is expected to grow steadily and is likely to be bolstered by Government policy. Number of broadband subscribers reached 765 million in FY22. To encourage cashless economy, Indian Government announced to provide free Wi-Fi at gram panchayats.

c) Opportunities arising from 5G proliferation

With each generation of mobile technology, the need for fiber backhaul particularly at mobile BTS sites have been becoming important. For the proliferation of new 5G mobile network technology the need for fiberized towers would be a critical aspect. The other challenge for proliferation of 5G would be need of additional towers. According to the estimates by the industry the need for towers shall increase from present 7.23 Lakh towers to over a million towers.

The National Broadband Mission launched in December 2019 envisions 70% of telecom towers to be fiberized by the year 2024 as against present status of 33% fiberized towers. An E&Y report had suggested that Industry would require a capex of around Rs 45,000 crore to achieve a 70% fiberisation rate by 2024. This aspect becomes critical as against present need of backhaul capacity of around 200 Mbps per BTS site for 3G/4G technology, the backhaul

capacity for 5G per BTS site would be 1-5 Gbps.

Dept. of Telecom has already issued notice for auction of spectrums in various frequency bands which would support 5G. It is expected that first commercial 5G roll out shall start from Sep/Oct 2022. The shift to 5G technology shall also enable host of new solutions both for citizens and Enterprises due to its inherent advantage of speed, reliability and security.

This shall open host of new opportunities for RailTel thus enabling further monetisation of its tower and network assets. RailTel's over 1000+ fiberized towers and high capacity fiber network along Rail tracks can be an effective infrastructure for roll out of 5G by Telecom players.

2.3.2 Threats

a) Failure to ensure infrastructure reach and resilience

While telecoms networks have withstood higher usage during the pandemic, telcos remain under pressure to improve network performance and coverage. Many users feel frustrated at being unable to access the speeds, and there's a widening gap between network reach and service adoption, particularly in emerging markets. Meanwhile, policymakers are increasing their focus on the digital society – yet the economics of network rollout in remote areas remain challenging, and new technologies are offering disruptive alternatives.

b) Underestimating changing imperatives in privacy, security and trust

Research finds that consumers are more concerned about data privacy and security now than before the pandemic, while rising time online has fuelled well-being worries. Operators are facing these shifting sentiments amid rising cyberattacks, with 75% reporting an increase in cyberattacks in the last twelve months. Responding effectively is a key concern: 47% say they've never been more concerned about their own ability to manage cyberthreats.

3. IT/ICT & BPM Industry

Information and Communications Technology (ICT) holds the future and the competence to transform. Existing technologies are tailor-made to distribute conventional resources but to mine the unconventional ones we need novel technology. Solution lies in indigenous, affordable and easy to access technology. ICT for society should be the driving idea of future innovation.

RailTel since its inception has been pioneer in the field of optical fibre network and its outreach to far-flung areas. While fostering bandwidth with very stringent QOS and SLA, RailTel strives to explore newer and innovative ways to enrich the knowledge economy. Its Vision and Mission aligns to advance innovative ICT-enabled solutions to empower diverse Indian demographics.

RailTel has 02 nos of Tier-III, Data Centers 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.

- a) **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.
- b) **HD Video Conferencing Services:** end-to-end hosted multi-tenant video conferencing facility
- c) **Security Operations Centre as a Services:** cyber security incident prevention and security event monitoring services
- d) **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)
- e) **Digital Services:** Wi-Fi as a service, e-office, Hospital Management Information System, e-tendering/ e-auction and IoT based solutions.
- f) **Other Services:** consultancy services for ICT services and solutions Railway signalling services

With new services and ventures being taken and the much-needed political momentum, RailTel has been elevating society through its unmatched contribution in gamut of Digital India Initiatives.

4. Government Initiatives for Telecom Industry

The Government has fast-tracked reforms in the telecom sector and continues to be proactive in providing room for growth for telecom companies. Some of the major initiatives taken by the Government are as follows:

- In Union Budget 2022-23, the allocation for IT and telecom sector stood at ₹ 88,567.57 crore (US\$ 11.58 billion).
- The government introduced the STP Scheme, which is a 100% export-oriented scheme for the development and export of computer software, including export of professional services using communication links or physical media.
- On July 2, 2021, the Ministry of Heavy Industries and Public Enterprises launched six technology innovation platforms to develop technologies for globally competitive manufacturing in India. The six technology platforms have been developed by IIT Madras, Central Manufacturing Technology Institute (CMTI), International Centre for Automotive Technology (iCAT), Automotive Research Association of India (ARAI), BHEL and HMT in association with IISc Bangalore.
- In August 2021, the Union Minister of State for Electronics and Information Technology announced that the IT export target is set at US\$ 400 billion for March 2022. In addition, the central government plans to focus on areas, such as cybersecurity, hyper-scale computing, artificial intelligence and blockchain.
- In September 2021, the Indian government launched the Meghalaya Enterprise Architecture Project (MeghEA), to boost service delivery and governance in the state by leveraging digital technologies, to make Meghalaya a high-income state by 2030.



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- In September 2021, the Indian government launched Phase II of Visvesvaraya PhD Scheme to encourage research in 42 emerging technologies in Information Technology (IT), Electronics System Design & Manufacturing (ESDM) and Information Technology Enabled Services (ITES).
- In September 2021, the Indian government inaugurated five National Institute of Electronics & Information Technology (NIELIT) Centres, in three North Eastern states to boost availability of training centres and employment opportunities.
- In November 2021, the government launched the Internet Exchange in Uttarakhand to enhance the quality of internet services in the state.
- Department of Telecom, Government of India and Ministry of Communications, Government of Japan signed a MoU to enhance cooperation in areas of 5G technologies, telecom security and submarine optical fibre cable system.

India is the topmost offshoring destination for IT companies across the world. Having proven its capabilities in delivering both on-shore and off-shore services to global clients, emerging technologies now offer an entire new gamut of opportunities for top IT firms in India. Indian IT & business services industry is expected to grow to US\$ 19.93 billion by 2025.

(Source: India Brand Equity Foundation, ibef.org)

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 2021-22, various recommendations were made to the Government by TRAI during the year.

- Licensing Framework for Satellite-based connectivity for Low Bit Rate Applications.
- Recommendations on Auction of Spectrum in frequency bands identified for IMT/5G.
- Reforming the Guidelines for Transfer/Merger of Telecom Licenses.
- Roadmap to Promote Broadband Connectivity and Enhanced Broadband Speed

During 2021-22, TRAI initiated various consultations on the following

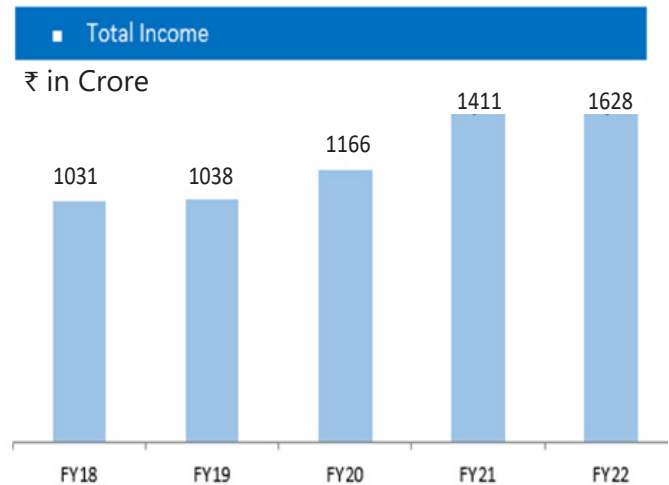
- New Regulatory Framework for Broadcasting and Cable services
- Rating of Buildings or Areas for Digital Connectivity
- Use of street furniture for small cell and aerial fiber deployment.
- Promoting Networking' and Telecom Equipment Manufacturing in India
- Promoting Local Manufacturing in the Television Broadcasting Sector
- Ease of Doing Business in Telecom and Broadcasting Sector
- Licensing Framework for Establishing Satellite Earth Station Gateway

6. RailTel – An Overview

RailTel Corporation of India Ltd is a "Mini Ratna (Category-I)" CPSU formed in the year 2000 as a 'Schedule A' CPSU, under the Ministry of Railways, in line with NTP '99. RailTel has exclusive 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. At all the stations enroute STM-1/4 equipment offering bandwidth upto (155/622 Mbps) is deployed primarily to meet Railways requirement and serve the unserved and the underserved. The distribution layer network of STM-64/16 (10G/2.5G) spaced at 40-60 KMs is deployed to connect important towns/cities of the country. Presently, this network is available at more than 600 cities in multiple rings of STM-64/16.

RailTel has PAN India Telecom Network with capability of Service delivery from 2Mbps to 100Gbps 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 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 present on fiber in 1409 Govt schools in Kerala and offering 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 742 institutes of higher learning like IITs, IIMs, IISC, SAC, Agricultural and research institutes and universities across the country.



Snapshot of RailTel's 5 year performance

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 exclusive Right of Way (RoW), RailTel is capable of delivering 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. We take pride in sharing that RailTel remains the ONLY consistently profitable, consistently dividend paying and Debt free company in Telecom space under the Govt. of India.

7. Network Strength

RailTel has exclusive seamless Right of Way (ROW) along 67,956 KM of Railway Track passing through 7325 stations across the country. Using this ROW, RailTel has created OFC network on 60560 RKM till March 31, 2022. RailTel's high speed OFC Backbone Network shall ultimately cover the entire railway route across the country. In high bandwidth backbone segment, RailTel occupies a proud place



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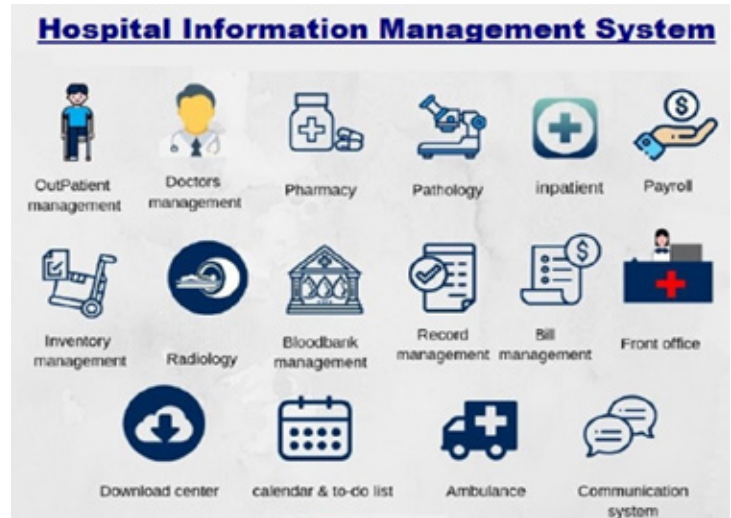
with its unparalleled network. The network has the ability to provide the mission critical customized connectivity platform for enhanced corporate efficiency and growth.

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 E1 (2Mbps), DS3 (45 Mbps), STM-1/4/16/64 (155 Mbps / 622 Mbps/ 2.5Gbps / 10Gbps). 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 1G, 10G, 100G and 400G. 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 10 Gbps. The Network covers all major cities of India and provides high availability of services.

8. 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:



8.1 Hospital Management Information System

RailTel has been entrusted with the work of Hospital Management Information System over 125 Railway Hospitals and 574 Health units/polyclinics of Indian Railways (IR). This is integrated clinical information system for improved hospital administration and patient health care for providing an accurate, electronically stored medical records.

Total 699 units of IR are live on HMIS. The features of the software extend from customizing clinical data according to the departments and laboratories, multi hospital feature that provide cross consultation, seamless interface with medical and other equipment's and the patients will have the benefit of accessing all their medical records on their mobile device. There are about 20 modules of HMIS which will be implemented. These 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 43 lacs UMID cards have been issued to the regular employees, pensioners and family members of Indian Railways.

To minimize footfall at Railway hospitals/Health units for generic treatments, RailTel has developed a teleconsultation app. The Railway HMIS app has

been developed and integrated under the ongoing Hospital Management Information System (HMIS) project. It captures and maintains all data related to patients (testing, line of treatment, current status etc) for better monitoring of treatment. It also enables the medical beneficiaries to access their medical record at single point, through their mobile devices.

8.2 AI/ IOT based Applications

- RailTel has implemented an Artificial intelligence (AI) and web-based Attendance system in 46367 schools in 33 districts of Assam for 48 lacs users including students, teachers and non-teaching staff.
- RailTel, has deployed IoT Based Condition Monitoring and Predictive Maintenance system for Signalling assets as POC at Malkajgiri Railway station of South Central Railway. The field sensors have been provided for various signalling gears like Signal, Point Machine, Track Circuit, Internal and External power supply and battery system. Data from the IoT devices are transmitted wirelessly to Local Workstation kept where edge computing is done along with Data Logger output. The first level fault information/ remote diagnostics are done in the edge computing system. The edge system is further connected to RailTel Cloud through RailTel's backbone for Data Analytics and reporting. Work on the application for development of various reports is in progress.

8.3 Security Operation Centre

With 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 through its SOC, provides 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



RailTel SOC at Gurugram

threat to Data Security with detection and response capabilities.

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 along with Auto ticketing tool.

8.4 Railway Station Wi-Fi Services

RailTel is transforming Railway stations into Digital hub by providing public Wi-Fi at all Railway Stations. 6102 stations are live with RailTel's RailWire Wi-Fi.



This is one of the largest and fastest public Wi-Fi networks of the world. 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 is very popular with Railway users and the community around Railway stations that it generated global and domestic media attention.

8.5 Video Surveillance System (VSS)

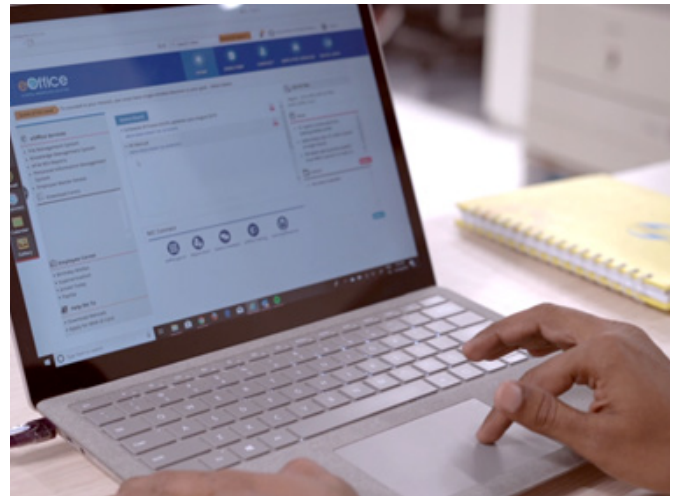
RailTel is also executing provision of IP camera-based Video Surveillance System at 5102 railway stations and 14387 premium train coaches and EMU coaches. This will go a long way in enhancing the safety and security of the passengers travelling over the IR network. RailTel is also integrating the various



standalone video surveillance system installed at various stations by respective zonal railways so that the video recordings can be seen and monitored centrally at the Divisional and Zonal head quarter level. 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 303 stations under Phase-I.

8.6 E-office in Indian Railways

RailTel has also taken up the work of implementing E-Office system for Indian Railways. 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. As on date, more than 1.40+ lakh users of Indian Railways are using e-Office Application. 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.

8.7 CoD (Content on Demand)

RailTel will be providing the Content on Demand service to passengers in trains by preloading multilingual content (Movies, Music Videos, General Entertainment, Lifestyle etc) on media servers installed in trains. With COD, passengers will be able to enjoy uninterrupted free/Subscription based high Quality buffer free entertainment streaming service on their personal devices during their train journey despite unstable mobile network in a moving train. The content will be periodically refreshed. CoD platform will also provide e-commerce/m-commerce services in various domains e.g. travel bookings (cab, bus, train) etc. and provide various innovative solutions in digital marketing domain.

The Content on Demand service will not only improve overall passenger experience but at the same time will increase the non-fare revenue through multiple monetization models.

8.8 Railway Display Network

This is an initiative to provide contextually rich and relevant information to Rail users along with public awareness messages & entertainment content and use the latest digital technologies to unlock the true advertisement potential of the footfalls in stations. RDN is planned to be built and operated on a self-sustainable model.

The display screens will be provided at the station buildings, entrance, concourse, platforms, waiting rooms and foot-over-bridges but excludes circulating areas. Various passenger related information from most appropriate sources like train charting server, NTES, PRS etc shall be provided. The Railway Display Network with the cloud analytics will provide the ability to generate rich analytics and context to provide Railway users accurate and relevant information to improve the Railway travel experience. RDN will also be a platform for targeted live messaging on audio, video or social media to display information of national importance and citizen services. The analytics and ad exchange provide a transparent way to unlock the true advertising potential of the footfalls in the Railways. Project is to be implemented at all A1, A, B, C & D category stations.

8.9 Modernization of Signaling System

RailTel Corporation of India Limited along with RailTel Enterprises Ltd., a wholly owned subsidiary of RailTel Corporation of India Ltd., 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. 09 stations has been commissioned. Work has already been started on provision of Electronic Interlocking.

8.10 State Wide Area Network

RailTel is also helping to 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 wherever required. In Kerala, RailTel is upgrading the State Wide Network with new generation equipment's and providing Facility Management Services. Work of upgrading the ORISSA SDWAN has also been entrusted to RailTel.

8.11 PM WANI

The PM-WANI scheme, announced by the Department of Telecommunications in Dec-2020, aims to increase internet connectivity across the country by implementing a decentralised system of public access points. As RailTel has invested significantly in Wi-Fi with its station Wi-Fi network spread across Railway Stations & RailTel has been testing the WANI stack and has empanelled partner with the technology solution for WANI. The announcement of PM WANI has now made it possible for RailTel to leverage its nationwide Network, Wi-Fi experience and collaborative business experience to play a major role in providing Wi-Fi services. RailTel has already been registered as Public Data Office Aggregator (PDOA) by the Ministry of Communications.

8.12 Innovative Initiatives

Two innovative initiatives were undertaken by RailTel to improve user experience using open-source 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.

In the first initiative to improve user browsing experience using open-source software's and generic hardware, at all major RailWire broadband delivery locations, Anycast DNS was deployed along with Speed Test Server, which significantly reduced the number of hops to reach the nearest server. Query resolution becomes agnostic to any outages in the network as the DNS server is present



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at the next hop. The load on existing servers also got distributed, enabling better query handling. The reduced query load can be quickly served by less demanding hardware. Further, 31 Nos of sensor were deployed across RailTel network near BNG location to collect parameters like Ping Response, traceroute, Download speed from multiple websites. A Universal Notification System was hosted on a separate server to perform the sole function of publishing notifications. A combination of message broker protocols e.g, MQTT and Telegram application, were used to implement the notification system. Automation of log generation was also carried out to eliminate manual work and chances of human error during data filling.

In the second initiative of delivering Rural Wi-Fi using open-source software's and additional Broadband access server were deployed for Monitoring, Logging IPDR and security for Rural Public Wi-Fi. The IPDR helps track internet traffic generated by Wi-Fi users and includes details like the number from which the connection was made, destination port, start and end date and time. In addition, we implemented logstash over ipfix-10, a lightweight, open-source, server-side data processing pipeline that allows to collect data from various sources, transform it. Implemented Internet Protocol over Ethernet (IPoE) to authenticate all access points across the network so that security

issues can be eliminated and availability could be ensured. Advanced RISC machine (ARM) servers were connected to each Wireless access gateway for collecting statistics for all mission-critical URLs and internet availability and latency, including user statistics. It also helps to ensure the quality of services.

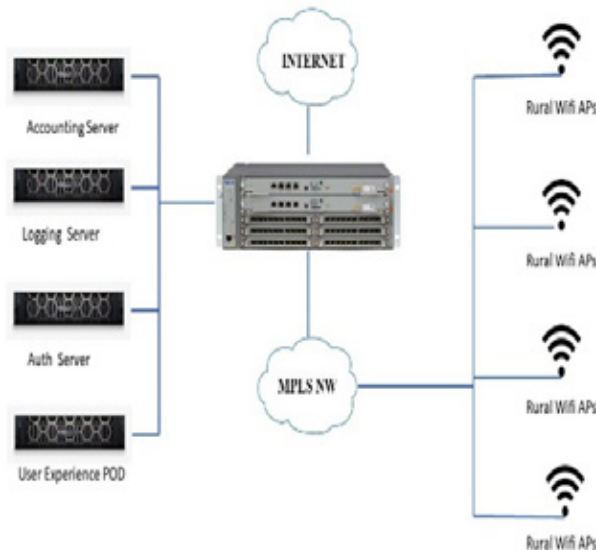
Using the same infra implementation of PM-Wani wi-fi app provided by C-DOT was also carried out across 100 Railway stations.

9. Existing Services

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

9.1 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 ₹ 478 Cr. revenue from this segment.

9.2 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'22, RailTel has generated ₹ 349 Cr. revenue from this segment.

9.3 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 1,45,000 new subscribers each month, with 4,60,000+ active subscriber base on Mar' 22. Around 7345 Local Cable Operators have partnered to provide last mile connectivity to end consumers. Total revenue of ₹ 302.87 crores was achieved during the year.

9.4 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 17 Zonal HQs, 68 Divisions offices, Production units, for sharing of information from all depts. RailTel is now in the process to connect all Tier-1 PRS center on MPLS VPN connectivity with the disaster recovery site of CRIS which shall increase the reliability of these links.
- **NGN for voice traffic:** All major telephone exchanges of Indian Railways are connected with future proof NGN technology. This infrastructure is very critical for day-to-day administrative functioning of Railways.
- **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.
- **Facilitating CUG services:** RailTel facilitated Indian Railways by choosing an operator through an open process for Mobile CUG connections for 2,91,220 officials of Indian Railways which is arguably the largest CUG plan within India. It has greatly facilitated in seamless communication among the officials for improved train operations.



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RailTel Data Center at Gurugram



RailTel's TPaaS services

9.5 Data Center

RailTel has two UPTIME (USA) certified Tier-III & MeitY Empanelled Data Centers in place at Secunderabad and 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 Centers are empanelled with MeitY for providing cloud services to Govt. Departments & PSUs.

9.6 Telepresence as a Service (TPaaS)

RailTel's TPaaS an end-to-end, high-definition video conferencing 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.

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.

9.7 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 Data Center, CDAC and some Strategic organisations have been received.

10. Facilitating Government of India Initiatives

10.1 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, revised scope of RailTel was to lit 9315 GPs including 157 blocks across Northern Eastern region states (Tripura, Meghalaya, Manipur, Mizoram, Nagaland & Arunachal Pradesh), Pondicherry in South & Gujarat (incl. Daman & Diu and Dadra & Nagar Haveli) in West. RailTel has completed OFC work for all allotted GPs. 7972 GPs are made service ready as on 31.03.2022. For balance GPs RailTel part is completed. Service readiness is delayed because of other issues which are not in scope of RailTel.

BBNL had assigned an additional work of laying of 1183 km OFC for lossy-4 in Gujarat. 1114 Km trenching & ducting work and 1128 Km OFC laying work have been completed.

11. Blueprint for the Future

Considering the dynamic nature of Telecom & IT industry in the shadow of COVID-19, 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 in developing extended capabilities in the area of e-office, CoD, RDN, VSS, Edge Data Center centric services such as managed services & cloud, LTE (Long Term Evolution), IOT (Internet of Things) Platform and Analytics, KAVACH (Traffic Collision Avoidance System), project execution, 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.

Execution of the strategy would be supported by state of the art improvements in internal business processes such as service assurance and new product development.

Products & Services: RailTel plans to enhance its focus on provision of services such as MPLS VPN, Internet Bandwidth, Telepresence, retail broadband (RailWire) that have high market attractiveness. At the same time, RailTel also plans to invest resources into building capability for higher margin services such as Data Center services like cloud & managed services and ICT projects.

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 continue to invest in expanding its backbone network and deploying DWDM and MWDM to enable a high capacity next generation network in order to deliver sustained value to its customers and improve their experience with RailTel's services.

Organization Design: RailTel plans to modify its organization design 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 plans to improve key business processes such as service assurance, key account management, management information systems (MIS) to improve competitiveness. RailTel also wishes to institute a dedicated new product development process that would enable RailTel to roll out quality products and services in the fast paced technology industry.

12. Financial Performance

During the financial year 2021-22, total consolidated revenue earned by RailTel is ₹ 1628 crore. Profit after Tax earned has been ₹ 209 crore and Profit before



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tax has been ₹ 281 crore. From NLD (Bandwidth & VPN) services, RailTel earned ₹ 478 Crore during the year. While earning from IP-1 services has been ₹ 209 Crores which includes revenues from tower & rack colocation and Dark fiber leasing. While under ISP license (Internet & Broadband) RailTel has achieved revenues of ₹ 349 Crores.

13. Awards

During the year 2021-22, RailTel received following awards for its excellent performance from various organizations:

- Received Dun & Bradstreet PSU Awards 2021 in Telecommunication & Information Technology Sector category
- Received Digital PSU Summit Awards 2021, by Express Computer (Indian Express Group), in 'Document Management' and 'Enterprise Security' categories



Digital PSU category for document management

- Received Express Computer Digital Technology Sabha Excellence Award 2021 under Data Centre category
- Received Governance Now PSU Awards in 'Digital PSU' and 'Digital Security' categories.
- Received ICAI Award for excellence in Financial Reporting for the year 2020-21 in Public Sector Entities Category

14. CSR Initiatives

RailTel is also 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 CMD receiving, ICAI Award for excellence in Financial Reporting for the year 2020-21 in Public Sector Entities Category

RailTel contributed an amount of ₹ 369.60 Lakh in FY 2021-22. Following major CSR initiatives were undertaken in FY 2021-22:

- Support to Cancer Patients through trained personnel: offers assistance, counselling and handholding to cancer patients at renowned hospitals.
- SEHAT Center at Ranchi, Jharkhand: 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
- Installation of tube wells in Yass affected areas



Supporting Cancer Patients

in 24 South Parganas, West Bengal: supports installation of deep tube well for safe drinking water.

- d) Tele-health services and Self-Help-Group at Jalna, Maharashtra: Mobile tele-polyclinic for identified villages in Jalna and employment generation through Self-Help Group (SHG) of women in villages for making sanitary pads and to supply them to nearby school along with pads vending machine and incinerator.
- e) Health Camp in Nalanda, Bihar: The health camp managed by nurses, volunteers, compounders will include health check-up by specialist doctors like general Physician, Gynecologist and Pediatrician. Free medicines will also be distributed to tribal population in villages based on prescription by doctors.
- f) Early Intervention for special children at Ghaziabad, Uttar Pradesh: Early intervention (from birth to school entry) includes education, skill building and employment support to children with special needs. Early intervention means doing things as early as possible to work on child's developmental, health and support needs.
- g) RailTel, in association with Centre for Social Responsibility and leadership, New Delhi, has established a RailTel- Akansha Super 30 center 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. The success rate of the project is 94% for admission to engineering colleges and 98% for JEE mains exam.

15. 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



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implemented e-office, 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'22 total manpower strength was 698 including regular, deputationiest, contractual, re-employed, consultants and Advisor.

16. 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, Ministry of Finance, Government of India. The Report contains details of Corporate Governance systems and processes at RCIL.

RCIL a Mini Ratna, Category-1, Schedule- ‘A’ CPSE, Shares of RCIL got listed on the NSE and BSE on 26th 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 (which is described in detail elsewhere in this report) 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 Guidelines) 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, 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 Ministry

of Railways, Government of India. The detailed composition of the Board as on 31/03/2022 is shown in **Table 1:**

Table-1

Director(s)	Designation
Shri Puneet Chawla	Chairman and Managing Director (Ceased to be CMD w.e.f. 11/05/2022 on completion of tenure)
Shri Sanjai Kumar	Director/Network Planning & Marketing (Entrusted with Additional Charge of the post of Director/Project Operation & Maintenance w.e.f. 28/09/2020 as per MoR letter)
Shri Anand Kumar Singh	Director/Finance
Shri Chinnsamy Ganesan	Part-time non-official/Independent Director (ceased to be Independent Director w.e.f. 12/07/2022)
Dr. Subhash Sharma	Part-time non-official/Independent Director
Shri N. Manoharan	Part-time non-official/Independent Director
Shri V. Shanker	Part-time Govt. Nominee Director (ceased to be Part-time Govt. Nominee Director w.e.f. 08/08/2022)

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(s)	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
Smt Aruna Singh (Appointed as CMD (Addl. Charge) w.e.f. 11/05/2022)	Chairperson and Managing Director (Whole Time Director)	1 (RailTel Enterprises Limited)	1 (Risk Management Committee in RCIL)	NIL
Shri Sanjai Kumar (Entrusted with Additional Charge of the post of Director /Project Operation & Maintenance w.e.f. 28/09/2020 as per MoR letter.)	Director - Network Planning & Marketing (Whole Time Director)	NIL	NIL	3 Committees as per details given below:- - CSR Committee in RCIL - Stakeholders Relationship Committee in RCIL and - Risk Management Committee in RCIL



Name of Director(s)	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 Anand Kumar Singh	Director Finance (Whole Time Director)	NIL	NIL	3 Committees as per details given below:- - CSR Committee in RCIL - Stakeholders Relationship Committee in RCIL and - Risk Management Committee in RCIL
Shri Rakesh Ranjan	Part-time Govt. Nominee Director	NIL	NIL	1 Committee as per detail given below: - Audit Committee in RCIL
Dr. Subhash Sharma	Part Time non-official Director (Independent Director)	NIL	2 Committees as per detail given below:- - Audit Committee in RCIL - Nomination & Remuneration Committee in RCIL	NIL
Shri N. Manoharan	Part Time non-official Director (Independent Director)	NIL	2 Committees as per detail given below:- - CSR Committee in RCIL - Stakeholders Relationship Committee in RCIL	3 Committees as per detail given below:- - Audit Committee in RCIL - Nomination & Remuneration Committee in RCIL - Risk Management Committee in RCIL

Presently, the strength of the Board of Directors is 6 (Six), comprising of Three whole-time Directors (i.e. Chairperson & Managing Director, Director/NPM and Director/Finance), Two Independent Directors and One 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 31/03/2022, there was vacancy of three (3) Independent Directors including One (1) Woman Independent Director. Subsequent to cessation of Sh. Chinnsamay Ganesan as Independent Director

w.e.f. 12/07/2022, there was vacancy of four (4) Independent Director's including one (1) Woman Independent Director for which appointment request has already been made to the Ministry of Railways, Government of India.

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

3.3 Change in Directorships:

During the Financial Year 2021-22, following changes took place in the Board Composition:

Name of Directors	Cessation/Appointment of Director(s)
Smt. Rashmi Jain	Ceased to be Part-time non-official/Independent Director w.e.f. 20/07/2021 on completion of tenure.
Shri Vinay Srivastava	Ceased to be Part-time Govt. Nominee Director w.e.f. 23/10/2021 on completion of tenure.
Dr. Subhash Sharma	Appointed as Part-time non-official/Independent Director w.e.f. 09/11/2021.
Shri N. Manoharan	Appointed as Part-time non-official/Independent Director w.e.f. 09/11/2021.
Shri Avinash Madhukarrao Ghate	Appointed as Part-time non-official/Independent Director w.e.f. 09/11/2021 and subsequently, he resigned from the post w.e.f. 02/03/2022 citing his busy schedule and inability to give time to the post of Independent Director.
Shri V. Shanker	Appointed as Part-time Govt. Nominee Director w.e.f. 13/12/2021 and subsequently, he ceased to be Part-time Govt. Nominee Director w.e.f. 08/08/2022 on completion of tenure.
Shri Umesh Balonda	Ceased to be Part-time Govt. Nominee Director w.e.f. 21/02/2022 on completion of tenure.
Shri Ashutosh Vasant	Ceased to be Director w.e.f. 31/03/2022 on completion of tenure.

3.4 Name of the Listed entities other than this listed entity where the person is a director and the category of directorship during the FY 2021-22:

Name of Director(s)	Name of Listed Entity	Category of Directorship
Shri Vinay Srivastava (Ceased to be Director of RCIL w.e.f. 23/10/2021)	i) RITES Limited ii) Indian Railway Catering and Tourism Corporation Limited iii) Rail Vikas Nigam Limited iv) Kokan Railway Corporation Limited	Part-time Govt. Nominee Director
Shri V. Shanker (Ceased to be Director of RCIL w.e.f. 08/08/2022)	i) Indian Railway Catering and Tourism Corporation Limited	Part-time Govt. Nominee Director.

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



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prescribed under Section 165 of the Companies Act, 2013 and rules made thereunder and as per Regulation 17A of Listing Regulations.

- Committees here denotes Audit Committee, Corporate Social Responsibility 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.

3.5 Number of Board meetings

The Board of Directors met Nine (9) times during the Financial Year 2021-22. The details of Board Meetings held during FY 2021-22 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.	122 nd	17/06/2021	7	2	4	85.71
2.	123 rd	25/06/2021	7	4	2	85.71
3.	124 th	16/07/2021	7	4	3	100
4.	125 th	12/08/2021	6	3	3	100
5.	126 th	21/09/2021	6	3	2	83.33
6.	127 th	11/11/2021	5	3	2	100
7.	128 th	10/01/2022	9	3	5	88.89
8.	129 th	14/02/2022	9	3	5	88.89
9.	130 th	24/03/2022	7	6	1	100

*Shri Ashutosh Vasant had not attended any Board Meeting held during F.Y. 2021-22 by virtue of debility interposed by MoR letter no. 2012/E(O)II/40/31 dated 24/09/2020. As such no agenda papers were shared with him as he was divested of the charge of the post of Director/POM and further, he ceased to be Director w.e.f. 31/03/2022, on completion of his tenure.

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 2021-22.

