

RailTel/Sectt/21/SE/S-16

Date: April 24, 2023

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

Sub: Notice of the Meeting convened by Ministry of Corporate Affairs (MCA) of the Equity Shareholders and Unsecured Creditors of RailTel Corporation of India Limited in the matter of Scheme of Amalgamation of RailTel Enterprises Limited and RailTel Corporation of India Limited.

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform that in terms of Order dated March 20, 2023 passed by the Ministry of Corporate Affairs (MCA), Government of India ("Order"), Meetings of Equity Shareholders and Unsecured Creditors ("Meetings") of RailTel Corporation of India Limited have been scheduled for **Friday, 26th May, 2023** for the purpose of considering, and if thought fit, approving, the Scheme of Amalgamation ("Scheme") of M/s. RailTel Enterprises Limited ("Transferor Company"), with RailTel Corporation of India Limited ("Transferee Company") and their respective shareholders and creditors under the provisions of Sections 230 to 232 of the Companies Act, 2013.

2. The schedule of the meetings, ordered by the MCA is as under:-

Sr. No.	Class of Meeting	Day, Date and Time of Meeting	Mode
1	Equity Shareholders	Friday, 26 th May, 2023 at 11:30 Hrs (IST)	Through Video Conferencing/Other Audio Visual Means
2	Unsecured Creditors	Friday, 26 th May, 2023 at 12:30 Hrs (IST)	Physical

3. Please find enclosed herewith a copy each of the Notices dated 21/04/2023 convening the Meetings along with the Explanatory Statement and other Annexures for your information and records ('Notice'). These Notices along with the Annexures are also available on the website of the Company at www.railtelindia.com.

4. Please take note of above document(s) on record.

धन्यवाद,

रेलटेल कॉर्पोरेशन ऑफ इंडिया लिमिटेड के लिए

जे. एस. मारवाह

कंपनी सचिव और अनुपालन अधिकारी

सदस्यता संख्या - एफ सी एस 8075

संलग्न: ऊपरोक्त अनुसार

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

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

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

CIN : L64202DL2000GOI107905

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

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

Website : www.railtelindia.com



**Before the Government of India
Ministry of Corporate Affairs
Application No. 24/1/2023-CL-III
In the matter of Sections 230 to 232 and other applicable provisions of
the Companies Act, 2013 read with the
Companies (Companies, Arrangements and Amalgamation) Rules, 2016
And
In the matter of Scheme of Amalgamation
Amongst
RailTel Enterprises Limited
And
RailTel Corporation of India Limited
And
Their respective shareholders and creditors**

Sub: Notice of the meeting of equity shareholders of M/s. RailTel Corporation of India Limited convened as per the directions of the Ministry of Corporate Affairs ("MCA").

Ref: In the matter of Scheme of Amalgamation ("Scheme") between M/s. RailTel Enterprises Limited ("Transferor Company") and M/s. RailTel Corporation of India Limited ("Transferee Company") and their respective shareholders and creditors.

This is to inform that a meeting of the equity shareholders of the Transferee Company will be held on Friday, 26th May, 2023 at 11:30 Hrs (IST), through Video Conferencing / Other Audio Visual Means ("VC/OAVM") to consider and if thought fit, to approve the Scheme under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("CA, 2013") as directed *vide* order dated March 20, 2023 issued by Ld. MCA passed in Application No. 24/1/2023-CL-III ("Order").

Copy of the Notice convening aforesaid meeting along with the Explanatory Statement and other Annexures are enclosed.

Pursuant to the Order, the notice of the meeting is being sent to the equity shareholders of the Transferee Company through electronic mode to the equity shareholders whose e-mail IDs are registered with the Depositories/Transferee Company, and (ii) through courier/ speed post (physically) to the equity shareholders whose e-mail IDs are not available with the Transferee Company.

The voting period for remote e-voting shall commence on Monday, 22nd May, 2023 at 09:00 Hrs (IST) and ends on Thursday, 25th May, 2023 at 17:00 Hrs (IST).

The detailed instructions such as manner of (i) casting vote through e-voting (including remote e-voting) and (ii) attending the meeting through VC / OAVM have been set out in the Notice of the meeting. The Transferee Company has engaged the services of National Securities Depository Limited ("NSDL") for facilitating voting through electronic means, as well to enable the eligible equity shareholders to attend and participate in the meeting through VC/ OAVM.

The notice is also being made available on the website of the Transferee Company www.railtelindia.com and on the website of NSDL at www.evoting.nsdl.com along with website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

We request you to take the above information on record.

Thanking You
Sd/-
Sandeep Jain
Executive Director/Planning (Civil & PSU), Railway Board
Chairperson appointed for the meeting

Date:- 21/04/2023
Place:- Delhi

**रेलटेल कॉर्पोरेशन ऑफ इंडिया लिमिटेड (भारत सरकार का उपक्रम)
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MEETING OF THE EQUITY SHAREHOLDERS OF RAILTEL CORPORATION OF INDIA LIMITED

(convened pursuant to Order dated March 20, 2023 issued by the Ministry of Corporate Affairs)

Day	Friday
Date	26 th May, 2023
Time	11:30 Hrs (IST)
Venue	As per the directions of Ministry of Corporate Affairs, the meeting will be conducted through Video Conferencing / Other Audio-Visual Means.

REMOTE E-VOTING AND E-VOTING AT THE MEETING

Remote e-voting date and time	Remote E-voting start time:- Monday, 22 nd May, 2023 at 09:00 Hrs (IST). Remote E-voting end time:- Thursday, 25 th May, 2023 at 17:00 Hrs (IST)
E-voting at the meeting	As instructed by the Chairperson of the meeting, during the proceeding of the meeting.

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FORM NO. CAA. 2

[Pursuant to Section 230(3) of the Companies Act, 2013 and Rule 6 and 7 of Companies

(Compromises, Arrangements and Amalgamations) Rules, 2016]

Before the Government of India
Ministry of Corporate Affairs
Application No. 24/1/2023-III

In the matter of Sections 230 to 232 and other applicable provisions of
the Companies Act, 2013 read with the
Companies (Companies, Arrangements and Amalgamation) Rules, 2016

And
In the matter of Scheme of Amalgamation
Amongst

RailTel Enterprises Limited

And

RailTel Corporation of India Limited

And

Their respective shareholders and creditors

RailTel Enterprises Limited

A Company incorporated under the provisions of Companies Act, 2013.

Through its Authorized Representative: Shri Yudhveer, Company Secretary.

Registered Office: 6th Floor, 3rd Block Delhi Technology Park, Shastri Park, Delhi-110053.

CIN: U74900DL2014GOI270322

PAN: AAGCR9912H

..... Transferor Company

RailTel Corporation of India Limited

A Company incorporated under the provisions of Companies Act, 1956.

Through its Authorized Representative: Shri J.S. Marwah, Company Secretary.

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

CIN: L64202DL2000GOI107905

PAN: AABCR7176C

..... Transferee Company

NOTICE OF THE MEETING OF THE EQUITY SHAREHOLDERS OF RAILTEL CORPORATION OF INDIA LIMITED

To,
Equity Shareholders of
RailTel Corporation of India Limited

NOTICE is hereby given that by an Order dated March 20, 2023 ("Order"), the Ministry of Corporate Affairs ("MCA") has directed to convene a meeting of the equity shareholders of RailTel Corporation of India Limited ("Transferee Company") to be held, for the purpose of considering, and if thought fit, approving, the Scheme of Amalgamation ("Scheme") of M/s. RailTel Enterprises Limited ("Transferor Company"), with and into RailTel Corporation of India Limited ("Transferee Company") and their respective shareholders and creditors under the provisions of Sections 230 to 232 of the Companies Act, 2013 and the other applicable provisions thereof and applicable rules thereunder.

In pursuance of the Order and as directed therein, further notice is hereby given that a meeting of equity shareholders of the Transferee Company ("Meeting"), will be held on Friday, 26th May, 2023 at 11:30 Hrs (IST) through video conferencing / other audio-visual means ("VC/OAVM"), in compliance with the applicable provisions of the Companies Act, 2013 ("Act")

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and General circulars issued by MCA and SEBI. The equity shareholders of the Transferee Company are requested to attend the Meeting.

At the Meeting, the following resolution(s) will be considered and if thought fit, be passed, by requisite majority, under Sections 230 to 232 and other applicable provisions of the Act:

“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications issued thereunder, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the circulars and notifications issued thereunder, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and subject to the provisions of the Memorandum and Articles of Association of the M/s. RailTel Corporation of India Limited (“Transferee Company”) and subject to the approval of Ministry of Corporate Affairs (“MCA”) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the Parties to the Scheme, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the MCA or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Transferee Company (hereinafter referred to as the “Board”, which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the Scheme of Amalgamation of M/s. RailTel Enterprises Limited with M/s. RailTel Corporation of India Limited (“Scheme”) and their respective shareholders and creditors, which was circulated along with this Notice, be and is hereby approved.

RESOLVED FURTHER THAT the Board of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by MCA while sanctioning the Scheme or by any authorities under law, including but not limited to passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper, and to settle any question, difficulty or doubt that may arise in respect of Scheme, without being required to seek any further consent or approval of the equity shareholders of the Transferee Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

TAKE FURTHER NOTICE that in compliance with the provisions of Section 230 read with Section 108 of the Act; Rule 6 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014, MCA Circulars and the Circulars issued by SEBI, the Transferee Company has provided the facility to vote through remote electronic voting (“remote e-voting”) and e-voting during the Meeting (‘Insta Poll’) by way of facility offered by NSDL so as to enable the equity shareholders, to consider and approve the Scheme by passing aforesaid resolution.

TAKE FURTHER NOTICE that in terms of the said Order of the MCA, in addition to facility of voting through e-voting system during the Meeting i.e., InstaPoll, the persons entitled to attend and vote at the Meeting shall have the facility and option to cast vote(s) on the resolution, for approval of the Scheme through remote e-voting facility during the period commencing from Monday, 22nd May, 2023 from 09:00Hrs (IST) to Thursday, 25th May, 2023 at 17:00 Hrs (IST) (“remote e-voting period”). The instructions for remote e-voting and Insta Poll are appended to this Notice. In case of remote e-voting, the votes should be cast in the manner described in the instructions during the e-voting period. Remote e-voting module will be disabled by NSDL thereafter.

A copy of the Scheme, the Explanatory Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other annexures as indicated in the Index are enclosed herewith. A copy of this notice and the accompanying documents will be placed on the Transferee Company’s website viz www.railtelindia.com and will also be available on the website of NSDL at www.evoting.nsdl.com, and 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. The copy of the Scheme and other enclosed annexures can be obtained free of charge on all working days, from the registered office of the Transferee Company between 11:00 A.M. to 05:00 P.M. or by sending email to the Transferee Company at cs@railtelindia.com, up to the date of the Meeting.

रेलटेल कॉर्पोरेशन ऑफ इंडिया लिमिटेड (भारत सरकार का उपक्रम)
RailTel Corporation of India Ltd. (A Government of India Undertaking)
CIN : L64202DL2000GOI107905

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TAKE FURTHER NOTICE that as per the directions of the MCA to appoint Chairperson of the meeting not below the rank of Joint Secretary from the administrative ministry of the Transferee Company i.e. Railway Board, Ministry of Railways, the Ministry of Railways has appointed Shri Sandeep Jain, Executive Director/Planning (Civil & PSU)/Railway Board as the Chairperson of the Meeting, including for any adjournment(s) thereof in terms of Railway Board letter no. 2023/PL/57/01 dated 17/04/2023. Further, as per the directions of MCA, the Company has appointed Shri Naresh Kumar Sinha of M/s. Kumar Naresh Sinha & Associates, Company Secretaries to be the Scrutinizer for the Meeting, including for any adjournment(s) thereof.

TAKE FURTHER NOTICE that as per the directions of the MCA, the notice to the relevant statutory authorities in accordance with section 230(5) of the Act read with Rule 8(2) of the Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 shall be served in due course.

The results of the Meeting shall be announced by the Chairperson within two working days of the conclusion of the Meeting upon receipt of Scrutinizer's report and the same shall be displayed on the website of the Transferee Company viz. www.railtelindia.com and on the website of NSDL viz. www.evoting.nsdl.com besides being communicated to BSE Limited and the National Stock Exchange of India Limited.

The Scheme, if approved by the equity shareholders, will be subject to the subsequent approval of the MCA and such other approvals, permissions, and sanctions of regulatory or other authorities, as may be necessary.

In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be considered approved by the equity shareholders only if the Scheme is approved by majority in number representing three-fourths in value of the equity shareholders of Transferee Company, who voted during the Meeting or by way of remote e-voting.