3.6 Details of attendance of the Directors at the Board Meeting during FY 2021-22

Details of attendance of the Directors at the Board Meeting during FY 2021-22 is shown in **Table-4:**

Table-4

Director(s)	No. of meetings during 2021-22		
	Held (during their respective tenures while holding charge)	Attended	Attended last AGM
Shri Puneet Chawla	9	9	Yes
Shri Ashutosh Vasant	-	-	Not Applicable
Shri Sanjai Kumar	9	9	Yes
Shri Anand Kumar Singh	9	9	Yes
Shri Umesh Balonda	8	6	Yes
Shri Vinay Srivastava	5	3	Yes
Smt. Rashmi Jain	3	2	Not Applicable
Shri Chinnsamy Ganesan	9	9	Yes
Shri V. Shanker	3	3	Not Applicable
Dr. Subhash Sharma	3	3	Not Applicable
Shri N. Manoharan	3	3	Not Applicable
Shri Avinash Madhukarrao Ghate	2	2	Not Applicable

- Smt. Rashmi Jain ceased to be the Independent Director w.e.f. 20/07/2021.
- Shri Vinay Srivastava ceased to be Part-time Govt. Nominee Director w.e.f. 23/10/2021.
- Shri Umesh Balonda ceased to be Part-time Govt. Nominee Director w.e.f. 21/02/2022.
- Shri Avinash Madhukarrao Ghate ceased to be the Independent Director due to his resignation w.e.f. 02/03/2022.
- Shri Ashutosh Vasant had not attended the meeting by virtue of debility interposed by MoR letter no. 2012/E(O)II/40/31 dated 24/09/2020. As such no agenda papers were shared with him as he was divested of the charge of the post of Director/POM and further, he ceased to be Director w.e.f. 31/03/2022, on completion of his tenure.
- Shri Puneet Chawla ceased to be the CMD w.e.f. 11/05/2022.
- Shri Chinnsamy Ganesan ceased to be the Independent Director w.e.f. 12/07/2022.
- Shri V. Shanker ceased to be Part-time Govt. Nominee Director w.e.f. 08/08/2022.

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.

One Part-time Govt. Nominee Director is from the Administrative Ministry i.e. Ministry of Railways and thus related to the promoters being the Government of India, Ministry of Railways.

The appointment of Whole-Time Directors of the Company is done by the President of India acting through Ministry of Railways and not by the Company. Further, Government of India appoints Part-Time (Govt. Nominee & Non-Official) 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 2021-22.

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/profile-4/familiarization-programmes-for-independent-directors.html>



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4.2 Brief Resume of new Directors who joined the Company during/after the closure of Financial Year 2021-22:

Following directors joined the company during / after closure of Financial Year 2021-22 as shown under **Table-5:-**

Table-5

Name of Director	Date of appointment	Brief Resume of the Director
Smt. Aruna Singh Chairperson & Managing Director (Addl. Charge)	11/05/2022	<p>Smt. Aruna Singh is an IRSE officer (batch of 1985). She has over 35 years of experience in Indian Railways.</p> <p>Prior to joining RailTel, she has held many important assignments in different zones & wings of Indian Railways like Chief Workshop Manager (CWM), Ghaziabad; Divisional Railway Manager (DRM), Hyderabad Division, South Central Railway; Chief Signal & Telecom Engineer (CSTE)/(Project) & Chief Communication Engineer, Northern Railway; Principal Chief Safety Officer, North Western Railway; Additional General Manager (AGM)/North Western Railway & Executive Director (ED)/Railway Electrification/(S& T) in Railway Board, etc.</p> <p>She holds a Bachelor's degree in Electronics & Telecommunication from Delhi College of Engineering, Delhi and Diploma in Public Policy from IIPA, New Delhi.</p> <p>She has also undergone training programmes/Courses in India & Abroad during her career which includes professional courses from Indian Railways Institute of Signal Engineering and Telecommunications, (IRISET) Secunderabad, Strategic Management courses from Shanghai and Paris and Management Strategies course from Carnegie Mellon University, USA.</p>
Dr. Subhash Sharma Part-time non-official/ Independent Director	09/11/2021	<p>Dr. Subhash Sharma is a trained Economist who is engaged in various academic and social activities.</p> <p>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.</p> <p>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.</p> <p>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.</p>

Name of Director	Date of appointment	Brief Resume of the Director
Shri N. Manoharan Part-time non-official/ Independent Director	09/11/2021	<p>Shri N. Manoharan 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.</p> <p>Main areas of experience include product design & development, product management, business process improvement, and supply chain management. Manoharan has worked in Consumer Products, Heavy Equipments & Machinery, Life Science & Laboratory Products, Analytical Instruments and Automation & Control industries. Manoharan has entrepreneurial experience along with techno-commercial capabilities.</p>
Shri Avinash Madhukarrao Ghate Part-time non-official/ Independent Director	09/11/2021	<p>Shri Avinash Madhukarrao Ghate was appointed as Part-time non-official/Independent Director on the Board of the company w.e.f. 09/11/2021. Further, he resigned from the post of Independent Director citing his busy schedule and inability to give time to the post of Independent Director w.e.f. 02/03/2022.</p>
Shri V. Shanker Part time Govt Director (ceased to be Director of the company on completion of his tenure w.e.f. 08/08/2022)	13/12/2021	<p>Shri V. Shanker is presently holding the position of Executive Director (Planning), Railway Board. He has joined Indian Railway Traffic Service in the Year 1990.</p> <p>He has worked on several zones and divisions of Indian Railways and a large part of it on Railway Operations in Western Region, Ports, Northern Region etc.</p> <p>He is trained in Freight and Logistics in Germany along with on-the-Job training with Hamburg Port Consultancy.</p> <p>He has undertaken higher management courses in ISB, Hyderabad, ICLIF, Kuala Lumpur and Insead, Singapore.</p> <p>He also coordinated with the preparation and Development of National Rail Plan for Indian Railways.</p>
Shri Rakesh Ranjan Part time Govt. Director	18/04/2022	<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&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>



4.3 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 Ministry of Railways. A table summarizing the key qualifications, skills, expertise and attributes of the Directors of RCIL, as identified by Administrative Ministry i.e. Ministry of Railways, Government of India and/or Public Enterprises Selection Board (PESB) is placed below:

S. No.	Category of Director	Required Expertise/Skill
1.	Functional Directors (Whole-time Director)	
	Chairman & Managing Director	<p>Qualification:- Engineering graduate/Chartered Accountant/Cost Accountant/Graduate with MBA/Post Graduate Diploma in Management (PGDIM) from a leading Institute.</p> <p>Experience: The applicant should possess five years' cumulative experience/exposure in the last ten years in Telecommunication & Information Technology sector at a senior level of management in an organization of repute.</p> <p>Job Description & Responsibilities:- The Chairman & 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>
	(ii) Director/Finance	<p>Qualification:-</p> <ul style="list-style-type: none"> (i) The applicant should be a Chartered Accountant or Cost Accountant or a full time MBA/PGDM course having specialization in finance with good academic record from a recognized University/Institution. (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&T Accounts & Finance Service and Indian Cost Accounts Service] working in the appropriate level are exempted from these educational qualifications. (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. <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>Experience:</p> <ul style="list-style-type: none"> (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. (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.

S. No.	Category of Director	Required Expertise/Skill
		<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>Job Description & Responsibilities:- 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>
	(iii) Director (Network, Planning and Marketing)	<p>Qualification:- 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>Experience:-</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>Job Description & Responsibilities:- Director (NP&M) is a member of the Board of Director and reports to Chairman & 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"> 1) Planning for telecom and ICT. 2) Driving business development in the enterprise sector. 3) Conceptualizing and developing product design, product and service pricing, sales and marketing, service delivery and service assurance. 4) Development of new business in government domain including telecom, mission made projects. 5) Ensuring that the investments in the Company are based on sound strategic and are phased in time with revenue expectations and realization. 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. 7) Brand building publicity for service and product. 8) Any other duties and responsibilities assigned by the CMD.



S. No.	Category of Director	Required Expertise/Skill
	(iv) Director (Project Operation and Maintenance):	<p>Qualification:- 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>Experience:- 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>Job Description & Responsibilities:- 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.	Part-time Government Nominee Directors	As may be decided by the Department of Public Enterprises, Ministry of Railways, Government of India.
3.	Part-time non-official/Independent Directors	As may be decided by the Department of Public Enterprises, Ministry of Railways, Government of India.

4.4 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.

4.5 Board Independence:

During FY 2021-22, all Independent Directors on the Board of RCIL have given a declaration that they meet the criteria of independence in accordance with the provisions of section 149 (7) of the Companies Act, 2013, Schedule IV and Regulation 16 of SEBI (LODR) Regulations, 2015.

They also declare that their name are included in data bank of Independent Directors maintained by "Indian Institute of Corporate Affairs" in accordance with requirement under sub-rule (1) and (2) of Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014. In opinion of the board,

the Independent Directors have requisite integrity, expertise, specialized 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.

4.6 Detailed reasons for resignation of an Independent Director:

Shri Avinash Madhukarrao Ghate, Independent Director had resigned from the Company before the expiry of his tenure during the Financial Year 2021-22, i.e. on 02/03/2022 citing reason of his busy schedule and inability to give time to the post of Independent Director.

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 of the SEBI (LODR) Regulations, 2015 and DPE guidelines on Corporate Governance. The composition of the Audit Committee as on 31/03/2022 is shown in **Table-6** and the composition of the Audit Committee as on date of this report is shown in **Table-7**:

Table-6

S. No.	Name of Director	Position in the Committee	Designation
1.	Shri Chinnsamy Ganesan	Chairperson	Independent Director
2.	Dr. Subhash Sharma	Member	Independent Director
3.	Shri V. Shanker	Member	Part-Time Govt. Nominee Director

Table-7

S. 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 Rakesh Ranjan	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:
 - (a) Management discussion and analysis of financial condition and results of operations;
 - (b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - (c) Management letters /letters of internal control weaknesses issued by the statutory auditors;
 - (d) Internal audit reports relating to internal control weaknesses;
 - (e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
- (f) Statement of deviations;
 - a) 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 2021-2022, the Audit Committee met Five (5) times i.e. on 25/06/2021, 12/08/2021, 21/09/2021, 11/11/2021 and 14/02/2022. The attendance of the members at the meetings held during FY 2021-22 are shown in

Table-8:

Table-8:

Name of Director	Position in the Committee	Meetings held (During their respective tenures)	Meetings attended	
			In person	Through Video Conferencing
Smt. Rashmi Jain	Chairperson	1	1	0
Shri Chinnsamy Ganesan	Chairperson	5	0	5
Shri Vinay Srivastava	Member	3	0	2
Shri Umesh Balonda	Member	3	0	3
Shri Sanjai Kumar	Member	1	1	0
Dr. Subhash Sharma	Member	1	0	1
Shri V. Shanker	Member	1	0	1



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Notes:

- (a) Shri Anand Kumar Singh, Director/Finance has attended all the meetings of Audit Committee as a Special Invitee held during the Financial Year 2021-22.
- (b) Smt. Rashmi Jain ceased to be Chairperson of the Committee w.e.f. 20/07/2021.
- (c) Shri Chinnsamy Ganesan was appointed as Chairperson of the Committee w.e.f. 20/07/2021 and ceased to be Chairperson of the Committee w.e.f. 12/07/2022.
- (d) Shri Umesh Balonda was appointed as Member of the Committee w.e.f. 20/07/2021 and he ceased to be Member of the Committee w.e.f. 24/12/2021.
- (e) Shri Vinay Srivastava ceased to be member of the Committee w.e.f. 23/10/2021.
- (f) Shri Sanjai Kumar was appointed as member of the Committee w.e.f. 03/11/2021 & he ceased to be member w.e.f. 24/12/2021.
- (g) Dr. Subhash Sharma appointed as member of the Committee w.e.f. 24/12/2021 and further, he was appointed as the Chairperson of the Committee w.e.f. 12/07/2022.
- (h) Shri V. Shanker was appointed as member of the Committee w.e.f. 24/12/2021 and he ceased to be Member of the Committee w.e.f. 08/08/2022.
- (i) Shri N. Manoharan appointed as member of the Committee w.e.f. 12/07/2022.

- (j) Shri Rakesh Ranjan appointed as member of the committee w.e.f 08/08/2022.

5.2 Nomination & Remuneration Committee

A Remuneration Committee was constituted on 30th March, 2009, in terms of the requirements of Department of Public Enterprises Office Memorandum dated 26th 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 31/03/2022 is shown in **Table-9**:

Table-9

S. 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 V. Shanker	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 within the limits prescribed in the DPE Guidelines;

- 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 2021-22, the Nomination and Remuneration Committee met three (3) times (i.e. on 25/06/2021, 07/07/2021 and 14/02/2022). The details of which are given **Table-10**:

Table-10

Name of Director	Position in the Committee	Meetings held (During their respective tenures)	Meetings attended	
			In person	Through Video Conferencing
Shri Chinnsamy Ganesan	Chairperson	2	0	2
Smt. Rashmi Jain	Member	2	1	1
Shri Umesh Balonda	Member	2	0	2
Dr. Subhash Sharma	Chairperson	1	0	1
Shri N. Manoharan	Member	1	0	1
Shri V. Shanker	Member	1	0	1

Notes:

- (a) Smt. Rashmi Jain ceased to be the member of the Committee w.e.f. 20/07/2021.
- (b) Shri Vinay Srivastava was appointed as the member of the Committee w.e.f. 20/07/2021 and he ceased to be the member of the Committee w.e.f. 23/10/2021.
- (c) Shri Chinnsamy Ganesan ceased to be the Chairperson of the Committee w.e.f. 24/12/2021.
- (d) Dr. Subhash Sharma appointed as Chairperson of the Committee w.e.f. 24/12/2021.
- (e) Shri N. Manoharan appointed as the member of the Committee w.e.f. 24/12/2021.
- (f) Shri Umesh Balonda ceased to be the member of the Committee w.e.f. 10/01/2022.
- (g) Shri V. Shanker appointed as the member of the Committee w.e.f. 10/01/2022.



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5.2.3 Performance evaluation criteria for Independent Directors

Ministry of Corporate Affairs has, vide its notification dated 5th 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 5th 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 Ministry of Railways 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 forms an integral part of the performance appraisal of the individuals.

In respect of Government Nominee Directors, their evaluation is done by the Ministry of Railways 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-11** and the composition of CSR Committee of the Board as on date of this report is shown in **Table-12**:

Table-11

S. No.	Name of Director	Position in the Committee	Designation
1.	Shri Chinnsamy Ganesan	Chairperson	Independent Director
2.	Shri Sanjai Kumar	Member	Director/NPM
3.	Shri Anand Kumar Singh	Member	Director/Finance

Table-12

S. No.	Name of Director	Position in the Committee	Designation
1.	Shri N. Manoharan	Chairperson	Independent Director
2.	Shri Sanjai Kumar	Member	Director/NPM
3.	Shri Anand Kumar Singh	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:-

- 1) 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;
- 2) To review and recommend the amount of expenditure to be incurred on the activities referred to in clause 1;
- 3) To monitor the CSR policy of the Company from time to time;
- 4) To recommend/review CSR projects/programmes/proposals, falling within the purview of Schedule VII of the Companies Act, 2013;

- 5) To assist the Board of Directors to formulate strategies on CSR initiatives of the Company;
- 6) To institute a transparent monitoring mechanism for implementation of the Corporate Social Responsibility projects or programs or activities undertaken by the Company;
- 7) 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 2021-22, the CSR Committee met one time (i.e. on 26/11/2021). The attendance of the members at the meeting held during FY 2021-22 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 Chinnsamy Ganesan	Chairperson	1	1	0
Shri Sanjai Kumar	Member	1	1	0
Shri Anand Kumar Singh	Member	1	1	0

Notes

1. Shri Chinnsamy Ganesan ceased to be the Chairperson of the Committee w.e.f. 12/07/2022.
2. Shri N. Manoharan appointed as Chairperson of the Committee w.e.f. 12/07/2022.

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 Regulation 20 of the 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 31/03/2022 is shown in **Table-14**:

Table-14

S. No.	Name of Director	Position in the Committee	Designation
1.	Shri N. Manoharan	Chairperson	Independent Director
2.	Shri Sanjai Kumar	Member	Director/NPM
3.	Shri Anand Kumar Singh	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 2021-22, the Stakeholders Relationship Committee met one time (i.e. on 30/03/2022). The attendance of the members at the meetings held during FY 2021-22 is shown in

Table-15:

Table-15

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 Sanjai Kumar	Member	1	1	0
Shri Anand Kumar Singh	Member	1	1	0

Notes:

- (a) Smt. Rashmi Jain ceased to be the Chairperson of the Committee w.e.f. 20/07/2021.
- (b) Shri Chinnsamy Ganesan appointed as Chairperson w.e.f. 20/07/2021 and he ceased to be the Chairperson of the Committee w.e.f. 24/12/2021.
- (c) Shri Avinash Madhukarrao Ghate appointed as Chairperson of the Committee w.e.f. 24/12/2021 and subsequently, on his resignation as Independent Director, he ceased to be the chairperson of the committee w.e.f. 02/03/2022.
- (d) Shri N. Manoharan appointed as Chairperson of the Committee w.e.f. 24/03/2022.

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, is the Chief Investor Relation Officer of the Company.

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 2021-22, a total of 327 queries/complaints from Shareholders were received, and all the complaints were resolved at the year-end.

The composition of Risk Management Committee as on 31/03/2022 is shown in **Table-16** and the composition of Risk Management Committee as on date of report is shown in **Table-17**:

Table-16

S. No.	Name of Director	Position in the Committee	Designation
1.	Shri Puneet Chawla	Chairperson	Chairman & Managing Director
2.	Shri Sanjai Kumar	Member	Director/NPM
3.	Shri Anand Kumar Singh	Member	Director/Finance
4.	Shri N. Manoharan	Member	Independent Director
5.	Shri H.C. Batra	Member & CRO	Executive Director/Finance

Table-17

S. No.	Name of Director	Position in the Committee	Designation
1.	Smt. Aruna Singh	Chairperson	Chairperson & Managing Director
2.	Shri Sanjai Kumar	Member	Director/NPM
3.	Shri Anand Kumar Singh	Member	Director/Finance
4.	Shri N. Manoharan	Member	Independent Director
5.	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

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 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.

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 2021-22, the Risk Management Committee met two (2) times (i.e. on 04/06/2021, 26/11/2021). The attendance of the members at the meetings held during FY 2021-22 is shown in **Table-18**:

Table-18

Name of Director	Position in the Committee	Meetings held (During their respective tenures)	Meetings attended	
			In Person	Through Video Conferencing
Shri Puneet Chawla	Chairperson	2	1	1
Shri Sanjai Kumar	Member	2	1	1
Shri Anand Kumar Singh	Member	2	1	1
Shri Chinnsamy Ganesan	Member	1	1	0
Shri H.C. Batra	Member & CRO	2	2	0

Notes:

- (a) Shri Chinnsamy Ganesan ceased to be member of the Committee w.e.f. 24/12/2021.
- (b) Shri N.Manoharan appointed as member of the Committee w.e.f. 24/12/2021.
- (c) Shri Puneet Chawla ceased to be Chairperson of the Committee w.e.f. 11/05/2022.
- (d) Smt. Aruna Singh appointed as Chairperson of the Committee w.e.f. 11/05/2022.

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 24/03/2022.

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 and an Extraordinary General Meeting were held as under:

Financial Year AGM/ EGM	Date of holding meeting	Time	Venue	Special Resolution Passed
19 th Annual General Meeting	27 th September, 2019	2:30 PM	Committee Room, Rail Bhawan	Yes
1 st Extraordinary General Meeting	28 th September, 2020	10:30 AM	Through Video Conferencing/ Other Audio-Visual Means	Yes
20 th Annual General Meeting	28 th October, 2020	11:30 AM	Through Video Conferencing/ Other Audio-Visual Means	No
21 st Annual General Meeting	29 th September, 2021	11:30 AM	Through Video Conferencing/ Other Audio-Visual Means	No

8. Resolution through Postal Ballot during Financial Year 2021-22

No resolution was passed through the postal ballot during the Financial Year 2021-22.

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 from time to time.
- Annual Report:** 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

- 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 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 2021-22, quarterly results have been published as per the details given below:-

Quarter	Date of Publication	Newspaper edition
Quarter-1 ended on 30 th June, 2021	13/08/2021	Financial Express (English Version) Jansatta (Hindi Version)
Quarter-2 & half year ended on 30 th September, 2021	12/11/2021	Financial Express (English Version) Jansatta (Hindi Version)
Quarter-3 & nine months ended on 31 st December, 2021	15/02/2022	Financial Express (English Version) Jansatta (Hindi Version)
Quarter-4 & Year ended on 31 st March, 2022	25/05/2022 & 26/05/2022	Financial Express & The Economic Times (English Version) Jansatta (Hindi Version)

- Website:** The Company's website www.railtelindia.com contains separate dedicated section 'Investor Relations' where the information for shareholders is available. Full Annual Report, Shareholding Pattern, Policies, MOUs 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.

- NSE Digital Exchange:** The National Stock Exchange of India (NSE) in order to enhance customer experience and operational excellence, embarked on a unique project which focuses on re-designing and re-imagining various user interfaces. NSE vide its circular dated January 6, 2022, has launched Digital Portal for the filings to be done with the Exchange. As per the requirement of said circular the entities shall make all the filings through the Digital Portal and the transition from NEAPS to the Digital



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Portal would be carried out in a phased manner.

- **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
- The Company has also participated in a Non-Deal Roadshow (NDR) with HDFC Life, Aditya Birla Sun Life Insurance, MK ventures, Mahindra Manulife Mutual Fund, Quant Mutual Fund,

Aditya Birla Sun Life Mutual Fund, HDFC Mutual Fund and ICICI Prudential Mutual fund at Mumbai on 7th and 8th April, 2022.

10. General Shareholders' Information

i) 22nd Annual General Meeting

Date:	30 th September, 2022 (Friday)
Time:	11:30 AM
Venue:	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") at Registered Office of the Company

ii) Financial Year:

The Company's Financial Year is from 1st April to 31st March.

iii) Dividend:

The Board of Directors of the Company has recommended a final dividend at the rate of ₹ 0.65 per share [i.e. 6.5% of paid-up share capital] amounting to ₹ 20.86 Crore for the Financial Year ended 31st March, 2022 over and above the Interim Dividend of ₹ 1.75 per share amounting to ₹ 56.16 Crore. Accordingly, the total dividend for the FY 2021-22 would be ₹ 2.40 per equity share and in total amounting to ₹ 77.02 Crore.

Dividend Payment Date

During the Financial Year 2021-22, the following Dividend were paid by the Company. Details pertaining to dividend are given below:

Dividend Declared	Date of declaration of Dividend	Rate & %age of Dividend Declared	Record Date	Dividend payment date
Final dividend of FY 2020-21	29/09/2021	₹ 1.20 per share (@12% of Paid-up share capital)	22/09/2021	21/10/2021
Interim dividend of FY 2021-22	10/01/2022	₹ 1.75 per share (@ 17.5% of Paid-up share capital)	21/01/2022	03/02/2022

iv) 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: ignse@nse.co.in Website: www.nse-india.com	RAILTEL	INE0DD101019
BSE Limited (BSE) P.J.Towers, Dalal Street, Fort Mumbai-400001	Telephone:022-22721233/4 Fax: 022-22721919 E-mail: bsehelp@bseindia.com Website: www.bseindia.com	543265	INE0DD101019

v) Listing Fees:-

The Annual listing fee for the FY 2022-23 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.

vi) RCIL's Market Price Data and performance in comparison to indices:-

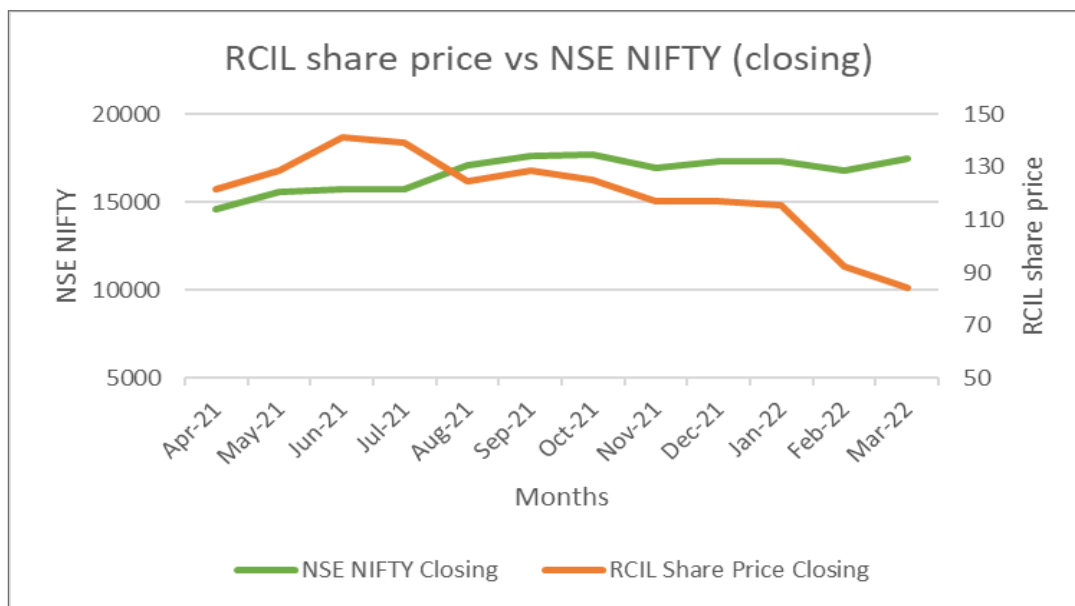
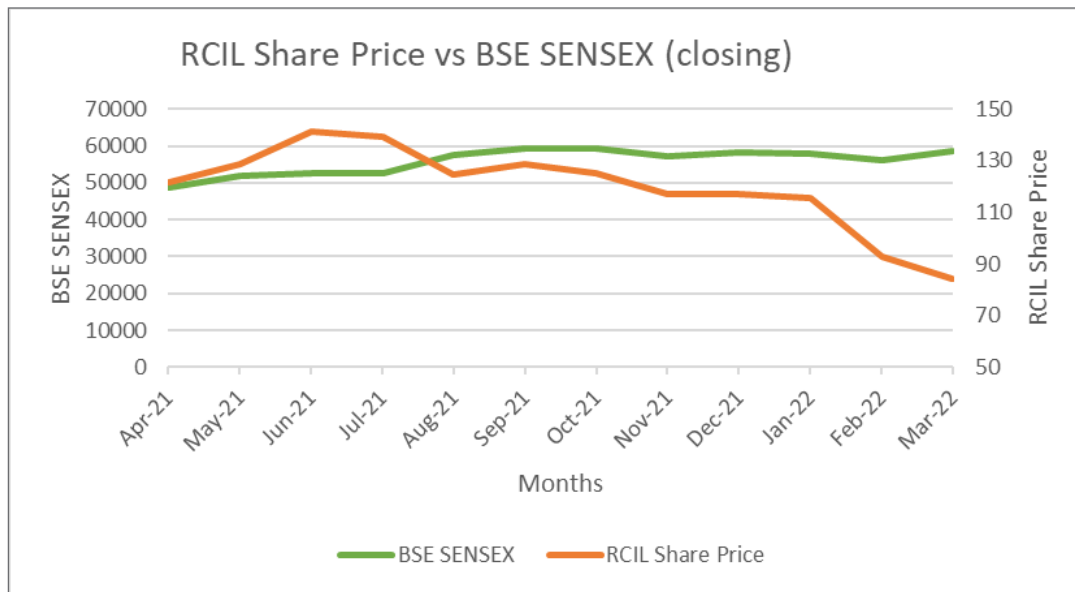
The Monthly High and Low (traded price) at NSE and BSE for the financial year 2021-22 are as under:

RCIL'S SHARES MARKET PRICE DATA FOR FY 2021-22												
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-21	130.35	105.10	121.65	50375.77	47204.50	48782.36	130.50	108.45	121.70	15044.35	14151.40	14631.10
May-21	135.00	118.25	128.75	52013.22	48028.07	51937.44	135.00	118.40	128.80	15606.35	14416.25	15582.80
Jun-21	164.70	126.20	141.40	53126.73	51450.58	52482.71	164.60	126.15	141.40	15915.65	15450.9	15721.50
Jul-21	150.50	136.50	139.00	53290.81	51802.73	52586.84	150.40	136.55	139.00	15962.25	15513.45	15763.05
Aug-21	142.00	120.45	124.80	57625.26	52804.08	57552.39	142.15	120.00	124.75	17153.50	15834.65	17132.20
Sep-21	153.90	123.05	128.65	60412.32	57263.90	59126.36	143.40	123.00	128.65	17947.65	17055.05	17618.15
Oct-21	141.85	124.50	125.25	62245.43	58551.14	59306.93	141.95	124.30	125.15	18604.45	17452.9	17671.65
Nov-21	129.00	112.25	117.20	61036.56	56382.93	57064.87	129.00	112.10	117.25	18210.15	16782.4	16983.20
Dec-21	124.50	112.60	116.90	59203.37	55132.68	58253.82	124.70	112.65	116.95	17639.5	16410.2	17354.05
Jan-22	122.45	111.20	115.50	61475.15	56409.63	58014.17	122.50	111.10	115.35	18350.95	16836.8	17339.85
Feb-22	117.40	91.00	92.65	59618.51	54383.20	56247.28	117.50	89.20	92.55	17794.6	16203.25	16793.90
Mar-22	94.20	84.00	84.10	58890.92	52260.82	58568.51	94.15	84.00	84.10	17559.8	15671.45	17464.75

*Source: Websites of BSE and NSE

vii) Securities of the Company have not been suspended from trading during FY 2021-22.

During the Financial Year 2021-22, securities of the RCIL have not been suspended from trading at the Stock Exchanges.



viii) Registrar to the Issue and Share Transfer Agent: -

The contact details of the Registrar are stated below: -

Old - Registrar and Share Transfer Agent	Present - Registrar and Share Transfer Agent
<p>KFin Technologies Private Limited Selenium, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana India - 500 032 Website: www.kfintech.com E-mail Id: einward.ris@kfintech.com</p>	<p>Beetal Financial & Computer Services (P) Ltd. 3rd Floor, Beetal House, 99, behind Local Shopping Centre, Madangir Village, Madangir, New Delhi, Delhi 110062 Website: www.beetalfinancial.com E-mail Id: beetal@beetalfinancial.com</p>

ix) 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 76 of SEBI (Depositories and Participants) Regulations, 2018.

x) Distribution of Shareholding as on March 31, 2022

i) Distribution of RCIL's shares according to size of holding as on March 31, 2022:

Category	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Shareholding
1-5000	2,92,437	93.118271	3,01,33,109	9.389063
5001- 10000	12,551	3.996510	98,11,768	3.057212
10001- 20000	5,342	1.701008	79,25,811	2.469574
20001- 30000	1,482	0.471901	37,77,509	1.177020
30001- 40000	668	0.212706	23,99,705	0.747715
40001- 50000	513	0.163350	24,14,462	0.752313
50001- 100000	651	0.207292	46,89,232	1.461100
100001 & above	405	0.128961	25,97,86,811	80.946003
Total	314,049	100.00	320,938,407	100.00

ii) Top 10 Shareholders as on March 31, 2022:

S. 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	52,92,775	1.65
3	Tata Digital India Fund	29,26,580	0.91
4	ICICI Prudential Technology Fund	20,26,205	0.63
5	Edelweiss Trusteeship Co Ltd A/c – Edelweiss MF A/c – Edelweiss Recently Listed IPO fund	9,40,000	0.30
6	Goldman Sachs Funds- Goldman Sachs India Equity P	8,89,020	0.27
7	HDFC Trustee Co. Ltd. A/c HDFC Dividend Yield fund	6,60,765	0.21
8	Ashok Kumar Damani	4,80,000	0.15
9	Wisdomtree Emerging Markets Smallcap Dividend Fund	3,29,881	0.10
10	Ananta Polyrubb Private Limited	2,49,583	0.08
	Total	247,579,847	77.14



iii) Shareholding Pattern as on March 31, 2022:

Category	No. of Holders	Total Shares	Percentage to equity
Promoters	1	23,37,85,038	72.844207
Resident Individuals	3,07,606	6,56,79,550	20.464846
Mutual Funds	9	66,79,359	2.081197
Qualified Institutional Buyers	3	56,77,477	1.769024
Bodies Corporates	370	23,76,591	0.740513
Non- Resident Indians	1,733	19,04,745	0.593492
HUF	3,449	17,72,840	0.552393
Foreign Portfolio- Corp	10	17,17,282	0.535081
Clearing Members	136	8,05,311	0.250924
Non- Resident Indian Non Repatriable	719	3,65,554	0.113902
Indian Financial Institutions	1	1,24,481	0.038787
Trusts	10	35,338	0.011011
NBFC	2	14,841	0.004624
Total	3,14,049	32,09,38,407	100.0

xi) 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 76 of SEBI (Depositories and Participants) Regulations, 2018.

xii) No. of shares held in dematerialized and physical mode as on March 31, 2022

Category	Total Shares (Demat)	Percentage to Equity
CDSL	4,35,12,697	13.56
NSDL	27,74,25,710	86.44

xiii) The names and addresses of the depositories are as under:

- **National Securities Depository Limited-** National Securities Depository Limited Trade World, A-Wing, 4th Floor, Kamala Mills Compound, Lower Parel (West), Mumbai – 400 013
- **Central Depository Services (India) Limited-** Marathon Futurex, A-Wing, 25th Floor, NM Joshi Marg, Lower Parel, Mumbai - 400 013

xiv) 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 31st March 2022.

xv) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The disclosure under this clause is not applicable to Company.

xvi) 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.

xvii) 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 at [ICRA] A1+ (pronounced ICRA A one plus). The outlook on the long-term rating is stable.

xviii) Address for Correspondence:

Regional Offices and Territorial Offices of the Company	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.
Address correspondence with the Registered Office & Corporate Office (regarding the Corporate Governance matters covered under this report)	The Company Secretary & Addl. GM (Law), RailTel Corporation of India Ltd. Registered & Corporate Office: Plate-A, 6 th Floor, Office Block, Tower-2, East Kidwai Nagar New Delhi 110023 Tele: 011-22900610 and Fax: 011-22900699 E-mail: cs@railtelindia.com

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 31st March 2022 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:

S. No.	Action taken by	Details of violations	Details of action taken e.g. fines, warning letter debarment, etc.,
1.	BSE & NSE	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 ₹ 5,36,900 (including tax); b) For the quarter ended September, 2021, BSE & NSE each has imposed the fine of ₹ 5,42,800 (including tax); and



S. No.	Action taken by	Details of violations	Details of action taken e.g. fines, warning letter debarment, etc.,
			c) For the quarter ended December, 2021, BSE & NSE each has imposed the fine of ₹ 5,42,800 (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 17 (1) as the appointment of Independent Directors including Woman Independent Director was pending at the level of Ministry of Railways.
2.	BSE & NSE	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.
3.	BSE & NSE	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 ₹ 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.