Date:-21/04/2023

Place: Delhi

For M/s. RailTel Corporation of India Limited

Sd/-

Sandeep Jain

Executive Director/Planning (Civil & PSU), Railway Board

Chairperson appointed for the meeting

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Notes:

1. Pursuant to the directions of the Ministry of Corporate Affairs ("MCA") given vide its Orders dated March 20, 2023 ("Order"), the meeting of the equity shareholders of the Transferee Company ("Meeting") is being convened on (Friday) 26th May, 2023 at 11:30 Hrs (IST) through Video Conferencing/ Other Audio Video Means ("VC/OAVM") to transact the business set out in the Notice convening this Meeting, which does not require physical presence of equity shareholders at a common venue. In view of the same, Registered & Corporate Office of the Transferee Company shall be the deemed venue for this Meeting.
2. Since the Meeting will be held through VC/OAVM, route map of the venue is not required and hence, not annexed to this notice.
3. Institutional/Corporate holders of equity (i.e. other than individuals/HUF, NRI, etc.) are entitled to appoint authorized representative(s) to attend the Meeting through VC/ OAVM and to cast their vote through remote e-voting/ e-voting at the Meeting. In this regard, they are required to send certified copy of the latest board resolution/ authorization letter/ power of attorney etc. authorizing their representative(s) to attend the meeting and vote on their behalf, through e-voting at the Meeting. The said resolution/ letter/ power of attorney etc. shall be sent by them from their official e-mail ID to the Scrutinizer at kumarnareshsinha@gmail.com and a copy thereof marked to cs@railtelindia.com not later than 48 (forty-eight) hours before the time for holding the Meeting.
4. Since the Meeting will be held through VC/OAVM, which does not require physical attendance of the equity shareholders, the facility to appoint proxy by equity shareholders will not be available for this Meeting and therefore, Proxy Form and Attendance Slip are not annexed to this Notice.
5. The explanatory statement pursuant to Sections 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("CA 2013") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto.
6. Equity shareholders attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum. As per the directions of MCA, in case the quorum is not present at the Meeting, the Chairperson is empowered to defer/adjourn such Meeting and shall hold it on such other subsequent date, after giving notice to such equity shareholders.
7. The Notice of the Meeting, explanatory statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the Scheme and the other annexures as indicated in the Index are being sent to all the equity shareholders as on 14th April, 2023 whose name appears as members/beneficial in the records of the Transferee Company/ Depositories (i) through electronic mode to the equity shareholders whose e-mail IDs are registered with the Transferee Company/Depositories; and (ii) through Registered post/Speed Post, physically, to the equity shareholders whose email IDs are not available with the Transferee Company.
8. The equity shareholders may note that the notice and accompanying documents are also available on the website of the Transferee Company at www.railtelindia.com, on the website of NSDL at www.evoting.nsdl.com, and will also be filed to the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited.
9. All the documents referred to in this Notice shall also be open for inspection by the equity shareholders through electronic mode during the proceedings of the Meeting. The equity shareholders desirous to inspect these documents may send request from their official email ID to the Transferee Company at cs@railtelindia.com
10. The Notice convening the Meeting in Form CAA 2 will be published through advertisement in one English language; and in one Hindi language newspapers.
11. All equity shareholders related communication may be addressed to the Transferee Company at cs@railtelindia.com.

E-VOTING AND PARTICIPATION IN THE MEETING

a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014, the Transferee Company is providing the facility to its equity shareholders to exercise their right to vote on the resolutions set out in Notice by electronic means. The Transferee Company has engaged

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the services of 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 meeting will be provided by NSDL.

b) The equity shareholders may cast their votes remotely, using electronic voting system ("remote e-voting") during the remote e-voting period as mentioned in para (c) hereinbelow. The facility of e-voting will also be available at the Meeting ("InstaPoll"), and equity shareholders who have not cast their vote(s) by remote e-voting, will be able to cast their vote at the meeting through InstaPoll.

c) The remote e-voting facility will be available during following period:

Commencement of e-voting	(Monday) 22 nd May, 2023 at 09:00 Hrs (IST)
End of remote e-voting	(Thursday) 25 th May, 2023 at 17:00 Hrs (IST)

Remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by NSDL upon expiry of aforesaid period.

d) equity shareholders pursuant to MCA order whose name appears in the records of the Transferee Company as on **Friday, 19th May, 2023 i.e., cut-off date**, shall be entitled to cast their vote by remote e-voting on the resolution set forth in this Notice or participating at the Meeting and vote through Insta Poll. Any person who is not an equity shareholders should treat this Notice for information purpose only.

e) Once the vote on the resolution has been cast by an equity shareholder, whether partially or otherwise, the equity shareholders shall not be allowed to change it subsequently or cast the vote again.

f) Pursuant to the directions of the MCA, the Company has appointed Shri Naresh Kumar Sinha of M/s. Kumar Naresh Sinha & Associates, Company Secretaries as Scrutinizer to scrutinize the remote e-voting process and Insta Poll in a fair and transparent manner.

g) After conclusion of e-voting at the Meeting, Scrutinizer will scrutinize the votes cast via Insta Poll and remote e-voting and submit his consolidated Scrutinizer's Report to the Chairperson of the Meeting.

h) The result of e-voting (remote e-voting and Insta Poll) will be declared within two (2) working days of conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on Transferee Company's website viz. www.railtelindia.com The result of voting will be simultaneously communicated to the stock exchanges viz. BSE Limited and the National Stock Exchange of India Limited.

i) The resolutions as set out in the Notice shall be deemed to be passed on the date of Meeting, subject to receipt of requisite number of votes in favour of the resolution.

j) Members who would like to express their views or ask questions during the Meeting may register themselves as a speaker shareholders 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 May 17, 2023 to May 21, 2023. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Meeting.

k) equity shareholders are requested to send their queries, if any, via email to the Transferee Company at cs@railtelindia.com, at least 7 days before the Meeting, so that the information can be compiled in advance.

l) equity shareholders are requested to carefully read the instructions for members for remote e-voting and joining the meeting are as under:-

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





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Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;">  App Store  Google Play </div> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.

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RailTel Corporation of India Ltd. (A Government of India Undertaking)

CIN : L64202DL2000GOI107905

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	<p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

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

- 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.
- 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, 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.
- 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*****.

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c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
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5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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.
- How to retrieve your 'initial password'?
 - 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'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

7. Now, you will have to click on "Login" button.

8. 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?

- 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.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- 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.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 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. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
- 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.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to (Ms. Sarita Mote) at evoting@nsdl.co.in

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

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1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to (cs@railtelindia.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (cs@railtelindia.com). 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.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE MEETING ARE AS UNDER:-

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

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

1. Member will be provided with a facility to attend the Meeting 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" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join 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.

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Before the Government of India
Ministry of Corporate Affairs
Application No. 24/1/2023-CL-III
In the matter of Sections 230 to 232 and other applicable provisions of
the Companies Act, 2013 read with the
Companies (Companies, Arrangements and Amalgamation) Rules, 2016
And
In the matter of Scheme of Amalgamation
Amongst
RailTel Enterprises Limited
And
RailTel Corporation of India Limited
And
Their respective shareholders and creditors

RailTel Enterprises Limited

A Company incorporated under the provisions of Companies Act, 2013.

Through its Authorized Representative: Shri Yudhveer, Company Secretary.

Registered Office: 6th Floor, 3rd Block Delhi Technology Park, Shastri Park, Delhi-110053.

CIN: U74900DL2014GOI270322

PAN: AAGCR9912H

..... Transferor Company

RailTel Corporation of India Limited

A Company incorporated under the provisions of Companies Act, 1956.

Through its Authorized Representative: Shri J.S. Marwah, Company Secretary.

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

CIN: L64202DL2000GOI 107905

PAN: AABCR7176C

..... Transferee Company

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232 (1) AND (2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 ("EXPLANATORY STATEMENT")

A. MEETING FOR EQUITY SHAREHOLDERS OF THE TRANSFEREE COMPANY

This is an Explanatory Statement accompanying the Notice convening the meeting of the equity shareholders of the RailTel Corporation of India Limited for the purpose of their consideration and if thought fit, approving, the proposed Scheme of Amalgamation ("Scheme") of RailTel Enterprises Limited ("Transferor Company") with the RailTel Corporation of India Limited ("Transferee Company") and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013 ("Act"), and other applicable provisions of the Act, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("CAA Rules"), whereby and whereunder it is proposed to amalgamate the Transferor Company with the Transferee Company, in the manner and on the terms and conditions stated in the said Scheme. A copy of the Scheme is enclosed as Annexure A.

Capital terms not defined herein and used in the Notice and this Explanatory Statement shall have the meaning as ascribed to them in the Scheme.

B. DATE, TIME, AND VENUE OF MEETING

Pursuant to an Order dated March 20, 2023, passed by the Ld. Ministry of Corporate Affairs ("MCA") in Application No. 24/1/2023-CL-III, this meeting of the equity shareholders of the Company ("Meeting") is being held through Video

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Conferencing/ Other Audio Visual Means ("VC/OAVM") on Friday, 26th May, 2023 at 11:30 Hrs (IST) for the purpose of considering and if thought fit, approving, the said Scheme.

PARTICULARS OF THE COMPANIES WHO ARE PARTIES TO THE SCHEME

C. PARTICULARS OF THE TRANSFEROR COMPANY

- Corporate Identification Number:** U74900DL2014GOI270322
- PAN:** AAGCR9912H
- Name:** RailTel Enterprises Limited
- Date of incorporation:** August 12, 2014
- Type of company:** Public unlisted Government Company
- Registered Office:** 6th Floor, IIIrd Block Delhi Technology Park, Shastri Park New Delhi East Delhi 110053
- Email-ID:** yudhveer@railtelindia.com
- Details of capital structure:** The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on December 31, 2022 is as follows:-

Authorised share capital:	Amt. (In Rs.)
5,00,00,000 equity shares of Rs. 10/- each	50,00,00,000
Issued, Subscribed and Fully Paid-up Share Capital:	
1,00,00,000 equity shares of Rs. 10/- each	10,00,00,000

Subsequent to December 31, 2022 and till the date of filing of joint application there is no change in the share capital of the Transferor Company.

- Name of the stock exchange where securities of Transferor Company are listed:** The securities of Transferor Company are not listed on any stock exchange in India.
- Nature of business of the Transferor Company:** The Transferor Company is wholly owned subsidiary of the Transferee Company. The Transferor Company is promoted by the Transferee Company to continue engaged in the telecom, non-telecom and allied business of the Transferee Company. The main object of the Transferor Company is set out in clause III(a) of Memorandum of Association which is as under:

- "1. To undertake Information and Communication Technologies (ICT) infrastructure projects covering hardware and software applications and other associated sub-systems in India and abroad including planning, designing, development, construction, improvement, commissioning, operation, maintenance and financing of projects and various services relating thereto including marketing, collecting revenues and of advisory nature.*
- 2. To carry on any ICT infrastructure construction work in India or abroad on Build-Operate-Transfer (BOT), Build Own operate-Transfer (BOOT), Build-Lease-Transfer(BLT) etc. or otherwise or any other scheme or project found suitable in and related to the field of infrastructure projects and other ancillary fields that may be assigned to or secured by the Company on its own or through its holding company or subsidiary(ies) including financing of those projects and their services including commissioning, operation, maintenance, etc. as well as marketing, collecting revenues, etc.*
- 3. To undertake design and development of Railway Signalling projects /systems and also for other works relating to railway electrification, power distribution systems, transmission lines etc. concerned with the running of Railway in India and abroad.*
- 4. To carry out consultation services for various customers in the field of IT, Telecom, signalling, critical infrastructure in India and abroad.*
- 5. To undertake Data Center, Network/Security Operation center related infrastructure projects in India and abroad including planning, designing, development, construction, improvement, commissioning, operation, maintenance and financing of projects and various services relating thereto marketing, collecting revenues etc."*

- Name of the promoters of the Transferor Company:**
The promoter of Transferor Company is Transferee Company i.e. RailTel Corporation of India Limited.