(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

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 2021-22 on a consolidated basis are mentioned below:

Particulars	Amount (in lakh)
Statutory Audit Fee, Tax Audit Fee and Certification Fee	36

(i) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the year 2021-22:

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	Nil	01

01 case received in FY 2021-22 has been finalized in April, 2022.

(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 30th November, 2007 and have also been posted on the website of the Company – 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 2021-22.

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 2021-22 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, 2022”

Sd/-
Puneet Chawla
Chairman & Managing Director
DIN: 08303340

Place: New Delhi
Date: 20/04/2022

(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.



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(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 2020-21.

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 2021-22.

(n) Audit qualifications:

For Audit Qualifications, the Independent Auditors Report submitted by M/s PSMG & Associates, Chartered Accountants on the financial statements for the year ending 31st March 2022 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 and advances was given to firms/companies in which Directors were interested.

12. Compliance of Listing Regulations (as amended)

During the FY 2021-22, 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, Audit Committee and Nomination & Remuneration Committee 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 was beyond the control of the company to ensure compliance with the Regulation 17(1), 18(1) & 19(1) of Listing Regulations w.r.t. Appointment of Independent Directors on the Board of the Company including the Women Independent Director, the composition of Audit Committee and Nomination & Remuneration Committee. Further, the company had reconstituted the Audit Committee and Nomination & Remuneration Committee on appointment of more Independent Directors on the Board to make the composition of Audit Committee and Nomination & Remuneration Committee compliant with the provision of SEBI Listing Regulations.

13. COMPLIANCE CERTIFICATE BY CEO/ CFO

As per Regulation 17 (8) of Listing Regulations, the Compliance Certificate for the quarter and year ended 31/03/2022 duly signed by the Chairman & Managing Director and Director (Finance) was placed before the Board of Directors at its meeting held on 24/05/2022 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 2021-22 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

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 2021-22.

(₹ In Lakhs)

Particulars	2020-2021	2021-2022
Other Expenses (Administrative Expense)*	2,595	3,255
Finance Cost**	0	0
Total Expenses	1,17,110	1,31,811
Other Expenses/Total Expenses (%)	2.22%	2.47%
Finance Cost/Total Expenses (%)	0	0

* Excluding provision of Expected Credit Loss (ECL)

** 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 from Ministry of Railways 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 2021-22, 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 2021-22 are given below: -



Table-17

(In ₹ Lakh)

S. No.	Particulars of Remuneration	Name of MD/WTD				Total Amount
		Puneet Chawla CMD	#Ashutosh Vasant Director	Sanjai Kumar D/NPM	Anand Kumar Singh D/Finance	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	37	51	59	46	193
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7	2	12	10	31
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
	- As Percentage of profit	-	-	-	-	-
	- Others, specify	-	-	-	-	-
5.	Others, please specify					
	Company Contribution to PF	0	4	4	4	12
	Company Contribution to Pension	6	3	3	3	15
	Provision for leave encashment, gratuity and pension	3	3	4	3	13
	Total	53	63	82	66	264

Shri Ashutosh Vasant was divested of the Charge/duties of the post of Director (Project Operation & Maintenance) w.e.f. 24/09/2020 as per MoR letter. Further, he ceased to be Director of the Company, on completion of tenure w.e.f. 31/03/2022.

Details of payments made to Independent Directors [Part-Time Non-Official] Directors during FY 2021-22 are given below.

Table-18

(In ₹ Lakh)

Particulars of Remuneration	Name of Director(s)					Total Amount
	Rashmi Jain (Independent Director)	Chinnsamy Ganesan (Independent Director)	Dr. Subhash Sharma (Independent Director)	N. Manoharan (Independent Director)	Avinash Madhukarrao Ghatge (Independent Director)	
Independent Directors Fee for attending board/committee meetings	1.00	3.60	1.00	1.00	0.40	7.00
Commission	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-
Total	1.00	3.60	1.00	1.00	0.40	7.00

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 2021-22, the Company has published financial results for all the quarters in accordance with the requirements of Listing Regulations.
- iii) **Audit Qualifications:** There are no audit qualifications on the Financial Statement for the year 2021-22.
- 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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per Sub-Para (i) of Para (10) of Clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 34(3) of the said Listing Regulations)

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 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 34(3) of the said Listing Regulations, 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 2021-2022.

For Balika Sharma & Associates
(Company Secretaries)

Sd/-
Balika Sharma
(Proprietor)
M.No:F4816
CP.No : 3222

Place: New Delhi
Date: 18.07.2022

UDIN Number : F004816D000642035



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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 31st March, 2022 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 31st March, 2022 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 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 31st March, 2022;
 - (ii) that there are no significant changes in accounting policies during the quarter and year ended 31st March, 2022; 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/-
Aruna Singh
(Chairperson & Managing Director)
DIN: 09602957
Place: New Delhi
Date: 24.05.2022

Sd/-
A.K.Singh
(Director-Finance & CFO)
DIN: 07018776

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

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, 2022, as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), issued by the Department of Public Enterprises (DPE Guidelines), Government of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
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 on Corporate Governance for Central Public Sector Enterprises 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 (LODR) Regulations, 2015 [w.e.f. 20.07.2021 to 31.03.2022];
 - b) Regulation 17(1)(b) of SEBI (LODR) Regulations, 2015 and Clause 3.1.4 of DPE Guidelines;
 - c) Regulation 18(1)(b) & 18(2)(b) of SEBI (LODR) Regulations, 2015 and Clause 4.1.1 and Clause 4.4 of DPE Guidelines [w.e.f. 20.07.2021 to 23.12.2021] and
 - d) Regulation 19(1)(c) of SEBI (LODR) Regulations, 2015 [w.e.f. 20.07.2021 to 23.12.2021]
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

UDIN Number : F004816D000642167

**Place: New Delhi
Date: 18.07.2022**



Business Responsibility Report (BRR)

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L64202DL2000GOI107905			
2.	Name of the Company	RailTel Corporation of India Limited (RCIL)			
3.	Registered address	Plate-A, 6 th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi-110023 Tel.: +91 11 22900600 Fax: +91 11 22900699			
4.	Website	www.railtelindia.com			
5.	E-mail id	info@railtelindia.com			
6.	Financial year reported	2021-2022			
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Group	Class	Sub Class	Description
		611	6110	61102	Maintenance of telecom network
				61104	Activities of providing internet access by the operators of wired infrastructure
		612	6120	61201	Activities of Internet access by the operator of the wireless infrastructure
				61202	Activities of maintaining and operating paging, cellular and other telecommunications networks
61209	Activities of other wireless telecommunications activities				
8.	List three Key products/services that the Company manufactures/ provides (as in balance sheet)	<ol style="list-style-type: none"> 1) National Long Distance (NLD) Services 2) Internet Service Provider (ISP) Services 3) Infrastructure Provider (IP-1) Services 			
		<ol style="list-style-type: none"> a) Number of International Location is Nil. b) Number of National Locations: <ul style="list-style-type: none"> • Corporate Office at East Kidwai Nagar, New Delhi • Data Center at Gurugram, Haryana and Secunderabad, Telangana 			

9.	<p>Total number of locations where business activity is undertaken by the Company</p> <p>a) Number of International Locations (Provide details of major 5)</p> <p>(b) Number of National Locations</p>	<ul style="list-style-type: none"> • 4 Regional Offices at <ul style="list-style-type: none"> (i) New Delhi (Northern Region) (ii) Kolkata (Eastern Region) (iii) Mumbai (Western Region) and (iv) Hyderabad (Southern Region) • 6 territories under Northern Region <ul style="list-style-type: none"> (i) Delhi (ii) Delhi NCR (iii) Chandigarh (iv) Lucknow (v) Jaipur (vi) Allahabad • 7 territories under Eastern Region <ul style="list-style-type: none"> (i) Kolkata (ii) New Jalpaiguri (iii) Guwahati (iv) Patna (v) Bhubaneswar (vi) Raipur (vii) Ranchi • 4 territories under Western Region <ul style="list-style-type: none"> (i) Mumbai (ii) Ahmedabad (iii) Bhopal (iv) Nagpur • 5 territories under Southern region <ul style="list-style-type: none"> (i) Secunderabad (ii) Chennai (iii) Bangalore (iv) Ernakulam (v) Vijayawada • Project Offices in Agartala, Shillong, Aizwal, Naharlagun, Imphal and Dimapur
10.	Markets served by the Company- Local/State/National/International	RailTel is providing services on pan India basis.

SECTION B: FINANCIAL DETAILS OF THE COMPANY (2021-2022)

1.	Paid up Capital (INR)	₹ 3,20,93,84,070/-
2.	Total Turnover (INR)	₹ 1628 Crore
3.	Total profit after taxes (INR)	₹ 209 Crore
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The company to spend ₹ 369.60 Lakh for FY 2021-22 projects, which is 2% of the profit as computed in accordance with the provision of section 135 of the Companies Act, 2013.



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5.	List of activities in which expenditure in 4 above has been incurred:	<ol style="list-style-type: none"> 1. RailTel's Akansha Super-30, Dehradun, Uttarakhand. 2. Support to Cancer Patients through trained personnel. 3. SEHAT Center at Ranchi, for Women. 4. Installation of tube wells in Yass affected areas. 5. Tele-health services and Self-Help-Group at Jalna, Maharashtra. 6. Construction of Toilets in Nalanda, Bihar. 7. Support for Early Intervention for special children.
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SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Yes. As on 31 st March 2022, RailTel has one wholly owned Subsidiary Company i.e. "RailTel Enterprises Limited"
2.	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Yes, 01 subsidiary company
3.	Do any other entity/entities (e.g., suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No, The company does not mandate its suppliers or vendors to participate in the BR initiatives, but encourages them to adopt practices relevant to conducting business in a responsible manner. Moreover, The BR initiative of the Company has the cooperation of all its stakeholders, including various Ministries, Departments of State and Central Government, State and Central PSUs in their capacity as our clients, employees, vendors, and the local populace. However, it is difficult to establish the extent to which their support helps in facilitating the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of the Director/Director responsible for implementation of the BR policy/policies	1)	DIN Number	06923630
	2)	Name	Sanjai Kumar
	3)	Designation	Director/NPM

b) Details of the BR head	1)	DIN Number (if applicable)	Not Applicable
	2)	Name	Vineet Singh
	3)	Designation	Executive Director/ Enterprise Business
	4)	Telephone number	011-22900600
	5)	e-mail id	vineet69@railtelindia.com

2. Principle-wise (as per National Voluntary Guidelines (NVGs)) BR Policy/ policies

Principle No.	Principles
P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.
P6	Business should respect, protect, and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for ...	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	N	N	N	N	N	N	NA	N	N
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ Owner/ CEO/ appropriate Board Director?	Y	N	Y	Y	N	Y	NA	Y	N
		Policies of the Company have been approved by the Board /Competent Authorities as per Delegated Powers.								



No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Does the Company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6	Indicate the link for the policy to be viewed online	The policies of the company are available on the website of the company at https://www.railtelindia.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (reason for P7)	The business operation of the company does not involve influencing public and regulatory policy								

3. Governance related to BR

a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year	HR Policy, CSR policy, accountability, governance and other issues related to BRR principles will be deliberated in its BoD meetings. Total of 9 (Nine) BOD meetings were held during FY 2021-22.
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<p>b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?</p>	<p>The BR performance of the company is a part of the Annual Report, which is uploaded on RailTel website regularly.</p> <p>https://www.railtelindia.com/profile-4/annual-report-review-and-annual-return.html</p>
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SECTION-E PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes /No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?

Yes, the company has policy relating to ethics and governance. RailTel, a listed Government Company and Public Sector Enterprise is committed to observe transparency and accountability in all its operations. The Company has adopted a number of policies/rules to strengthen ethical conduct at all levels including the following:

- a) RailTel's Conduct and Discipline Appeal rules:** RailTel IDA/CDA Rules define the desirable and non-desirable acts and conduct for the employees and extend to all its employees. IDA/CDA rules also laid down procedure for actions in the case of non-compliance with the defined terms as well as for any misconduct.
- b) Vigilance Department:** The Company has a well-structured vigilance department, aiming at better transparency, integrity and to inculcate good governance within the organization. Department publishes Vigilance bulletin from time to time and also suggests system improvement and conducts training for employees of the company.
- c) Whistle Blower Policy:** The Company has in place Whistle Blower Policy. The whistle blower mechanism has been laid down for employees to raise any ethical issues within the organisation.

d) Code of Business Ethics & Conduct:

RailTel has laid down two separate codes, i.e., Code of Business Conduct & Ethics for Board Members and Senior Management Personnel and Code of Conduct for employees of RailTel in alignment with Company's Vision & Mission.

e) Compliance with provisions of Right to Information Act, 2005:

As RailTel is a designated public authority, the provisions of the Right to Information Act, 2005 are applicable on us. The Company ensures smooth access to information in a timely manner.

f) In addition, several initiatives have been taken/are being taken by RailTel to strengthen Integrity, transparency and fairness in its business practices such as, well defined "Schedule of Powers" defining the powers of the top executives and below for carrying out work in prescribed manner, implementation of "Integrity Pact Program" considered as a useful tool in ensuring transparency in the procurement process, Implementation of E-procurement mechanism for most of the procurements etc. RailTel also has its own procurement manual for procuring goods and services.

g) These policies are applicable to one subsidiary

Yes. The policies are applicable to the subsidiary company

2. How many stakeholder complaints have been received in the past financial year, and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so?

As per requirement of SEBI (Listing Obligations and Disclosures) Requirements, 2015 and



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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. As reported by M/s Kfin Technologies Ltd (Registrar & Transfer Agent of the Company) as on 31.03.2022, total 327 nos of complaints were received during the financial year 2021-22 and all such complaints were attended/responded by 31.03.2022.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1) List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities:

In its endeavour to promote sustainability from a holistic perspective, RailTel is keen to address social and environmental concerns through its various services.

a) HD Video Conferencing Services: RailTel's Telepresence Service is an end-to-end, full high-definition (FHD-1080p) video-conferencing service that gives users a virtual, face-to-face meeting experience.

Providing a meeting experience similar to that of actual meeting room. Being able to conduct day-to-day meetings for management review, sales performance, disaster mitigation and project management using laptops, desktops, or portable devices such as tablets and smartphones could be extremely useful, particularly during this pandemic times. The service helps businesses to "Go Green" due to reduction in travel, therefore reducing carbon footprints.

b) e-office - paperless office Solution: Save Paper - Go Green: The E-Office is a cloud enabled software application developed by National Informatics Centre (NIC) that is hosted at our Secunderabad data center with disaster recovery in Gurugram

We provide an e-office implementation service that includes anything from planning to commissioning, as well as user training and support, to ensure a seamless transition from manual filing to the digital workplace by establishing a secure, safe, and effective way to manage office files and documents. E-Office is also an effective Work from Home solution as the digital files can be accessed through VPN connections. The service help in reducing carbon footprints being environment friendly as paper usage is reduced to a great extent, with savings on paper cost too.

c) Hospital Management Information System (HMIS):

RailTel is implementing Hospital Management Information System (HMIS), which is Integrated clinical information system for improved hospital administration and patient health care, provides an accurate, electronically stored medical records, in all 125 Hospitals and 580 health units over Indian Railways. RailTel in total has implemented the system at 695 locations. HMIS is going to address the fundamental needs of all the stakeholders. Patients will be able to get faster and hassle-free health care access. With entire medical data readily available, Doctors will be able to treat better with Clinical Knowledge support Administrators will be able to take better decision with the systematic data generated in HMIS.

2) For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The company is engaged in design and delivery of Signalling, telecommunication and IT enabled services. So, this question is not applicable to it.

3) Does the company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, the Company has a well-documented Procurement Policy that helps in sourcing the requisites for operations and business activities in a steady, continuous and sustainable manner. The Company has policies of long-term contracts and rate-contracts to ensure that operations and business pursuits do not suffer owing to externalities.

4) Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the company procurement policy and practices are guided by the Government Policies and practices. These are based on transparent procurement mechanisms which promote procurement from technically competent suppliers. However, care is also taken for the interest of local suppliers and contractors within the frame-work of CVC's guidelines. For example, the Company has a policy to encourage MSMEs and those belonging to SC/ST and Women categories in line with various guidelines issued by the Ministry.

The company is also associating with Local cable operators, village entrepreneurs, wireless network providers, residential societies, panchayats etc. (termed as Access Network Providers or ANP's) across the country for providing its retail broadband internet services under RailWire brand. This is a unique innovative PPP model helping local & village level entrepreneurs in becoming financial independent.

5) Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%)? Also, provide details thereof, in about 50 words or so.

The Company's main business relates to telecom and IT enables services and there has been emphasis on paperless working. Accordingly, the Company has implemented e-office and ERP and most of the communication is through emails and other electronic means. However, some clients require reports and drawings in hard paper copy which are provided to the clients. In our office complex, all norms of State Pollution Control Board for air, water and disposal of solid wastes are complied with. Similarly, printer cartridges are refilled from the original suppliers. All the office buildings at corporate office and regional offices have installed sensor-based lightings for using energy efficiently. The office building at Gurugram have sensor-based taps to reduce water wastage and have also installed solar panels for lightings.

Principle 3: Businesses should promote the well-being of all employees

- 1) Please indicate the Total number of employees: 698**
- 2) Please indicate the Total number of employees hired on temporary/casual basis: 1678**
- 3) Please indicate the Number of permanent women employees: 47**
- 4) Please indicate the Number of permanent employees with disabilities: 7**
- 5) Do you have an employee association that is recognised by the management: No**
- 6) What percentage of your permanent employees is members of this recognised employee association? Not Applicable**



7) Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	01	01
3	Discriminatory employment	Nil	Nil

8) What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- a) Permanent Employees: 24.61% (113 out of 459)
- b) Permanent Women Employees: 48.93% (23 out of 47)
- c) Casual/Temporary/Contractual Employees: Nil
- d) Employees with Disabilities: Nil

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1) Has the Company mapped its internal and external stakeholders? Yes/No.

Yes, the Company has identified 'Customers', 'Employees', 'Shareholders', 'Vendors/Contractors' and 'Society' as its stakeholders and it understands the distinct requirement of its various stakeholders.

2) Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?

The Company has identified Outsourced staff which includes technical and non-technical field staff, pantry staff, office boys, PwD, SC, ST, OBC, Women, amongst others as disadvantaged, vulnerable and marginalized stakeholders and their concerns are addressed as per the government policies as applicable from time to time.

3) Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.

RailTel has always been sensitive to the needs of disadvantaged, vulnerable and marginalized stakeholders. As per recruitment rules, the Company ensures reservation of posts for SC, ST, OBCs, ex-serviceman and physically disabled persons in accordance with the instructions issued by the Government of India from time to time.

The Company is procuring goods and services as per Public Procurement Policy, 2012 from MSE and it also conducts Vendor Development Programme, including local vendors, to bring more awareness among MSE and to increase their participation.

Furthermore, the Company has a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at work place for providing a congenial and safe working atmosphere to women employees.

Principle 5: Businesses should respect and promote human rights

1) Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

RailTel's HR Policies are aligned with the standard practice of business and human rights and are mandated for all employees posted at various

stations, projects, offices, and Subsidiaries of the Company. The Human Rights provisions are also built-in our tender documents for contracts/works invited on a competitive bidding basis covering our suppliers and contractors.

2) How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During reporting period of FY 2021-22, we have received no complaints regarding violation of human rights.

Also, please refer to answer part 2 of Principle-1

Principle 6: Businesses should respect, protect and make efforts to restore the environment.

1) Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/Contractors/ NGOs/others?

The company has a CSR and Sustainability and CSR vision document to act in socially, economically and environmentally sustainable manner at all times.

The policy covers only the company.

2) Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

The company has been promoting Video conferencing through its TPaaS service which helps in decreasing carbon footprint and addresses global environmental issues. The link to the services is: <https://www.railtelindia.com/our-expertise/telepresence-services.html>

The company along with all its offices, also uses and promotes e-office as one of its services for all internal file works, this reduces use of paper in the offices. The link to the services is: <https://www.railtelindia.com/our-expertise/railtel-eoffice.html>

3) Does the company identify and assess potential environmental risks? Y/N

RailTel works in the field of Telecommunication and IT based Services and this does not pose any environmental risks.

4) Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

None, during the reporting period

5) Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes, the company has put in place the energy efficiency methods like sensor-based lightings in all its offices. It also has sensor-based taps to reduce water wastage in its Gurugram office and has also installed solar panel to utilize solar energy. The company also uses and promotes HD video conference facility & e-office in its office, which reduces the use of paper, helping environment.

6) Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The company as such does not generate emissions/waste being in the field of telecom services.

7) Number of show cause/legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

No show cause notice/legal notice received/pending from CPCB/SPCB.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1) Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:



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a) Standing Conference of Public Enterprises (SCOPE)

b) Founding Patron of Bharat IPV6 forum

2) Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box : Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

The Company has a strong presence in telecom sector and IT enabled services. The Company represents its views through knowledge sharing systems, responses to surveys, feedback on industry needs, through Railways, DPE etc. as and when asked.

The Company is not directly involved in process of advocating/lobbying through above associations for the advancement or improvement of public good and formulation of government policies.

Principle 8: Businesses should support inclusive growth and equitable development

1) Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes, details thereof

The Company's policies are in compliance with Government of India guidelines to promote diversity, equity and recognize people on their merits and skill sets irrespective of their race, caste, religion, colour, ancestry, marital status, gender, age and nationality.

Furthermore, the Company also has a well-structured CSR and Sustainability Policy (CSR Policy). In view of the same, the Company has various social development projects, which are aimed at promoting healthcare, promoting sanitation, digital learning and skill development

for the people especially those belonging to the disadvantaged sections of the society.

2) Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/ government structures/any other organization?

The programs taken are mixed, few programs are taken up in House and implemented directly, while other projects are taken up in association with NGO as implementing agency after need assessment by NGO in locations all over the country.

3) Have you done any impact assessment of your initiative?

Impact assessment has been approved in FY 2021-22 and activity is under progress for RailTel's CSR initiative "Akansha Super-30" at Dehradun, Uttarakhand.

4) What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

The contributed amount for FY 2021-22 is ₹369.60 Lakh under CSR. Following major projects were undertaken in FY 2021-22:

- a) RailTel's Akansha Super-30, Dehradun, Uttarakhand: Providing free coaching, lodging, boarding to poor but talented students for entrance to premier engineering institutes of the country.
- b) Support to Cancer Patients through trained personnel: offers assistance, counselling and handholding to cancer patients at renowned hospitals.
- c) SEHAT Center at Ranchi, Jharkhand: 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

- d) Installation of tube wells in Yass affected areas in 24 South Parganas, West Bengal: supports installation of deep tube well for safe drinking water.
- e) Tele-health services and Self-Help-Group at Jalna, Maharashtra: Mobile tele-polyclinic for identified villages in Jalna and employment generation through Self-Help Group (SHG) of women in villages for making sanitary pads and to supply them to nearby school along with pads vending machine and incinerator.
- f) Health Camp in Nalanda, Bihar: The health camp managed by nurses, volunteers, compounders will include health check-up by specialist doctors like general Physician, Gynecologist and Pediatrician. Free medicines will also be distributed to tribal population in villages based on prescription by doctors.
- g) Construction of Toilets in Nalanda, Bihar: This will help students of school in better health and hygiene and getting OD issues in the area.
- h) Early Intervention for special children at Ghaziabad, Uttar Pradesh: Early intervention (from birth to school entry) includes education, skill building and employment support to children with special needs. Early intervention means doing things as early as possible to work on child's developmental, health and support needs.
- i) Roti-maker and Golf Cart to Safdarjung Hospital, New Delhi: For benefit of patients in Hospital, RailTel will provide Roti Maker

(providing healthy meals) and golf cart (for shifting patients from one location to other in the premises).

5) Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

RailTel undertakes programs that have positive impact on its beneficiaries and society at large. This involves verification of the reliability and clean track record of the implementing agencies, project reach and objective in line with CSR Policy and requirement from Local administration of the project location, field verification and compliance check, sustainability factor, amongst others.

Apart from above, the CSR department and project offices have an in-house monitoring mechanism to ensure community engagement and adoption of its CSR projects which includes:

Monitoring Mechanism: There is a nodal officer for each CSR Project for monitoring the projects in areas adjoining the project areas. The periodical progress reports, field visit reports, physical progress reports and interaction with beneficiaries.

Reporting: To create awareness among stakeholder, detailed status about the CSR Policy, CSR activities and regular updates are being placed on RailTel's website. From time to time, the implementation of the major activities is reported in media. In addition to this, a separate CSR Report is included in the Annual Report.



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Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1) What percentage of customer complaints/consumer cases are pending as on the end of financial year?

At the end of financial year, percentage of customer complaints pending are less than 1.07%. The details at the end of financial year are as below:

S. No.	Category	Complaints received	Complaints Resolved	Complaints Pending
1	Technical	78199	78192	7
2	CP Grams	28	28	0
3	RailWire	328307	324024	4283
4	Others/Miscellaneous	490	403	87

2) Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)

The item is not applicable to RailTel.

3) Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so

No such case was filed by any stakeholder during the reporting year.

4) Did your company carry out any consumer survey/ consumer satisfaction trends?

None, during the reporting year.

PSMG & ASSOCIATES CHARTERED ACCOUNTANTS

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Independent Auditor's Report

To
**The Members of
RailTel Corporation of India Ltd.
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 2022, 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 2022 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 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 opinion.

Emphasis of Matter

We draw attention to the following matters in the notes to the Standalone Financial Statements:

- i. **Note no. 42 (item no. 32)** to the accompanying Audited Standalone financial statements, which



describes the uncertainties due to outbreak of Covid-19 pandemic and the management's assessment of its impact on the business operations of the company.

- ii. **Note no. 42 (Item no. 27)** of the accompanying Audited Standalone financial statements which states that during the year, company has rationalized the estimate of Expected Credit Loss as required by Ind AS- 109. This has resulted into reduction of Expected credit loss provision of ₹3,803 Lakhs and corresponding increase in profit before tax.

Our Opinion is not modified in respect of the above matters.

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 matters
1	<p>Expected Credit Loss for Trade Receivables</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 includes:</p> <ul style="list-style-type: none"> • Identification of exposures where there is a significant increase in credit risk • Completeness and timing of recognition of default, in accordance with the credit policy of the company • Estimation of Forward-Looking Adjustments <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 Consolidated financial statements.</p>	<p>We have applied the following audit procedures in this regard:</p> <ul style="list-style-type: none"> • 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. • 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. • We have also considered the disclosures made by the company under the head credit risk. <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 matters
2.	<p>Contingent Liabilities</p> <p>There are a number of litigations pending before various forums against the 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. 42 and Item no 25 of the Significant Accounting Policy to the standalone financial statements)</p>	<p>We have adopted the following audit procedures</p> <ul style="list-style-type: none"> • Understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases • Discussed with the management any material developments and latest status of legal matters at the corporate office. • 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. • The legal matters at the regions audited by other regional auditors have been verified on the basis of the Audit Reports of the regional Auditors. <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 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 and those charged with governance for the Standalone Financial Statements

The 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 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.

Auditors' 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.
- Obtained 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.
- Evaluated 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern

- Evaluated 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.

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 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

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 ₹ 1,03,600 lakhs, total net profit after tax of ₹ 22,192 lakhs for the year ended March 31, 2022, and total assets of Rs.1,57,411 lakhs as on March 31, 2022. 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 2022 being the balancing figure between the audited figures in respect of the full financial year ended 31 March 2022 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, 2021 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 of India 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 the "**Annexure-A**", a statement on the matters specified in paragraphs 3 and 4 of the said 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, we report that:
 - i. 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.
 - ii. 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.
 - iii. The Standalone Balance Sheet, 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 dealt with by this Report are in agreement with the books of account
 - iv. 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.
 - v. 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
 - vi. 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**".
 - vii. 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.
 - viii. With respect to the other matters to be included in the Auditors' 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:
 - a) 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. 42 to the Standalone Financial Statements;
 - b) The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - c) 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.
 - d) (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note no. 42 (Item no. 34) to the standalone 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 Company 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 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 it's knowledge and belief, as disclosed in Note no. 42 (Item no. 34) to the standalone financial statements 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 (iv a) and (iv b) of Rule 11(e) contain any material misstatement.
- e) (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.

For and on behalf of PSMG & ASSOCIATES
Chartered Accountants
Firm Reg. No.008567C

Sd/-
CA Sandeep Jain
Partner
M. NO.077281
UDIN: 22077281AJNOHJ4185

Place: New Delhi
Date: 24-05-2022

**ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS**

Referred to in paragraph 1 to "Report on Other legal and regulatory requirements" of the Independent Auditors' Report of even date to the members of **RailTel Corporation of India Limited** on the standalone financial statements of the company for the year ended 31st March 2022, we report that:

- (i) (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 of 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 except as follows:

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in name of company
Building	9809 Lacs	NBCC Limited	No	From 10 th June 2020	Lease Deed is pending from Ministry of Urban Development
Building	1490 Lacs	NBCC Limited	No	From 12 th April 2021	Lease Deed is pending from Ministry of Urban Development

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions of clause 3(i) (d) of the Order are 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, firm, Limited Liability Partnership or any other parties. In view of this, sub-clauses (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, guarantee, 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 2020-21 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 undisputed statutory dues including goods and service tax, provident fund, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Cess and other statutory dues as applicable to the appropriate authorities. According to information and explanation given to us there are no undisputed statutory dues are outstanding as on 31 March 2022 for a period of more than six months from the date they became payable.
- (b) According to records of the Company and information and explanation given to us 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 which have not been deposited on account of dispute or deposited under protest and the forum where the dispute is pending are given below:



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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 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			508.14	2011-14	Tribunal Hyderabad
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			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		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		1.87		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		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		6.68	FY 2019-20	Tamil Nadu

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
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		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		10.47	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		58.29	FY 2018-19	Telangana
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		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		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			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			17.40	FY 2019-20	GST-BIHAR
14	ER	GST	Excess ITC Claimed	222.19			222.19	FY 2018-19	GST-CHHATISGARH
15	ER	GST	Excess ITC Claimed (ITC Claimed but Not Utilised and subsequently Reversed without utilised)	9.40		9.40	0.00	FY 2017-18	GST- Tripura
16	SR	Telanga VAT	Form-VAT 203 dated 17-10-2016. Demand for penalty for not disclosing transaction (Rly. Deposit works) in time for which Railtel has already paid VAT with interest in 2013 and 2014 for works in 2008-2013.	34.63		34.63	0.00	2008-2013	Appellate Deputy Commissioner, Hyderabad
17	NR	RVAT Act	Levy of entry Tax and demand raised under the act.	5.41			5.41	2015-16	RVAT Department



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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
18	NR	RVAT Act	Levy of entry Tax and demand raised under the act.	12.46			12.46	2016-17	RVAT Department
19	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		13.40	2017-18	RVAT Department
20	NR	UP VAT Act	Demand raised on assessment.	56.23			56.23	FY 2014-15	UPVAT Department
21	NR	HVAT Act	Demand raised on assessment.	7.74			7.74	FY 2015-16	HVAT Department
22	WR	MVAT	Demand raised on assessment for FY 2013-14	2.03			2.03	FY 2013-14	MVAT Department
23	NR	Income Tax Act 1961	TDS demand due to short deduction of TDS.	0.27			0.27	2010-11 to 2012-13	TDS (Commissioner)
24	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" & ₹10 Lakh u/s 14A rwr 8D, an amount equal to 1% of Annual Avg. of Investment in REL.	144.09			144.09	AY 2016-17	CIT-(A), New Delhi
25	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., Acturial gain/loss) debited in Other Comprehensive Income which was paid on 06-09-2017 vide DD No. 19906" & ₹10 Lakh u/s 14A rwr 8D, an amount equal to 1% of Annual Avg. of Investment in REL.	117.94			117.94	AY 2017-18	CIT-(A), New Delhi

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
26	CO	Income Tax Act 1961	Appeal filed against AO's order for AY 2018-19 for additions made u/s 143(3)	0.00	1,013.78		1,013.78	AY 2018-19	CIT-(A), New Delhi
27	CO	Income Tax Act 1961	TDS demand due to short deduction of TDS.	0.09			0.09	2010-11, 11-12, 19-20	Traces
28	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		17.02	FY 2014-15 to Jun-2017	CGST(Appeals), Gurugram
			Total	1,491.80	2,341.07	44.03	3,788.83		

- (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 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 on 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 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 our 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 subsection (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 the related parties are in compliance with Sections 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, provisions of clause 3(xv) of the Order are 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 cash losses in the financial year and in the immediately preceding financial year. Accordingly, provisions of clause 3(xvii) of the order are 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 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 date, 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 ₹250 Lakhs, as required has been transferred to the respective CSR bank account as per the guidelines.

For and on behalf of PSMG & ASSOCIATES

Chartered Accountants

Firm Reg. No.008567C

Sd/-

CA Sandeep Jain

Partner

M. NO.077281

UDIN: 22077281AJNOHJ4185

Place: New Delhi

Date: 24-05-2022



ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS

Referred to in paragraph 2 to "Report on Other legal and regulatory requirements" of the Independent Auditors' Report of even date to the members of **RailTel Corporation of India Limited** on the standalone financial statements for the year ended 31st March 2022

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 2022, we report that:

S. No.	Direction's u/s 143(5) of the Companies Act, 2013	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 region 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? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company)	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 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: (A) Rural Wi- Fi Project – The Company is in receipt of subsidy from Universal Service Obligation Fund (USOF) to the tune of Rs 1296 lacs till 31.03.2022 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. (B) NE-1 & NE-2 Project – The Company has received subsidy of Rs 3146 lacs from USOF till 31.03.2022 against the 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.	Nil

For and on behalf of PSMG & ASSOCIATES
Chartered Accountants
Firm Reg. No.008567C

Sd/-
CA Sandeep Jain
Partner
M. NO.: 077281
UDIN: 22077281AJNOHJ4185

Place: New Delhi
Date: 24-05-2022

ANNEXURE-C TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS

Referred to in paragraph 3(vi) to "Report on Other legal and regulatory requirements" of the Independent Auditors' Report of even date to the members of **RailTel Corporation of India Limited** on the standalone financial statements for the year ended 31st March 2022.

Report on the Internal Financial Controls 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 31 March 2022 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 controls 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 (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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 the Standalone 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 the standalone Financial Statements and their operating effectiveness. Our audit of internal financial control with reference to the Standalone Financial Statements included obtaining an understanding of internal financial control 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 auditors' judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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 system with reference to the Standalone Financial Statements.



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Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

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 Standalone 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 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

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 controls 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 2022, 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to standalone financial statement of the company, insofar as it relates to southern region, western region and eastern region, is based on the corresponding reports of the such auditors.

For and on behalf of PSMG & ASSOCIATES

Chartered Accountants

Firm Reg. No.008567C

Sd/-

CA Sandeep Jain

Partner

M. NO.077281

UDIN: 22077281AJNOHJ4185

Place: New Delhi

Date: 24-05-2022



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22वीं वार्षिक रिपोर्ट 2021-22
22nd Annual Report 2021-22

Corporate Overview

Statutory Reports

Standalone Financial Statements

RailTel Corporation of India Limited

Standalone Balance Sheet as at 31st March 2022

(₹ in lakhs)

Particulars	Note No.	As at 31 st March 2022	As at 31 st March 2021
(A) ASSETS			
(1) NON CURRENT ASSETS			
i. Property, Plant and Equipments	2	60,142	57,645
ii. Capital Work-in-Progress	3	16,394	21,484
iii. Right of Use Assets	4	16,502	17,026
iv. Intangible Assets	2	841	1,307
v. Financial Assets			
a. Investment	5	1,000	1,000
b. Loans and Advances	6	-	-
c. Other Non Current Financial Assets	7	35,656	6,360
vi. Deferred tax assets (net)	23	2,502	2,423
vii. Other Non Current Assets	8	68	25
TOTAL NON CURRENT ASSETS		1,33,105	1,07,270
(2) CURRENT ASSETS			
i. Inventories	9	94	121
ii. Financial Assets			
a. Investment	10	3,005	-
b. Trade Receivables	11	66,647	76,144
c. Cash and Cash Equivalents	12	18,510	24,373
d. Other Bank Balances	13	9,107	27,649
e. Loans and Advances	14	32	32
f. Other Current Financial Assets	15	30,922	13,413
iii. Current Tax Assets (Net)	16	1,095	1,190
iv. Other Current Assets	17	13,424	11,428
TOTAL CURRENT ASSETS		1,42,836	1,54,350
TOTAL ASSETS		2,75,941	2,61,620
(B) EQUITY AND LIABILITIES			
(1) Equity			
i. Equity Share Capital	18	32,094	32,094
ii. Other Equity	19	1,19,508	1,08,179
TOTAL EQUITY		1,51,602	1,40,273
(2) LIABILITIES			
(a). NON CURRENT LIABILITIES			
i. Financial Liabilities			
a. Borrowings		-	-
b. Other Non Current Financial Liabilities	21	2,614	2,136
ii. Leasing Liabilities	20	2,349	2,217
iii. Provisions	22	945	977
iv. Deferred Tax Liabilities (Net)	23	-	-
v. Other Non Current Liabilities	24	7,341	11,512
TOTAL NON CURRENT LIABILITIES		13,249	16,842
(b.) CURRENT LIABILITIES			
i. Financial Liabilities			
a. Borrowings		-	-
b. Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	25	14,916	13,744
Total outstanding dues of creditors other than micro enterprises and small enterprises		33,340	38,334
c. Other Current Financial Liabilities	27	30,232	16,038
ii. Leasing Liabilities	26	802	801
iii. Provisions	28	2,794	1,291
iv. Other Current Liabilities	29	29,006	34,297
TOTAL CURRENT LIABILITIES		1,11,090	1,04,505
TOTAL EQUITY AND LIABILITIES		2,75,941	2,61,620

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 42)

As per our report of even date attached
For M/s PSMG & Associates
Chartered Accountants
FRN 008567C

For and on behalf of the Board of Directors of
RailTel Corporation of India Limited

Sd/-
CA Sandeep Jain
M.No.077281
Place New Delhi
Date: 24.05.2022

Sd/-
J S Marwah
Company Secretary
(M. No. :F8075)

Sd/-
A K Singh
Director Finance
(DIN : 07018776)

Sd/-
Aruna Singh
Chairman & Managing Director
(DIN: 09602957)

RailTel Corporation of India Limited

Standalone Statement of Profit and Loss for the year ended 31st March 2022

(₹ in lakhs)

Particulars	Notes No.	For the year ended 31 st March 2022	For the year ended 31 st March 2021
I. Income			
a. Revenue from operations	30	1,52,154	1,33,728
b. Other Income	31	7,408	2,756
c. Finance Income	32	204	86
Total Income (a+b+c)		1,59,766	1,36,570
II. Expenses :			
a. Access and other Charges	33	43,260	33,817
b. License fee and spectrum charges	34	6,679	5,656
c. Expenses on Project	35	43,754	37,957
d. Employee Benefits Expenses	36	18,250	12,170
e. Administrative & Other Expenses	37	3,255	10,911
f. Corporate Social Responsibility		278	490
g. Depreciation, amortisation and impairment	38	16,013	15,925
h. Finance Expenses	39	322	183
Total Expenses		1,31,811	1,17,109
III. Profit/(Loss) before exceptional items and tax (I-II)		27,955	19,461
IV. Exceptional Items			-
V. Profit/(Loss) Before Tax (III-IV)		27,955	19,461
VI. Tax expenses			
a. Current tax	40	7,212	8,253
b. Deferred tax		(79)	(2,776)
c. Tax impact of earlier years		(12)	(57)
VII. Profit/(Loss) for the year(V-VI) (A)		20,834	14,041
Net profit attributable to			
VIII. Other comprehensive income(OCI):			
(a) Items that will not be reclassified to Profit & Loss	41		
Remeasurement gain/(losses) on defined benefit plans		(51)	159
Income tax relating to item that will not be reclassified to Profit & Loss		13	(40)
(b.) Items that will be reclassified to Profit & Loss			
Other comprehensive income/(Loss) (a+b)(B)		(38)	119
Total comprehensive income for the year (A+B)		20,796	14,160
IX Earning per Equity Share of Rs 10/- each			
(a) Basic (Amount in ₹)		6.49	4.37
(b) Diluted (Amount in ₹)		6.49	4.37

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 42)

As per our report of even date attached
For M/s PSMG & Associates
Chartered Accountants
FRN 008567C

Sd/-
CA Sandeep Jain
M.No.077281
Place New Delhi
Date: 24.05.2022

Sd/-
J S Marwah
Company Secretary
(M. No. :F8075)

**For and on behalf of the Board of Directors of
RailTel Corporation of India Limited**

Sd/-
A K Singh
Director Finance
(DIN : 07018776)

Sd/-
Aruna Singh
Chairman & Managing
Director
(DIN: 09602957)



Railtel Corporation of India Limited

Standalone Statement of Cash Flow for the year ended March 31, 2022

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit after tax	20,834	14,041
Adjustments for:		
Other comprehensive income(Net of taxes)	(38)	119
Depreciation, Amortisation and Impairment	16,013	15,925
Amortisation of Deferred Govt Grant	(266)	(302)
Non Cash Income (Discounting)	(204)	(86)
Non Cash Expense(Discounting)	55	(66)
Interest Expenses for Lease Liabilities	267	249
Non Cash Expense(Loss on sale of fixed asset)	8	2
Non Cash Expense(Forex Loss)	-	2
Non Cash Income (Provision written back and forex)	(5,018)	(12)
Provision for expected credit loss	-	8,316
Interest income	(1,998)	(2,141)
Operating profit/(loss) before working capital change	29,653	36,047
(Increase)/decrease in Financial Current Assets	(2,899)	(29,011)
(Increase)/decrease in Non Financial Current Assets	2,922	2,411
Increase/(decrease) in Financial Current Liabilities	10,373	16,202
Increase/(decrease) in Non Financial Current Liabilities	(3,788)	13,248
(Increase)/decrease in Financial Non Current Assets	(614)	1,550
(Increase)/decrease in Non Financial Non Current Assets	(123)	(1,845)
Increase/(decrease) in Financial Non Current Liabilities	681	915
Increase/(decrease) in Non Financial Non Current Liabilities	(4,216)	2,355
Net cash generated from Operation before Tax	31,989	41,872
Income Tax Paid	(4,795)	(4,440)
Net cash generated from Operating Activities	27,194	37,432
Cash Flow from Investing Activities		
Purchase of Tangible & Intangible Assets	(11,652)	(8,014)
Capital Advances	-	-
(Increase)/decrease in Short term investment	15,442	-
Interest income received	1,998	959
Subsidy/Advances received	266	226
(Increase)/Decrease in Term Deposit	(28,735)	(6,636)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Net cash used in Investing Activities	(22,681)	(13,465)
Cash Flow from Financing Activities		
Payment for Lease Liability of Right to Use Assets	(909)	(945)
Dividend paid	(9,467)	(10,015)
Dividend Distribution Tax Paid		
Net cash generated from / (used in) financing activities	(10,376)	(10,960)
Effect of exchange difference on translation of cash and cash equivalents		
Net increase / (decrease) in cash and cash equivalents during the year	(5,863)	13,007
Cash and cash equivalents at the beginning of the year	24,373	11,366
Cash and cash equivalents at the end of the year	18,510	24,373

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 42)

1. Cash and Cash Equivalents include the following Balance Sheet amounts

(i) Cash and Cash Equivalent (Maturity <= 3 Months)		
Flexi Deposits	6,885	12,068
(ii) Balances with Scheduled Bank		
a. In Current A/c	4,031	2,538
b. In Collection A/c	7,576	9,745
c. In Imprest A/c	18	22
Total	18,510	24,373

2. Other Bank Balances

BG Margin Money A/c*	265	252
In Term Deposit (Having original maturity of more than 3 months but less than 12 months)	8,827	27,274
(iii) CSR Escrow A/c**	15	123
Sub Total	9,107	27,649

*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.



Details of amount spent for year ended 31-March-2022 in relation to CSR activities out of the Budget for FY 2021-22 is mentioned below

(₹ in lakhs)

Particulars	Approved Budget	Amount spent	Amount yet to be spent*
Construction/Acquisition of any asset	0	0	0
On any other purpose	370	120	250
Total - A	370	120	250

Details of amount spent on CSR activities during the current year in relation to earlier years is given hereunder-

Particulars	Unspent amount as on 01.04.2021	Amount Paid	Amount yet to be spent
Construction/Acquisition of any asset	0	0	0
On any other purpose	173	158	15
Total -B	173	158	15

Disclosure as per Ind AS-116

(₹ in Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Total cash outflow for leases	909	945

As per our report of even date attached

For M/s PSMG & Associates
Chartered Accountants
FRN 008567C

Sd/-
CA Sandeep Jain
M.No.077281
Place New Delhi
Date: 24.05.2022

Sd/-
J S Marwah
Company Secretary
(M. No. :F8075)

Sd/-
A K Singh
Director Finance
(DIN : 07018776)

Sd/-
Aruna Singh
Chairman & Managing
Director
(DIN: 09602957)

For and on behalf of the Board of Directors of
RailTel Corporation of India Limited

Railtel Corporation of India Limited

Standalone Statement of Changes in Equity for the year ended 31st March 2022

A. EQUITY SHARE CAPITAL

(₹ in lakhs)

As on 01.04.2020	32,094
Change in Equity Share Capital during the year	-
Change due to Prior period errors	-
As on 31.03.2021	32,094
As on 01.04.2021	32,094
Change in Equity Share Capital during the year	-
Change due to Prior period errors	-
As on 31.03.2022	32,094

B. OTHER EQUITY

(₹ in lakhs)

Particulars	Retained Earnings	General Reserve	Self Insurance Reserve	Total Equity
Balance as at 1st April 2020	51,826	52,000	208	1,04,034
Profit for the year	14,041			
Other comprehensive Income/ (Loss)	119			
Add: Total Comprehensive Income for the year ended 31st March 2021	14,160			14,160
Less: Interim dividend for the F.Y. 2020-21	(3,209)			(3,209)
Less: Interim dividend for the F.Y. 2019-20	(2,000)			(2,000)
Less: Final Dividend Paid F.Y. 2019-20	(4,806)			(4,806)
Add: Transfer to Self Insurance Reserve	(101)		101	-
Less: Transfer to General Reserve	(4,000)	4,000		-
Balance as at 31st March 2021	51,870	56,000	309	1,08,179
Opening balance as on 1st April 2021	51,870	56,000	309	1,08,179
Profit for the year	20,834			
Other comprehensive Income/ (Loss)	(38)			
Add: Total Comprehensive Income for the year ended 31st March 2022	20,796			20,796
Less: Final Dividend for FY 2020-21	(3,851)			(3,851)
Less: Interim Dividend for FY 2021-22	(5,616)			(5,616)



Particulars	Retained Earnings	General Reserve	Self Insurance Reserve	Total Equity
Add: transfer to self insurance reserve	(112)	-	112	-
Less: Transfer to General Reserve	(4,000)	4,000	-	-
Balance as at 31st March 2022	59,087	60,000	421	1,19,508

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 42)

As per our report of even date attached

**For M/s PSMG & Associates
Chartered Accountants
FRN 008567C**

**Sd/-
CA Sandeep Jain
M.No.077281
Place New Delhi
Date: 24.05.2022**

**Sd/-
J S Marwah
Company Secretary
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**Sd/-
A K Singh
Director Finance
(DIN : 07018776)**

**Sd/-
Aruna Singh
Chairman & Managing
Director
(DIN: 09602957)**

**For and on behalf of the Board of Directors of
RailTel Corporation of India Limited**

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



- Govt. of India offered for sale 8,71,53,369 equity shares of face value of Rs. 10/- each at a premium of Rs. 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

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.

S. 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%



S. No	Name of Assets	Main asset/ Component	Useful life of assets
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 105 "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. Indefeasible Right to Use ('IRU')

The Company 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 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 is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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 '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, 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.

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.

Note 2. Property Plant & Equipment

(₹ in lakhs)

Particulars	TANGIBLE ASSETS							INTANGIBLE ASSETS						
	Freshhold Land	Free Hold Building	Prefabricated Building	Plant & Machinery	Leasehold Improvements	ERP Hardware	Computers	Furniture & Fixtures	Vehicles	Office Equipments	Total	Licenses	Software	Total
As at 31.03.2021														
Gross Carrying amount														
Cost as at 1 Apr 2020	223	2,389	1,361	1,64,456	2,669	222	949	401	39	863	1,73,572	530	954	1,484
Additions	-	150	-	8,342	-	-	195	55	-	230	8,972	31	884	915
Disposal	-	-	-	(6,773)	-	-	(28)	-	-	(11)	(6,812)	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying amount (31.03.2021)	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
Accumulated Depreciation/ amortisation														
Accumulated Depreciation as at 1st April 2020	-	279	1,279	1,07,513	1,625	203	838	245	35	717	1,12,734	217	482	699
Charge during the year	-	46	8	11,729	190	3	82	28	1	73	12,160	35	358	393
Disposal	-	-	-	(6,773)	-	-	(25)	-	-	(9)	(6,807)	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation/ amortisation (31.03.2021)	-	325	1,287	1,12,469	1,815	206	895	273	36	781	1,18,087	252	840	1,092
NET CARRYING AMOUNT - 31.03.2021	223	2,214	74	53,556	854	16	221	183	3	301	57,645	309	998	1,307
As at 31.03.2022														
Gross Carrying amount														
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)	14,757	(1)	0	189	42	1	469	15,500	(0)	21	21
Disposal	-	-	-	0	-	-	(69)	0	-	(24)	(93)	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying amount (31.03.2022)	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
Accumulated Depreciation/ amortisation														
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	117	32	1	128	12,991	33	454	486
Disposal	-	-	-	(0)	-	-	(62)	(0)	-	(17)	(80)	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation/ amortisation (31.03.2022)	-	387	1,295	1,24,930	1,993	208	950	305	37	892	1,30,997	285	1,294	1,579
NET CARRYING AMOUNT - 31.03.2022	223	2,195	65	55,852	675	14	286	195	3	635	60,142	276	566	841

Note 3. Capital Work in Progress

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
NE Project (Net of Impairment Loss)	8,344	15,022
OFC Laying Works	569	1,110
MPLS, STM, Other Telecom Radio Equipment, Data Centre & OSS/BSS	4,484	3,544
Capital Stores lying at project site	2,883	1,802
Building	78	-
Others	36	6
Total	16,394	21,484

Note-4 Right of Use Assets

(₹ in lakhs)

Particulars	Building	Land	Telecom Assets	Total
As at 31.03.2021				
Gross Carrying amount				
Cost as at 1st April 2020	12,497	3,498	3,123	19,118
Additions	2,407	-	-	2,407
Disposal	-	-	-	-
Transfer/Adjustments	-	(1,594)	-	(1,594)
Closing Gross Carrying amount (31.03.2021)	14,904	1,904	3,123	19,931
Accumulated Depreciation/ amortisation				
Opening Balance as at 1st April 2020	1,342	223	257	1,822
Charge during the year	907	50	257	1,214
Disposal	-	-	-	-
Transfer/Adjustments	-	(131)	-	(131)
Closing accumulated depreciation/ amortisation (31.03.2021)	2,249	142	514	2,905
NET CARRYING AMOUNT- 31.03.2021	12,655	1,762	2,609	17,026
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	-	-	-	-
Closing Gross Carrying amount (31.03.2022)	15,094	2,501	3,123	20,718
Accumulated Depreciation/ amortisation				
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	-	-	-	-
Closing accumulated depreciation/ amortisation (31.03.2022)	3,246	199	771	4,216
NET CARRYING AMOUNT- 31.03.2022	11,848	2,302	2,352	16,502



NON CURRENT ASSETS

Note 5. Investment (At amortised cost)

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Long Term Investments-at Cost		
Trade (Unquoted)		
Investment in Shares of subsidiaries		
Railtel Enterprises Limited (Fully Owned Subsidiary)		
100,00,000 equity shares of Rs.10 each fully paid	1,000	1,000
Total Carrying Value	1,000	1,000

Investment in subsidiary has been valued at cost

Note 6. Loans and Advances

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Advances		-
Total	-	-

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 st March 2022	As at 31 st March 2021
Deposits with Banks for Ex-Gratia	73	50
Bank Term Deposit (Having residual maturity of more than 12 months)	34,209	5,473
BG Margin Money (Having residual maturity of more than 12 months)*	20	86
Accrued interest on term deposit - Non Current	859	269
Security Deposit (Considered Good)	495	482
Total	35,656	6,360

*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 st March 2022	As at 31 st March 2021
Unsecured Considered Good unless stated otherwise		
Capital Advances		
Considered Good	-	(0)
Other		
Lease prepayment/Prepaid Expenses	68	25
Total	68	25

CURRENT ASSETS

Note 9. Inventories (Valued at lower of cost or net realisable value)

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Inventory (Consumables for O&M Work)	94	121
Total	94	121

Note 10. Investment (At fair value through Profit & Loss Account)

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Investment (Unquoted)	3,005	-
Total	3,005	-

Aggregate Value of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate Value of unquoted investments	3,000	-
Market value of unquoted investments	3,005	-
Aggregate value of impairment of investments	-	-

Note 11. Trade Receivables

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Unsecured, Considered Good		
Telecommunication Business	25,804	29,275
Project works	40,843	46,869
Sub Total - A	66,647	76,144
Significant Increase in Credit Risk - B	7,235	12,523
Trade Receivables (A+B)	73,882	88,667
Loss Allowance	(7,235)	(12,523)
Total	66,647	76,144

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	12,523	4,219
Add: Additional provision during the year		8,316
Less: Provision written back/adjusted during the year	5,288	12
Balance at the end of year	7,235	12,523



Note 12. Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
(i) Cash and Cash Equivalent (Maturity <= 3 Months)		
Flexi Deposits	6,885	12,068
(ii) Balances with Scheduled Bank		
a. In Current A/c	4,031	2,538
b. In Collection A/c	7,576	9,745
c. In Imprest A/c	18	22
Total	18,510	24,373

Note 13. Other Bank Balances

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
BG Margin Money A/c *	265	252
In Term Deposit (Having original maturity of more than 3 months but less than 12 months or residual maturity less than 12 months)	8,827	27,274
(iii) CSR Escrow A/c**	15	123
Total	9,107	27,649

*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 st March 2022	As at 31 st March 2021
Advances to Employee	32	32
Total	32	32

Note 15. Other Current Financial Assets

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Unsecured, Considered good unless stated otherwise		
Accrued interest on term deposit	325	2,284
Recoverable from Railways	561	631
Unbilled Revenue	28,710	9,067
Loss Allowance for Unbilled Revenue	(238)	28,472
EMD Deposited	746	946
Security Deposit	818	485
Total	30,922	13,413

Note 16. Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Income Tax/TDS	1,095	1,190
Total	1,095	1,190

Note 17. Other Current Assets

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Advances recoverable in cash or in kind for value to be received	5,146	845
Indirect Tax Credit Available	6,550	7,906
Fund Assets for Defined Retirement Plans	42	382
Others	356	690
Advance Indirect Tax	1,229	1,366
Prepaid expenses	101	239
Total	13,424	11,428

Note No. -18 Equity Share Capital

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Authorized Share Capital		
Equity Shares		
1,00,00,00,000 equity shares of Rs 10 each	1,00,000	1,00,000
Issued, Subscribed and fully paid-up shares		
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
Total	32,094	32,094

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
As at 31st March 2021			
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
AS at 31st March 2022			
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 ₹ 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 st March 2022	As at 31 st March 2021
Ministry of Railways (in the name of President of India)*	23,37,85,038	23,37,85,038
	72.84	72.84

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 Rs.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
Opening balance as on 1st April 2020	51,826	52,000	208	1,04,034
Profit for the year	14,041			
Other comprehensive Income/ (Loss)	119			-
Add: Total Comprehensive Income for the year ended 31st March 2021	14,160			14,160
Less: Interim dividend for the F.Y. 2020-21	(3,209)			(3,209)
Less: Interim dividend for the F.Y. 2019-20	(2,000)			(2,000)
Less: Final Dividend Paid F.Y. 2019-20	(4,806)			(4,806)
Add: Transfer to Self Insurance Reserve	(101)		101	-
Less: Transfer to General Reserve	(4,000)	4000		-
Balance as at 31st March 2021	51,870	56,000	309	1,08,179
Opening balance as on 1st April 2021	51,870	56,000	309	1,08,179
Profit for the period	20,834			
Other comprehensive Income/ (Loss)	(38)			
Add: Total Comprehensive Income for the year ended 31st March 2022	20,796			20,796
Less: Final Dividend for FY 2020-21	(3,851)			(3,851)
Less: Interim Dividend for FY 2021-22	(5,616)			(5,616)
Add: transfer to self insurance reserve	(112)		112	-
Less: Transfer to General Reserve	(4,000)	4,000		-
Balance as at 31st March 2022	59,086	60,000	421	1,19,507

NON CURRENT LIABILITIES

Note 20. Leasing Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Leasing Liabilities	2,349	2,217
Total	2,349	2,217

Note 21. Other Non Current Financial Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Unsecured		
Security Deposit	620	426
Retention Money	1,994	1,710
Total	2,614	2,136

Note 22. Provisions

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Provision for Post Retirement Medical Benefit	899	931
Provision for Arbitration Claim	46	46
Total	945	977

Note 23. Deferred Tax Liabilities/(Assets) (Net)

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Deferred Tax Liabilities		
Depreciation claimed as deduction under Income Tax Act but chargeable in the statement of profit and loss in future years	1311	2,042
Less:		
Deferred Tax Assets		
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	1880	3,152
Expenditure to be allowed on payment basis under Income Tax Law/Provisions	1933	1,313
Deferred Tax Liability/ (Assets) (Net)	(2,502)	(2,423)



Note 24. Other Non Current Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Deferred Revenue and Advance from Customers*	1,494	1,954
Deferred Revenue from Government Grant		
NE 1 & NE 2	1,182	1,171
Rural WiFi	592	686
Advances for VSS Project	4,073	7,701
Total	7,341	11,512

*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 st March 2022	As at 31 st March 2021
Trade Payables		
Micro and Small Enterprises	14,916	13,744
Other than Micro and Small Enterprises		
Revenue Share Payable to Indian Railway	6,185	5,281
Towards purchase of Goods and Services	27,156	33,053
Total	48,257	52,078

Note 26. Leasing Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Leasing Liabilities - Current	802	801
Total	802	801

Note 27. Other Current Financial liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Security Deposits	4,276	3,932
Retention Money	20,235	10,828
EMD Payable	795	925
Bank Guarantee Deductions	4,923	346
Interest Accrued but not due on Noida Instalment	3	7
Total	30,232	16,038

Note 28. Provisions

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Provisions for Employee Benefits		
Provision for Post Retirement Medical Benefit	2	2
Provision for Pension	41	87
Provision for Gratuity & Leave Encashment	455	189
Provision for PRP	2,296	1,013
Total	2,794	1,291

Note 29. Other Current Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Deferred Revenue and Advance from Customers*	14,109	10,584
Advance for Railway Deposits#	7,474	8,870
Advance-Others**	0	3,774
Deferred Revenue from Government Grant		
NE 1 & NE 2	112	119
Rural WiFi	152	147
Government Grant		
Subsidy of NE-1 & NE-2	1,353	1,468
Rural WiFi Subsidy	80	106
Payable to Others	5,726	9,229
Total	29,006	34,297

*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 31st March 2022	For the year ended 31st March 2021
Income from Telecom Services		
NLD Services	47,813	43,467
ISP Services	34,883	25,490
IP-1 Services	21,115	18,931
Income from Projects		
Railways Project Works	7,848	15,389
Other Projects	39,949	29,851
Other Operating Revenue	546	600
Total	1,52,154	1,33,728



Note 31. Other income

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest Income		
Interest Income on deposits with Bank	1,938	2,132
Interest on Income Tax Refunds	55	165
Other Non Operating Income		
Miscellaneous Income	337	439
Income on Mutual Funds	60	8
Liabilities/Provision written back	5,018	12
Total	7,408	2,756

Note 32. Finance Income

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Reversal of Discounting impact of Liability for FY of 2019-20		(70)
Discounting Impact of Liability for FY 2020-21		156
Reversal of Discounting impact of Liability for FY of 2020-21	(156)	
Discounting Impact of Liability for FY 2021-22	360	
Total	204	86

Note 33. Access & Other Charges

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Operation & Maintenance of Fiber & Equipment	10,349	7,906
Share of Revenue with Konkan Railway	48	50
Hire Charges Radio Modem/Optic Fibers and Internet Access	6,869	5,444
Railwire Expenses	18,754	13,580
Power & Fuel Expenses on network	3,268	3,769
Revenue Share to Railways	3,972	3,068
Total	43,260	33,817

Note 34. License fee and Spectrum charges

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Licence Fee to DoT (Revenue Share)	6,679	5,656
Total	6,679	5,656

Note 35. Expenses on Project

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Expenses on Railway Projects	6,845	13,736
Expenses on Projects (Other Than Railway)	35,634	21,410
Allocation of Employee Benefit Expenses (Refer Note No. 36)	850	1,757
Allocation of Administrative & Other Expenses (Refer Note No. 37)	425	1,054
Total	43,754	37,957

Note 36. Employee Benefits Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Salaries & Wages	18,366	13,277
Contribution to Provident fund	702	633
Staff welfare expenses	32	17
Less: Allocation of Expenses to Projects (Refer to Note No. 35)	850	1,757
Total	18,250	12,170

Note 37. Administrative & Other Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<u>Auditor Remuneration</u>		
As Auditor	29	24
As Tax Auditor	6	6
Books & Periodicals	2	1
Communication Expenses	105	91
Conveyance Expenses	30	22
Bank Charges & Commission	84	27
Legal & Professional Expenses	403	326
Insurance	104	97
Rates & Taxes	559	287



Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Rent	448	341
Repair & Maintenance - Others	568	338
Tender Expenses	63	38
Training & Recruitment Expenses	15	23
Travelling Expenses	222	144
Printing & Stationary Expenses	53	51
Vehicle Hire charges	434	354
Business promotion Expenses	79	418
Other Miscellaneous Expenses	468	387
Loss on sale of Fixed Assets	8	2
Provision for Expected Credit Loss	-	8,316
Loss on foreign Exchange transactions	-	2
Donation to PM CARES Fund	-	670
Less:- Allocation of Expenses to Project (Refer to Note no. 35)	425	1,054
Total	3,255	10,911

Note 38. Depreciation, Amortisation and Impairment

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Depreciation on tangible Assets	12,991	12,160
Charge over Right of Use (Refer Note No.4)	1,311	1,214
Amortization on Intangible Assets	487	393
Impairment on CWIP Assets (NE Project)	1,224	2,158
Total	16,013	15,925

Note 39. Finance Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Reversal of Discounting impact of Assets for FY 2019-20		(165)
Discounting Impact of Assets for FY 2020-21		99
Reversal of Discounting impact of Assets for FY 2020-21	(99)	
Discounting Impact of Assets for FY 2021-22	154	
Finance charge - Interest Cost Unwinding of Lease Liabilities	248	212
Finance charge on Instalment of Noida land	19	37
Total	322	183

Note 40. Tax Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Current Tax (Income Tax)	7,212	8,253
Tax impact of earlier Years	(12)	(57)
Deferred Tax	(79)	(2,776)
Total	7,122	5,420

Note 41. Other comprehensive income (OCI)

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Items that will not be reclassified to Profit & Loss		
Remeasurement gain/(losses) on defined benefit plans	(51)	159
Income tax relating to item that will not be reclassified to Profit & Loss	13	(40)
Items that will be reclassified to Profit & Loss		
Other comprehensive income/(Loss)	(38)	119

Note No 42

OTHER EXPLANATORY NOTES AND DISCLOSURES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March'2022

1. These Financial Statements are presented in Indian Rupees (INR) which is the Company's functional currency.
2. 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.
3. License fee to DoT and Railways Revenue Share computed at prescribed rate of 8% and 7% respectively.
4. 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.

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A Mini Ratna Enterprise

7. Details of immovable Property as on 31.03.2022 whose title deed is not in the name of Company is as follows :

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ In Lakh)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/director	Effective Date	Reason for not being held in the name of the company
Right of Use	Building	9809	NBCC Limited	No	10th June 2020	Lease deed is pending from Ministry of Urban Development
Right of Use	Building	1490	NBCC Limited	No	12th April 2021	

8. Disclosure relating to dues to Micro, Small and Medium Enterprise:

(₹ in lakhs)

S. No.	Particulars	March'22	March'21
i	Amount remaining unpaid to any supplier:		
	a) Principal Amount	14,916	13,744
	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'22	March'21
Consumables and Spare parts	-	198
Capital goods	195	605
Total	195	803

10 Expenditure in foreign currency (accrual basis)

(₹ in lakhs)

Particulars	March'22	March'21
Service charges	-	4

11 Corporate Social Responsibility Expenditure

(₹ in lakhs)

amount required to be spent by the company during the year	542 (CY budget is ₹ 370 lakh)
amount of expenditure incurred	278
shortfall at the end of the year	264
total of previous years shortfall	15
reason for shortfall	Amount of ₹ 264 lakh have been deposited in CSR account with Bank as per guidelines
nature of CSR activities	As per DPE theme on CSR of FY 21-22
details of related party transactions	N.A
where a provision is made with respect to a liability incurred by entering into a contractual obligation,	N.A

Parawise 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

- i The total carrying amounts of inventories as at 31.03.2022 is Rs.94 Lakhs (March'21 – ₹ 121 Lakhs) as shown in Note No 9 of Balance Sheet.
- ii 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.
- iii 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

Particulars	Provided during the year ended 31 st March'22	As at 31 st March' 22	Provided during the year ended 31 st March'21	As at 31 st March' 2021
Deferred Tax Liability				
Related to Depreciation on Fixed Assets	-731	1,311	-372	2042
Total Deferred Tax Liabilities	-731	1,311	-372	2042
Deferred Tax Assets				
Provision on debtors	-1,272	1,880	2,090	3152
43B Disallowances etc.	303	831	-80	528
Others	316	1,101	394	785
Total Deferred Tax Assets	-653	3,812	2,404	4465
Deferred Tax Liability / (Asset) (Net)	-78	-2,501	-2,776	-2423

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'2021 to Mar'2022 is mainly due to change in tax rates as tabulated here under:

(₹ in lakhs)

Particulars	March'22 (In %)	March,22 (In ₹ Lakhs)	March'21 (In %)	March,21 (In ₹ Lakhs)
PBT		27955		19461
Applicable Tax Rate	25.17%	7036	25.17%	4898
1. Tax effect of income that are not taxable in determining taxable profit	-4.75%	-1328	0%	0
2. Tax effect of expenses that are not deductible in determining taxable profit	5.91%	1653	18.46%	3592
3. Tax effect on previous years disallowances	-0.58%	-161	-1.02%	-198
4. Tax effect of additional deductions	0.00%	0	0%	0
5. Tax expenses/income related to prior period	0.00%	0	0%	0
6. difference in tax due to reclassification of income and expenses	0.00%	0	0%	0
Average Effective Tax	25.76%	7200	42.61%	8292

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 31.03.2022.
- 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 ₹ 17004 lakhs (March'21 – ₹ 7319 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 ₹ 41072 (FY21- 33289) 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 ₹ 13 Lakh (Gross Book Value 93 Lakhs) has been retired with sale proceeds of ₹ 5 Lakh and loss of Rs 8 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.