- As on March 31, 2023, the list of directors of the Transferor Company is as under:**

Name of the Director	Designation	DIN
Shri Sanjai Kumar	Chairman-cum-Director	06923630
Shri Suresh Kumar	Director & CEO	09131274
Shri Harish Chandra Batra	Director (Finance) & CFO	08137865

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13. **Details of change of name of the Transferor Company in the last five years:** The Transferor Company has not changed its name in last five years.
14. **Details of change of registered office of Transferor Company in the last five years:** The Transferor Company has not changed its registered office in last five years.
15. **Details of change of Objects of the Transferor Company in the last five years:** The Transferor Company has not changed its objects in last five years.
16. **Date of Board Meeting at which the Scheme was approved:** September 28, 2022.
17. **The directors who gave their assent/ dissent:** The Scheme was unanimously approved by all the directors of the Transferor Company.
18. **Amount due to Secured Creditors of the Transferor Company as on September 30, 2022:** The Transferor Company has no Secured Creditor as on September 30, 2022.
19. **Amount due to Unsecured Creditors of the Transferor Company as on September 30, 2022:** The Transferor Company has 15 Unsecured Creditors having outstanding debt of Rs. 25.45 Crore as on September 30, 2022
20. **Disclosure about the effect of Scheme on the material interests of Directors/ KMP etc.:** Kindly refer to the Report adopted by the Board of Directors of Transferor Company in their meeting held on 20th April, 2023 as annexed herewith and marked as.

S. No.	Particulars	Effect
1.	Promoter	Since, the Transferor Company is a wholly-owned subsidiary of the Transferee Company, therefore, there will be no issue and allotment of shares as consideration by the Transferee Company to the shareholders of the Transferor Company.
2.	Non-promoter shareholders	Not Applicable, since there is no non-promoter shareholder in the Transferor Company.
3.	Directors	Upon the Scheme becoming effective, Transferor Company shall stand dissolved and accordingly, the directors of the Transferor Company shall cease to be employed in the Transferor Company.
4.	KMP (Key Managerial Personnel)	Upon the Scheme becoming effective, Transferor Company shall stand dissolved and accordingly, KMP of the Transferor Company shall cease to be employed in the Transferor Company.
5.	Secured Creditors	There are no secured creditors of the Transferor Company.
6.	Unsecured Creditors	No rights of the unsecured creditors of the Transferor Company are being affected pursuant to the Scheme. The unsecured creditors of the Transferor Company shall become unsecured creditors of the Transferee Company. Hence, the right of the unsecured creditors are neither being reduced nor being varied or extinguished.
7.	Depositors	No effect, as there is no depositor in the Transferor Company.
8.	Employee	No effect, as pursuant to the Scheme becoming effective, the present employees of the Transferor Company shall continue to act as employees of the Transferee Company, upon effectiveness of the Scheme.
9.	Debenture holders	No effect, as there is no debenture holder in the Transferor Company.

21. **Net worth of the Transferor Company as on December 31, 2022:** Rs. 2191.06 Lakhs

D. PARTICULARS OF THE TRANSFEE COMPANY

22. **Corporate Identification Number:** L64202DL2000GOI107905
23. **PAN:** AABCR7176C
24. **Name:** RailTel Corporation of India Limited
25. **Date of incorporation:** September 26, 2000
26. **Type of company:** Public listed Government Company
27. **Registered Office:** Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar New Delhi South Delhi 110023
28. **Email-ID:** cs@railtelindia.com
29. **Details of capital structure:** The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on December 31, 2022 is as follows;

Authorised share capital:	Amt. (In Rs.)
100 crore equity shares of Rs. 10/- each	10,00,00,00,000
Issued, Subscribed and Fully Paid-up Share Capital:	
32,09,38,407 crore equity shares of Rs. 10/- each	3,20,93,84,070

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Subsequent to December 31, 2022 and till the date of filing of joint application there is no change in the share capital of the Transferee Company.

30. **Name of the stock exchange where securities of Transferee Company are listed:** The securities of Transferee Company are listed on National Stock Exchange of India Ltd and BSE Limited.
31. **Nature of business of the Transferee Company:** The Transferee Company undertakes a wide variety of projects including provision of mission critical connectivity services like IP based video surveillance system at stations, 'e-Office' services and implementing short haul connectivity between stations and long haul connectivity to support various organizations within the Indian Railways. The main objects of the Transferee Company are set out under clause III(a) of Memorandum of Association are as under:
- "1. To plan, build, develop, operate and maintain in India broadband telecom network by laying optical fibre cable (OFC) and providing associated equipment alongside Railway Track and on the railway property utilizing Right of Way (ROW) on lease from the Ministry of Railways.
 2. To take over and maintain Railways owned OFC and microwave assets and liabilities thereon, including contractual rights and obligations, on such terms and conditions as may be prescribed by the Ministry of Railways from time to time.
 3. To plan, design, establish, develop, provide, operate and maintain any or all types of telecommunication network systems and services including information technology enabled and value added services such as :
 - National long distance and international telecommunication and multimedia services;
 - Internet services, electronic mail services, e-commerce services, cyber services, multimedia and content transmission;
 - Telephony, Facsimile, Telex, Wireless, Wire and Data communications, Telematic and other like forms of communications;
 - Cellular mobile telephone services, mobile internet on Wireless Applications Protocol, satellite telephone, VSTATs services;
 - Video phones and video conferencing, integrated service data network, satellite networks;
 - International gateways;
 - Broadcasting of audio, video and data signals;
 - Local Area Network, Wide Area Network, Globally managed data networks; on end to end basis in all parts of the country and elsewhere;
 4. To plan, design, develop, establish, provide, operate, maintain and modernize communications for Railway train control, operational, safety and accident/disaster management systems and networks.
 5. To lease and maintain the additional/ spare capacity of the infrastructure to Government, other multiple agencies, Government and non-government organizations, residents or foreigners or non-resident Indians duly giving priority to Railway requirements.
 6. To create a nationwide broadband telecom and multimedia network to supplement national telecom infrastructure to spur growth of telecom, Internet and IT enabled value-added services in all parts of country specially rural, remote and backward areas.
 7. To enter into any collaboration with strategic partner(s) to implement and achieve its goals and objectives.
 8. To generate necessary revenues through commercial exploitation for its developmental needs of telecom services/facilities.
 9. To collect and settle revenue, rental, lease charges and other charges payable to the Company by persons, companies, agencies and administrations for the services provided and to utilize the same for furtherance of activities of the Company.
 10. To develop, manufacture, design, operate, alter, convert, process, import, export, buy, sell, lease, transfer, install, service, maintain, exchange of all telecommunication related computer hardware and software or software of all kinds including machine oriented and problem oriented software, programmes application systems, data collection and other facilities relating to computer operations and data processing equipments of all kinds, data entry devices, data collecting systems, accounting and invoicing machines and intelligent terminals etc.
 11. To plan, build, develop, operate, and maintain broadband telecom network by laying optical fibre cable and providing associated equipment alongside any or all of the other utilities, like roadways, pipelines, waterways, plain land etc.
 12. To undertake design and development of railway signaling projects / systems, telecom works in new factories/workshops and also other works relating to railway electrification, power distribution systems, transmission lines, incidental civil engineering works etc. concerned with running of railway in India and abroad.

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RailTel Corporation of India Ltd. (A Government of India Undertaking)
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However, for undertaking any electrification work which are within purview of CORE, Allahabad, RailTel would seek prior approval of the Board (CRB).

13. To undertake design and development of information technology, infrastructure projects covering hardware and software applications and other associated sub systems in the industry.

14. To carry on the business/ activity/ scheme like Build Operate- Transfer (BOT), Build-Own-Operate-Transfer (BOOT), Build-Lease, Transfer (BLT) or any other scheme or project found suitable in relation to the fields of business of the Company under the Public Private Partnership (PPP) programme."

32. **Details of promoters of the Transferee Company:** As on current date, there is only one promoter in the Transferee Company i.e. the President of India acting through Ministry of Railways.

33. **As on March 31, 2023, the list of directors of the Transferee Company is as under:**

Name of the Director	Designation	DIN
Shri Sanjai Kumar	Chairman & Managing Director	06923630
Shri Rakesh Ranjan	Director/NPM	09575567
Shri Vippagunta Rama Manohara Rao	Director/Finance & CFO	06689335
Shri Manoj Tandon	Director/POM	10044053
Shri Rameshwer Meena	Part-time Govt. Nominee Director	10077767
Shri Subhash Sharma	Non-Executive- Independent Director	05333124
Shri Manoharan Nallasamy	Non-Executive- Independent Director	06430322

34. **Details of change of name of the Transferee Company in the last five years:** The Transferee Company has not changed its name in last five years.

35. **Details of change of registered office of Transferee Company in the last five years:** The Transferee Company has changed its registered office from 6th Floor, IIIrd Block, Delhi Technology Park, Shastri Park, New Delhi- 110053 to Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar New Delhi-110023 w.e.f. September 26, 2019.

36. **Details of change of Objects of the Transferee Company in the last five years:** The Transferee Company has not changed its objects in last five years.

37. **Date of Board Meeting at which the Scheme was approved:** September 29, 2022.

38. **The directors who gave their assent/ dissent:** The Scheme was unanimously approved by all the directors of the Transferee Company.

39. **Amount due to Secured Creditors of the Transferee Company as on September 30, 2022:** The Transferee Company has no Secured Creditor as on September 30, 2022.

40. **Amount due to Unsecured Creditors of the Transferee Company as on September 30, 2022:** The Transferee Company has 361 Unsecured Creditors having outstanding debt of Rs. 260.93 Crore as on September 30, 2022

41. **Disclosure about the effect of Scheme on the material interests of Directors/ KMP etc.:** Kindly refer to the Report adopted by the Merger Committee of the Board of the Transferee Company in their meeting held on 20th April, 2023 as annexed herewith and marked as **Annexure-E**.

S. No.	Particulars	Effect
1.	Promoter	No effect as Promoter Shareholders shall continue to act as shareholders in the Transferee Company
2.	Non-promoter shareholders	The non-promoter shareholders shall continue to act as shareholders in the Transferee Company
3.	Directors	No effect as the directors shall continue to act as directors of the Transferee Company.
4.	KMP (Key Managerial Personnel)	No effect as the KMPs shall continue to act as KMPs of the Transferee Company.
5.	Secured Creditors	There are no secured creditors of the Transferee Company.
6.	Unsecured Creditors	No rights of the unsecured creditors of the Transferee Company are being affected pursuant to the Scheme.
7.	Depositors	No effect, as there is no depositor in the Transferee Company.
8.	Employee	No effect, as the present employees shall continue to act as employees of the Transferee Company.
9.	Debenture holders	No effect, as there is no debenture holder in the Transferee Company.

42. **Net worth of the Transferee Company as on December 31, 2022:-** Rs.160669 Lakhs.

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43. RELATIONSHIP SUBSISTING BETWEEN COMPANIES WHO ARE PARTIES TO THE SCHEME

The Transferor Company is a wholly owned subsidiary of the Transferee Company.

44. SALIENT FEATURES OF THE SCHEME

(1) Appointed Date

The Scheme shall be operative from the “Appointed Date”, i.e. 01st October, 2022 or such other date as the MCA or such other competent authority may approve.

(2) Rationale

The Transferor Company, promoted by the Transferee Company, is engaged in the business of undertaking Information and Communication Technologies infrastructure projects covering hardware and software applications and other associated sub-systems including planning, designing, commissioning, operationalizing, maintaining, and financing projects in India and abroad.

Further, the Transferor Company also explores its capabilities and experience gained by the Transferee Company from execution of number of small to large national level projects like National Knowledge Network, National Optical Fibre Network, NE-I & NE-II projects under USOF, and various projects for many other Government and private agencies. The Transferee Company, as provided above, has a strategic relationship with the Indian Railways wherein it provides wide variety of projects including provision of mission critical connectivity services like IP based video surveillance system at stations, 'e-Office' services and implementing short haul connectivity between stations and long-haul connectivity to support various organizations within the Indian Railways. The Transferee Company has been expanding its portfolio of services in the areas of Data Centre, Cloud, Telepresence, Retail Broadband (Railwire), etc., i.e., a business similar to the existing business of the Transferor Company. The businesses of both the Transferee Company and Transferor Company align with each other.

In order to optimize and leverage the resources of both the Transferor and Transferee Company, the management is of the view that it will upscale the business of the merged entity which will be in the interest of all the stakeholders. Further, the proposed amalgamation is in consonance with the recent development and notification dated 13th December, 2021 bearing no. DPE/3(1)/2021-DD, issued by Department of Public Enterprises, Ministry of Finance, wherein the department has contemplated to maintain bare minimum presence of Central Public Sector Enterprises in the strategic sectors.

The said amalgamation shall also result in following benefits:

- Amalgamation of the Transferor Company, with the Transferee Company would lead to avail synergy benefits, eliminate multiple administrative functions and reduce administrative & compliance costs, thereby increasing the shareholders' value.
- The proposed amalgamation would result in optimizing and leveraging existing resources of these Companies for the most beneficial utilization of these factors in the combined entity. It would be advantageous to combine the activities and operations of all these Companies in a single entity and building strong capability to effectively meet future challenges in competitive business environment.
- Greater efficiency in cash management of the Transferee Company and better access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities. The proposed amalgamation would enhance the shareholders value of the Companies.
- Upon amalgamation, the combined entity will have a larger capital base which will ultimately help the company to boost its ability to raise finances.