Provident Fund:

All regular 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.

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.

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, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Discount Rate	7.24% per annum	7.24% per annum	6.79% per annum	6.79% 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	6.79% per annum	6.79% per annum	6.71% per annum	6.71% per annum
Average future service (in Years)	21.74 Years	-	20.78 Years	-

Table II: Service Cost

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Current Service Cost	177	227	160	225
Past Service Cost (including curtailment Gains/Losses)	0	0	0	0
Gains or losses on Non Routine settlements	0	0	0	0
Total	177	227	160	225

Table III: Net Interest Cost

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Interest Cost on Defined Benefit Obligation	134	176	120	157
Interest Income on Plan Assets	160	164	114	104
Net Interest Cost (Income)	-26	12	6	53

Table IV: Change in Present Value of Obligations

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Opening of defined benefit obligations	1973	2599	1,792	2,336
Service cost	177	227	160	225
Interest Cost	134	176	120	157
Benefit Paid	-94	-127	-82	-90



All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Actuarial (Gain)/Loss on total liabilities:	187	19	-17	-29
- due to change in financial assumptions	-117	-107	-17	-17
- due to change in demographic assumptions	0	0	0	0
- due to experience variance	303	126	0	-12
Closing of defined benefit obligation	2,376	2,893	1,973	2,599

Table V: Change in Fair Value of Plan Assets

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Opening fair value of plan assets	2,355	2,410	1,700	1,545
Actual Return on Plan Assets	158	156	134	127
Employer Contribution	0	0	603	827
Benefit Paid	-94	-127	-82	-89
Closing fair value of plan assets	2,418	2,438	2,355	2,410

Table VI: Actuarial (Gain)/Loss on Plan Asset

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Expected Interest Income	160	164	114	103
Actual Income on Plan Asset	158	156	134	127
Actuarial gain / (loss) on Assets	-2	-8	20	24

Table VII: Other Comprehensive Income/(Loss)

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Opening amount recognized in OCI outside P&L account	0	N/A	0	N/A
Actuarial gain / (loss) on liabilities	-187	N/A	17	N/A
Actuarial gain / (loss) on assets	-2	N/A	20	N/A
Closing amount recognized in OCI outside P&L account	-189	N/A	37	N/A

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, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Present Value of Obligations	2,376	2,893	1,973	2,599
Fair value of plan assets	2,418	2,438	2,355	2,410
Net Obligations	-42	455	-382	189
Amount not recognized due to asset limit	0	0	0	0
Net defined benefit liability / (assets) recognized in balance sheet	-42	455	-382	189

Table IX: Expense Recognized in Statement of Profit and Loss

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Service cost	177	227	160	225
Net Interest Cost	-26	13	6	53
Net actuarial (gain)/ loss		26	0	-53
Expenses Recognized in the statement of Profit & Loss	151	266	166	225

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, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Fund Managed by Insurer	100%	100%	100%	100%
Total	100%	100%	100%	100%

Table XI: Change in Net Defined Obligations

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Opening of Net defined benefit liability	-382	189	92	791
Service cost	177	227	160	225
Net Interest Cost	-26	13	6	53
Re-measurements	189	26	-37	-53
Contribution paid to fund	0	0	-603	-827
Closing of Net defined benefit liability	-42	455	-382	189



Table XII: Reconciliation of Expense in Profit and Loss Statement

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Present Value of Obligation as at the end of the year	2,376	2,893	1,973	2,599
Present Value of Obligation as at the beginning of the year	-1,973	-2,599	-1,792	-2,336
Benefit Paid	94	127	82	90
Actual Return on Assets	-158	-156	-134	-127
OCI	-189	N/A	37	N/A
Expenses Recognized in the Statement of Profit and Loss	151	266	166	226

Table XIII: Reconciliation of Liability in Balance Sheet

(₹ in Lakhs)

All Figures in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Opening net defined benefit liability / (asset)	-382	189	92	791
Expense charged to profit and loss account	151	266	166	225
Amount recognized outside profit & loss account	0	0	0	0
Employer Contributions	0	0	-603	-827
OCI	189	N/A	-37	N/A
Closing net defined benefit liability / (asset)	-42	455	-382	189

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'22	2,376			2,893		
	March'21	1,973			2,599		
Increase Discount Rate by 0.50%	March'22	2,257	(119)	-5.03%	2,782	(111)	-3.84%
	March'21	1,871	(101)	-5.14%	2,496	(103)	-3.95%
Decrease Discount Rate by 0.50%	March'22	2,506	130	5.48%	3,013	119	4.13%
	March'21	2,083	111	5.61%	2,710	111	4.26%
Increase Salary Inflation by 1.00%	March'22	2,527	151	6.37%	3,136	243	8.40%
	March'21	2,117	144	7.30%	2,823	224	8.63%

Item	Period	Gratuity			Leave Encashment		
		Amt.	Impact (Absolute)	Impact %	Amt.	Impact (Absolute)	Impact %
Decrease Salary Inflation by 1.00%	March'22	2,206	(170)	-7.16%	2,679	(214)	-7.40%
	March'21	1,819	(153)	-7.78%	2,402	(197)	-7.59%
Increase Withdrawal Rate by 1.00%	March'22	2,434	58	2.45%	2,816	(78)	-2.69%
	March'21	2,005	33	1.66%	2,520	(79)	-3.05%
Decrease Withdrawal Rate by 1.00%	March'22	2,309	(67)	-2.82%	2,983	90	3.11%
	March'21	1,935	-38	-1.93%	2,691	92	3.54%

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, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Year 1	143	278	118	233
Year 2	86	292	67	223
Year 3	161	272	104	208
Year 4	155	235	123	197
Year 5	135	218	119	178
After 5th Year	1,696	1,598	1,442	1,560
Total	2,376	2,893	1,973	2,599

Post-Retirement Medical Scheme

Table I: Change in Present Value of Obligations

(₹ in Lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
Defined Benefit Obligation at beginning of year	933	946
Current Service Cost	43	44
Past Service Cost	0	0
(Gain) / Loss on settlements	0	0
Interest Expense	63	64
Benefit Payments from Plan Assets	0	0
Benefit Payments from Employer	0	0
Settlement Payments from Plan Assets	0	0
Settlement Payments from Employer	0	0
Other (Employee Contribution, Taxes, Expenses)	0	0
Increase / (Decrease) due to effect of any business combination / divestiture / transfer	0	0
Increase / (Decrease) due to Plan combination	0	0
Remeasurements - Due to Demographic Assumptions	0	0
Remeasurements - Due to Financial Assumptions	-111	-20
Remeasurements - Due to Experience Adjustments	-27	-101
Defined Benefit Obligation at end of year	901	933
Discount Rate (%)	7.24%	6.79%
Medical Inflation Rate (%)	5.00%	5.00%



Table II: Change in Fair Value of Plan Assets

(₹ in Lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
Fair Value of Plan Assets at beginning of year	0	0
Interest Income	0	0
Employer Contributions	0	0
Employer Direct Benefit Payments	0	0
Employer Direct Settlement Payments	0	0
Benefit Payments from Plan Assets	0	0
Benefit Payments from Employer	0	0
Settlement Payments from Plan Assets	0	0
Settlement Payments from Employer	0	0
Other (Employee Contribution, Taxes, Expenses)	0	0
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	0	0
	0	0
Increase / (Decrease) due to Plan combination	0	0
Remeasurements - Return on Assets (Excluding Interest Income)	0	0
Fair Value of Plan Assets at end of year	0	0

Table III: Changes in Reimbursement Rights

(₹ in Lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
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
Reimbursement Rights at end of year	0	0

Table IV: Changes in Asset Ceiling / Onerous Liability

(₹ in Lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
Asset Ceiling / Onerous Liability at beginning of year	0	0
Interest Income	0	0
Gain / (Loss) on Settlements	0	0
Remeasurement - Due to Asset Ceiling / Onerous Liability (Excluding Interest Income)	0	0
Asset Ceiling / Onerous Liability at end of year	0	0

Table V: Components of Defined Benefit Cost

(₹ in Lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
Current Service Cost	43	44
Past Service Cost	0	0
(Gain) / Loss on Settlements	0	0
Reimbursement Service Cost	0	0
Total Service Cost	43	44
Interest Expense on DBO	63	64
Interest (Income) on Plan Assets	0	0
Interest (Income) on Reimbursement Rights	0	0
Interest Expense on (Asset Ceiling) / Onerous Liability	0	0
Total Net Interest Cost	63	64
Reimbursement of Other Long-Term Benefits	0	0
Defined Benefit Cost included in P & L	106	108
Remeasurements - Due to Demographic Assumptions	0	0
Remeasurements - Due to Financial Assumptions	-111	-20
Remeasurements - Due to Experience Adjustments	-27	-101
(Return) on Plan Assets (Excluding Interest Income)	0	0
(Return) on Reimbursement Rights	0	0
Changes in Asset Ceiling / Onerous Liability	0	0
Total Remeasurements in OCI	-138	-121
Total Defined Benefit Cost recognized in P&L and OCI	-32	-13
Discount Rate (%)	7.24%	6.79%
Medical Inflation Rate (%)	5%	5%



Table VI: Amounts recognized in the Statement of Financial Position

(₹ in Lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
Defined Benefit Obligation	901	933
Fair Value of Plan Assets	0	0
Funded Status	901	933
Effect of Asset Ceiling / Onerous Liability	0	0
Net Defined Benefit Liability / (Asset)	901	933

Table VII: Net Defined Benefit Liability / (Asset) reconciliation

(₹ in Lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
Net Defined Benefit Liability / (Asset) at beginning of year	933	946
Defined Benefit Cost included in P & L	106	108
Total Remeasurements included in OCI	-138	-121
Net Transfer In / (Out) (Including the effect of any business combination / divestiture)	0	0
Amount recognized due to Plan Combinations	0	0
Employer Contributions	0	0
Employer Direct Benefit Payments	0	0
Employer Direct Settlement Payments	0	0
Credit to Reimbursements	0	0
Net Defined Benefit Liability / (Asset) at end of year	901	933

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'22	7.24%	8.24%	6.24%
		March'21	6.79%	7.79%	5.79%
	PV of DBO (In lakhs)	March'22	900.51	671.92	1,121.95
		March'21	933	684	1182
	Variation (%)	March'22	0.00%	-25.38%	24.59%
		March'21	0.00%	-26.68%	26.74%
Medical Inflation Rate	Assumptions (%)	March'22	5.00%	6.00%	4.00%
		March'21	5.00%	6.00%	4.00%
	PV of DBO (In lakhs)	March'22	901	1,180	693
		March'21	933	1255	717
	Variation (%)	March'22	0.00%	31.01%	-23.07%
		March'21	0.00%	34.53%	-23.12%

Table IX: Maturity Profile of Defined Benefit Obligation

(₹ in Lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
Year 1	19	32
Year 2	0	0
Year 3	0	0
Year 4	0	3
Year 5	5	5
After 5th Year	874	893

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 01.04.2021	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

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 01.04.2020	133	946	882	1,961
Additional provision made in the year	-	(13)	354	341
Amount utilized/adjusted during the year	(46)	-	(1,430)	(1,476)
Unused amount reversed during the year	-	-	-	-
Carrying amount at the end of the year as on 31.03.2021	87	933	(194)	826

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 31.03.2022 for various purposes is as under: -
(₹ in Lakhs)

Grant/Subsidy Received For	Up to 31.03.2022	Up to 31.03.2021
North East Project	3,146	3,146
Rural Wi-Fi	1296	1,256
Total	4,442	4,402



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 ₹ 31522 Lakhs out of which material of an amount of ₹ 2736 lakhs have been transferred to other projects/regions. Company has received subsidy of ₹ 3146 Lakhs with a net cash outflow of ₹ 25640 Lakhs up to 31.03.2022. 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 year ended 31.03.2022, depreciation of Rs.1074 Lakhs (March'21 – ₹ 472 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 ₹ 104 Lakhs (March'21 – ₹ 119 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 Rs.1296 lakhs up to 31.03.2022 from Department of Telecommunication (DoT-USOF) for installation of Wi-Fi in rural areas. An amount of ₹ 1,466 lakhs have been capitalized up to 31.03.2022 on account of partial commissioning of wi-fi services at the stations. The Company has amortized an amount of ₹ 155 lakhs out of the subsidy received in proportion to the depreciation on assets capitalized and Rs.183 lakhs (March'21 – ₹ 183 lakhs) have 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

S. No	Particulars	March'22	March'21
1	The amount of exchange differences recognised in profit or (loss).	3	-2
2	Net exchange differences recognised in other comprehensive income and accumulated in a separate component of equity.	0	0
3	Reconciliation of the amount of such exchange differences at the beginning and end of the year.	0	0

21. IND-AS – 24: Related party disclosures

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

S. No.	Enterprise
7	Rail Land Development Authority
8	Rail Vikas Nigam Limited
9	RITES Limited
10	Indian 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

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	Appointed as CMD w.e.f. 10/05/2019 (earlier holding additional charge from 14/12/2018 to 09/05/2019) Ceased to be CMD w.e.f. 11/05/2022.
2	Sh. Ashutosh Vasant	Director	30/03/2017	He has been divested of the charge/duties of the post of Director/POM w.e.f. 24/09/2020 as per MOR Letter and Ceased to be Director w.e.f. 31/03/2022.
3	Sh. Sanjai Kumar	Director/NPM & POM	23/05/2018	He has been entrusted with additional charge of the post of Director/POM w.e.f. 28/09/2020 as per MOR Letter.
4	Sh. Anand Kumar Singh	Director/ Finance and CFO	D/F - 04/09/2019	NA
5	Sh. J S Marwah	Company Secretary	05/02/2015	NA



(iv) Disclosures of transactions of the Company with Key Management Personnel:

Particulars	Name	Sh. Puneet Chawla	Sh. Ashutosh Vasant	Sh. Sanjai Kumar	Sh. Anand Kumar Singh	Sh. J S Marwah
	Designation	CMD	Director	Director/NPM	Director/ Finance and CFO	Company Secretary
Salaries and Allowances	March'22	37	51	59	46	25
	March'21	33	44	49	36	22
Provident Fund Contribution	March'22	-	4	4	4	2
	March'21	-	3	4	3	2
Pension Contribution	March'22	6	3	3	3	2
	March'21	5	3	3	3	1
Value of Perquisites	March'22	7	2	12	10	1
	March'21	6	2	11	10	1
Leave Encashment (Part of FSC)	March'22	3	-	-	-	-
	March'21	3	-	-	-	-

The actuarial liability for the key managerial personnel is as follows:

Employee Name	Designation	Gratuity	Leave Encashment	Gratuity	Leave Encashment
		As at 31 st March 2022	As at 31 st March 2022	As at 31 st March 2021	As at 31 st March 2021
Sh. Sanjai Kumar	Director/NPM	14	27	13	24
Sh. J S Marwah	Company Secretary	5	12	4	9
Sh. Ashutosh Vasant	Director	13	21	13	18
Sh. Anand Kumar Singh	Director/Finance	-	18	-	15

(v) Transactions with subsidiary (RailTel Enterprises Limited):

Nature of Transactions	Amount
On account of operating Income	₹ 2399 Lakhs (March'21 – ₹ 2015 Lakhs)
On account of Non-Operating Income	₹ 52 Lakhs (March'21 – ₹ 56 Lakhs)
Receivables as at 31.03.2022	₹ 1667 Lakhs (March'21 – ₹ 1313 Lakhs)
Other Current Assets (Unbilled Receivables) as at 31.03.22	₹ 558 Lakhs (March'21 – 101 Lakhs)
On account of Manpower services	₹ 174 Lakhs (March'21 – Nil)
On account of Capital Work in Progress	₹ 69 (March'21 – ₹ Nil)
Trade Payable as at 31.03.2022	₹ Nil (March'21 – ₹ Nil)
Other Payable as at 31.03.2022	₹ 67 (March'21 – ₹ Nil)

(vi) Transactions with Railway PSUs & Railway Units

Transactions with Railway PSUs and Railway Units are in relation to Telecommunication Services & Other Projects.

Particulars	Period	Revenue	Expense	Receivable	Payable	Advance received
Centre For Railway Information Systems	Mar'22	1,978	-	375	-	-
	Mar'21	286	-	332	-	98
Container Corporation of India Ltd	Mar'22	17	-	21	-	-
	Mar'21	7	-	12	-	-
Dedicated freight corridor Corporation of India Limited	Mar'22	641	-	288	-	373
	Mar'21	446	1	621	-	577
Indian Railway Catering and Tourism Corporation Limited	Mar'22	458	3	115	4	4
	Mar'21	463	5	166	2	2
IRCON International Limited	Mar'22	315	-	354	-	-
	Mar'21	174	3	63	-	-
Konkan Railway Corporation of India Limited	Mar'22	124	246	84	107	2
	Mar'21	101	145	41	37	1
Rail Land Development Authority	Mar'22	-	-	18	-	-
	Mar'21	15	-	18	-	-
Rail Vikas Nigam Limited	Mar'22	559	-	320	-	365
	Mar'21	543	-	353	-	655
RITES Limited	Mar'22	52	-	23	-	1
	Mar'21	83	-	137	-	7
Indian Railways	Mar'22	22,621	8,944	19,264	9,524	11,752
	Mar'21	31,592	8,707	22,977	5,938	16,149
National High-Speed Rail Corporation	Mar'22	141	-	29	-	393
	Mar'21	298	-	21	-	459
Mumbai Railway Vikas Corporation	Mar'22	23	-	7	-	5
	Mar'21	30	-	5	-	5
Maharashtra Rail Infrastructure Development Corporation Ltd	Mar'22	-	-	-	-	19
	Mar'21	4	-	5	-	24
Indian Railway Station Development Corporation Ltd	Mar'22	1	-	2	-	-
	Mar'21	4	-	1	-	-
Indian Railway Finance Corporation	Mar'22	-234	-	12	-	-
	Mar'21	416	-	491	-	-
CLW/Chittaranjan	Mar'22	-	-	-	-	-
	Mar'21	13	-	4	-	-
Railway Recruitment Board	Mar'22	-	-	-	-	-
	Mar'21	2	-	20	-	-
Chhattisgarh East Railway Limited	Mar'22	7	-	8	-	-
	Mar'21	6	-	1	-	-



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RAILTEL

A Mini Ratna Enterprise

Particulars	Period	Revenue	Expense	Receivable	Payable	Advance received
Central Railside Warehouse Company Limited	Mar'22	-	-	1	-	-
	Mar'21	15	-	22	-	17
Braithwaite & Co. Ltd	Mar'22	19	-	28	-	-
	Mar'21	-	-	-	-	-
Research Design and Standards Organization	Mar'22	-	-	-	-	-
	Mar'21	-	22	32	-	-
Total	Mar'22	26,722	9,193	20,950	9,635	12,914
	Mar'21	34,499	8,883	25,322	5,977	17,994

22. Disclosures as required by IND AS 33: Earning Per Share

Numerator	For the year ended 31st March 2022	For the year ended 31st March 2021
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Used as Numerator (₹ in Lakhs))	20,834	14,041
Denominator		
Number of Equity Shares (Face value of Rs.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 Rs.10/- each)	6.49	4.37
Diluted Earnings Per Share (₹ / per share) (Face value of Rs.10/each)	6.49	4.37

23 Disclosure as per Ind AS 36 and 113: Impairment of Assets, Fair Value Measurement

Based on an impairment study, using income approach, The Company has recognized the impairment loss amounting ₹ 1224 lakhs (March'21 – ₹ 2158 lakhs) during the current period 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. This project is currently accounted under the capital work in progress and contains mainly the plant and machinery. Assets constructed under the project become idle for the long time. Hence, company has assessed and recognized the impairment loss on these projects. Out of the total impairment loss as at 31.03.2022 of ₹ 8312 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 01.04.2021	46	1,013	1,059
Additional provision made in the period	-	2,075	2,075
Amount utilized/adjusted during the period	-	792	792
Unused amount reversed during the period	-	-	-
Carrying amount at the end of the period as on 31.03.2022	46	2,296	2,342

(₹ in Lakhs)

Particulars	Provision for Arbitration Claim	Provision for Performance Related Pay	Total
Carrying Amount at the beginning of the year as on 01.04.2020	46	991	1,037
Additional provision made in the year	-	546	546
Amount utilized/adjusted during the year	-	-502	-502
Unused amount reversed during the year	-	-22	-22
Carrying amount at the end of the year as on 31.03.2021	46	1,013	1,059

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 01.04.2021	828	2,282	118	302	638	0	4,168
Additions during the year	17	1,014	13	1,297	13,292	537	16,170
Amount adjusted during the year	-	-	35	9	622	0	666
Carrying amount at the end of the year 31.03.2022	845	3,296	96	1,590	13,308	537	19,672

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 and hence the DoT was asked to reconsider the demand.



Accordingly, DoT has made its submission before Hon'ble Supreme Court that it has decided to withdraw the demands already raised on PSUs which was considered by Hon'ble Supreme Court. Accordingly, the Company has not considered any contingent liability in this regard as on 31.03.2022.

(b) Bank Guarantees given by the Company to Customers/Government as on 31.03.2022 is ₹ 31510 lakhs (March'21 – ₹ 18854 lakhs).

(c) **Capital Commitments** (₹ in lakhs)

Particulars	March'22	March'21
Estimated amounts of contracts remaining to be executed on capital account	17004	7319

Capital-Work-in Progress (CWIP): ageing schedule as on 31.03.2022 (Amount in lakh)

Amount in CWIP for a period of					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
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 42

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 2022 (₹ in lakhs)

CWIP	To be completed in			
	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			
Total	8050	0	0	0

NE Project halted due to reason mentioned in point No. 23 of note No. 42.

Capital-Work-in Progress (CWIP): ageing schedule as on 31.03.2021

(₹ in lakhs)

Amount in CWIP for a period of					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5301	766	304	92	6463
Projects temporarily suspended *	83	3345	3678	7915	15021

* NE Project halted due to reason mentioned in point no. 23 of note no. 42.

25 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.

26 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%

27 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% (SBI Rate) has been used for balances as on 31/03/2022.

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-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Assets						
Trade Receivables (Refer to Note No. 11)	66,647	76,144	0	0	0	0
Cash & Cash Equivalents (Refer to Note No. 12 & 13)	27,617	52,022	0	0	0	0
Other Financial Assets (Refer to Note No. 6,7,14 & 15)	66,610	19,805	0	0	0	0
Liabilities						
Trade Payables (Refer to Note No. 25)	48,256	52,078	0	0	0	0
Other Financial Liabilities (Refer to Note No. 20, 21, 26 & 27)	35,997	21,192	0	0	0	0



Trade Receivables ageing schedule as on 31.03.2022*

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	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	-	-	-	-	-	-
(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
Trade Receivables						66,648

Unbilled receivables are recognised based on mercantile accounting system and are not due for payment as at the close of financial year.

* ECL provision has been made as per normal matrix except back to back trade receivables on which 1% ECL has been provided.

Unbilled Revenue ageing schedule as on 31.03.2022

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	22638	5059	144	0	869	28710

Trade Receivables ageing schedule as on 31.03.2021

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	56,560	12,393	4,797	1,592		75,341
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	552	127	2,683	3,362
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	13	5,672	5,685

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	
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	980	2,391	907	4,278
	56,560	12,393	6,329	4,122	9,262	88,667
Less: Allowance for credit Loss						-12,523
Trade Receivables						76,144

Unbilled receivables are recognised based on mercantile accounting system and are not due for payment as at the close of financial year.

Unbilled Revenue ageing schedule as on 31.03.2021

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	7,987	211	869	-	-	9,067

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 *	11939	955	80	1941	14916
(ii) Others	27822	890	1241	3388	33340
(iii) Disputed dues – MSME	0	0	0	0	0
iv) Disputed dues – Others	0	0	0	0	0

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 31.03.2021

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 *	11423	144	1671	506	13744
(ii) Others	23797	1165	5402	7970	38334
(iii) Disputed dues – MSME	0	0	0	0	0
iv) Disputed dues – Others	0	0	0	0	0

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'22	As at March'21
Financial assets at amortised cost		
Interest expenses on other financial assets	115	99
Interest income on other financial liabilities	167	156
Financial assets at Fair Value through Profit or Loss (FVTPL)	0	-
Financial assets at Fair Value through Other Comprehensive Income (FVTOCI)	0	-

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 parameters for expected credit loss, which has resulted into reduction of Expected credit loss provision of ₹ 3803 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.

Ageing	March 31, 2022			
	Gross Amount	Expected credit Loss	Gross Amount	Expected credit Loss
	Government and PSU		Private	
Within 1 year	45785	708	6913	167
1 -2 years	7492	1,065	1106	193



Ageing	March 31, 2022			
	Gross Amount	Expected credit Loss	Gross Amount	Expected credit Loss
	Government and PSU		Private	
2 -3 years	3612	505	235	94
More than 3 years	5477	1,785	3261	2716
Unbilled More than 1 Year	983	204	34	34
Total	62366	4,267	11549	3,204
Total Expected Credit Loss	7,472			

Ageing	March 31, 2021			
	Gross Amount	Expected credit Loss	Gross Amount	Expected credit Loss
	Government and PSU		Private	
Within 1 year	61,705	1,239	8,300	520
1 -2 years	4,772	676	556	288
2 -3 years	3,932	965	139	112
More than 3 years	6,105	5,565	3,158	3,158
Total	76,514	8,445	12,153	4,078
Total Expected Credit Loss	12523			

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' 2022 & March' 2021 was as follows: -

Particulars	As at March'22		As at March'21	
	Gross Carrying Value	Net Value after Impairment	Gross Carrying Value	Net Value after Impairment
Trade Receivables (Refer to Note No. 11)	73,882	66,647	88,667	76,144
Other Financial Assets (Refer to Note No. 6,7,14 & 15)	66,847	66,609	19,805	19,805

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.

28 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, 2022	For the Year Ended March 31, 2021
Geographical Segment		
Pan India	51,684	49,472
Abroad	-	Nil
Total	51,684	49,472

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Major Product Line		
Railway Project Works	7,848	15,389
Other Projects	39,949	29,851
Others	3,887	4,232
Total	51,684	49,472

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Type of Customer		
Government Customers	36,002	41,047
Non - Government Customers	15,682	8,425
Total	51,684	49,472

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Type of Contract		
Fixed Price Contracts	44,430	24,298
Time- and- Materials Contracts	7,254	25,174
Total	51,684	49,472

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Sales Channel		
Direct to Customer	51,684	49,472
Through Intermediaries	-	-
Total	51,684	49,472

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Duration of Contract		
Short Term	51,351	48,282
Long Term	333	1,190
Total	51,684	49,472

Contract Assets

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivable*	40,843	46,869
Unbilled Revenue **	24,636	5,641
Work in Progress	-	0
Total	65,479	52,510

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Contract Liability	16,494	21,673
Total	16,494	21,673

Revenue recognized during the year from the contract liability balance at the beginning

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Revenue recognized during the year from the contract liability balance at the beginning	2,200	2,685
Total	2,200	2,685

Revenue Recognized from performance obligations satisfied partially in Previous year

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Revenue recognized due to change in Transaction Price	-	-
Total	-	-

* 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.



** Includes amount of ₹ 865 lakhs pertaining to a project executed for a customer for which payment shall be made by the customer after their User Acceptance Test (UAT). However, work has been executed as per agreement. However, UAT is in progress.

**Includes amount of ₹ 3150 lakhs of one of the customer for which company is holding equivalent amount as encashment of bank guarantee which is based on legal opinion obtained.

29 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 31 st March 2022	As at 31 st March 2021
Building	11,848	12,655
Land	2,302	1,762
Telecom Assets	2,352	2,609
Total	16,503	17,026

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 31 st March 2022	As at 31 st March 2021
Less than one year	982	920
One to five years	1387	1959
More than five years	3607	1180
Total undiscounted lease liabilities	5976	4059

Lease Liabilities included in the statement of Financial Position

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Current	802	801
Non – Current	2349	2217
Total	3151	3018

Amount Recognized in profit & Loss Account

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Interest on lease liabilities	267	249
Variable lease payments not included in the measurement of lease liabilities	Nil	Nil
Expenses relating to Short term leases and leases of low-value assets, excluding short-term leases of low-value assets	Nil	Nil

Amounts recognized in the statement of Cash flows -

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Total cash outflow for leases	909	945

30 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, 2022.
- 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, 2022	For the Year Ended March 31, 2021
Lease Income	98105	84135

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 st March 2022
Less than one year	11346
One to two years	4654
Two to three years	1686
Three to four years	1043
Four to five years	238
More than five years	558
Total undiscounted lease payments	19,525



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 2021-22:

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
Jason Communications Private Limited	Investment in Securities	-	-
	Receivables	-	-
	Payables	5	N.A.
	Share held by Struck Off Company	-	-
	Other Outstanding Balances (to be specified)	-	-

32 COVID -19 Impact & Assessment

The Covid-19 pandemic has already resulted in economic slowdown throughout the world including India. The second wave has impacted India immensely. The operations of the Company have also been significantly impacted following a nationwide lockdown by the Government of 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 Ratio Analysis

Sr. No.	Particulars	As at 31 st March 2022	As at 31 st March 2021
1	Current Ratio= Current Assets/Current Liability	1.29	1.48
2	Debt-Equity Ratio = Debt/Equity	N/A	N/A
3	Debt Service Coverage Ratio = Net Operating Income/Current Debt Obligation	N/A	N/A
4	Return on Equity Ratio = Net Income/ Shareholder's Equity	13.74%	10.01%
5	Trade Receivables Turnover Ratio = Net Credit Sales/Average Accounts Receivable	1.73	2.02
6	Trade Payables Turnover Ratio = Net Credit Purchase/Average Accounts Payable	1.87	1.77
7	Net Capital Turnover Ratio = Net Annual Sales/ Average Working Capital	3.92	3.74
8	Net Profit Ratio= Net Income/Revenue	13.04%	10.28%
9	Return on Capital Employed Ratio = EBIT/Capital Employed	18.44%	13.87%
10	Return on Investment	13.04%	20.50%

The Board of Directors have approved the financial statements of FY 2021-22 in its meeting held on 24.05.2022.

As per our report of even date attached
For M/s PSMG & Associates
Chartered Accountants
FRN 008567C

For and on behalf of the Board of Directors of
RailTel Corporation of India Limited

Sd/-
CA Sandeep Jain
M.No.077281
Place New Delhi
Date: 24.05.2022

Sd/-
J S Marwah
Company Secretary
(M. No. :F8075)

Sd/-
A K Singh
Director Finance
(DIN : 07018776)

Sd/-
Aruna Singh
Chairman & Managing
Director
(DIN: 09602957)

PSMG & ASSOCIATES CHARTERED ACCOUNTANTS

Head Office: 206 B & 207, Jagdamba Tower, Commercial Complex, 13,
Preet Vihar, Delhi 110092 | Ph. No: +91-9650938451 | Email: info@psmg.co.in

Independent Auditor's Report

To
The Members of
RailTel Corporation of India Ltd.
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 2022, 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 2022 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 of the Consolidated Financial Statements 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 Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 ICAI's 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:

- i. **Note no. 42 (item no. 32)** to the accompanying Audited Consolidated Financial Statements, which describes the uncertainties due to outbreak of Covid-19 pandemic and the management's assessment of its impact on the business operations of the Holding company.
- ii. **Note no. 42 (Item no. 27)** of the accompanying Audited Consolidated Financial Statements which states that during the year, company has rationalized the estimate of Expected Credit Loss as required by Ind AS- 109. This has resulted into reduction of Expected credit loss provision of ₹ **3,803 Lakhs** and corresponding increase in profit before tax.

Our Opinion is not modified in respect of the above matters.

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 matters
1	<p>Expected Credit Loss for Trade Receivables</p> <p>The Holding 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 Holding 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 includes:</p> <ul style="list-style-type: none"> • Identification of exposures where there is a significant increase in credit risk • Completeness and timing of recognition of default, in accordance with the credit policy of the Holding company • Estimation of Forward-Looking Adjustments <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 Consolidated financial statements.</p>	<p>We have applied the following audit procedures in this regard:</p> <ul style="list-style-type: none"> • We have obtained an understanding of the Holding company's credit policy along with the applications controls associated with the accuracy of the information included in the debtors ageing report. • We evaluated the Holding 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. • We have also considered the disclosures made by the group under the head credit risk. <p>Based on the above procedure performed, the management estimations and judgement in ECL were found to be reasonable.</p>



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S. No	Key Audit Matters	How our audit addressed the key audit matters
2.	<p>Contingent Liabilities</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. 25.2 of note no. 42 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"> • Understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases • Discussed with the management any material developments and latest status of legal matters at the corporate office. • 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. • The legal matters at the regions audited by other regional auditors have been verified on the basis of the Audit Reports of the regional Auditors. • The legal matters at the subsidiary audited by other auditor have been verified on the basis of the Audit Report of the Subsidiary Auditor. <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 Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report related to the Consolidated Financial Statements, but does not include the Consolidated Financial Statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's 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 and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our 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 preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated Statement of Changes in Equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements 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 ability of the Group 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.

Auditors' Responsibility 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.



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- Obtain an understanding of internal 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 holding company and its subsidiary incorporated in India have adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Holding Company's 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 ability of the Group 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. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluated 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.