Further, there is no adverse effect of the Scheme on the directors, key management personnel, promoters, non-promoter members, creditors and employees of the Companies and the same would be in the best interest of all stakeholders.

The above are only the salient features of the Scheme. For more details, please refer to the Scheme as annexed herewith and marked as “Annexure-A”

45. Pre and Post Scheme capital structure:

Pre-Scheme capital structure of the Transferor Companies and Transferee Company are detailed in clause 6.1 of the Scheme. Pursuant to the terms of the clause 6.1 of the Scheme, the authorized share capital of the Transferor Company shall stand cancelled and the Transferor Company shall be dissolved upon the Scheme becoming effective. Pursuant to

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the Scheme becoming effective, the authorized share capital of the Transferor Companies as on the Effective Date shall stand transferred to and be added with the authorized share capital of the Transferee Company. Further, there will be no issue of shares by the Transferee Company to the shareholders of the Transferor Companies upon the Scheme becoming effective, therefore, there will be no change in post amalgamation paid-up share capital of the Transferee Company.

46. The proposed Scheme is not intended to bring any beneficial effect or any material interest in any manner to any person(s) who is/are for the time being directors, key managerial personnel of the Transferee Company involved in the Scheme except to the extent of their shareholding, if any, in the Transferee Company.

47. The Scheme will be in the best interests of Transferor Companies and Transferee Company, their respective shareholders and creditors. The said Scheme will not adversely affect the rights of any of the shareholders and creditors of the Transferor Companies and Transferee Company in any manner whatsoever.

48. DETAILS OF APPROVALS / SANCTIONS/ NO-OBJECTIONS, IF ANY, RECEIVED OR PENDING FOR THE SCHEME

A. Board Approval

The Board of Directors of the Transferor Company and Transferee Company approved the Scheme of amalgamation at its meeting held on September 28, 2022, and September 29, 2022, respectively.

B. Regulatory Approval

Exemption from seeking approval from SEBI- Pursuant to SEBI Master Circular dated 23.11.2021 read with SEBI Circular dated March 10, 2017; the requirement for seeking approval from SEBI is not required to schemes which solely provides for merger of a wholly owned subsidiary with the parent company. However, such draft schemes shall be filed with the Stock Exchanges for the purpose of disclosures and the Stock Exchanges shall disseminate the scheme documents on their websites.

C. Approval from Ministry of Railways-

Approved the proposal for taking in-principle approval from the Alternate Mechanism vide letter no. 2022/PL/48/4 dated 04/08/2022.

D. Approval from Department of Investment and Public Asset Management ("DIPAM")

No objection to the merger of Transferor Company with the Transferee Company has been approved by DIPAM vide its File No. 12/16/2022-DIPAM-V dated 22/09/2022.

E. Shareholders And Creditors Approvals

On the Scheme being approved by the requisite majority of the shareholders and creditors of the respective companies involved in the Scheme as per the requirement of Section 230 of the Act, Transferor Company and Transferee Company will file petition with the MCA, for sanction of the Scheme.

49. AUDITORS CERTIFICATE OF CONFORMITY OF ACCOUNTING TREATMENT IN THE SCHEME WITH ACCOUNTING STANDARDS

The statutory auditor of the Transferor Company and Transferee Company has confirmed that the accounting treatment in the proposed Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.

The respective statutory auditor of the Transferor Company and Transferor Company has confirmed that in accordance with Indian Accounting Standards specified under Section 133 of the Companies Act 2013, no accounting treatment has been specified for the amalgamating company since pursuant to the Scheme, the amalgamating company will be amalgamated into the amalgamated company as a going concern without winding up.

50. PROCEEDINGS AGAINST THE TRANSFEROR COMPANY AND TRANSFEE COMPANY

- No investigation proceedings have been instituted or are pending against any of the Transferor Company and/or the Transferee Company under the provisions of the Companies Act, 2013.
- No winding up proceedings have been filed or are pending against any of the Transferor Company and Transferee Company before concerned Registrar of Companies pursuant to Section 232(2)(b) of the Act.

51. FILING WITH STATUTORY AUTHORITIES

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This notice shall be sent to all the equity shareholders of the Transferee Company along with service to Regional Director, Registrar of Companies, Official Liquidator, and Income Tax Authorities in the manner as may be specified by such respective authorities.

52. INSPECTION OF DOCUMENTS

In addition to the documents annexed hereto, following documents will be open for inspection by the equity shareholders at the registered office of the Transferee Company on all working days (between 11:00 A.M. to 05:00 P.M.) except Saturdays, Sundays, and Public Holidays upto the date of the Meeting:

- Copy of the Order dated March 20, 2023 passed by the Ministry of Corporate Affairs in Application No. 24/1/2023-III directing the convening and holding of meeting of its equity shareholders, and unsecured creditors;
- Copy of the resolutions passed by the Board of Directors of the Transferor Company.
- Copy of the resolutions passed by the Board of Directors/Merger Committee of the Transferee Company.
- Audited Financial Statements of the Transferor Company for the financial year ended on March 31, 2022;
- Audited Financial Statements of the Transferee Company for the financial year ended on March 31, 2022;
- Unaudited Financial results of the Transferor Company for the period year ended on December 31, 2022;
- Unaudited Financial results of the Transferee Company for the period year ended on December 31, 2022 along with limited review report;
- Memorandum and Articles of Association of the Transferor Company and Transferee Company.

A copy of the Scheme, Explanatory Statement, may be downloaded from the website of the Company at www.railtelindia.com

After the Scheme is approved by the requisite majority of equity shareholders (including public shareholders), secured creditors and unsecured creditors of the Company, it will be subject to the approval/sanction by the Hon'ble MCA.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Company recommend the Scheme for approval of the equity shareholders. The Directors and Key Managerial Personnel of the Company and their relatives do not have any concern or interest, financially or otherwise, in the Scheme except as shareholders, if so, in general.

Date: 21/04/2023

Place: New Delhi

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**SCHEME OF AMALGAMATION
BETWEEN
RAILTEL ENTERPRISES LIMITED
(TRANSFEROR COMPANY)
AND
RAILTEL CORPORATION OF INDIA LIMITED
(TRANSFeree COMPANY)
AND
THEIR RESPECTIVE MEMBERS AND CREDITORS
UNDER SECTIONS 230 to 232 OF THE COMPANIES ACT, 2013**

PREAMBLE

This Scheme of Amalgamation (*hereinafter referred to as "Scheme" and more particularly defined hereinafter*) is presented under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (*hereinafter referred to as "Act" and more particularly defined hereinafter*) read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 including any amendments, modifications, alterations, etc., thereto from time to time, if any, for the amalgamation of Railtel Enterprises Limited ("**Transferor Company**") with and into Railtel Corporation of India Limited ("**Transferee Company**") with effect from the Appointed Date (*more particular defined hereinafter*) and dissolution of the Transferor Company without winding up.

(For the sake of brevity, the Transferor Company and Transferee Company are hereinafter collectively referred as "**Companies**".)

1. BACKGROUND AND DESCRIPTION OF COMPANIES

- 1.1 'RailTel Corporation of India Limited (hereinafter referred to as "**Transferee Company**" or "**RailTel**") is a listed government company (public sector undertaking) having status of Mini Ratna (Category-I). The Transferee Company was incorporated under the provisions of Companies Act, 1956, on 26th September, 2000 bearing CIN L64202DL2000GOI107905 having its registered office at Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi-110023. The Transferee Company has a strategic relationship with the Indian Railways whereby it undertakes a wide variety of projects including provision of mission critical connectivity services like IP based video



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surveillance system at stations, 'e-Office' services and implementing short haul connectivity between stations and long haul connectivity to support various organizations within the Indian Railways.

The Transferee Company is being administered by the Ministry of Railways and its equity shares are listed on National Stock Exchange of India Ltd. and BSE Limited.

- 1.2 Railtel Enterprises Limited (hereinafter referred to as the “**Transferor Company**”/ “**REL**”), is a wholly owned subsidiary of the Transferee Company. The Transferor Company was incorporated on 12th August, 2014, bearing CIN U74900DL2014GOI270322, having its registered office situated at 6th Floor, 3rd Block Delhi Technology Park, Shastri Park, New Delhi-110053. The Transferor Company was promoted by the Transferee Company to continue the telecom, non- telecom and allied business of the Transferee Company.

2. PURPOSE & RATIONALE OF THE SCHEME

- 2.1 The Transferor Company, promoted by the Transferee Company, is engaged in the business of undertaking Information and Communication Technologies (ICT) infrastructure projects covering hardware and software applications and other associated sub-systems including planning, designing, commissioning, operationalizing, maintaining, and financing projects in India and abroad. Further, the Transferor company also explores its capabilities and experience gained by RailTel from execution of number of small to large national level projects like National Knowledge Network (NKN), National Optical Fibre Network (NOFN), NE-I & NE-II projects under USOF, and various projects for many other Govt and private agencies. The Transferee Company, as provided above, has a strategic relationship with the Indian Railways wherein it provides wide variety of projects including provision of mission critical connectivity services like IP based video surveillance system at stations, 'e-Office' services and implementing short haul connectivity between stations and long haul connectivity to support various organizations within the Indian Railways. The Transferee Company has been expanding its portfolio of services in the areas of Data Centre, Cloud, Telepresence, Retail Broadband (Railwire), etc., i.e. a business similar to the existing business of the Transferor Company. The businesses of both the Transferee Company and Transferor Company align with each other.
- 2.2 Now, in order to optimize and leverage the resources of both the Transferor and Transferee Company, the management is of the view that it will upscale the business of the merged entity which will be in the interest of all the stakeholders. Further, the proposed amalgamation is in consonance with the recent development and notification



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dated 13th December, 2021 bearing no. DPE/3(1)/2021-DD, issued by Department of Public Enterprises, Ministry of Finance, wherein the department has contemplated to maintain bare minimum presence of Central Public Sector Enterprises in the strategic sectors.

2.3 The said amalgamation shall also result in following benefits:

- (i) Amalgamation of the Transferor Company, with the Transferee Company would lead to avail synergy benefits, eliminate multiple administrative functions and reduce administrative & compliance costs, thereby increasing the shareholders' value.
- (ii) The proposed amalgamation would result in optimizing and leveraging existing resources of these Companies for the most beneficial utilization of these factors in the combined entity. It would be advantageous to combine the activities and operations of all these Companies in a single entity and building strong capability to effectively meet future challenges in competitive business environment.
- (iii) Greater efficiency in cash management of the Transferee Company and better access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities. The proposed amalgamation would enhance the shareholders' value of the Companies.
- (iv) Upon amalgamation, the combined entity will have a larger capital base which will ultimately help the company to boost its ability to raise finances.

Further, there is no adverse effect of this Scheme on the directors, key management personnel, promoters, non-promoter members, creditors and employees of the Companies and the same would be in the best interest of all stakeholders.

In view of the aforesaid, the Board of Directors of the Companies have considered and proposed the Amalgamation (*as defined hereinafter*) of the Transferor Companies with and into the Transferee Company in order to benefit the stakeholders of all the Companies. Accordingly, the Board of Directors of the Companies have formulated this Scheme pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act (*as defined hereinafter*).



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3. PARTS OF THE SCHEME

The Scheme is divided into the following parts:

Part A deals with definitions used in the Scheme, interpretation and sets out the share capital of the Transferor Company and Transferee Company

Part B, *inter-alia*, deals with transfer and vesting of assets, liabilities, profits or losses, legal proceedings, employees constituting business of Transferor Company with and into the Transferee Company

Part C deals with the consideration for the amalgamation and accounting treatment;

Part D deals with the miscellaneous provisions applicable to this Scheme.