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 ₹ 13,246.70 lakhs at 31st March

2022, total revenues of ₹ 5,544.70 lakhs, total net profit after tax of ₹ 130.4 lakhs and total comprehensive income of ₹ 130.34 lakhs, for the year ended 31st March 2022 and net cash outflows amounting to ₹ 398.89 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 statements/ information of Eastern Region, Western region and Southern Region included in these audited consolidated financial results; whose financial results / information reflect total revenues of ₹ 1,03,600 lakhs, total net profit after tax of ₹ 22,192 lakhs for the year ended March 31, 2022, and total assets of ₹ 1,57,411 lakhs as on March 31, 2022. 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 Statements include the results for the quarter ended 31 March 2022 being the balancing figure between the audited figures in respect of the full financial year 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 statements for the year ended 31st March, 2021 were reviewed / audited by the predecessor statutory auditor of the Company.

Our opinion is not modified in respect of the 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:
 - i. 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.
 - ii. 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.
 - iii. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated



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Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

- iv. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - v. Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the Holding company and its subsidiary
 - vi. With respect to the adequacy of the Internal Financial Controls 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**.
 - vii. 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 Act 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.
 - viii. 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 the consolidated financial position of the Group, (**Refer -item no. 25.2 of note no. 42**) to the Consolidated Financial Statements;
 - ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, 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.
3. (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. 42 (Item no. 35)** 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. 42 (Item no. 35)** 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.
4. 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.

For and on behalf of PSMG & ASSOCIATES
Chartered Accountants
Firm Reg. No.008567C

Sd/-
CA Sandeep Jain
Partner
M. NO.077281
UDIN: 22077281AJNPCB9232

Place: New Delhi
Date: 24-05-2022



ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Referred to in paragraph 2 (vi) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of RAILTEL CORPORATION OF INDIA LIMITED on the Consolidated Financial Statements for the year ended 31st March 2022

Report on the Internal Financial Controls 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 2022, 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.

Auditors' 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 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 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 and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements in place and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the Group incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.



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Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, in so far as it relates to a subsidiary incorporated in India, is based on the corresponding reports of the auditor of such company incorporated in India.

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to standalone financial statement of the company, in so far as it relates to southern region, western region and eastern region, is based on the corresponding reports of the such auditors.

Our report is not modified in respect of the above matters.

For and on behalf of PSMG & ASSOCIATES

Chartered Accountants

Firm Reg. No.008567C

Sd/-

CA Sandeep Jain

Partner

M. NO.077281

UDIN: 22077281AJNPCB9232

Place: New Delhi

Date: 24-05-2022

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. 2021-22	F.Y. 2020-21
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	1138.98	1008.64
6.	Total assets	13246.70	11787.87
7.	Total Liabilities	11107.72	9779.23
8.	Investments	Nil	Nil
9.	Turnover	5156.85	6068.93
10.	Profit before taxation	175.98	258.12
11.	Provision for taxation	45.58	53.07
12.	Profit after taxation	130.40	205.05
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 PSMG & Associates
Chartered Accountants
FRN 008567C

Sd/-
CA Sandeep Jain
M.No.077281
Place New Delhi
Date: 24.05.2022

Sd/-
J S Marwah
Company Secretary
(M. No. :F8075)

For and on behalf of the Board of Directors of
RailTel Corporation of India Limited

Sd/-
A K Singh
Director Finance
(DIN : 07018776)

Sd/-
Aruna Singh
Chairman & Managing
Director
(DIN: 09602957)

RailTel Corporation of India Limited

Consolidated Balance Sheet as at 31st March 2022

(₹ in lakhs)

Particulars	Note No.	As at 31 st March 2022	As at 31 st March 2021
(A) ASSETS			
(1) NON CURRENT ASSETS			
i. Property, Plant and Equipments	2	60,149	57,658
ii. Capital Work-in-Progress	3	16,326	21,484
iii. Right of Use Assets	4	16,502	17,026
iv. Intangible Assets	2	841	1,307
v. Financial Assets			
a. Investment	5	-	-
b. Loans and Advances	6	-	-
c. Other Non Current Financial Assets	7	35,656	6,360
vi. Deferred tax assets (net)	23	2,494	2,423
vii. Other Non Current Assets	8	68	25
TOTAL NON CURRENT ASSETS		1,32,036	1,06,283
(2) CURRENT ASSETS			
i. Inventories	9	94	121
ii. Financial Assets			
a. Investment	10	3,005	-
b. Trade Receivables	11	68,476	77,216
c. Cash and Cash Equivalents	12	18,711	24,974
d. Other Bank Balances	13	15,277	33,867
e. Loans and Advances	14	37	33
f. Other Current Financial Assets	15	31,785	14,104
iii. Current Tax Assets (Net)	16	1,545	1,629
iv. Other Current Assets	17	14,851	12,766
TOTAL CURRENT ASSETS		1,53,781	1,64,710
TOTAL ASSETS		2,85,817	2,70,993
(B) EQUITY AND LIABILITIES			
(1) Equity			
i. Equity Share Capital	18	32,094	32,094
ii. Other Equity	19	1,20,577	1,09,188
TOTAL EQUITY		1,52,671	1,41,282
(2) LIABILITIES			
(a.) NON CURRENT LIABILITIES			
i. Financial Liabilities			
a. Borrowings		-	-
b. Other Non Current Financial Liabilities	21	3,859	3,014
ii. Leasing Liabilities	20	2,349	2,217
iii. Provisions	22	951	983
iv. Deferred Tax Liabilities (Net)	23	-	-
v. Other Non Current Liabilities	24	7,341	11,512
TOTAL NON CURRENT LIABILITIES		14,500	17,726
(b.) CURRENT LIABILITIES			
i. Financial Liabilities			
a. Borrowings		-	-
b. Trade Payables			
Total outstanding dues of micro enterprises and small enterprises		14,992	14,064
Total outstanding dues of creditors other than micro enterprises and small enterprises	25	34,311	39,206
c. Other Current Financial Liabilities	27	30,479	16,280
ii. Leasing Liabilities	26	802	801
iii. Provisions	28	2,794	1,291
iv. Other Current Liabilities	29	35,268	40,343
TOTAL CURRENT LIABILITIES		1,18,646	1,11,985
TOTAL EQUITY AND LIABILITIES		2,85,817	2,70,993

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 42)

As per our report of even date attached
For M/s PSMG & Associates
Chartered Accountants
FRN 008567C

For and on behalf of the Board of Directors of
RailTel Corporation of India Limited

Sd/-
CA Sandeep Jain
M.No.077281
Place New Delhi
Date: 24.05.2022

Sd/-
J S Marwah
Company Secretary
(M. No. :F8075)

Sd/-
A K Singh
Director Finance
(DIN : 07018776)

Sd/-
Aruna Singh
Chairman & Managing Director
(DIN: 09602957)

RailTel Corporation of India Limited

Consolidated Statement of Profit and Loss for the year ended 31st March 2022

(₹ in lakhs)

Particulars	Notes No.	For the year ended 31 st March 2022	For the year ended 31 st March 2021
I. Income			
a. Revenue from operations	30	1,54,845	1,37,782
b. Other Income	31	7,702	3,212
c. Finance Income	32	245	135
Total Income (a+b+c)		1,62,792	1,41,129
II. Expenses :			
a. Access and other Charges	33	43,260	33,817
b. License fee and spectrum charges	34	6,679	5,656
c. Expenses on Project	35	45,947	41,450
d. Employee Benefits Expenses	36	18,579	12,670
e. Administrative & Other Expenses	37	3,420	10,990
f. Corporate Social Responsibility		278	490
g. Depreciation, amortisation and impairment	38	16,018	15,932
h. Finance Expenses	39	549	406
Total Expenses		1,34,730	1,21,411
III. Profit/(Loss) before exceptional items and tax (I-II)		28,062	19,718
IV. Exceptional Items			-
V. Profit/(Loss) Before Tax (III-IV)		28,062	19,718
VI. Tax expenses			
a. Current tax	40	7,250	8,306
b. Deferred tax		(71)	(2,777)
c. Tax impact of earlier years		(11)	(56)
VII. Profit/(Loss) for the year(V-VI) (A)		20,894	14,245
Net profit attributable to			
VIII. Other comprehensive income(OCI):			
(a) Items that will not be reclassified to Profit & Loss			
Remeasurement gain/(losses) on defined benefit plans		(51)	159
Income tax relating to item that will not be reclassified to Profit & Loss	41	13	(40)
(b.) Items that will be reclassified to Profit & Loss			
Other comprehensive income/(Loss) (a+b) (B)		(38)	119
Total comprehensive income for the year (A+B)		20,856	14,364
IX. Earning per Equity Share of ₹ 10/- each			
(a) Basic (Amount in ₹)		6.51	4.44
(b) Diluted (Amount in ₹)		6.51	4.44

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 42)

As per our report of even date attached
For M/s PSMG & Associates
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For and on behalf of the Board of Directors of
RailTel Corporation of India Limited

Sd/-
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M.No.077281
Place New Delhi
Date: 24.05.2022

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J S Marwah
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Sd/-
A K Singh
Director Finance
(DIN : 07018776)

Sd/-
Aruna Singh
Chairman & Managing
Director
(DIN: 09602957)



Railtel Corporation of India Limited

Consolidated Statement of Cash Flow for the period ended March 31, 2022

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit after tax	20,894	14,245
Adjustments for:		
Other comprehensive income(Net of taxes)	(38)	119
Depreciation, Amortisation and Impairment	16,018	15,932
Amortisation of Deferred Govt Grant	(266)	(302)
Non Cash Income (Discounting)	(245)	(135)
Non Cash Expense(Discounting)	55	(66)
Non Cash Expense(Interest credited in project expenses)	227	223
Interest Expenses for Lease Liabilities	267	249
Non Cash Expense(Loss on sale of fixed asset)	9	3
Non Cash Expense(Forex Loss)	-	2
Non Cash Income (Provision written back and forex)	(5,018)	(12)
Provision for expected credit loss	9	8,316
Interest income	(2,337)	(2,643)
Operating profit/(loss) before working capital change	29,575	35,931
(Increase)/decrease in Financial Current Assets	(3,779)	(26,963)
(Increase)/decrease in Non Financial Current Assets	2,859	2,140
Increase/(decrease) in Financial Current Liabilities	10,234	13,415
Increase/(decrease) in Non Financial Current Liabilities	(3,808)	9,900
(Increase)/decrease in Financial Non Current Assets	(614)	1,619
(Increase)/decrease in Non Financial Non Current Assets	(114)	(926)
Increase/(decrease) in Financial Non Current Liabilities	1,090	1,773
Increase/(decrease) in Non Financial Non Current Liabilities	(4,216)	2,358
Net cash generated from Operation before Tax	31,227	39,247
Income Tax Paid	(4,833)	(4,493)
Net cash generated from Operating Activities	26,394	34,754
Cash Flow from Investing Activities		
Purchase of Tangible & Intangible Assets	(11,582)	(8,936)
Capital Advances	-	-
(Increase)/decrease in Short term investment	15,437	-
Interest income received	2,337	1,556
Subsidy/Advances received	266	225

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
(Increase)/Decrease in Term Deposit	(28,739)	(5,117)
Net cash used in Investing Activities	(22,281)	(12,272)
Cash Flow from Financing Activities		
Payment for Lease Liability of Right to Use Assets	(909)	(945)
Dividend paid	(9,467)	(10,015)
Dividend Distribution Tax Paid		
Net cash generated from/(used in) financing activities	(10,376)	(10,960)
Effect of exchange difference on translation of cash and cash equivalents		
Net increase /(decrease) in cash and cash equivalents during the year	(6,263)	11,522
Cash and cash equivalents at the beginning of the year	24,974	13,452
Cash and cash equivalents at the end of the year	18,711	24,974

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 42)

1. Cash and Cash Equivalents include the following Balance Sheet amounts

(i) Cash and Cash Equivalent (Maturity <= 3 Months)		
Flexi Deposits	7,081	12,633
(ii) Balances with Scheduled Bank		
a. In Current A/c	4,035	2,574
b. In Collection A/c	7,576	9,745
c. In Imprest A/c	19	22
Total	18,711	24,974

2. Other Bank Balances

BG Margin Money A/c*	337	377
In Term Deposit (Having original maturity of more than 3 months but less than 12 months)	14,925	33,367
(iii) CSR Escrow A/c**	15	123
Sub Total	15,277	33,867

*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.



(₹ in lakhs)

Particulars	Approved Budget	Amount spent	Amount yet to be spent
Construction/Acquisition of any asset	-	-	-
On any other purpose	370	120	250
Total - A	370	120	250

Details of amount spent on CSR activities during the current year in relation to earlier years is given hereunder

Particulars	Unspent amount as on 01.04.2021	Amount Paid	Amount yet to be spent
Construction/Acquisition of any asset	-	-	-
On any other purpose	173	158	15
Total -B	173	158	15

Disclosure as per Ind AS-116

(₹ in Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Total cash outflow for leases	909	945

As per our report of even date attached
For M/s PSMG & Associates
Chartered Accountants
FRN 008567C

For and on behalf of the Board of Directors of
RailTel Corporation of India Limited

Sd/-
CA Sandeep Jain
M.No.077281
Place New Delhi
Date: 24.05.2022

Sd/-
J S Marwah
Company Secretary
(M. No. :F8075)

Sd/-
A K Singh
Director Finance
(DIN : 07018776)

Sd/-
Aruna Singh
Chairman & Managing
Director
(DIN: 09602957)

Railtel Corporation of India Limited

Consolidated Statement of Changes in Equity for the year ended 31st March 2022

A. EQUITY SHARE CAPITAL

(₹ in lakhs)

As on 01.04.2020	32,094
Change in Equity Share Capital during the year	-
Change due to Prior period errors	-
As on 31.03.2021	32,094
As on 01.04.2021	32,094
Change in Equity Share Capital during the year	-
Change due to Prior period errors	-
As on 31.03.2022	32,094

B. OTHER EQUITY

(₹ in lakhs)

Particulars	Retained Earnings	General Reserve	Self Insurance Reserve	Total Equity	
Balance as at 1st April 2020		52,631	52,000	208	1,04,839
Profit for the year	14,245				
Other comprehensive Income/ (Loss)	119				
Add: Total Comprehensive Income for the year ended 31st March 2021		14,364			14,364
Less: Interim dividend for the F.Y. 2020-21		(3,209)			(3,209)
Less: Interim dividend for the F.Y. 2019-20		(2,000)			(2,000)
Less: Final Dividend Paid F.Y. 2019-20		(4,806)			(4,806)
Add: Transfer to Self Insurance Reserve		(101)		101	-
Less: Transfer to General Reserve		(4,000)	4,000		-
Balance as at 31st March 2021		52,879	56,000	309	1,09,188
Opening balance as on 1st April 2021		52,879	56,000	309	1,09,188
Profit for the year	20,894				
Other comprehensive Income/ (Loss)	(38)				
Add: Total Comprehensive Income for the year ended 31st March 2022		20,856			20,856
Less: Final Dividend for FY 2020-21		(3,851)			(3,851)



रेलटेल
RAILTEL

A Mini Ratna Enterprise

22वीं वार्षिक रिपोर्ट 2021-22
22nd Annual Report 2021-22

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Particulars	Retained Earnings	General Reserve	Self Insurance Reserve	Total Equity
Less: Interim Dividend for FY 2021-22	(5,616)			(5,616)
Add: transfer to self insurance reserve	(112)	-	112	-
Less: Transfer to General Reserve	(4,000)	4,000	-	-
Balance as at 31st March 2022	60,156	60,000	421	1,20,577

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 42)

As per our report of even date attached
For M/s PSMG & Associates
Chartered Accountants
FRN 008567C

For and on behalf of the Board of Directors of
RailTel Corporation of India Limited

Sd/-
CA Sandeep Jain
M.No.077281
Place New Delhi
Date: 24.05.2022

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J S Marwah
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Sd/-
A K Singh
Director Finance
(DIN : 07018776)

Sd/-
Aruna Singh
Chairman & Managing
Director
(DIN: 09602957)

Significant Accounting Policy

Notes forming part of Consolidated Financial Statements

Note No. 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 Secundrabad 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

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.



S. 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 105 “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 Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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



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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.

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 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
As at 31.03.2021														
Gross Carrying amount														
Cost as at 1 Apr 2020	223	2,389	1,361	1,64,456	2,669	222	967	401	39	865	530	954	1,484	
Additions	-	150	-	8,342	-	-	199	55	-	231	31	884	915	
Disposal				(6,773)			(29)			(11)				
Transfer/adjustments														
Closing Gross Carrying amount (31.03.2021)	223	2,539	1,361	1,66,025	2,669	222	1,137	456	39	1,085	561	1,838	2,399	
Accumulated Depreciation/ amortisation														
Accumulated Depreciation as at 1st April 2020	-	279	1,279	1,07,513	1,625	203	842	245	35	717	217	482	699	
Charge during the year	-	46	8	11,729	190	3	88	28	1	74	35	358	393	
Disposal				(6,773)			(25)			(9)				
Transfer/adjustments														
Closing accumulated depreciation/ amortisation (31.03.2021)	-	325	1,287	1,12,470	1,814	206	905	273	36	782	252	840	1,092	
NET CARRYING AMOUNT- 31.03.2021	223	2,214	74	53,555	855	16	232	183	3	303	309	998	1,307	
As at 31.03.2022														
Gross Carrying amount														
Cost as at 1 Apr 2021	223	2,539	1,361	1,66,025	2,669	222	1,137	456	39	1,085	561	1,838	2,399	
Additions	-	43	0	14,755	(1)	0	190	42	1	468	(0)	21	21	
Disposal	-	-	-	2	-	-	(70)	0	-	(25)	(93)	-	-	
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	
Closing Gross Carrying amount (31.03.2022)	223	2,582	1,361	1,80,782	2,668	222	1,256	498	40	1,529	561	1,860	2,420	
Accumulated Depreciation/ amortisation														
Accumulated Depreciation as at 1st April 2021	-	325	1,287	1,12,470	1,814	206	905	273	36	782	252	840	1,092	
Charge during the year	-	62	8	12,459	179	3	123	32	1	128	33	454	486	
Disposal	-	-	-	1	-	-	(64)	(0)	-	(17)	(80)	-	-	
Transfer/adjustments														
Closing accumulated depreciation/ amortisation (31.03.2022)	-	387	1,295	1,24,930	1,993	208	964	305	37	893	285	1,294	1,579	
NET CARRYING AMOUNT- 31.03.2022	223	2,195	65	55,852	675	14	292	195	3	636	276	566	841	

Note 3. Capital Work in Progress

(₹ in lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
NE Project (Net of Impairment Loss)	8,344	15,022
OFC Laying Works	569	1,110
MPLS, STM, Other Telecom Radio Equipment, Data Centre & OSS/BSS	4,416	3,544
Capital Stores lying at project site	2,883	1,802
Building	78	-
Others	36	6
Total	16,326	21,484

Note-4 Right of Use Assets

(₹ in lakhs)

Particulars	Building	Land	Telecom Assets	Total
As at 31.03.2021				
Gross Carrying amount				
Cost as at 1st April 2020	12,497	3,498	3,123	19,118
Additions	2,407	-	-	2,407
Disposal	-	-	-	-
Transfer/Adjustments	-	(1,594)	-	(1,594)
Closing Gross Carrying amount (31.03.2021)	14,904	1,904	3,123	19,931
Accumulated Depreciation/ amortisation				
Opening Balance as at 1st April 2020	1,342	223	257	1,822
Charge during the year	907	50	257	1,214
Disposal	-	-	-	-
Transfer/Adjustments	-	(131)	-	(131)
Closing accumulated depreciation/ amortisation (31.03.2021)	2,249	142	514	2,905
NET CARRYING AMOUNT- 31.03.2021	12,655	1,762	2,609	17,026
As at 31.03.2022				
Gross Carrying amount				
Cost as at 1st Apr 2021	14,904	1,904	3,123	19,931
Additions	190	597	(0)	787
Disposal	-	-	-	-
Transfer/adjustments	-	-	-	-
Closing Gross Carrying amount (31.03.2022)	15,094	2,501	3,123	20,718
Accumulated Depreciation/amortisation				
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	-	-	-	-
Closing accumulated depreciation/amortisation (31.03.2022)	3,246	199	771	4,216
NET CARRYING AMOUNT- 31.03.2022	11,848	2,303	2,352	16,502



NON CURRENT ASSETS

Note 5. Investment (At amortised cost)

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Long Term Investments-at Cost		
Trade (Unquoted)		
Investment in Shares of subsidiaries		
Total Carrying Value	-	-

Investment in subsidiary has been valued at cost

Note 6. Loans and Advances

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Advances		-
Total	-	-

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 st March 2022	As at 31 st March 2021
Deposits with Banks for Ex-Gratia	73	50
Bank Term Deposit (Having residual maturity of more than 12 months)	34,209	5,473
BG Margin Money (Having residual maturity of more than 12 months)*	20	86
Accrued interest on term deposit - Non Current	859	269
Security Deposit (Considered Good)	495	482
Total	35,656	6,360

*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 st March 2022	As at 31 st March 2021
Unsecured Considered Good unless stated otherwise		
Capital Advances		
Considered Good	-	(0)
Other		
Lease prepayment/Prepaid Expenses	68	25
Total	68	25

CURRENT ASSETS

Note 9. Inventories (Valued at lower of cost or net realisable value)

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Inventory (Consumables for O&M Work)	94	121
Total	94	121

Note 10. Investment (At fair value through Profit & Loss Account)

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Investment (Unquoted)	3,005	-
Total	3,005	-
Agreegate Value of quoted investments	-	-
Market value of quoted investments	-	-
Agreegate Value of unquoted investments	3,000	-
Market value of unquoted investments	3,005	-
Agreegate value of impairment of investments	-	-

Note 11. Trade Receivables

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Unsecured, Considered Good		
Telecommunication Business	25,796	29,275
Project works	42,680	47,941
Sub Total - A	68,476	77,216
Significant Increase in Credit Risk - B	7,242	12,523
Trade Receivables (A+B)	75,718	89,739
Loss Allowance	(7,242)	(12,523)
Total	68,476	77,216

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	12,523	4,219
Add: Additional provision during the year		8,316
Less: Provision written back/adjusted during the year	5,280	12
Balance at the end of year	7,242	12,523



Note 12. Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
(i) Cash and Cash Equivalent (Maturity <= 3 Months)		
Flexi Deposits	7,081	12,633
(ii) Balances with Scheduled Bank		
a. In Current A/c	4,035	2,574
b. In Collection A/c	7,576	9,745
c. In Imprest A/c	19	22
Total	18,711	24,974

Note 13. Other Bank Balances

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
BG Margin Money A/c *	337	377
In Term Deposit (Having original maturity of more than 3 months but less than 12 months or residual maturity less than 12 months)	14,925	33,367
(iii) CSR Escrow A/c**	15	123
Total	15,277	33,867

*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 st March 2022	As at 31 st March 2021
Advances to Employee	37	33
Total	37	33

Note 15. Other Current Financial Assets

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Unsecured, Considered good unless stated otherwise		
Accrued interest on term deposit	561	2,574
Recoverable from Railways	561	631
Unbilled Revenue	29,320	9,454
Loss Allowance for Unbilled Revenue	(238)	-
EMD Deposited	752	948
Security Deposit	829	497
Recoverable - Others	0.00	-
Total	31,785	14,104

Note 16. Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Income Tax/TDS	1,545	1,629
Total	1,545	1,629

Note 17. Other Current Assets

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Advances recoverable in cash or in kind for value to be received	5,146	847
Indirect Tax Credit Available	7,976	8,322
Fund Assets for Defined Retirement Plans	42	382
Others	357	690
Advance Indirect Tax	1,229	2,286
Prepaid expenses	101	239
Total	14,851	12,766

Note No. -18 Equity Share Capital

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Authorised Share Capital		
Equity Shares		
1,00,00,00,000 equity shares of ₹ 10 each	1,00,000	1,00,000
Issued, Subscribed and fully paid-up shares		
1,50,00,007 equity shares of ₹ 10 each in Cash	1,500	1,500
30,59,38,400 equity shares of ₹ 10 each in consideration other than cash	30,594	30,594
Total	32,094	32,094

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
As at 31st March 2021			
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
AS at 31st March 2022			
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 st March 2022	As at 31 st March 2021
Ministry of Railways (in the name of President of India)*	23,37,85,038	23,37,85,038
	72.84	72.84

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 Rs.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
Opening balance as on 1st April 2020	52,631	52,000	208	1,04,839
Profit for the year	14,245			
Other comprehensive Income/ (Loss)	119	-		-
Add: Total Comprehensive Income for the year ended 31st March 2021	14,364			14,364
Less: Interim dividend for the F.Y. 2020-21	(3,209)			(3,209)
Less: Interim dividend for the F.Y. 2019-20	(2,000)			(2,000)
Less: Final Dividend Paid F.Y. 2019-20	(4,806)			(4,806)
Add: Transfer to Self Insurance Reserve	(101)		101	-
Less: Transfer to General Reserve	(4,000)	4,000		-
Balance as at 31st March 2021	52,879	56,000	309	1,09,188
Opening balance as on 1st April 2021	52,879	56,000	309	1,09,188
Profit for the period	20,894			
Other comprehensive Income/ (Loss)	(38)			
Add: Total Comprehensive Income for the year ended 31st March 2022	20,856			20,856
Less: Final Dividend for FY 2020-21	(3,851)			(3,851)
Less: Interim Dividend for FY 2021-22	(5,616)			(5,616)
Add: transfer to self insurance reserve	(112)		112	-
Less: Transfer to General Reserve	(4,000)	4,000		-
Balance as at 31st March 2022	60,156	60,000	421	1,20,577

NON CURRENT LIABILITIES

Note 20. Leasing Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Leasing Liabilities	2,349	2,217
Total	2,349	2,217

Note 21. Other Non Current Financial Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Unsecured		
Security Deposit	991	698
Retention Money	2,868	2,316
Total	3,859	3,014

Note 22. Provisions

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Provision for Post Retirement Medical Benefit	899	931
Provision for Gratuity & Leave Encashment	6	6
Provision for Arbitration Claim	46	46
Total	951	983

Note 23. Deferred Tax Liabilities/(Assets) (Net)

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Deferred Tax Liabilities		
Depreciation claimed as deduction under Income Tax Act but chargeable in the statement of profit and loss in future years	1311	2,042
Others	10	
Less:		
Deferred Tax Assets		
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	1,882	3,152
Expenditure to be allowed on payment basis under Income Tax Law/Provisions	1,933	1,313
Deferred Tax Liability/ (Assets) (Net)	(2,494)	(2,423)



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Note 24. Other Non Current Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Deferred Revenue and Advance from Customers*	1,494	1,954
Deferred Revenue from Government Grant		
NE 1 & NE 2	1,182	1,171
Rural WiFi	592	686
Advances for VSS Project	4,073	7,701
Total	7,341	11,512

*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 st March 2022	As at 31 st March 2021
Trade Payables		
Micro and Small Enterprises	14,992	14,064
Other than Micro and Small Enterprises		
Revenue Share Payable to Indian Railway	6,185	5,281
Towards purchase of Goods and Services	28,126	33,925
Amount Payables to DoT	-	-
Total	49,303	53,270

Note 26. Leasing Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Leasing Liabilities	802	801
Total	802	801

Note 27. Other Current Financial liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Security Deposits	4,333	3,989
Retention Money	20,262	10,977
EMD Payable	820	949
Bank Guarantee Deductions	4,923	346
Interest Accrued but not due on Noida Instalment	3	7
Expense payable	138	12
Total	30,479	16,280

Note 28. Provisions

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Provisions for Employee Benefits		
Provision for Post Retirement Medical Benefit Current	2	2
Provision for Pension	41	87
Provision for Gratuity & Leave Encashment	455	189
Provision for PRP	2,296	1,013
Total	2,794	1,291

Note 29. Other Current Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Deferred Revenue and Advance from Customers*	14,131	10,596
Advance-ETCS Project	5,034	5,034
Advance for Railway Deposits#	7,474	8,870
Advance-Others**	257	4,173
Project Control Account (ETCS) ##	544	317
Deferred Revenue from Government Grant		
NE 1 & NE 2	112	119
Rural WiFi	152	147
Government Grant		
Subsidy of NE-1 & NE-2	1,353	1,468
Rural WiFi Subsidy	80	106
Payable to Others	6,131	9,513
Total	35,268	40,343

*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 st March 2022	For the year ended 31 st March 2021
Income from Telecom Services		
NLD Services	47,813	43,467
ISP Services	34,883	25,490
IP-1 Services	20,914	18,931
Income from Projects		
Railways Project Works	9,271	17,814
Other Projects	41,418	31,480
Other Operating Revenue	546	600
Total	1,54,845	1,37,782



Note 31. Other income

(₹ in lakhs)

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Interest Income		
Interest Income on deposits with Bank	2,277	2,635
Interest on Income Tax Refunds	63	171
Other Non Operating Income		
Miscellaneous Income	284	386
Income on Mutual Funds	60	8
Liabilities/Provision written back	5,018	12
Total	7,702	3,212

Note 32. Finance income

(₹ in lakhs)

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Reversal of Discounting impact of Liability for FY of 2019-20		(70)
Discounting Impact of Liability for FY 2020-21		205
Reversal of Discounting impact of Liability for FY of 2020-21	(156)	
Discounting Impact of Liability for FY 2021-22	401	
Total	245	135

Note 33. Access & Other Charges

(₹ in lakhs)

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Operation & Maintenance of Fiber & Equipment	10,349	7,906
Share of Revenue with Konkan Railway	48	50
Hire Charges Radio Modem/Optic Fibers and Internet Access	6,869	5,444
Railwire Expenses	18,754	13,580
Power & Fuel Expenses on network	3,268	3,769
Revenue Share to Railways	3,972	3,068
Total	43,260	33,817

Note 34. License fee and Spectrum charges

(₹ in lakhs)

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Licence Fee to DoT (Revenue Share)	6,679	5,656
Total	6,679	5,656

Note 35. Expenses on Project

(₹ in lakhs)

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Expenses on Railway Projects	8,160	15,971
Expenses on Projects (Other Than Railway)	36,512	22,668
Allocation of Employee Benefit Expenses (Refer Note No. 36)	850	1,757
Allocation of Administrative & Other Expenses (Refer Note No. 37)	425	1,054
Total	45,947	41,450

Note 36. Employee Benefits Expenses

(₹ in lakhs)

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Salaries & Wages	18,677	13,761
Contribution to Provident fund	720	649
Staff welfare expenses	32	17
Less: Allocation of Expenses to Projects (Refer to Note no. 35)	850	1,757
Total	18,579	12,670

Note 37. Administrative & Other Expenses

(₹ in lakhs)

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Auditor Remuneration		
As Auditor	30	24
As Tax Auditor	6	6
Books & Periodicals	2	1
Communication Expenses	105	91
Conveyance Expenses	30	22
Bank Charges & Commission	84	27
Legal & Professional Expenses	442	358
Insurance	104	97
Rates & Taxes	560	290
Rent	448	341
Repair & Maintenance - Others	568	340
Tender Expenses	63	39
Training & Recruitment Expenses	15	23
Travelling Expenses	278	177
Printing & Stationary Expenses	54	53
Vehicle Hire charges	434	354
Business promotion Expenses	80	419
Other Miscellaneous Expenses	472	391
Loss on sale of Fixed Assets	9	3
Provision for Expected Credit Loss	9	8,316



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Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Loss on foreign Exchange transactions	-	2
Donation to PM CARES Fund	-	670
Manpower Support	52	
Less:- Allocation of Expenses to Project (Refer to Note no. 35)	425	1,054
Total	3,420	10,990

Note 38. Depreciation, Amortisation and Impairment

(₹ in lakhs)

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Depreciation on tangible Assets	12,996	12,167
Charge over Right of Use (Refer Note No.4)	1,311	1,214
Amortization on Intangible Assets	487	393
Impairment on CWIP Assets (NE Project)	1,224	2,158
Total	16,018	15,932

Note 39. Finance Expenses

(₹ in lakhs)

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Reversal of Discounting impact of Assets for FY 2019-20		(165)
Discounting Impact of Assets for FY 2020-21		99
Reversal of Discounting impact of Assets for FY 2020-21	(99)	
Discounting Impact of Assets for FY 2021-22	154	
Finance charge - Interest Cost Unwinding of Lease Liabilities	248	212
Finance charge on Instalment of Noida land	19	37
Finance Charges#	227	223
Total	549	406

FY 2021-22: Interest Income of INR 227.09 Lacs from ETCS Project FDRs is transferred to ETCS project funds.

Note 40. Tax Expenses

(₹ in lakhs)

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Current Tax (Income Tax)	7,250	8,306
Tax impact of earlier Years	(11)	(56)
Deferred Tax	(71)	(2,777)
Total	7,168	5,473

Note 41. Other comprehensive income(OCI)

(₹ in lakhs)

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Items that will not be reclassified to Profit & Loss		
Remeasurement gain/(losses) on defined benefit plans	(51)	159
Income tax relating to item that will not be reclassified to Profit & Loss	13	(40)
Items that will be reclassified to Profit & Loss		
Other comprehensive income/(Loss)	(38)	119

Note 42: OTHER EXPLANATORY NOTES AND DISCLOSURES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March'2022

- 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.
- Details of immovable Property as on 31.03.2022 whose title deed is not in the name of Company is as follows :

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ In Lakh)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Effective Date	Reason for not being held in the name of the company
Right of Use	Building	9,809	NBCC Limited	No	10-Jun-20	Lease deed is pending from Ministry of Urban Development
Right of Use	Building	1,490	NBCC Limited	No	12-Apr-21	Lease deed is pending from Ministry of Urban Development

- The Interest income includes Interest received on Bank Term Deposits on account of European Train Control System (ETCS) Project of ₹ 227 lakh. The interest expense recognized on project advances received on ETCS project is Rs.227 lakh and the same is credited to Project Control Account.



9 Disclosure relating to dues to Micro, Small and Medium Enterprise:

(₹ in lakhs)

S. No.	Particulars	March'22	March'21
i	Amount remaining unpaid to any supplier:		
	a) Principal Amount	14,992	14,064
	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.	-	-

10 Value of imports calculated on CIF basis

(₹ in lakhs)

Particulars	March'22	March'21
Consumables and Spare parts	-	198
Capital goods	195	605
Total	195	803

11 Expenditure in foreign currency (accrual basis)

(₹ in lakhs)

Particulars	March'22	March'21
Service charges	-	4

12 Corporate Social Responsibility Expenditure

(₹ in lakhs)

Particulars	March'21
Amount Required To Be Spent By The Company During The Year	542 (CY budget is ₹ 370 lakh)
Amount Of Expenditure Incurred	278
Shortfall At The End Of The Year	264
Total Of Previous Years Shortfall	15
Reason For Shortfall	Amount of ₹ 264 lakh have been deposited in CSR account with Bank as per guidelines
Nature Of Csr Activities	As per DPE theme on CSR of FY 21-22
Details Of Related Party Transactions	N.A
Where A Provision Is Made With Respect To A Liability Incurred By Entering Into A Contractual Obligation,	N.A

Para-wise disclosure of Applicable Indian Accounting Standards are as below:

13 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 & Earnest Money Deposit

Security Deposits, Retention Money and Earnest Money Deposit are classified as Financial Liabilities.

14 IND AS 2: Inventories

- i. The total carrying amounts of inventories as at 31.03.2022 is Rs.94 Lakhs (March'21 – ₹ 121 Lakhs) as shown in Note No 9 of Balance Sheet.
- ii. 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.
- iii. Nothing out of carrying amounts of inventories has been pledged as security for liabilities.

15 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.

16 Disclosures as required by IND AS 12 – Income Taxes

Particulars	Provided during the year ended 31st March'22	As at 31st March' 22	Provided during the year ended 31st March'21	As at 31st March' 2021
Deferred Tax Liability				
Related to Depreciation on Fixed Assets	-731	1,311	-373	2042
Others	10	10		
Total Deferred Tax Liabilities	-721	1,321	-373	2042



Particulars	Provided during the year ended 31st March'22	As at 31st March' 22	Provided during the year ended 31st March'21	As at 31st March' 2021
Deferred Tax Assets				
Provision on debtors	-1,270	1,882	2,090	3152
43B Disallowances etc.	304	832	-80	528
Others	316	1,101	394	785
Total Deferred Tax Assets	-650	3,815	2,404	4465
Deferred Tax Liability / (Asset) (Net)	-71	-2,494	-2,777	-2423

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'2021 to Mar'2022 is mainly due to change in tax rates as tabulated here under:

(₹ in lakhs)

Particulars	Holding Company (RCIL)				Subsidiary Company (REL)			
	March'22	March,22	March'21	March,21	March'22	March,22	March'21	March,21
	(In %)	(In ₹ Lakhs)	(In %)	(In ₹ Lakhs)	(In %)	(In ₹ Lakhs)	(In %)	(In ₹ Lakhs)
Applicable Tax Rate	25.17%	7,036	25.17%	4,898	25.17%	44	25.17%	65
1. Tax effect of income that are not taxable in determining taxable profit	-4.75%	(1,328)	0%	-	-5.86%	(10)	4.80%	(12)
2. Tax effect of expenses that are not deductible in determining taxable profit	5.91%	1,653	18.46%	3,592	2.15%	4	0.08%	-
3. Tax effect on previous years disallowances	-0.58%	(161)	-1.02%	(198)	-	-	0%	-
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%	-
Average Effective Tax	25.76%	7,200	42.61%	8,292	21.46%	38	20.45%	53

Particulars	For the year ended March 31st 2022	For the year ended March 31st 2021
Weighted average consolidated effective tax rate	25.73%	42.32%

17 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 31.03.2022.
- 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 ₹ 17004 lakhs (March'21 – ₹ 7319 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 ₹ 41072 (FY21- 33289) 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 ₹ 14 Lakh (Gross Book Value 95 Lakhs) has been retired with sale proceeds of ₹ 5 Lakh and loss of Rs 8lakh 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

18 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.

19 **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.

Provident Fund:

All regular 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.

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.

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, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
Discount Rate	7.24% per annum	7.24% per annum	6.98% per annum	6.98% per annum	6.79% per annum	6.79% per annum	6.27% per annum	6.27% 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	6.79% per annum	6.79% per annum	NA	NA	6.71% per annum	6.71% per annum	NA	NA
Average future service (in Years)	21.74 Years	-	9 Years	-	20.78 Years	-	10 Years	-

Table II: Service Cost

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Current Service Cost	178	228	162	227
Past Service Cost (including curtailment Gains/Losses)	0	0	1	2
Gains or losses on Non Routine settlements	0	0	0	0
Total	178	228	163	229

Table III: Net Interest Cost

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Interest Cost on Defined Benefit Obligation	134	177	120	157
Interest Income on Plan Assets	160	164	114	104
Net Interest Cost (Income)	-26	13	6	53



Table IV: Change in Present Value of Obligations

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Opening of defined benefit obligations	1975	2603	1792	2336
Service cost	178	228	163	229
Interest Cost	134	177	120	157
Benefit Paid	-94	-127	-82	-90
Actuarial (Gain)/Loss on total liabilities:	187	18	-17	-29
- due to change in financial assumptions	-117	-107	-17	-17
- due to change in demographic assumptions	0	0	0	0
- due to experience variance	304	126	0	-12
Closing of defined benefit obligation	2380	2899	1976	2603

Table V: Change in Fair Value of Plan Assets

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Opening fair value of plan assets	2,355	2,410	1,700	1,545
Actual Return on Plan Assets	158	156	134	127
Employer Contribution	0	0	603	827
Benefit Paid	-94	-127	-82	-89
Closing fair value of plan assets	2,418	2,438	2,355	2,410

Table VI: Actuarial (Gain)/Loss on Plan Asset

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Expected Interest Income	160	164	114	103
Actual Income on Plan Asset	158	156	134	127
Actuarial gain /(loss) on Assets	-2	-8	20	24

Table VII: Other Comprehensive Income/(Loss)

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Opening amount recognized in OCI outside P&L account	0	N/A	0	N/A
Actuarial gain / (loss) on liabilities	-187	N/A	17	N/A
Actuarial gain / (loss) on assets	-2	N/A	20	N/A
Closing amount recognized in OCI outside P&L account	-189	N/A	37	N/A

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, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Present Value of Obligations	2380	2899	1976	2603
Fair value of plan assets	2418	2438	2355	2410
Net Obligations	-38	461	-379	193
Amount not recognized due to asset limit	0	0	0	0
Net defined benefit liability / (assets) recognized in balance sheet	-38	461	-379	193

Table IX: Expense Recognized in Statement of Profit and Loss

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Service cost	178	228	163	229
Net Interest Cost	-26	13	6	53
Net actuarial (gain)/ loss	0	26	0	-53
Expenses Recognized in the statement of Profit & Loss	153	268	169	229

Table X: Major categories of plan assets (as percentage of total plan assets)

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Item	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Fund Managed by Insurer	100%	100%	100%	100%
Total	100%	100%	100%	100%

Table XI: Change in Net Defined Obligations

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Opening of Net defined benefit liability	(380)	193	92	791
Service cost	178	228	163	229
Net Interest Cost	(26)	13	6	53
Re-measurements	189	26	(37)	(53)
Contribution paid to fund	-	-	(603)	(827)
Closing of Net defined benefit liability	(38)	461	(379)	193

Table XII: Reconciliation of Expense in Profit and Loss Statement

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Present Value of Obligation as at the end of the year	2380	2899	1976	2603
Present Value of Obligation as at the beginning of the year	-1975	-2603	-1792	-2336
Benefit Paid	94	127	82	89
Actual Return on Assets	-158	-156	-134	-127
OCI	-189	N/A	37	N/A
Expenses Recognized in the Statement of Profit and Loss	153	268	169	229

Table XIII: Reconciliation of Liability in Balance Sheet

(₹ in lakhs)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
All Figures in INR	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Opening net defined benefit liability / (asset)	(380)	193	92	791
Expense charged to profit and loss account	153	268	169	229
Amount recognized outside profit & loss account	-	-	0	-
Employer Contributions	-	-	(603)	(827)
OCI	189	N/A	(37)	N/A
Closing net defined benefit liability / (asset)	(38)	461	(379)	193

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'22	2,380			2,899		
	March'21	1,976			2,603		
Increase Discount Rate by 0.50%	March'22	2,261	(120)	-5.02%	2,788	(111)	-3.84%
	March'21	1,873	(103)	-5.21%	2,500	(103)	-3.96%
Decrease Discount Rate by 0.50%	March'22	2,511	130	5.47%	3,018	120	4.12%
	March'21	2,086	110	5.57%	2,714	111	4.26%
Increase Salary Inflation by 1.00%	March'22	2,532	152	6.37%	3,142	243	8.39%
	March'21	2,120	144	7.29%	2,827	224	8.61%
Decrease Salary Inflation by 1.00%	March'22	2,210	(170)	-7.16%	2,684	(214)	-7.40%
	March'21	1,821	(155)	-7.84%	2,406	(197)	-7.57%
Increase Withdrawal Rate by 1.00%	March'22	2,438	58	2.44%	2,821	(78)	-2.69%
	March'21	2,008	32	1.62%	2,524	(79)	-3.03%
Decrease Withdrawal Rate by 1.00%	March'22	2,313	(67)	-2.81%	2,989	90	3.11%
	March'21	1,938	(38)	-1.92%	2,695	92	3.53%

Table XV: Maturity Profile of Defined Benefit Obligation (Valued on discounted basis)

(₹ in lakhs)

All Figure in INR	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
Year 1	143	279	118	234
Year 2	86	293	67	223
Year 3	161	272	104	208
Year 4	155	235	123	197
Year 5	135	219	119	178
After 5th Year	1700	1602	1,445	1563
Total	2,380	2,899	1,976	2,603



Post-Retirement Medical Scheme

Table I: Change in Present Value of Obligations

(₹ in lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
Defined Benefit Obligation at beginning of year	933	946
Current Service Cost	43	44
Past Service Cost	0	0
(Gain) / Loss on settlements	0	0
Interest Expense	63	64
Benefit Payments from Plan Assets	0	0
Benefit Payments from Employer	0	0
Settlement Payments from Plan Assets	0	0
Settlement Payments from Employer	0	0
Other (Employee Contribution, Taxes, Expenses)	0	0
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	0	0
Increase / (Decrease) due to Plan combination	0	0
Remeasurements - Due to Demographic Assumptions	0	0
Remeasurements - Due to Financial Assumptions	-111	-20
Remeasurements - Due to Experience Adjustments	-27	-101
Defined Benefit Obligation at end of year	901	933
Discount Rate (%)	7.24%	6.79%
Medical Inflation Rate (%)	5.00%	5.00%

Table II: Change in Fair Value of Plan Assets

(₹ in lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
Fair Value of Plan Assets at beginning of year	0	0
Interest Income	0	0
Employer Contributions	0	0
Employer Direct Benefit Payments	0	0
Employer Direct Settlement Payments	0	0
Benefit Payments from Plan Assets	0	0
Benefit Payments from Employer	0	0
Settlement Payments from Plan Assets	0	0
Settlement Payments from Employer	0	0
Other (Employee Contribution, Taxes, Expenses)	0	0
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	0	0
Increase / (Decrease) due to Plan combination	0	0
Remeasurements - Return on Assets (Excluding Interest Income)	0	0
Fair Value of Plan Assets at end of year	0	0

Table III: Changes in Reimbursement Rights

(₹ in lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
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 / divesture / 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 / divesture)	0	0
Remeasurements - Return on Reimbursement Rights (Excluding Interest Income)	0	0
Reimbursement Rights at end of year	0	0

Table IV: Changes in Asset Ceiling / Onerous Liability

(₹ in lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
Asset Ceiling / Onerous Liability at beginning of year	0	0
Interest Income	0	0
Gain / (Loss) on Settlements	0	0
Remeasurement - Due to Asset Ceiling / Onerous Liability (Excluding Interest Income)	0	0
Asset Ceiling / Onerous Liability at end of year	0	0

Table V: Components of Defined Benefit Cost

(₹ in lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
Current Service Cost	43	44
Past Service Cost	0	0
(Gain) / Loss on Settlements	0	0
Reimbursement Service Cost	0	0
Total Service Cost	43	44
Interest Expense on DBO	63	64
Interest (Income) on Plan Assets	0	0
Interest (Income) on Reimbursement Rights	0	0
Interest Expense on (Asset Ceiling) / Onerous Liability	0	0
Total Net Interest Cost	63	64
Reimbursement of Other Long-Term Benefits	0	0



All Figures in INR	March 31, 2022	March 31, 2021
Defined Benefit Cost included in P & L	106	108
Remeasurements - Due to Demographic Assumptions	0	0
Remeasurements - Due to Financial Assumptions	-111	-20
Remeasurements - Due to Experience Adjustments	-27	-101
(Return) on Plan Assets (Excluding Interest Income)	0	0
(Return) on Reimbursement Rights	0	0
Changes in Asset Ceiling / Onerous Liability	0	0
Total Remeasurements in OCI	-138	-121
Total Defined Benefit Cost recognized in P&L and OCI	-32	-13
Discount Rate (%)	7.24%	6.79%
Medical Inflation Rate (%)	5%	5%

Table VI: Amounts recognized in the Statement of Financial Position

(₹ in lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
Defined Benefit Obligation	901	933
Fair Value of Plan Assets	0	0
Funded Status	901	933
Effect of Asset Ceiling / Onerous Liability	0	0
Net Defined Benefit Liability / (Asset)	901	933

Table VII: Net Defined Benefit Liability / (Asset) reconciliation

(₹ in lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
Net Defined Benefit Liability / (Asset) at beginning of year	933	946
Defined Benefit Cost included in P & L	106	108
Total Remeasurements included in OCI	-138	-121
Net Transfer In / (Out) (Including the effect of any business combination / divesture)	0	0
Amount recognized due to Plan Combinations	0	0
Employer Contributions	0	0
Employer Direct Benefit Payments	0	0
Employer Direct Settlement Payments	0	0
Credit to Reimbursements	0	0
Net Defined Benefit Liability / (Asset) at end of year	901	933

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'22	7.24%	8.24%	6.24%
		March'21	6.79%	7.79%	5.79%
	PV of DBO (In lakhs)	March'22	901	672	1,122
		March'21	933	684	1182
	Variation (%)	March'22	0.00%	-25.38%	24.59%
		March'21	0.00%	-26.68%	26.74%
Medical Inflation Rate	Assumptions (%)	March'22	5.00%	6.00%	4.00%
		March'21	5.00%	6.00%	4.00%
	PV of DBO (In lakhs)	March'22	901	1,180	693
		March'21	933	1255	717
	Variation (%)	March'22	0.00%	31.01%	-23.07%
		March'21	0.00%	34.53%	-23.12%

Table IX: Maturity Profile of Defined Benefit Obligation

(₹ in lakhs)

All Figures in INR	March 31, 2022	March 31, 2021
Year 1	19	32
Year 2	0	0
Year 3	0	0
Year 4	0	3
Year 5	5	5
After 5th Year	874	893

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 01.04.2021	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



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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 01.04.2020	133	946	882	1,961
Additional provision made in the year	-	(13)	362	349
Amount utilized/adjusted during the year	(46)	-	(1,430)	(1,476)
Unused amount reversed during the year	-	-	-	-
Carrying amount at the end of the year as on 31.03.2021	87	933	(186)	834

20 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 31.03.2022 for various purposes is as under:

Grant/Subsidy Received For	Up to 31.03.2022	Up to 31.03.2021
North East Project	3,146	3,146
Rural Wi-Fi	1296	1,256
Total	4,442	4,402

Grant/Subsidy on NE Project:

- 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 ₹ 31522 Lakhs out of which material of an amount of ₹ 2736 lakhs have been transferred to other projects/regions. Company has received subsidy of ₹ 3146 Lakhs with a net cash outflow of ₹ 25640 Lakhs up to 31.03.2022. 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.
- During the year ended 31.03.2022, depreciation of Rs.1074 Lakhs (March'21 – ₹ 472 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 ₹ 104 Lakhs (March'21 – ₹ 119 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 Rs.1296 lakhs up to 31.03.2022 from Department of Telecommunication (DoT-USOF) for installation of Wi-Fi in rural areas. An amount of ₹ 1,466 lakhs have been capitalized up to 31.03.2022 on account of partial commissioning of wi-fi services at the stations. The Company has amortized an amount of ₹ 155 lakhs out of the subsidy received in proportion to the depreciation on assets capitalized and Rs.183 lakhs (March'21 – ₹ 183 lakhs) have been recognized under the head other operating revenue.

21. Disclosures as required by IND AS- 21: Effects of change in foreign exchange rates

Exchange Difference

S. No	Particulars	March'22	March'21
1	The amount of exchange differences recognised in profit or (loss).	3	-2
2	Net exchange differences recognised in other comprehensive income and accumulated in a separate component of equity.	0	0
3	Reconciliation of the amount of such exchange differences at the beginning and end of the year.	0	0

22 IND-AS – 24: Related party disclosures

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	Indian 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	Modern Coach Factory (MCF)



(ii) Key Management Personnel:-

S. No.	Name	Designation	Date of appointment	Date of Cessation (If any)
1	Sh. Puneet Chawla	CMD	14/12/2018	Appointed as CMD w.e.f. 10/05/2019 (earlier holding additional charge from 14/12/2018 to 09/05/2019) Ceased to be CMD w.e.f. 11/05/2022.
2	Sh. Ashutosh Vasant	Director	30/03/2017	He has been divested of the charge/ duties of the post of Director/POM w.e.f. 24/09/2020 as per MOR Letter and Ceased to be Director w.e.f. 31/03/2022.
3	Sh. Sanjai Kumar	Director/NPM & POM	23/05/2018	He has been entrusted with additional charge of the post of Director/POM w.e.f. 28/09/2020 as per MOR Letter.
4	Sh. Anand Kumar Singh	Director/Finance and CFO	D/F - 04/09/2019 CFO - 26/09/2019	NA
5	Sh. J. S. Marwah	Company Secretary	05/02/2015	NA
6	Sh. Harish Chandra Batra	Director	19/05/2018	NA
		Director & CFO	26/06/2018	
7	Sh. Suresh Kumar	Director & CEO	01/04/2021	
8	Sh. A.K. Sablania	Director	25/06/2018	Ceased to be Director & CEO w.e.f. 31/03/2021
		Director & CEO	26/06/2018	
9	Smt. Nikita Sharma	Company Secretary	23/12/2019	

(iii) Disclosures of transactions of the Company with Key Management Personnel:

Particulars	Name	Sh. Puneet Chawla	Sh. Ashutosh Vasant	Sh. Sanjai Kumar	Sh. Anand Kumar Singh	Sh. J S Marwah	Smt. Nikita Sharma
		Designation	CMD	Director	Director/NPM	Director/Finance and CFO	Company Secretary
Salaries and Allowances	March'22	37	51	59	46	25	13
	March'21	33	44	49	36	22	11
Provident Fund Contribution	March'22	-	4	4	4	2	1
	March'21	-	3	4	3	2	1
Pension Contribution	March'22	6	3	3	3	2	1
	March'21	5	3	3	3	1	1
Value of Perquisites	March'22	7	2	12	10	1	-
	March'21	6	2	11	10	1	-
Leave Encashment (Part of FSC)	March'22	3	-	-	-	-	-
	March'21	3	-	-	-	-	-

The actuarial liability for the key managerial personnel is as follows

Employee Name	Designation	Gratuity	Leave Encashment	Gratuity	Leave Encashment
		As at 31st March 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2021
Sh. Sanjai Kumar	Director/NPM	14	27	13	24
Sh. J S Marwah	Company Secretary	4	12	5	9
Sh. Ashutosh Vasant	Director	13	21	13	18
Sh. Anand Kumar Singh	Director/Finance	-	18	-	15

(iv) Transactions with Railway PSUs & Railway Units

Particulars	Period	Revenue	Expense	Receivable	Payable	Advance received
Centre For Railway Information Systems	Mar'22	1,978	-	375	-	-
	Mar'21	286	-	332	-	98
Container Corporation of India Ltd	Mar'22	146	-	341	-	-
	Mar'21	181	-	141	-	-
Dedicated freight corridor Corporation of India Limited	Mar'22	641	-	288	-	373
	Mar'21	446	1	624	-	577
Indian Railway Catering and Tourism Corporation Limited	Mar'22	698	3	195	4	4
	Mar'21	902	5	308	2	2
IRCON International Limited	Mar'22	315	-	354	-	-
	Mar'21	174	3	63	-	-
Konkan Railway Corporation of India Limited	Mar'22	124	246	84	107	2
	Mar'21	101	145	41	37	1
Rail Land Development Authority	Mar'22	-	-	18	-	-
	Mar'21	15	-	18	-	-
Rail Vikas Nigam Limited	Mar'22	559	-	320	-	365
	Mar'21	543	-	353	-	655
RITES Limited	Mar'22	52	-	23	-	1
	Mar'21	83	-	137	-	7
Indian Railways	Mar'22	24,043	8,944	20,566	9,524	17,112
	Mar'21	34,017	8,707	24,017	5,938	21,548
National High-Speed Rail Corporation	Mar'22	151	-	34	-	393
	Mar'21	311	-	25	-	459
Mumbai Railway Vikas Corporation	Mar'22	23	-	7	-	5
	Mar'21	30	-	5	-	5
Maharashtra Rail Infrastructure Development Corporation Ltd	Mar'22	-	-	-	-	19
	Mar'21	4	-	5	-	24
Indian Railway Station Development Corporation Ltd	Mar'22	1	-	2	-	-
	Mar'21	4	-	1	-	-



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RAILTEL

A Mini Ratna Enterprise

Particulars	Period	Revenue	Expense	Receivable	Payable	Advance received
Indian Railway Finance Corporation	Mar'22	-234	-	12	-	-
	Mar'21	416	-	491	-	-
CLW/Chittaranjan	Mar'22	13	-	5	-	-
	Mar'21	31	-	9	-	-
Railway Recruitment Board	Mar'22	-	-	-	-	-
	Mar'21	2	-	20	-	-
Chhattisgarh East Railway Limited	Mar'22	7	-	8	-	-
	Mar'21	6	-	1	-	-
Central Railside Warehouse Company Limited	Mar'22	-	-	1	-	-
	Mar'21	15	-	22	-	17
Braithwaite & Co. Ltd	Mar'22	19	-	28	-	-
	Mar'21	-	-	-	-	-
Research Design and Standards Organization	Mar'22	27	-	9	-	-
	Mar'21	37	22	49	-	-
Modern Coach Factory (MCF)	Mar'22	-	-	6	-	-
	Mar'21	2	-	6	-	-
Total	Mar'22	28,564	9,193	22,677	9,635	18,274
	Mar'21	37,607	8,883	26,668	5,977	23,393

23 Disclosures as required by IND AS 33: Earning Per Share

Numerator	For the year ended 31st March 2022	For the year ended 31st March 2021
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Used as Numerator (₹ in Lakhs))	20,894	14,245
Denominator		
Number of Equity Shares (Face value of Rs.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 Rs.10/- each)	6.51	4.44
Diluted Earnings Per Share (₹ / per share) (Face value of Rs.10/each)	6.51	4.44

24 Disclosure as per Ind AS 36 and 113: Impairment of Assets, Fair Value Measurement

Based on an impairment study, using income approach, The Company has recognized the impairment loss amounting ₹ 1224 lakhs (March'21 – ₹ 2158 lakhs) during the current period 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. This project is currently accounted under the capital work in progress and contains mainly the plant and machinery. Assets constructed under the project become idle for the long time. Hence, company has assessed and recognized the impairment loss on these projects. Out of the total impairment loss as at 31.03.2022 of ₹ 8312 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.

25 Disclosures as required by IND AS 37: Provisions, Contingent Liabilities and Contingent Assets

25.1 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.

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 period	-	2,075	2,075
Amount utilized/adjusted during the period	-	792	792
Unused amount reversed during the period	-	-	-
Carrying amount at the end of the period as on 31.03.2022	46	2,296	2,342

Particulars	Provision for Arbitration Claim	Provision for Performance Related Pay	Total
Carrying Amount at the beginning of the year as on 01.04.2020	46	991	1,037
Additional provision made in the year	-	546	546
Amount utilized/adjusted during the year	-	-502	-502
Unused amount reversed during the year	-	-22	-22
Carrying amount at the end of the year as on 31.03.2021	46	1,013	1,059

25.1 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:

Particulars	Service Tax	Income Tax	VAT	GST	Arbitration/ Court Cases	Other	Total
Carrying Amount at the beginning of the year 01.04.2021	828	2,282	118	302	638	0	4,168
Additions during the year	17	1,014	13	1,297	13,292	537	16,170
Amount adjusted during the year	-	-	35	9	622	0	666
Carrying amount at the end of the year 31.03.2022	845	3,296	96	1,590	13,308	537	19,672

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 and hence the DoT was asked to reconsider the demand. Accordingly, DoT has made its submission before Hon'ble Supreme Court that it has decided to withdraw the demands already raised on PSUs which was considered by Hon'ble Supreme Court. Accordingly, the Company has not considered any contingent liability in this regard as on 31.03.2022.

(b) Bank Guarantees given by the Company to Customers/Government as on 31.03.2022 is ₹ 31600 lakhs (March'21 – ₹ 19013 lakhs).

(c) Capital Commitments

Particulars	March'22	March'21
Estimated amounts of contracts remaining to be executed on capital account	17004	7319

Capital-Work-in Progress (CWIP): ageing schedule as on 31.03.2022

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.24 of note No. 42

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 2022	(Amount in lakh)				
	CWIP	To be completed in			
		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	4,416	-	-	-	
Capital Stores lying at project site	2,883	-	-	-	
Building	78	-	-	-	
Others	36	-	-	-	
Total	7,982	-	-	-	

NE Project halted due to reason mentioned in point No.24 of note No. 42

Capital-Work-in Progress (CWIP): ageing schedule as on 31.03.2021

Amount in CWIP for a period of					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5301	766	304	92	6463
Projects temporarily suspended *	83	3345	3678	7915	15021

* NE Project halted due to reason mentioned in point No.24 of note No. 42

26 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'22 and March'21 is presented below:

(₹ in Lakhs)

Sr. No.	Particulars	31-Mar-22			31-Mar-21		Total
		Telecom Services	Project Work Services	Total	Telecom Services	Project Work Services	
		A	B	A+B	A	B	A+B
1	Segment Revenue						
	Revenue from operations	1,04,156	50,689	1,54,845	88,488	49,294	1,37,782
	Sales/Revenue from Operations	1,04,156	50,689	1,54,845	88,488	49,294	1,37,782
2	Segment Results						
	Profit/Loss before Taxes						
	Segment Operating Income/ (Loss)	19,947	4,244	24,192	20,413	7,844	28,257
	Total	19,947	4,244	24,192	20,413	7,844	28,257
	Add/Less: (i) Other Un-allocable expenditure net of un-allocable income			(4,174)			8,268
	(ii) Finance cost net of Finance income			304			271
	Total Profit before Tax			28,062			19,718
3	Segment Assets						
	a. Property, Plant & Equipment Assets (Net Blocks)	60,149	-	60,149	57,658	-	57,658
	b. Right of Use Assets	16,502	-	16,502	17,026	-	17,026
	b. Other Assets	88,286	66,559	1,54,845	59,882	54,473	1,14,355
	c. Capital CWIP	16,326	-	16,326	21,484	-	21,484
	d. Un-allocable assets	-	-	37,997	-	-	60,470
	Total Assets			2,85,817	1,56,050	54,473	2,70,993
4	Segment Liabilities						
	a. Segment Liabilities	1,09,054	17,124	1,26,178	1,00,004	27,434	1,27,438
	b. Un-allocable Liabilities	-	-	6,968	-	-	2,274
	Total liabilities	1,09,054	17,124	1,33,148	1,00,004	27,434	1,29,712

27 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% (SBI Rate) has been used for balances as on 31/03/2022.

Financial Instrument

Financial Instruments by Category

The carrying value of financial instruments by each category were as follows: -

Particulars	Financial Assets/ Liabilities at amortised costs		Financial Assets/ Liabilities at FVTPL		Financial Assets/ Liabilities at FVTOCI	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Assets						
Trade Receivables (Refer to Note No. 11)	68,476	77,216	0	0.00	0	0
Cash & Cash Equivalents (Refer to Note No. 12 & 13)	33,988	58,841	0	0.00	0	0
Other Financial Assets (Refer to Note No. 6,7,14 & 15)	67,478	20,497	0	0.00	0	0
Liabilities	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Trade Payables (Refer to Note No. 25)	49,303	53,270	0	0.00	0	0
Other Financial Liabilities (Refer to Note No. 20, 21, 26 & 27)	37,488	22,312	0	0.00	0	0

Trade Receivables ageing schedule as on 31.03.2022 *

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	-	-	-	-	-	-



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	
(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
Trade Receivables						68,477

Unbilled receivables are recognized based on mercantile accounting system and are not due for payment as at the close of financial year.

* ECL provision has been made as per normal matrix except back to back trade receivables on which 1% ECL has been provided.

Unbilled Revenue ageing schedule as on 31.03.2022

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	29,320

Trade Receivables ageing schedule as on 31.03.2021

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	58,463	12,533	5,139	279	-	76,414
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	552	127	2,683	3,362
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	13	5,672	5,685
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	980	2,391	907	4,278
	58,463	12,533	6,671	2,810	9,262	89,739
Less: Allowance for credit Loss						12,523
Trade Receivables						77,216

Unbilled receivables are recognized based on mercantile accounting system and are not due for payment as at the close of financial year.

Unbilled Revenue ageing schedule as on 31.03.2021

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	8,374	211	869	-	-	9,454

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 *	11945	977	128	1941	14992
(ii) Others	28292	1277	1354	3388	34311
(iii) Disputed dues – MSME	0	0	0	0	0
iv) Disputed dues – Others	0	0	0	0	0

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 31.03.2021

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 *	11742	145	1671	506	14064
(ii) Others	22664	3170	5402	7970	39206
(iii) Disputed dues – MSME	0	0	0	0	0
iv) Disputed dues – Others	0	0	0	0	0

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'22	As at March'21
Financial assets at amortised cost		
Interest expenses on other financial assets	115	99
Interest income on other financial liabilities	208	205
Financial assets at Fair Value through Profit or Loss (FVTPL)	-	-
Financial assets at Fair Value through Other Comprehensive Income (FVTOCI)	-	-



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 Customers
- Private Customers

The company has rationalised the parameters for expected credit loss, which has resulted into reduction of Expected credit loss provision of Rs.3803 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.

Ageing	March 31, 2022			
	Gross Amount	Expected credit Loss	Gross Amount	Expected credit Loss
	Government and PSU		Private	
Within 1 year	47,495	712	6913	167
1 -2 years	9,023	1,069	1106	193
2 -3 years	2,208	506	235	94
More than 3 years	5,477	1,785	3261	2716
Unbilled More than 1 Year	983	204	34	34
Total	64,203	4,276	11549	3204
Total Expected Credit Loss	7480			

Ageing	March 31, 2021			
	Gross Amount	Expected credit Loss	Gross Amount	Expected credit Loss
	Government and PSU		Private	
Within 1 year	63,748	1,239	8,300	520
1 -2 years	5,114	676	556	288
2 -3 years	2,619	965	139	112
More than 3 years	6,105	5,565	3,158	3,158
Total	77,586	8,445	12,153	4,078
Total Expected Credit Loss	12523			

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' 2022 & March' 2021 was as follows: -

Particulars	As at March'22		As at March'21	
	Gross Carrying Value	Net Value after Impairment	Gross Carrying Value	Net Value after Impairment
Trade Receivables (Refer to Note No. 11)	75,718	68,476	89,739	77,216
Other Financial Assets (Refer to Note No. 6,7,14 & 15)	67,716	67,478	20,497	20,497

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.

28 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, 2022	For the Year Ended March 31, 2021
Geographical Segment		
Pan India	54,575	53,526
Abroad	-	Nil
Total	54,575	53,526

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Major Product Line		
Railway Project Works	9,271	17,814
Other Projects	41,418	31,480
Others	3,887	4,232
Total	54,575	53,526

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Type of Customer		
Government Customers	38,893	45,101
Non - Government Customers#	15,682	8,425
Total	54,575	53,526

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Type of Contract		
Fixed Price Contracts	46,993	26,042
Time- and- Materials Contracts	7,582	27,484
Total	54,575	53,526



Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Sales Channel		
Direct to Customer	54,575	53,526
Through Intermediaries	-	-
Total	54,575	53,526

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Duration of Contract		
Short Term	54,242	52,336
Long Term	333	1,190
Total	54,575	53,526

Contract Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivable*	42,680	47,941
Unbilled Revenue**	23,390	6,028
Work in Progress	-	0
Total	66,070	53,969

Particulars	As at March 31, 2022	As at March 31, 2021
Contract Liability	20,125	27,434
Total	20,125	21,673

Revenue recognized during the year from the contract liability balance at the beginning

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Revenue recognized during the year from the contract liability balance at the beginning	2,284	3,339
Total	2,284	3,339

Revenue Recognized from performance obligations satisfied partially in Previous year

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Revenue recognized due to change in Transaction Price	-	-
Total	-	-

* 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.

** Includes amount of ₹ 865 lakhs pertaining to a project executed for a customer for which payment shall be made by the customer after their User Acceptance Test (UAT). However, work has been executed as per agreement. However, UAT is in progress and could not be completed due to pandemic situation.

**Includes amount of ₹ 3150 lakhs of one of the customer for which company is holding equivalent amount as encashment of bank guarantee which is based on legal opinion obtained.