PART-A

DEFINITIONS AND SHARE CAPITAL

4. DEFINITIONS

In this Scheme, unless inconsistent/ repugnant with the subject, context or meaning thereof, the following expressions shall have the meaning as set out herein below:

- 4.1 “Accounting Standards”** means the Indian Accounting Standards as notified under Section 133 of the Act read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 issued by the Ministry of Corporate Affairs and the other accounting principles generally accepted in India and as may be amended from time to time;
- 4.2 “Act” or “the Act”** means the Companies Act, 2013, the rules and regulations made there under as applicable, and shall include any and all statutory amendment, modification(s) or re-enactment(s) thereof from time to time;
- 4.3 “Amalgamation”** means amalgamation of the Transferor Company with and into the Transferee Company on a going concern basis in terms of the Scheme (*as defined hereinafter*) in its present form or with any modification(s) as approved by the Ministry of Corporate Affairs (*as defined hereinafter*) or any other competent authority;
- 4.4 “Appointed Date”** for the purpose of this Scheme means 01st October, 2022 or such other date as the Ministry of Corporate Affairs (*as defined hereinafter*) or such other competent authority may approve;
- 4.5 “Board of Directors” or “Board”** means and includes the respective Board of Directors of the Transferor Company and the Transferee Company, or any committee constituted by such Board of Directors for the purposes of the Scheme.
- 4.6 “Central Government” or “Ministry of Corporate Affairs” or “MCA”** means the Central Government, Ministry of Corporate Affairs having jurisdiction over the schemes entered between government companies under section 230 to 232 of the Act vide its notification bearing no. GSR 582(E) dated June 13, 2017.
- 4.7 “Contract”** means any contract, agreement, arrangement, tender, memorandum of understanding, engagement, purchase order, license, guarantee, indenture, note, bond,



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loan, lease, commitment other arrangement, understanding or undertaking, whether written or oral;

- 4.8 “Effective Date”** shall be the last of the dates on which certified copies of the order of Ministry of Corporate Affairs under Section 230 to 232 of the Act, sanctioning this Scheme, is filed by the respective Companies with their respective jurisdictional Registrar of Companies (*as defined hereinafter*).

Provided that any reference in this Scheme to the date of “upon coming into effect of the Scheme” or “upon the scheme becoming effective” or “effectiveness of the Scheme” shall mean the Effective Date;

- 4.9 “Income Tax Act”** means the Income Tax Act, 1961 (including the rules and regulations made thereunder), and shall include any statutory modification(s), re-enactment(s) or amendment(s) thereof from time to time;
- 4.10 “Intellectual Property Rights” or “IPR”** means, whether registered or not in the name of or recognized under Applicable Law(s) as being intellectual property of Transferor Company, or in the nature of common law rights of Transferor Company, all domestic and foreign (a) trademarks, service marks, brand names, internet domain names, websites, online web portals, trade names, logos, trade dress and all applications and registration for the foregoing, and all goodwill associated with the foregoing and symbolized by the foregoing; (b) confidential and proprietary information and trade secrets; (c) published and unpublished works of authorship, and copyrights therein, and registrations and applications therefore, if any, and all renewals, extensions, restorations and reversions thereof; (d) computer software, programs (including source code, object code, firmware, operating systems and specifications) and processes; (e) designs, drawings, sketches; (f) tools, databases, frameworks, customer data, proprietary information, knowledge, any other technology or know-how, licenses, software licenses and formulas; (g) ideas and all other intellectual property or proprietary rights; and (h) all rights in all of the foregoing provided by Applicable Law(s);
- 4.11 “Law” or “Applicable Law”** means any relevant statutes, notifications, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinances, schemes, notices, treaties, judgement, decree, approvals, order or instructions enacted or issued or sanctioned by any Governmental authority (*as defined hereinafter*), having the force of Law and as applicable to the Companies;
- 4.12 “Governmental and Registration Authority”** means any relevant Central, State or local government, legislative body, regulatory or administrative authority and shall also include



any court, tribunal, quasi-judicial body, regional director, registrar of Companies, official liquidator, income tax authority and any other governmental/ semi-governmental authority having jurisdiction over the Companies;

- 4.13 "Registrar of Companies," or "ROC"** means the Registrar of Companies, National Capital Territory of Delhi and Haryana, situated at New Delhi.
- 4.14 "Scheme" or "the Scheme" or "this Scheme"** means this scheme of amalgamation in its present form as submitted to the MCA or this Scheme with such modification(s), if any, as may be made by the Members and the Creditors of the Transferor Company and/ or the Transferee Company or such modification(s) as may be imposed by any Governmental authority and/ or directed to be made by the MCA while sanctioning the Scheme and as accepted by the respective Board of Directors, Members and Creditors of the Transferor Company and/ or the Transferee Company;
- 4.15 "Transferee Company"** shall have the meaning as ascribed to it in Clause 1.1 of this Scheme;
- 4.16 "Transferor Company"** shall have the meaning as ascribed to it in Clause 1.2. of this Scheme.



5. INTERPRETATION

Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and if not defined therein then under the relevant Applicable Law(s). In this Scheme, unless the context otherwise requires:

- i. references to "persons" shall include individuals, body corporates (wherever incorporated), unincorporated associations and partnerships;
- ii. heading, sub-heading and bold typeface are only for convenience and shall not affect the construction or interpretation of this Scheme;
- iii. the term "Clause" refers to the specified clause of this Scheme;
- iv. references to one gender includes all genders;
- v. any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- vi. words in the singular shall include the plural and vice-versa; and
- vii. reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time and any reference to a legal provision shall include any subordinate legislation made from time to time under such a statutory provision

6. CAPITAL STRUCTURE

6.1 The Share Capital of the Companies as at March 31, 2022 is as under:

Company	Authorized Share Capital (In Crores)	Issued, Subscribed and Paid-up Share Capital (In Crores)
RailTel Corporation of India Limited (Transferee Company)	Rs. 1,000 Crores Divided into 100 Crores equity Shares of Rs. 10/- each	Rs. 320.94/- Crores Divided into 32.094 Crores equity Shares of Rs. 10/- each



Railtel Enterprises Limited (Transferor Company)	Rs. 50 Crores Divided into 5 Crores equity shares of Rs. 10/- Each	Rs. 10 Crores Divided into 1 crores equity shares of Rs. 10/- Each
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Subsequent to March 31, 2022 and till the date of approval of this Scheme by the respective Board of the Companies, there is no change in the authorized, issued, subscribed and paid-up share capital of the Transferor and Transferee Companies.

- 6.2 It is expressly clarified that until this Scheme becomes effective, the Companies are free to alter their authorized, issued, subscribed or paid-up share capital as may be required for their respective business requirements, subject to the necessary approvals from their respective Boards and shareholders, if required.

PART B

TRANSFER AND VESTING OF THE UNDERTAKINGS OF TRANSFEROR COMPANY WITH AND INTO THE TRANSFEE COMPANY

7. TRANSFER AND VESTING OF ASSETS

- 7.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme including in relation to the mode of transfer or vesting, all property(ies), being movable or immovable, tangible or intangible, belonging to the Transferor Company including but not limited to properties, plant and equipments, furniture and fixtures, land and building (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), bank balances, bank accounts in the name of Transferor Company, remittances in transit, bank deposits against bank guarantees, interest accrued on deposits, security deposits (*whether current or non-current*), capital advances, prepaid expenses, deferred costs (*whether current or non-current*), cash and cash equivalents, interest receivable, trade receivables (*including trade receivables from the related parties*), unbilled revenue (*including unbilled revenue from the related parties*), outstanding loans and advances (*short-term and long-term*), if any, recoverable in cash or in kind or for the value to be received including but not limited to loans and advances to suppliers, vendors, customers, staff, employees, others, balance with Governmental and Registration Authorities, prepaid expenses (*current and non-current*), fixed assets, inventories including goods in transit, finished goods, advances, advance income tax, income tax receivables, service tax credit receivables and refunds, deferred tax assets (*whether current and non-current*), Goods and Service Tax ("GST") credits and refunds, receivables, including refunds from Governmental and Registration Authorities, capital advances, trade receivables, accrued interest, other current and non-current assets, contribution to gratuity fund, permits, approvals, authorizations, telephone



connections, telex, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements that are in force on the Effective Date and all other interests, benefits, any other permits, approvals or authorizations under the applicable provisions of the Applicable Law(s), all past and present investments, if any, including but not limited to investment in quoted and unquoted shares and other securities of all descriptions of any corporate, mutual funds etc., other assets such as computer software and hardware, routers, all types of furniture and fixtures, vehicles (*whether freehold or encumbered*), office equipment, all types of lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, if any, and privileges of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company (*hereinafter referred to as "Said Assets"*) and all documents of titles, receipts and easements in relation thereto or improvement, all rights, covenants, continuing rights, titles and interest in connection with Said Assets shall, unless otherwise agreed between Transferor Company and Transferee Company specifically, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in Transferee Company in the mode and manner as prescribed in this Scheme on a going concern basis pursuant to provisions of Section 230 to 232 of the Act and all other applicable provisions of the Act and pursuant to the orders of the MCA or any other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing so as to become on and from Appointed Date, Said Assets of the Transferee Company.

- 7.2 Without prejudice to the above, in respect of the Said Assets of Transferor Company, including cash and bank balances, as are movable in nature or incorporeal property or are otherwise capable of being transferred by delivery or possession or by endorsement and/or delivery, the same shall stand transferred to the Transferee Company upon coming into effect of this Scheme and shall upon such transfer become Said Assets of the Transferee Company with effect from the Appointed Date. In respect of any such assets, rights, titles and interests other than the Said Assets referred hereinabove, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Transferee Company pursuant to an order being made thereof by the MCA under Sections 230 to 232 of the Act.
- 7.3 Without prejudice to the above, the IPR and Said Assets of Transferor Company, if any, belonging to the Transferor Company shall stand transferred to and vested and be deemed to be transferred to and vested in the name of the Transferee Company without any further act, instrument or deed. The Transferee Company, however, shall after the effectiveness



of this Scheme, file the relevant intimations with the concerned Governmental and Registration Authorities in relation to Amalgamation, if required, who shall take them on record pursuant to the order of MCA.

- 7.4 Upon coming into effect of this Scheme and with effect from the Appointed Date, all statutory licenses including but not limited to permits, quotas, approvals, permissions, clearances, incentives, consents and authorization orders and all other business certifications and all other registration certificates issued to the Transferor Company under the Applicable Law(s) including but not limited to Shops and Commercial Establishments Act of the respective states where the establishments of the Transferor Company are situated, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Contract Labour (Regulations and Abolition) Act, 1970, Employees' State Insurance Corporation Act, 1948 and/or Gratuity Act, 1972 and pension and/or superannuation fund or benefits and any other funds or benefits created by the Transferor Company for the employees, any subsidies, concessions, grants, special reservations, rights, claims, leases, tenancy rights, liberties, benefits under applicable provisions of the Income Tax Act, no-objection certificates, permissions, approvals including but not limited to letter of permission related to bonded premises in software technology parks, expansion of Software Technology Park operation facilities, PBWH licenses, approvals granted for setting up and operating units in special economic zones, software technology parks etc., registration-cum-membership certificates, consents, quotas, rights, entitlements, certificate of importer-exporter codes, allotment letters for importer exporter codes, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and other benefits or privileges, if any (hereinafter referred to as "Said Rights and Interests"), enjoyed or conferred upon or held or availed of and all rights and benefits that have accrued or which may accrue to Transferor Company, shall, pursuant to the provisions of Sections 230 to 232 of the Act and other applicable provisions of the Applicable Law(s), for the time being in force, without any further act, instrument or deed, upon the Scheme becoming effective, be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become on and from the Appointed Date, Said Rights and Interests of Transferor Company, effective and enforceable on the same terms and conditions to the extent permissible under the Applicable Law(s) for the time being in force and shall be duly and appropriately mutated or endorsed by the concerned Governmental and Registration Authorities therewith in favour of the Transferee Company.

8. TRANSFER AND VESTING OF LIABILITIES

- 8.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all



secured and unsecured liabilities, borrowings (*long-term and short-term*), including liabilities of every kind, nature and description, whatsoever and howsoever arising, whether present or future, including contractual liabilities, guarantees (*long-term and short term*), security deposits received, loans (*including loan from related parties which includes interest accrued*), contingent liabilities, non-trade payables, trade payables, retention money, payables for purchase of property, plant and equipments, creditors of other fixed assets, letters of credit, etc., if any, statutory liabilities/dues (*whether disputed or undisputed*), any kind of commitment or any other advances received (*whether disclosed or undisclosed*), duties, term loans from banks and financial institutions, book overdrafts, loan and advances (*whether long-term or short term*) from banks, customers, revenue received in advance, statutory dues payable, government dues for taxes, contribution to provident fund, labour welfare funds, trade payables (including dues from related parties), short terms borrowing from the related parties, supplier credits, dues of micro and small enterprises, staff and other creditors, dues of creditors other than micro and small enterprises, employee benefit payable, others employees costs, long term or short term provisions, advance from customers, provisions (*whether current or non-current*) including provisions for tax, gratuity, leaves benefits, expenses payable, deferred tax liabilities, taxes, GST payables and obligations of Transferor Company, other current and non-current liabilities, if any, along with any charge, encumbrance, lien or security thereon, if any, and those arising out of proceedings of any nature (*hereinafter referred to as "Said Liabilities"*) shall also be transferred to and vested in or be deemed to be transferred to and stand vested, without any further act, instrument or deed in the Transferee Company pursuant to provisions of Sections 230 to 232 of the Act and all other applicable provisions of Act and other Applicable Law(s) so as to become said Liabilities of Transferee Company and further, it shall not be necessary to obtain separate consent of any third party or any person who is a party to any contract or arrangement by virtue of which such the said Liabilities may have arisen and are to be transferred to the Transferee Company.

- a) All loans raised and utilized or incurred as part of the said Liabilities, if any, by the Transferor Company anytime after the Appointed Date, but prior to the Effective Date, shall be deemed to be transferred to and vested with the Transferee Company without any further act or deed.
- b) The borrowing limits, if any, of the Transferee Company shall, without any further act or deed, stand enhanced by an amount being the aggregate of said Liabilities of the Transferor Company which are being transferred to the Transferee Company pursuant to this Scheme and the Transferee Company shall not be required to pass any separate resolutions or comply with any provisions of the Act, in this regard.



- c) It is clarified that so far the said Assets of the Transferor Company are concerned which have the security or charge, encumbrance or lien, if any, relating to securing the Said Liabilities or any other obligations of Transferor Company, shall, without any further act or deed continue to relate to such said Assets after the Effective Date in the name of the Transferee Company and shall not extend to any other assets of the Transferee Company. However, it is expressly clarified that any such security or charge or encumbrance or lien shall not be entered to as security in relation to any assets of the Transferee Company, save to the extent as may be guaranteed or warranted by the terms of the existing security arrangements to which the Transferor Company is a party and consistent with the joint obligations assumed by them under such arrangement or otherwise as may be agreed to by Board of the Transferee Company.
- d) Transferee Company, wherever required at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be necessary with the lender, such that the Transferee Company shall assume sole responsibility for repayment of borrowings.
- 8.2 With effect from the Effective Date and until such time the names of the bank accounts of the Transferor Company are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the existing bank accounts of Transferor Company, in so far, as may be necessary. The banks shall also allow and honour cheques or other bills issued in the name of the Transferor Company on and from the Effective Date.
- 8.3 Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of movable and immovable properties of the Transferor Company with the Transferee Company occurs by virtue of this Scheme itself, the Transferee Company, at any time upon coming into effect of this Scheme, may execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement or memorandum of understanding to which the Transferor Company are parties, who specifically requires any such document mentioned above, on the Effective Date, as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme and/or subject to necessary approvals require under the Applicable Law(s) be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliance, referred to above.

9. TRANSFER OF PROFITS, INCOMES, LOSSES AND EXPENDITURE

- 9.1 All profits or incomes including interest on deposits with banks, interest income etc.,



accruing or arising to the Transferor Company or loss or expenditure (*including the effect of taxes, if any*) to the Transferor Company on and any time after the Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or loss or expenditure as the case may be of the Transferee Company.

- 9.2 Upon coming into effect of this Scheme and as per the provisions of Section 72A and other applicable provisions of the Income Tax Act, all accumulated business and tax losses and unabsorbed depreciation of the Transferor Company shall be transferred to the Transferee Company. It is expressly clarified that all the accumulated business and tax losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Transferee Company in terms of the applicable provisions of the Income Tax Act.

10. COMPLIANCE WITH INCOME TAX ACT

- 10.1 This Scheme complies with the conditions relating to “amalgamation” as specified under Section 2(1B) and section 47 and all other relevant provisions of the Income Tax Act. If any terms and provisions of these Scheme are found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of Applicable Law(s) or for any other reason whatsoever, then the provisions of such amended Section(s) of the Income Tax Act or any other Applicable Law(s) shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(1B) of the Income Tax Act or any other Applicable Law, as may be amended from time to time. Such modification shall, however, not affect other parts of this Scheme.

11. LEGAL PROCEEDINGS

- 11.1 Upon coming into effect of his Scheme, all suits, actions and other proceedings including legal and taxation proceedings (before any statutory or quasi-judicial authority or tribunal or any court or arbitral body), if any, by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and/or be enforced by or against the Transferee Company as effectually and in the same manner and extent as if the same has been instituted and/or pending and/or arising by or against the Transferee Company.
- 11.2 It is expressly specified that the Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company as referred above, be transferred to its name and shall have the same continued, prosecuted and enforced in its name



12. INTER COMPANY TRANSACTIONS

12.1 Without prejudice to the above provisions, upon the Scheme becoming effective and with effect from the Appointed Date, all inter-company transactions, inter-se between the Transferor Company and the Transferee Company, including but not limited to:

- a) any loans, advances, payahles, investments and other obligations (*including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form*) which are due or outstanding or which may become due at any time in future; or
- b) any agreement/memorandum of understanding, executed amongst the aforesaid Companies which are due or outstanding or which may become due at any time in future,

shall stand cancelled as on the Effective Date and shall be of no effect and the Transferor Company and the Transferee Company shall have no further obligation outstanding in that behalf.

13. TREATMENT OF TAXES

13.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all taxes, duties, cess payable by the Transferor Company (*including under the Income Tax Act, Customs Act, 1962 or any other Applicable Laws*), accruing and relating to the Transferor Company from the Appointed Date onwards, including but not limited to advance tax payments, tax deducted at source ("TDS"), minimum alternate tax ("MAT") any refund and interest due thereon on any credits, claims and exemptions shall, for all purposes be treated as advance tax payments, TDS, MAT, any refund and interest due on any such credits, claims and exemptions or refunds, as the case may be, of Transferee Company.

13.2 Upon the Scheme becoming effective, the Transferee Company is permitted to file or revise the returns of the Transferor Company including but not limiting to TDS return, sales tax/value added tax returns, service tax returns, GST returns and all other relevant returns filed with the Governmental Authorities for the period citber prior to the Appointed Date and/or period commencing on and from the Appointed Date, to claim refunds and interest due, if any thereon, credits, exemptions pursuant to provisions of this Scheme, notwithstanding that the time period prescribed for filing/ revision of such return may have elapsed.



- 13.3 Upon this Scheme becoming effective, all unavailed credits, claims and exemptions, any refunds, interest due there on, benefit of carried forward losses and other statutory benefits, if any, in respect of income tax (*including but not limited to TDS, tax collected at source, advance tax, book and tax losses etc.*), cenvat, customs, value added tax, sales tax, service tax, GST etc. to which the Transferor Company is entitled to, prior to the period of the Appointed Date, shall be available to and vest in the Transferee Company, without any further act or deed.
- 13.4 TDS, service tax, GST, if any, deducted by and/or charged to the Transferee Company under the Income Tax Act or any other statute for the time being in force, in respect of the payments made by the Transferee Company to the Transferor Company on account of inter-company transactions, assessable for the period commencing from the Appointed Date shall be deemed to be the advance tax/ service tax/ GST etc. paid by the Transferee Company and credit for such advance tax/ service tax/ GST etc. shall be allowed to the Transferee Company notwithstanding that certificates or challans for advance tax/ service tax/ GST etc. being in the name of the Transferor Company and not in the name of the Transferee Company. Upon this Scheme becoming effective, the Transferee Company is permitted to file and/ or revise tax returns of the Transferor Company (*including but not limited to income tax returns, withholding tax returns, TDS certificates, sales tax returns, value added tax returns, service tax returns, GST returns and other tax returns*) for the period commencing on and from the Appointed Date, to claim refunds and interest due, if any thereon, credits, exemptions pursuant to provisions of this Scheme, notwithstanding that the time period prescribed for filing/ revision of such return may have elapsed.
- 13.5 Without prejudice to the generality of aforesaid, any concessional or statutory forms under applicable tax laws, or local levies issued or received by Transferor Company, if any, in respect of period commencing from the Appointed Date shall be deemed to be issued or received in the name of the Transferee Company and benefit of such forms shall be allowable to the Transferee Company in the same manner and to the same extent as would have been available to Transferor Company.
- 13.6 The Transferee Company shall file the relevant intimations, if required under the Applicable Law(s), at its own cost, for the record of concerned Governmental and Registration Authorities who shall take them on file. The Transferee Company shall be deemed to be authorized to execute any such writings on behalf of the Transferor Company in order to carry out or perform all such formalities or compliances referred to above on part of Transferor Company.



- 13.7 All the expenses incurred by the Companies in relation to the Amalgamation as per the terms and conditions of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the Income Tax Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.
- 13.8 Any refund under the tax laws due to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Transferee Company. The concerned Governmental and Registration Authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the orders on this Scheme by the MCA upon relevant proof and documents being provided to the said authorities.

14. EMPLOYEES

14.1 Upon coming into effect of this Scheme:

- a) All staff, workmen and employees, if any, who are in employment of the Transferor Company on the Effective Date shall become the staff, workmen and employees of the Transferee Company with effect from the Appointed Date on the basis that:
 - (i) their employment shall be deemed to have been continuous and not interrupted by reasons of the said transfer; and
 - (ii) the terms and conditions of their employment after such transfer shall not in any way be less favorable to them than those applicable to them immediately preceding the said transfer.
- b) It is expressly provided that as far as provident fund, employee state insurance plan scheme, gratuity scheme/trusts, leave encashment, superannuation scheme, compensated absences, unavailed leave scheme or any other special scheme(s) or fund(s) or trust(s), provisions for benefits created or existing, if any, for benefit of staff / workmen / employees of the Transferor Company is concerned, upon coming into effect of the Scheme, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, related to the administration or operation of such scheme(s) or fund(s) or trust(s) and intent that all rights, duties, powers and obligation(s) of the Transferor Company in relation to such scheme(s) or fund(s) or trust(s) shall become those of the Transferee Company. It is clarified that the employment of employees of the Transferor Company will be treated as having



been continuous for the purpose of the aforesaid scheme(s) or fund(s) or trust(s) including for the purposes of payment of any retrenchment compensation and other terminal benefits. The Transferee Company shall file relevant intimations with the concerned Governmental and Registration Authorities who shall take the same on record and endorse the name of the Transferee Company for Transferor Company. Upon this Scheme becoming effective, all contributions to such scheme(s) or fund(s) or trust(s) created or existing for the benefit of such employees of the Transferor Company shall be made by the Transferee Company in accordance with the provisions of such scheme(s) or fund(s) or trust(s) and Applicable Law(s).

15. CONTRACTS, DEEDS, RESOLUTIONS, ETC.

- 15.1 Subject to other provisions contained in this Scheme, all contracts, deeds, understandings, bonds, guarantees, agreements, instruments and writings and benefits of whatsoever nature, if any, to which any of the Transferor Company is a party and are subsisting or having effect on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced by or against the Transferee Company as fully and effectually as if, instead of Transferor Company, the Transferee Company had been a party thereto or beneficiary or oblige thereto or thereunder.
- 15.2 Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from the Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, certificates, insurance covers, clearances, authorities, power of attorney given by, issued to or executed in favour of the Transferor Company or any instrument of whatsoever nature including various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed or availed by any of Transferor Company, granted by any Governmental and Registration Authority, or by any other person, shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.
- 15.3 All resolutions of the Transferor Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any upper monetary or any other limits imposed under provisions of the Act, then the said limits



shall apply mutatis mutandis to such resolutions and shall constitute the aggregate of the said limits in the Transferee Company.

16. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

16.1 With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company shall be deemed to carry on all their businesses and other incidental matters for and on account of and in trust for the Transferee Company with reasonable diligence and due business prudence in the same manner as carried before and shall not without the prior written consent of the Transferee Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of such said Assets or such said Rights and Interests or IPR and their business undertaking(s) or any part thereof, save and except in each case:

- a) If it is in the ordinary course of business of Transferor Company; or
- b) If the same is expressly permitted by this Scheme.

16.2 All profits and cash accruing to or losses arising or incurred (including the effect of taxes, if any thereon), by the Transferor Company shall for all purposes, be treated as the profits/ cash, taxes or losses of the Transferee Company.

16.3 The Transferor Company shall not vary or alter, except in the ordinary course of their businesses or pursuant to any pre-existing obligations undertaken prior to the date of approval of the Scheme by the Board of Directors of Transferor Company, the terms and conditions of employment of any of their employees, nor shall they conclude settlement with any union or their employees except with the written consent of the Transferee Company.