29 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

Right-of-use assets, except for investment property (Note No. 4)		
Particulars	As at 31st March 2022	As at 31st March 2021
Building	11,848	12,655
Land	2,303	1,762
Telecom Assets	2,352	2,609
Total	16,504	17,026

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 2022	As at 31st March 2021
Less than one year	982	920
One to five years	1387	1959
More than five years	3607	1180
Total undiscounted lease liabilities	5976	4059

Lease Liabilities included in the statement of Financial Position

Particulars	As at 31st March 2022	As at 31st March 2021
Current	802	801
Non – Current	2,349	2,217
Total	3,151	3,018



Amount Recognized in profit & Loss Account

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Interest on lease liabilities	267	249
Variable lease payments not included in the measurement of lease liabilities	Nil	Nil
Expenses relating to Short term leases and leases of low-value assets, excluding short-term leases of low-value assets	Nil	Nil

Amounts recognized in the statement of Cash flows -

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Total cash outflow for leases	909	945

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, 2022.
- 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

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Lease Income	98105	84135

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 31st March 2022
Less than one year	11346
One to two years	4654
Two to three years	1686
Three to four years	1043
Four to five years	238
More than five years	558
Total undiscounted lease payments	19,525

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 2021-22:

Name of Struck Off Company	Nature of Transaction with Struck Off Companies	Balance Outstanding	Relationship with the Struck Off Company, if any, to be disclosed
Jason Communications Private Limited	Investment in Securities	-	-
	Receivables	-	-
	Payables	5	N.A.
	Share held by Struck Off Company	-	-
	Other Outstanding Balances (to be specified)	-	-

32 COVID -19 Impact & Assessment

The Covid-19 pandemic has already resulted in economic slowdown throughout the world including India. The second wave has impacted India immensely. The operations of the Company have also been significantly impacted following a nationwide lockdown by the Government of 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 innormalization 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.



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33 Benami Property held : N.A.

34 Willful Defaulter : N.A.

35 Utilization of borrowed funds and share premium : N.A

36 Ratio Analysis

Sr. No.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Current Ratio= Current Assets/Current Liability	1.30	1.47
2	Debt-Equity Ratio = Debt/Equity	N/A	N/A
3	Debt Service Coverage Ratio = Net Operating Income/ Current Debt Obligation	N/A	N/A
4	Return on Equity Ratio =Net Income/Shareholder's Equity	13.69%	10.08%
5	Trade Receivables Turnover Ratio = Net Credit Sales/ Average Accounts Receivable	1.72	2.06
6	Trade Payables Turnover Ratio = Net Credit Purchase/ Average Accounts Payable	1.87	1.83
7	Net Capital Turnover Ratio = Net Annual Sales/Average Working Capital	3.71	3.72
8	Net Profit Ratio= Net Income/Revenue	12.83%	10.09%
9	Return on Capital Employed Ratio = EBIT/Capital Employed	18.38%	13.96%

The Board of Directors have approved the financial statements of FY 2021-22 in its meeting held on 24.05.2022.

As per our report of even date attached
For M/s PSMG & Associates
Chartered Accountants
FRN 008567C

For and on behalf of the Board of Directors of
RailTel Corporation of India Limited

Sd/-
CA Sandeep Jain
M.No.077281
Place New Delhi
Date: 24.05.2022

Sd/-
J S Marwah
Company Secretary
(M. No. :F8075)

Sd/-
A K Singh
Director Finance
(DIN : 07018776)

Sd/-
Aruna Singh
Chairman & Managing
Director
(DIN: 09602957)

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 2022

The preparation of financial statements of Railtel Corporation of India Limited for the year ended 31 March 2022 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 24 May 2022.

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 2022 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 Auditor and is limited primarily to inquiries of the Statutory Auditor and Company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6) (b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

A. Comments on Profitability

(i) Depreciation, Amortization and Impairment (Note 38) – ₹ 16,013 Lakh

Property, Plant and Equipment's (Note 02) – ₹ 60,142 Lakh

Capital Work in Progress (Note 03) – ₹ 16,394 Lakh

The Property, Plant and Equipment and Capital work in progress includes ₹ 17,495.52 lakh being value of OFC network in North East Project (NE Project), net of impairment loss.

The value of ₹ 17,495.52 lakh less cost to sell has been worked out considering replacement cost method in violation of Para 6 of IND AS 36 which states that the recoverable amount of an asset or a cash generating unit is the higher of its 'fair value less costs to sell' and its 'value in use'. Since, 'fair value less costs to sell' of these assets was not available, therefore, the value of the 'assets in use' (₹ 14,271.81 lakh) should have been considered.

Thus, the value of assets of NE Project have been overstated by ₹ 3,323.71 lakh. This has resulted in understatement of impairment loss of the NE project by ₹ 3,323.71 lakh and also overstatement of profit before tax by the same amount.

(ii) Other Income (Note 31) – ₹ 7,408 Lakh

The above amount includes ₹ 5,018 Lakh being the excess provision written back during the year 2021-22. However, the Company has not disclosed this item of provision written back as 'Exceptional Item' in the Statement of Profit & Loss in violation of Schedule III to the Companies Act, 2013 and Para 96 of Ind AS – 1, Presentation of Financial Statements.



This has resulted into overstatement of Other Income by ₹ 5,018 Lakh and understatement of exceptional item to the same extent.

B. Comments on Financial Position

(i) Other Non-Current Financial Assets (Note 07) – ₹ 35,656 Lakhs

Bank Term Deposit (Having Residual Maturity of more than 12 months) – ₹ 34,209 Lakh

Other Current Financial Assets (Note 15) – ₹ 30,922 Lakhs

The above amount of Bank Term Deposit (Having Residual Maturity of more than 12 months) includes ₹ 1,673 Lakh being the amount of term deposits with original maturity of 12 months but residual maturity of less than 12 months.

These term deposits should have been disclosed under 'Other Current Financial Assets'. However, the same have been disclosed under 'Other Non-Current Financial Assets' in violation of Schedule III (Division II) of the Companies Act, 2013.

This has resulted into understatement of 'Other Current Financial Assets' by ₹ 1,673 Lakh and overstatement of 'Other Non-Current Financial Assets' to the same extent.

C. Comments on Cash Flow Statement

(i) Cash Flow from Investing Activities – ₹ (22,681) Lakh

The Company has disclosed interest income received amounting to ₹ 1,998 lakh instead of ₹ 3,307 lakh under Cash Flow from Investing Activities.

This has resulted into the understatement of Cash Flow from Investing Activities by ₹ 1,309 lakh and overstatement of Cash Flow from Operating activities to the same extent.

D. Comments on Disclosure

(i) Notes forming part of Standalone Financial Statement

Note 42(36)

The Company has not disclosed the Inventory Turnover Ratio and no explanation was provided in respect of 04 Ratios (Return on Equity Ratio, Net profit ratio, Return on Capital employed and Return on investment) where deviation was more than 25 percent as required in terms of Government of India, Ministry of Corporate Affairs (MCA) notification dated 24 March 2021 and Schedule III to the Companies Act, 2013.

**For and on the behalf of the
Comptroller & Auditor General of India**

Sd/-

**Vikram D. Murugaraj
Principal Director of Audit
Railway Commercial, New Delhi**

**Place: New Delhi
Dated: 05.09.2022**

MANAGEMENT REPLIES TO THE COMMENTS OF C&AG ON THE STANDALONE FINANCIAL STATEMENTS OF THE COMPANY FOR FY 2021-22

Para Reference	Comments of C&AG (Standalone)	Reply of the Management
A(i)	<p>The Property, Plant and Equipment and Capital work in progress includes ₹ 17,495.52 lakh being value of OFC network in North East Project (NE Project), net of impairment loss.</p> <p>The value of ₹ 17,495.52 lakh less cost to sell has been worked out considering replacement cost method in violation of Para 6 of IND AS 36 which states that the recoverable amount of an asset or a cash generating unit is the higher of its 'fair value less costs to sell' and its 'value in use'. Since, 'fair value less costs to sell' of these assets was not available, therefore, the value of the 'assets in use' (₹ 14,271.81 lakh) should have been considered.</p> <p>Thus, the value of assets of NE Project have been overstated by ₹ 3,323.71 lakh. This has resulted in understatement of impairment loss of the NE project by ₹ 3,323.71 lakh and also overstatement of profit before tax by the same amount.</p>	<p>As per para 6 of Ind-AS 36 Definition of Fair Value (Revised as on 01/04/2020) is as below "Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. (See Ind AS 113, Fair Value Measurement."</p> <p>As per para 9 of Ind-AS 113 definition of Fair Value is as below "This Ind AS defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date"</p> <p>From both of above it is clear that definition of fair value is same in both the Ind-AS.</p> <p>From the above, it is evident that Ind-AS 113 can be used for measurement of fair value on cost approach/ income approach/market approach. It is not limited only to sale of assets case only (Market approach).</p> <p>Therefore, the Company has determined the value of the assets by considering various information including, LAR of the assets, Overheads incurred for laying OFC, Labour costs adjusted to inflation, obsolescence etc. to arrive at the amount which reflects an amount that an entity could obtain by disposal of the assets in an arm's length transaction.</p> <p>In the case of the NE-I and NE II assets of RailTel as on 31st March 2022, since the fair value ascertained through the cost approach is more than the value in use for the impaired assets, the recoverable amount has been taken as the replacement cost and not the value in use for determining the impairment loss.</p> <p>Thus, it is submitted that based on above and interpretation of the Indian accounting standards as mentioned above, the impairment loss methodology consistently adopted and impairment loss arrived at by RailTel is appropriate and presents a true, fair and unbiased view of the assets impaired in consonance with the relevant accounting standard.</p> <p>Accordingly, company has exercised cost method (replacement Cost) for working out fair Value.</p>



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Para Reference	Comments of C&AG (Standalone)	Reply of the Management
A(ii)	<p>(ii) Other Income (Note 31) – ₹ 7,408 Lakh</p> <p>The above amount includes ₹ 5,018 Lakh being the excess provision written back during the year 2021-22. However, the Company has not disclosed this item of provision written back as 'Exceptional Item' in the Statement of Profit & Loss in violation of Schedule III to the Companies Act, 2013 and Para 96 of Ind AS – 1, Presentation of Financial Statements.</p> <p>This has resulted into overstatement of Other Income by ₹ 5,018 Lakh and understatement of exceptional item to the same extent.</p>	<p>ECL provision earlier at the time of creation has never been considered as an exceptional item therefore its reversal is also not shown as exceptional item.</p> <p>Moreover, the said comment does not impact on the profitability of the Company.</p>
B(i)	<p>Bank Term Deposit (Having Residual Maturity of more than 12 months) includes ₹ 1,673 Lakh being the amount of term deposits with original maturity of 12 months but residual maturity of less than 12 months.</p> <p>These term deposits should have been disclosed under 'Other Current Financial Assets'. However, the same have been disclosed under 'Other Non-Current Financial Assets' in violation of Schedule III (Division II) of the Companies Act, 2013. This has resulted into understatement of 'Other Current Financial Assets' by ₹ 1,673 Lakh and overstatement of 'Other Non-Current Financial Assets' to the same extent.</p>	<p>C&AG comment has been noted. However, the said comment does not impact the overall view of financial statements.</p>
C (i)	<p>The Company has disclosed interest income received amounting to ₹ 1,998 lakh instead of ₹ 3,307 lakh under Cash Flow from Investing Activities.</p> <p>This has resulted into the understatement of Cash Flow from Investing Activities by ₹ 1,309 lakh and overstatement of Cash Flow from Operating activities to the same extent.</p>	<p>C&AG comment has been noted. However, the said comment does not impact the overall view of statement of cash flow.</p>
D(i)	<p>The Company has not disclosed the Inventory Turnover Ratio and no explanation was provided in respect of 04 Ratios (Return on Equity Ratio, Net profit ratio, Return on Capital employed and Return on investment) where deviation was more than 25 percent as required in terms of Government of India, Ministry of Corporate Affairs (MCA) notification dated 24 March 2021 and Schedule III to the Companies Act, 2013.</p>	<p>Inventory Turnover Ratio is not applicable since company holds inventory of only spares & consumables for O&M purpose.</p> <p>C&AG comments on other 4 ratios have been noted for disclosure in future.</p>

For and on behalf of Railtel Corporation of India Ltd.

Sd/-

Aruna Singh

Chairman & Managing Director

Place: Delhi
Date : 05.09.2022

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 2022

The preparation of consolidated financial statements of Railtel Corporation of India Limited for the year ended 31 March 2022 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 24 May 2022.

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 2022 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.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6) (b) read with Section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report:

A. Comments on Profitability

(i) Depreciation, Amortization and Impairment (Note 38) – ₹ 16,018 Lakh

Property, Plant and Equipment's (Note 02) – ₹ 60,149 Lakh

Capital Work in Progress (Note 03) – ₹ 16,326 Lakh

The Property, Plant and Equipment and Capital work in progress includes ₹ 17,495.52 lakh being value of OFC network in North East Project (NE Project), net of impairment loss.

The value of ₹ 17,495.52 lakh less cost to sell has been worked out considering replacement cost method in violation of Para 6 of IND AS 36 which states that the recoverable amount of an asset or a cash generating unit is the higher of its 'fair value less costs to sell' and its 'value in use'. Since, 'fair value less costs to sell' of these assets was not available, therefore, the value of the 'assets in use' (₹ 14,271.81 lakh) should have been considered.

Thus, the value of assets of NE Project have been overstated by ₹ 3,323.71 lakh. This has resulted in understatement of impairment loss of the NE project by ₹ 3,323.71 lakh and also overstatement of profit before tax by the same amount.



(ii) Other Income (Note 31) – ₹ 7,702 Lakh

The above amount includes ₹ 5,018 Lakh being the excess provision written back during the year 2021-22. However, the Company has not disclosed this item of provision written back as 'Exceptional Item' in the Statement of Profit & Loss in violation of Schedule III to the Companies Act, 2013 and Para 96 of Ind AS – 1, Presentation of Financial Statements.

This has resulted into overstatement of Other Income by ₹ 5,018 Lakh and understatement of exceptional item to the same extent.

B. Comments on Financial Position

(i) Other Bank Balances (Note 13) – ₹ 15,277 Lakh

In term deposit – ₹ 14,925 Lakhs

The above amount includes ₹ 1,179 lakhs being the term deposit having original maturity more than 12 months. As the original maturity of these term deposit was more than 12 months and remaining maturity is less than 12 months, therefore, these term deposits should have been shown under 'other current financial assets'.

However, the company has disclosed the same under 'Other Bank Balance' in violation of Ind AS 07 – Statement of Cash Flow.

This has resulted into understatement of 'Other Current Financial Assets' by ₹ 1179 lakh and overstatement of 'Other Bank Balances' by the same amount.

(ii) Other Non-Current Financial Assets (Note 07) – ₹ 35,656 Lakh

Bank Term Deposit (Having Residual Maturity of more than 12 months) – ₹ 34,209 Lakh

Other Current Financial Assets (Note 15) – ₹ 31,785 Lakh

The above amount of Bank Term Deposit (Having Residual Maturity of more than 12 months) includes ₹ 1,673 Lakh being the amount of term deposits with original maturity of 12 months but residual maturity of less than 12 months.

These term deposits should have been disclosed under 'Other Current Financial Assets'. However, the same have been disclosed under 'Other Non-Current Financial Assets' in violation of Schedule III (Division II) of the Companies Act, 2013.

This has resulted into understatement of 'Other Current Financial Assets' by ₹ 1,673 Lakh and overstatement of 'Other Non-Current Financial Assets' to the same extent.

C. Comments on Cash Flow Statement

(ii) Cash Flow from Investing Activities – ₹ (22,281) Lakh

The Company has disclosed interest income received amounting to ₹ 2,337 lakh instead of ₹ 3,700 lakh under Cash Flow from Investing Activities.

This has resulted into the understatement of Cash Flow from Investing Activities by ₹ 1,363 lakh and overstatement of Cash Flow from Operating activities to the same extent.

D. Comments on Disclosure

(i) Notes forming part of Consolidated Financial Statement

The Company has not disclosed the following information as required under Schedule III to the Companies Act, 2013:

- (i) amount of net assets and net assets as a percentage of consolidated net assets.
- (ii) amount of share in profit or loss and the percentage share in profit or loss as a percentage of consolidated profit or loss;
- (iii) amount in other comprehensive income (OCI) and the percentage of OCI as a percentage of Consolidated OCI.

(ii) Notes forming part of Consolidated Financial Statement

Note 42(36)

The Company has not disclosed the Inventory Turnover Ratio and Return on Investment in the above note and no explanation was provided in respect of 03 Ratios (Return on Equity Ratio, Net profit ratio and return on Capital employed) where deviation was more than 25 percent as required in terms of Government of India, Ministry of Corporate Affairs (MCA) notification dated 24 March 2021 and Schedule III to the Companies Act, 2013.

**For and on the behalf of the
Comptroller & Auditor General of India**

Sd/-

**Vikram D. Murugaraj
Principal Director of Audit
Railway Commercial, New Delhi**

**Place: New Delhi
Dated: 05.09.2022**

**MANAGEMENT REPLIES TO THE COMMENTS OF C&AG ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR FY 2021-22**

Para Reference	Comments of C&AG (Consolidated)	Reply of the Management
A(i)	<p>The Property, Plant and Equipment and Capital work in progress includes ₹ 17,495.52 lakh being value of OFC network in North East Project (NE Project), net of impairment loss.</p> <p>The value of ₹ 17,495.52 lakh less cost to sell has been worked out considering replacement cost method in violation of Para 6 of IND AS 36 which states that the recoverable amount of an asset or a cash generating unit is the higher of its 'fair value less costs to sell' and its 'value in use'. Since, 'fair value less costs to sell' of these assets was not available, therefore, the value of the 'assets in use' (₹ 14,271.81 lakh) should have been considered.</p> <p>Thus, the value of assets of NE Project have been overstated by ₹ 3,323.71 lakh. This has resulted in understatement of impairment loss of the NE project by ₹ 3,323.71 lakh and also overstatement of profit before tax by the same amount.</p>	<p>As per para 6 of Ind-As 36 Definition of Fair Value (Revised as on 01/04/2020) is as below "Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. (See Ind AS 113, Fair Value Measurement."</p> <p>As per para 9 of Ind-AS 113 definition of Fair Value is as below "This Ind AS defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date"</p> <p>From both of above it is clear that definition of fair value is same in both the Ind-As.</p> <p>From the above, it is evident that Ind-As 113 can be used for measurement of fair value on cost approach/income approach/market approach. It is not limited only to sale of assets case only (Market approach).</p> <p>Therefore, the Company has determined the value of the assets by considering various information including, LAR of the assets, Overheads incurred for laying OFC, Labour costs adjusted to inflation, obsolescence etc. to arrive at the amount which reflects an amount that an entity could obtain by disposal of the assets in an arm's length transaction.</p> <p>In the case of the NE-I and NE II assets of RailTel as on 31st March 2022, since the fair value ascertained through the cost approach is more than the value in use for the impaired assets , the recoverable amount has been taken as the replacement cost and not the value in use for determining the impairment loss.</p> <p>Thus, it is submitted that based on above and interpretation of the Indian accounting standards as mentioned above, the impairment loss methodology consistently adopted and impairment loss arrived at by RailTel is appropriate and presents a true, fair and unbiased view of the assets impaired in consonance with the relevant accounting standard.</p> <p>Accordingly, company has exercised cost method (replacement Cost) for working out fair Value.</p>

Para Reference	Comments of C&AG (Consolidated)	Reply of the Management
A(ii)	<p>(ii) Other Income (Note 31) – ₹ 7,702 Lakh The above amount includes ₹ 5,018 Lakh being the excess provision written back during the year 2021-22. However, the Company has not disclosed this item of provision written back as 'Exceptional Item' in the Statement of Profit & Loss in violation of Schedule III to the Companies Act, 2013 and Para 96 of Ind AS – 1, Presentation of Financial Statements.</p> <p>This has resulted into overstatement of Other Income by ₹ 5,018 Lakh and understatement of exceptional item to the same extent.</p>	<p>ECL provision earlier at the time of creation has never been considered as an exceptional item therefore its reversal is also not shown as exceptional item. Moreover, the said comment does not impact the profitability of the Company.</p>
B(i)	<p>₹ 1,179 lakhs being the term deposit having original maturity more than 12 months. As the original maturity of these term deposit was more than 12 months and remaining maturity is less than 12 months, therefore, these term deposits should have been shown under 'other current financial assets'.</p> <p>However, the company has disclosed the same under 'Other Bank Balance' in violation of Ind AS 07 – Statement of Cash Flow. This has resulted into understatement of 'Other Current Financial Assets' by ₹ 1179 lakh and overstatement of 'Other Bank Balances' by the same amount.</p>	<p>We hereby submit that the remaining maturity at the close of the year is less than 12 months for all the FDR's shown as "other bank balances".</p> <p>Para 8.1.16 of Guidance note clearly states as under :</p> <p>Quote Bank balances other than cash and cash equivalents as above, shall be disclosed below cash and cash equivalents on the face of the Balance Sheet.</p> <p>Unquote Further, guidance note issued by the ICAI, clarifies the segregation of only for non-current nature of Bank deposits towards original maturity . Hence, guidance note does not talk for segregation of current nature of Bank deposits.</p> <p>Hence, disclosure in the Balance sheet is as per Guidance Note on Division II - Ind AS Schedule III to the Companies Act 2013.</p> <p>Moreover, the said comment does not impact overall view of Financial statements.</p>
B(ii)	<p>Bank Term Deposit (Having Residual Maturity of more than 12 months) includes ₹ 1,673 Lakh being the amount of term deposits with original maturity of 12 months but residual maturity of less than 12 months.</p> <p>These term deposits should have been disclosed under 'Other Current Financial Assets'. However, the same have been disclosed under 'Other Non-Current Financial Assets' in violation of Schedule III (Division II) of the Companies Act, 2013.</p> <p>This has resulted into understatement of 'Other Current Financial Assets' by ₹ 1,673 Lakh and overstatement of 'Other Non-Current Financial Assets' to the same extent.</p>	<p>C&AG comment has been noted. However, the said comment does not impact the overall view of financial statements.</p>



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Para Reference	Comments of C&AG (Consolidated)	Reply of the Management
C (ii)	The Company has disclosed interest income received amounting to ₹ 2,337 lakh instead of ₹ 3,700 lakh under Cash Flow from Investing Activities. This has resulted into the understatement of Cash Flow from Investing Activities by ₹ 1,363 lakh and overstatement of Cash Flow from Operating activities to the same extent.	C&AG comment has been noted. However, the said comment does not impact the overall view of statement of cash flow.
D(i)	The Company has not disclosed the following information as required under Schedule III to the Companies Act, 2013: (i) amount of net assets and net assets as a percentage of consolidated net assets. (ii) amount of share in profit or loss and the percentage share in profit or loss as a percentage of consolidated profit or loss; (iii) amount in other comprehensive income (OCI) and the percentage of OCI as a percentage of Consolidated OCI."	C&AG comment has been noted.
D(ii)	The Company has not disclosed the Inventory Turnover Ratio and Return on Investment in the above note and no explanation was provided in respect of 03 Ratios (Return on Equity Ratio, Net profit ratio and return on Capital employed) where deviation was more than 25 percent as required in terms of Government of India, Ministry of Corporate Affairs (MCA) notification dated 24 March 2021 and Schedule III to the Companies Act, 2013.	Inventory Turnover Ratio is not applicable since Company holds inventory of only spares & consumables for O&M purpose. C&AG comments on ROI and other 3 ratios has been noted for disclosure in future.

For and on behalf of Railtel Corporation of India Ltd.

Sd/-

Aruna Singh

Chairman & Managing Director

Place: Delhi

Date : 05.09.2022





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RailTel Signed MoU with C-DOT



RailTel Signed MoU with National Forensic Sciences University, Gandhinagar, Gujarat



Woman's Day Celebration



Observance of Yoga Day

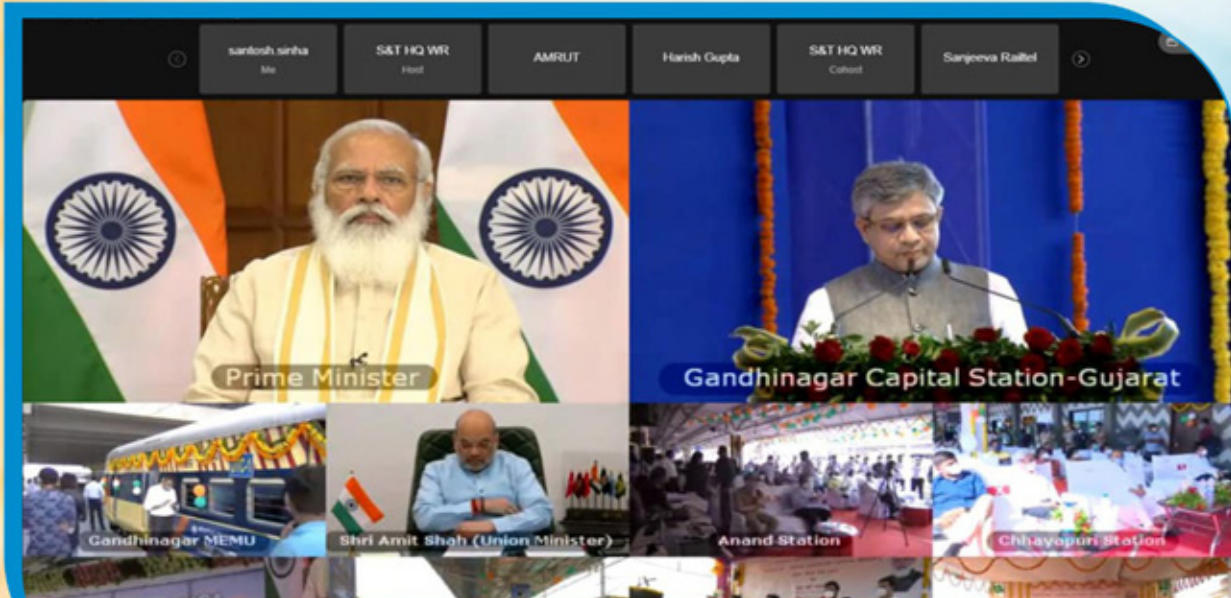


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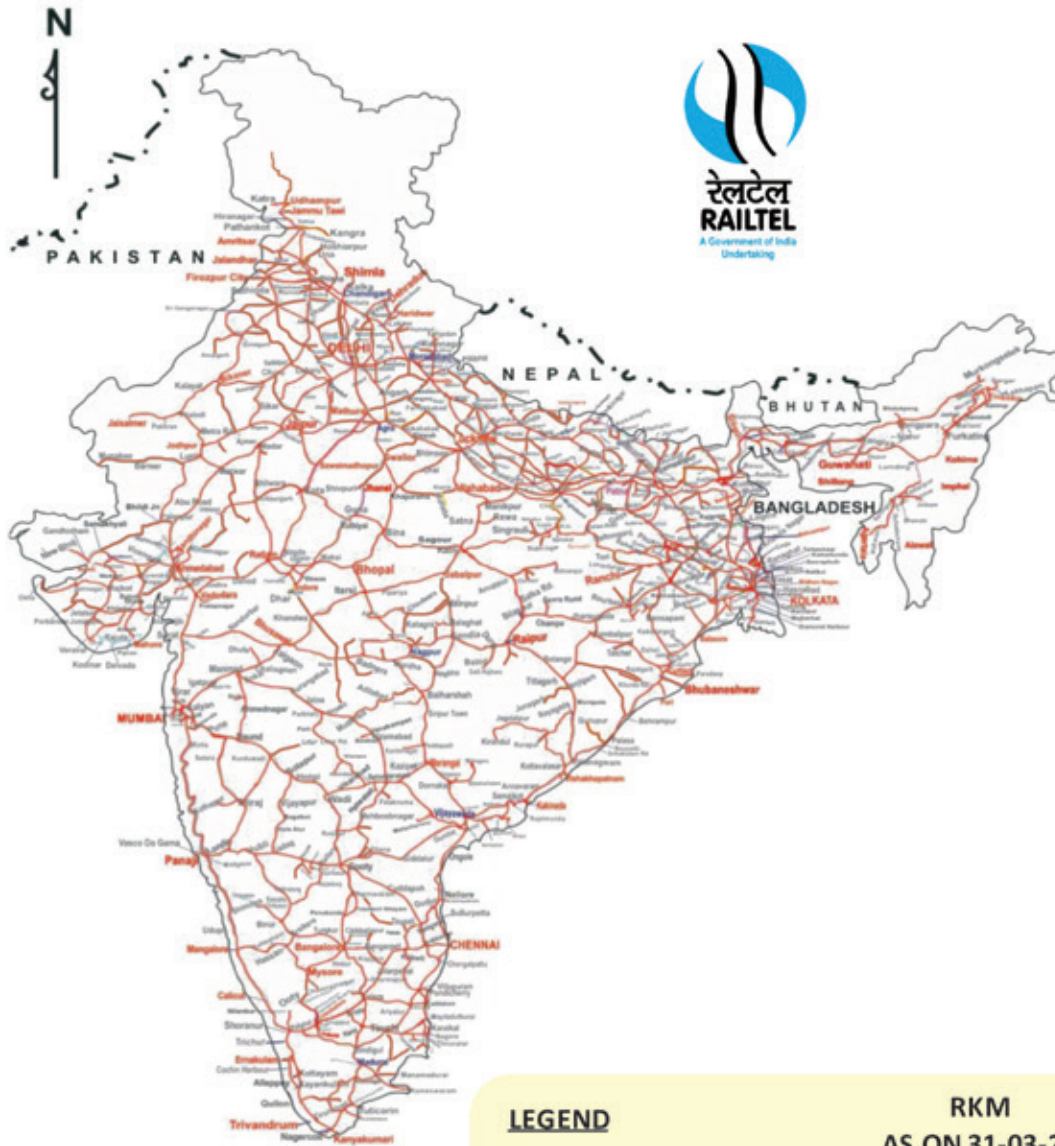
Observance of Environment Day



RailTel connected 7 locations over its HD Video Conferencing platform to facilitate the inauguration programme of redeveloped Gandhinagar capital station by Hon'ble Prime Minister Shri Narendra Modi Ji

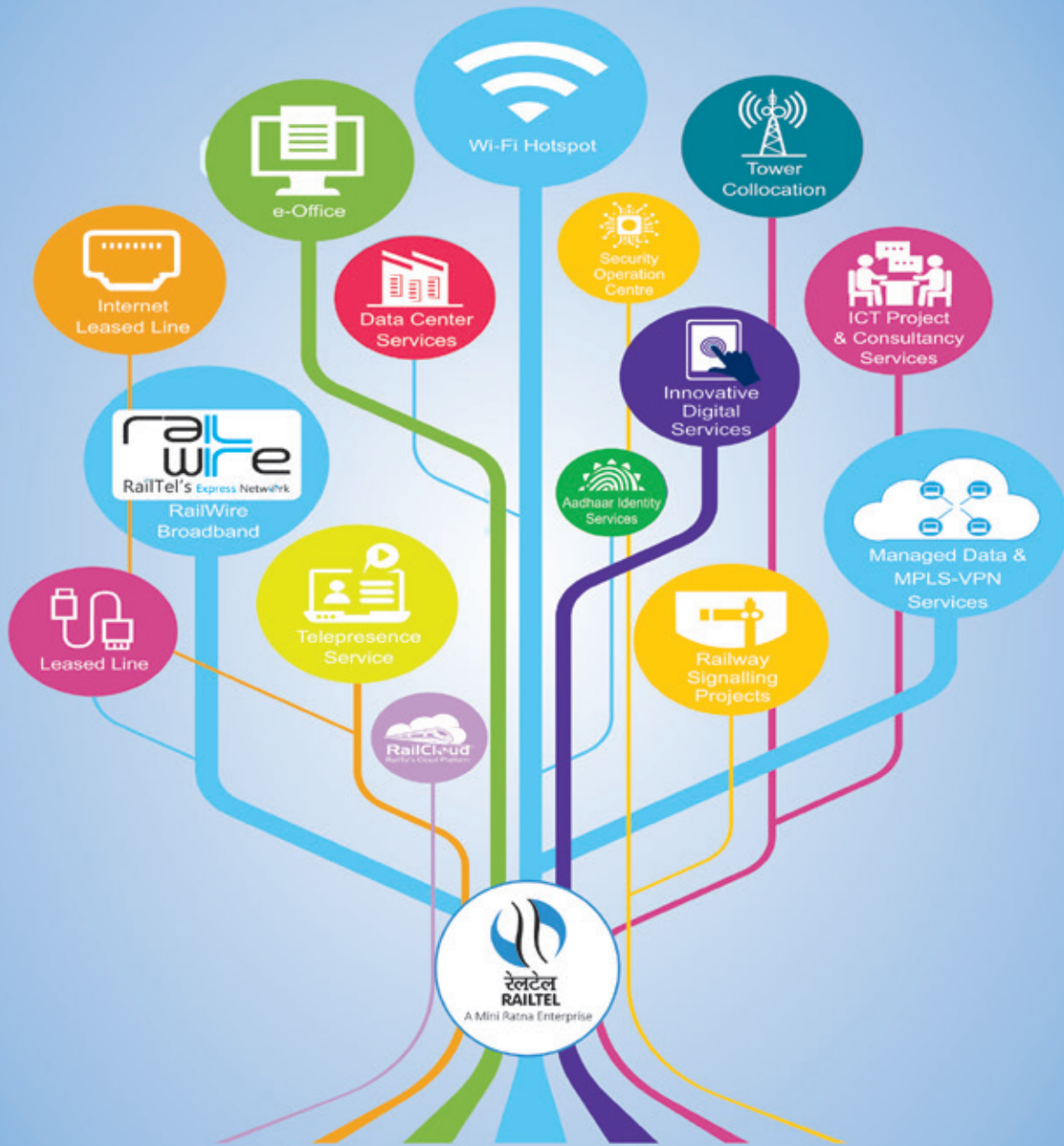


OPTIC FIBRE CABLE NETWORK



MAP NOT TO SCALE

LEGEND		RKM	
		AS ON 31-03-22	
1. OPTIC FIBER CABLE COMMISSIONED		60560	
2. OPTIC FIBER CABLE LAID		60986	
3. OPTIC FIBER WORK IN PROGRESS		426	
GRAND TOTAL		60986	



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रेलटेल कॉर्पोरेशन ऑफ इण्डिया लिमिटेड
(भारत सरकार का उपक्रम)

RailTel Corporation of India Limited
(A Government of India Undertaking)

CIN: L64202DL2000GOI107905

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