17. SAVING OF CONCLUDED TRANSACTIONS

17.1 Where any of the Said Liabilities of Transferor Company, as on the Appointed Date, transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

17.2 Without prejudice to anything mentioned above or anything contained in this Scheme, transfer and vesting of all employees, contracts, legal proceedings etc. of the Transferor Company as per this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee



Company accepts and adopts all acts, deeds, matters and things made, done and executed by the Transferor Company as acts, deeds, matters and things made, done and executed by or on behalf of the Transferee Company.

- 17.3 All the Said Liabilities, incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and pursuant to provisions of Sections 230 to 232 and any other applicable provisions of the Act, shall without any further act, instrument or deed be and stand transferred to and/or vested in and/ or be deemed to have been transferred to and vested in the Transferee Company and shall become Said Liabilities of the Transferee Company.

PART C CONSIDERATION FOR THE AMALGAMATION (*AS DEFINED HEREINAFTER*) AND ACCOUNTING TREATMENT

18. CONSIDERATION

Since, the Transferor Company is a wholly owned subsidiary of the Transferee Company, accordingly, upon the Scheme becoming effective, all the equity shares as held by the Transferee Company in the Transferor Company either by itself or through its subsidiaries/nominees shall stand cancelled and extinguished. Therefore, there will be no issue and allotment of shares as consideration by the Transferee Company to the shareholders of the Transferor Company upon coming into effect of the Scheme. The investments in the shares of Transferor Company, appearing in the books of account of Transferee Company shall, without any further act or deed, stand cancelled.

19. CLUBBING OF AUTHORISED SHARE CAPITAL

- 19.1 As an integral part of the Scheme, and, upon coming into effect of this Scheme, the authorized share capital of Transferor Company, as on the Effective Date, shall stand transferred to, and be added to the authorized share capital of the Transferee Company, as on the Effective Date, without any further act or deed. The fee, if any, paid by Transferor Company before the Effective date on its authorised share capital shall be



set-off against any fee payable by the Transferee Company on increase in Authorised Share Capital consequent upon coming into effect of this Scheme.

- 19.2 It is hereby clarified that the consent of the Members of the Transferee Company to the Scheme shall be sufficient for purposes of effecting this amendment in the Memorandum of Association and Articles of Association of the Transferee Company and that no further approvals or resolutions under Sections 13, 14 and 61 or any other applicable provisions of the Act, would be required to be separately passed, nor any additional registration fee, stamp duty, etc., be payable by the Transferee Company. Further for this purpose, the filing fees and stamp duty, if any, already paid by the Transferor Company on its authorized share capital shall be utilized and applied to increased authorized share capital of the Transferee Company and shall be deemed to have been so paid by the Transferee Company on such combined authorized share capital. Further, the Transferee Company shall pay such fees/ stamp duty, if any, on the authorized share capital so increased after amalgamation
- 19.3 Pursuant to this Scheme, the Transferee Company shall file the requisite forms/ documents with the RoC, for alteration of its authorized share capital.
- 19.4 For the avoidance of doubt, it is hereby clarified that if the authorized share capital of the Transferor Company or the Transferee Company undergoes any change, either as a consequence of any corporate action or otherwise, then the authorized share capital to be specified in Clause V of the Memorandum of Association of the Transferee Company with effect from the Effective Date shall automatically stand modified to take into account the effect of the change.

20. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY

Upon the coming into effect of this Scheme, the Amalgamation of the Transferor Company with and into the Transferee Company shall be accounted for as per "Pooling of Interest Method" provided under the "Indian Accounting Standard (Ind AS) 103 for "Business Combination" prescribed under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time.

- 20.1 All the assets including intangible assets in the books of the Transferor Company and liabilities of the Transferor Company including reserves, shall stand transferred in the books of account of the Transferee Company at their existing carrying amounts and in the same form as appearing in such books of accounts from the beginning of earliest



period presented in the merged financial statements of the Transferor Company, in accordance with paragraph 9(iii) of Appendix C of Ind AS 103.

- 20.2 The identity of the reserves pertaining to the Transferor Company, shall be preserved and shall appear in the merged financial statements of Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company and it shall be aggregated with the corresponding balance appearing in the financial statements of Transferee Company, in accordance with Appendix C of Ind AS 103.
- 20.3 Inter-company balances and dues, if any, between the Transferor Company and the Transferee Company shall stand cancelled and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 20.4 In case of any differences in 'accounting policies between both the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference will be adjusted in the 'retained earnings' in the books of the Transferee Company.
- 20.5 The investments in the share capital of Transferor Company shall stand cancelled and any excess of Assets over Liabilities or Liabilities over Assets transferred to the Transferee Company would be recorded as 'Capital Reserve' in the books of the Transferee Company and would be presented separately from other capital reserves with disclosure of its nature and purpose in the notes to the financial statements of the Transferee Company.

PART D

MISCELLANEOUS PROVISIONS APPLICABLE TO THIS SCHEME

21. DISSOLUTION OF TRANSFEROR COMPANY

- 21.1 Pursuant to the Scheme becoming effective, the Transferor Company shall, without any further act or deed, stand dissolved without following the process of winding up.

22. APPLICATION TO THE MINISTRY OF CORPORATE AFFAIRS OR SUCH OTHER COMPETENT AUTHORITY

- 22.1 The Transferor Company and the Transferee Company shall with all reasonable dispatch, make all necessary applications and/ or petitions under Sections 230 to 232 and other applicable provisions of the Act (as may be necessary) to the MCA, for sanctioning the Scheme and for dissolution of the Transferor Company without



winding up under the provisions of Law and obtain all approvals as may be required under Law.

23. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 23.1 The Board of each of the Companies may assent to any modifications/ amendments including withdrawal/ termination of the Scheme or to any other conditions or limitations that the MCA or any Governmental and Registration Authority or shareholders or Board of the Transferor Company or the Transferee Company may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by their respective Boards. Each of the Companies shall authorize their respective Boards to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or order of the MCA or any Governmental and Registration Authority of any other competent authority or otherwise howsoever arising out of or by virtue of the Scheme and/or to give effect to and to implement the Scheme, in part or in whole, and/or any matter concerned or connected therewith.
- 23.2 Further, it is clarified that the initial consent of the shareholders and creditors (*both secured and unsecured*) of the Companies to this Scheme shall in itself be deemed to be sufficient to authorize the operation of the abovementioned clause of this Scheme and any subsequent alteration would not require a fresh note of consent from such shareholders and creditors.

24. CONDITIONALITY OF THE SCHEME

- 24.1 This Scheme is and shall be conditional upon and subject to the following:
- The Scheme being approved by the respective majorities of the Members and/ or creditors of the Transferor Company and the Transferee Company as required, if any and as may be directed by the MCA;
 - Obtaining the sanction of the MCA or such other competent authority by the Transferor Company and the Transferee Company under Sections 230 to 232 and other applicable provisions of the Act.
 - The certified or authenticated copies of the order of the MCA sanctioning this Scheme being filed with the Registrar of Companies having jurisdiction over the Companies.





25. EFFECT OF NON-RECEIPT OF APPROVAL

- 25.1 In the event of any of the said sanctions and approvals referred in the Scheme not being obtained and/or complied with and/or satisfied, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.
- 25.2 In the event of revocation of the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the applicable laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.
- 25.3 The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date.

26. COSTS, CHARGES AND EXPENSES

- 26.1 All costs, charges, taxes including duties, levies and all other expenses, if any (*save as expressly provided*) of the Transferor Company and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

For RAILTEL CORPORATION OF INDIA LIMITED	For RAILTEL ENTERPRISES LIMITED
 <p>J. S. Marwah Company Secretary M. No. F 8075</p>	 <p>Yudhveer Company Secretary M. No. A 24971</p>

जे. एस. मारवाह / J. S. MARWAH
कम्पनी सचिव व अपर महासचिव (वित्त)
Company Secretary & Asstt. General Manager (Finance)
रेलटेल कॉर्पोरेशन ऑफ इंडिया लि. (सरकार द्वारा एक उपक्रम)
RailTel Corporation of India Ltd. (A Govt. of India Undertaking)
प्लेट-A, छठा तल, ऑफिस ब्लॉक, टावर-2,
ईस्ट किडवाई नगर, नई दिल्ली-110023
Plate-A, 6th Floor, Office Block, Tower-2,
East Kidwai Nagar, New Delhi-110023



LIMITED REVIEW REPORT ON STANDALONE FINANCIAL RESULTS FOR
THE QUARTER ENDED ON DECEMBER 2022

To,

THE BOARD OF DIRECTORS

RAILTEL ENTERPRISES LIMITED

We have reviewed the accompanying Statement of Standalone Unaudited Financial Result ("the statement") of RailTel Enterprises Limited ("the company") for the quarter ended on **31st December, 2022**. This statement is the responsibility of the company's Management and has been approved by the board of directors. Our Responsibility is to issue a report on these financial statement based on our review.

We conducted our review of the statement in accordance with the standard on Review Engagement (SRE) 2410. "Review of Interim Financial Information Performed by the independent Auditors of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquire of company personnel and analytical procedure applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying statement of standalone unaudited financial results, prepared in accordance with applicable standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosures Requirements) Regulation , 2015 (as amended) including the manner in which it is to be disclosed , or that it contains any material misstatement.

For SKAA & Associates

Chartered Accountant

ICAI Firm Registration Number: 012726N

CA Suresh Kumar Agarwal

Partner

M. No. : 091886

Date : 27/01/2023

Place : New Delhi

UDIN : 230918866YEYZ2659



RailTel Enterprises Limited
Balance Sheet as at December 31, 2022

(Amount in Lakhs)

Particulars	Note No.	As at	As at	As at
		December 31, 2022	December 31, 2021	March 31, 2022
		Unaudited	Unaudited	Audited
(A) ASSETS				
(1) NON-CURRENT ASSETS				
(i) Property, Plant and Equipments	2	5.09	8.10	6.88
(ii) Deferred Tax Assets (net)	3	2.26	-	-
TOTAL NON CURRENT ASSETS		7.35	8.10	6.88
(2) CURRENT ASSETS				
(i) Financial Assets				
(a) Trade Receivables	3	1,899.28	3,064.99	3,495.54
(b) Cash and Cash Equivalents	4	499.72	233.82	202.52
(c) Other Bank Balances	5	6,746.99	5,871.01	6,170.01
(d) Loans and Advances	6	0.00	0.00	4.97
(e) Other Current Financial Assets	7	927.75	2,270.27	1,488.41
(ii) Current Tax Assets (Net)	8	164.80	445.90	450.59
(iii) Other Current Assets	9	1,301.76	1,151.20	1,427.78
TOTAL CURRENT ASSETS		11,540.30	13,037.19	13,239.82
TOTAL ASSETS		11,547.65	13,045.29	13,246.70
(B) EQUITY AND LIABILITIES				
(1) EQUITY				
(i) Equity Share Capital	10	1,000.00	1,000.00	1,000.00
(ii) Other Equity	11	1,191.06	1,053.91	1,138.98
TOTAL EQUITY		2,191.06	2,053.91	2,138.98
(2) LIABILITIES				
a. NON CURRENT LIABILITIES				
i. Financial Liabilities				
(a) Borrowings		-	-	-
(b) Other Non Current Financial Liabilities	12	-	1,183.49	1,245.43
ii. Provisions	13	2.40	6.46	5.76
iii. Deferred Tax Liabilities (net)	14	-	6.10	7.46
iv. Other Non Current Liabilities		-	-	-
TOTAL NON CURRENT LIABILITIES		2.40	1,196.05	1,258.65
b. CURRENT LIABILITIES				
i. Financial Liabilities				
(a) Borrowings		-	-	-
(b) Trade Payables	15	-	-	-
-Total outstanding dues of micro enterprises and small enterprises		186.75	115.78	76.11
-Total outstanding dues of creditors other than micro enterprises and small enterprises		232.27	1,495.52	2,638.27
(c) Other Current Financial Liabilities	16	2,252.33	2,246.76	871.97
ii. Provisions	17	-	2.89	0.02
iii. Other Current Liabilities	18	6,682.84	5,934.38	6,262.70
TOTAL CURRENT LIABILITIES		9,354.19	9,795.33	9,849.07
TOTAL EQUITY AND LIABILITIES		11,547.65	13,045.29	13,246.70

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 28)

As per our limited review report of even date attached
For SKAA & Associates
Chartered Accountants
FRN 012726N

C.A. Suresh Kumar Agarwal
(Partner)

Membership No. 091886

Date: 27/01/2023

Place: New Delhi

UDIN: 23091886B6YFYZZ2659



For and on behalf of the Board of Directors of
RailTel Enterprises Limited

H.C. Batra
Director & CFO
DIN: 08137865

Suresh Kumar
Director & CEO
DIN: 09131274

Yudhveer
Company Secretary
M No. A24971



RailTel Enterprises Limited
Statement of Profit and Loss for the period ended December 31, 2022

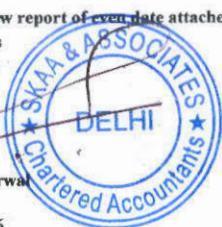
(Amount in Lakhs)

Particulars	Notes No.	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
		Unaudited	Unaudited	Audited
I. INCOME				
a. Revenue from operations	19	1,181.54	3,389.05	5,156.85
b. Other Income	20	307.55	249.84	346.87
c. Finance Income	21	-	24.98	40.98
Total Income		1,489.09	3,663.87	5,544.70
II. EXPENSES				
a. Project Expenses	22	937.35	3,028.43	4,643.69
b. Employee Benefits Expenses	23	105.09	271.05	328.84
c. Administrative & Other Expenses	24	84.75	130.67	163.53
d. Finance Charges	25	271.70	168.06	227.09
e. Depreciation and Amortisation Expense	26	3.34	4.35	5.57
Total Expenses		1,402.23	3,602.56	5,368.72
III. Profit before exceptional items and tax		86.86	61.31	175.98
IV. Exceptional Items		-	-	-
V. Profit before tax		86.86	61.31	175.98
VI. Tax expenses				
a. Current Tax	27	44.39	9.56	37.74
b. Deferred Tax	27	(9.72)	5.88	7.24
c. Tax impact of earlier years	27	0.11	0.60	0.60
VII. Profit for the period (A)		52.08	45.27	130.40
VIII. Other comprehensive income(OCI):				
i. Items that will not be reclassified to Profit & Loss		-	-	-
Remeasurement losses on defined benefit plans	28	-	-	(0.08)
Income tax relating to item that will not be reclassified to Profit & Loss	28	-	-	(0.02)
Other comprehensive income/(Loss) (B)		-	-	(0.06)
Total comprehensive income for the period		52.08	45.27	130.34
IX. Earning per Equity Share of Rs 10/- each				
(a) Basic (in Rs.)	28(12)	0.52	0.45	1.30
(b) Diluted (in Rs.)	28(12)	0.52	0.45	1.30

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 28)

As per our limited review report of even date attached
For SKAA & Associates
Chartered Accountants
FRN 012726N

CA Suresh Kumar Agarwal
(Partner)
Membership No. 091886
Date: 27/01/2023
Place: New Delhi
UDIN: 23091886BGYEYZ2659



For and on behalf of the Board of Directors of
RailTel Enterprises Limited

H.C Batra
Director & CFO
DIN: 08137865

Suresh Kumar
Director & CEO
DIN: 09131274

Yudhveer
Company Secretary
M No. A24971



NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE PERIOD ENDED ON DECMEBER 31, 2022

Note-1 Significant Accounting Policies

A. Corporate Information

RailTel Enterprises Limited ('the Company') incorporated in India on 12th August 2014 is a public sector undertaking. The company is promoted by and is under administrative control of RailTel Corporation of India Limited. The Registered office of the Company is situated at 6th Floor, 3rd Block, Delhi Technology Park, Delhi-110053 and Corporate Office at Plate-A, 6th Floor, Office Tower-2, East Kidwai Nagar, New Delhi-110023.

In line with the future business plan of RailTel it was felt to diversify into ICT project segment as a System Integrator. Hence, to have clear focus on project execution works, REL has been setup. Also this shall help RailTel make a clear distinction between RailTel's existing core activities viz-a-viz project works ensuring resource and accountable separation thereby making REL as a separate profit centre. This would also facilitate the Company in proper and suitably reflecting the operational results in a more transparent manner and activity wise. The aim is to exploit the capabilities and experience gained by RailTel from execution of number of small to large national level projects like National Knowledge Network (NKN), National Optical Fibre Network (NOFN), NE-I & NE-II projects under USOF, and various projects for many other Govt and private agencies. In recent years, RailTel has been expanding its portfolio of services in the areas of Data Centre, Cloud, Telepresence, Retail Broadband (Railwire), etc. With the creation of REL, RailTel aims to be one of the leading System Integrator in the country working in the field of ICT.

REL shall be taking up turnkey project work for creation, management and operation in the areas of IT, Telecom, networking, Data Center and Railway's ICT and S&T projects. With a dedicated focus and organization suited to executing projects in the areas of expertise, REL is poised to become a key driver of growth and innovation for RailTel as well

B. Summary of Significant Accounting Policies as per Ind-AS

1. Basis for Preparation of 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) Rules, 2015.

The Accounting policies of the company have been drafted on the basis of Indian Generally Accepted Accounting principles (IGAAP) to the Indian Accounting Standards notified by the Ministry of Corporate Affairs on 16th February 2015 as the Companies (Indian Accounting Standards) Rules 2015 read with Companies (Indian Accounting Standards) Amendment Rules 2016. These financial statements are presented in Indian Rupees (Rs).

2. Use of Estimates

The preparation of financial statements in conformity with Indian Accounting Standards 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, 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 year.

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 recognized in the financial statements is stated here under:

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

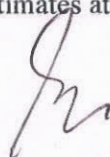
Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/ recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

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.



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. 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.

4. Property Plant and Equipment (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.

SN	Name of Assets	Main asset/Component	Useful life of assets
1	Computer	Main Assets	3 Year 31.67%
2	Office Equipment's	Main Assets	5 Year 19%

5. 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.

6. Revenue Recognition and Receivables

Service Revenues

Service revenues include incomes from project work for creation, management and operation in the areas of IT, Telecom, networking, Data Center and Railway's ICT and S&T projects. Revenues are recognized on proportionately basis on provision of services over the period of arrangement.

Revenue shall be measured at the fair value of the consideration received or receivables.

Service revenues are recognised as the services are rendered and are stated net of discounts, waivers and taxes. Service revenue is recognised from the date of satisfactory installation services at the customer site and as per terms of contract finalized with the customers.

Deferred revenue includes amount received in advance from customers which would be recognised over the periods when the related services are expected to be rendered.



Deposit Works

When the outcome of a contract can be estimated reliably, contract revenue and contract costs associated with the contract are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period based on statements of account received from the contractors.

Interest and Other Income

For all financial instruments measured at amortised cost and interest-bearing financial assets, classified as financial assets at fair value through profit or loss or as available for sale, interest income is recognized using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in 'finance income' in the income statement.

7. 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.

8. Unbilled Revenue

Unbilled revenue represent revenue recognised 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.

9. Employee Benefits

Employee benefits include provident fund, pension, gratuity and compensated absences.

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

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.

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.

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.

10. Taxes

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.

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 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 reliability.



11. 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.

12. 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.

13. 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 hat their disclosure is relevant to explain the performance of the company for the year.

14. 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.

15. 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.

16. 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.

17. 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

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at carried at amortised cost

A financial asset is subsequently measured at amortised 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.

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.

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.

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



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. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

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.

18. Basis for Preparation of Interim financial statement

The Interim financial statements of the Company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with rule 3 of Companies (Indian Accounting Rules), 2015 (as amended). Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised Ind AS on an ongoing basis.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.



NON CURRENT ASSETS

Note 2. Property Plant & Equipment

(Amount in Lakhs)

Particulars	Computer	Furniture & Fixtures	Office Equipments	Total
Year Ended March 31, 2022				
Gross Carrying amount				
Cost as at April 1, 2021	20.49	-	2.42	22.91
Additions	1.60	-	0.21	1.81
Disposal	1.80	-	0.33	2.13
Transfer	-	-	-	-

Closing Gross Carrying Amount	20.29	-	2.30	22.59
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Accumulated Depreciation				
Opening accumulated Depreciation	10.88	-	0.68	11.56
Charge during the year	5.14	-	0.43	5.57
Disposals / adjustment	1.27	-	0.15	1.42

Closing Accumulated Depreciation	14.75	-	0.96	15.71
----------------------------------	-------	---	------	-------

Impairment				
Opening accumulated Impairment	-	-	-	-
Impairment during the year	-	-	-	-
Reversal of Impairment during the year	-	-	-	-

Closing Accumulated Impairment	-	-	-	-
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NET CARRYING AMOUNT- March 31, 2022	5.54	-	1.34	6.88
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Particulars	Computer	Furniture & Fixtures	Office Equipments	Total
Period Ended December 31, 2021				
Gross Carrying amount				
Cost as at April 1, 2021	20.49	-	2.42	22.91
Additions	1.60	-	0.21	1.81
Disposal	1.80	-	0.33	2.13
Transfer	-	-	-	-

Closing Gross Carrying Amount	20.29	-	2.30	22.59
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Accumulated Depreciation				
Opening accumulated Depreciation	10.88	-	0.68	11.56
Charge during the period	4.03	-	0.32	4.35
Disposals / adjustment	1.27	-	0.15	1.41

Closing Accumulated Depreciation	13.64	-	0.85	14.49
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Impairment				
Opening accumulated Impairment	-	-	-	-
Impairment during the period	-	-	-	-
Reversal of Impairment during the period	-	-	-	-

Closing Accumulated Impairment	-	-	-	-
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NET CARRYING AMOUNT- December 31, 2021	6.65	-	1.45	8.10
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Particulars	Computer	Furniture & Fixtures	Office Equipments	Total
Period Ended December 31, 2022				
Gross Carrying amount				
Cost as at April 1, 2022	20.29	-	2.30	22.59
Additions	0.77	0.71	0.30	1.78
Disposal	0.70	-	-	0.70
Transfer	-	-	-	-

Closing Gross Carrying Amount	20.36	0.71	2.60	23.67
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Accumulated Depreciation				
Opening accumulated Depreciation	14.75	-	0.96	15.71
Charge during the period	2.92	0.04	0.38	3.34
Disposals / adjustment	0.47	-	-	0.47

Closing Accumulated Depreciation	17.20	0.04	1.34	18.58
----------------------------------	-------	------	------	-------

Impairment				
Opening accumulated Impairment	-	-	-	-
Impairment during the period	-	-	-	-
Reversal of Impairment during the period	-	-	-	-

Closing Accumulated Impairment	-	-	-	-
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NET CARRYING AMOUNT- December 31, 2022	3.16	0.67	1.26	5.09
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As per our report of even date attached
For SKAA & Associates
Chartered Accountants
FRN 042726N

CA Suresh Kumar Agarwal
(Partner)
Membership No. 091886
Date: 27/01/2023
Place: New Delhi
UDIN: 23091886869YEYZ2659



For and on behalf of the Board of Directors of
RailTel Enterprises Limited

H.C. Batra
Director & CFO
DIN: 08137865

Suresh Kumar
Director & CEO
DIN: 09131274

Yudhvir
Company Secretary
M No. A24971



CURRENT ASSETS

Note 3. Trade Receivables

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Unsecured, Considered Good unless stated Otherwise			
Project works			
Considered Good	1,906.09	3,064.99	3,504.30
Considered Doubtful			
Total	1,906.09	3,064.99	3,504.30
Trade Receivables which have significant increase in credit risk	-	-	-
Trade Receivables - Credit Impaired	6.81	-	8.76
Total	1,899.28	3,064.99	3,495.54

Note 4. Cash and Cash Equivalents

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
(i) Cash and Cash Equivalent (Maturity <= 3 Months)			
Term Deposits	59.75	164.00	196.75
(ii) Balances with Scheduled Bank			
In Current A/c	438.60	68.38	4.40
(iii) Cash in Hand (Imprest) A/c	1.37	1.44	1.37
Total	499.72	233.82	202.52

Note 5. Other Bank Balances

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
BG Margin Money A/c*	26.48	71.89	71.89
In Term Deposit (Having original maturity of more than 3 months but less than 12 months or residual maturity less than 12 months)**	6,720.51	5,799.12	6,098.12
	6,746.99	5,871.01	6,170.01

* BG (Margin Money) represent bank deposit under lien (for issuing Bank Guarantee by bank)

** Balance in Term Deposit includes FDRs from ETCS project funds INR 4338 lakhs as on 31.12.2022



Note 6. Loans and Advances
(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Unsecured, Considered Good Unless Stated Otherwise			
Advances to Employee	-	0	4.97
Total	0.00	0	4.97

Note 7. Other Current Financial Assets
(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Unsecured, Considered good unless stated otherwise			
Security Deposits	76.84	12.22	12.22
Accrued interest on term deposits	195.59	161.30	236.15
EMD Deposited	-	-	5.81
Unbilled Revenue	655.32	2,059.57	1,167.66
Other Receivable #	0.00	37.18	66.57
Total	927.75	2,270.27	1,488.41

Receivable from Holding Company Railtel Corporation of India Limited

Note 8. Current Tax Assets
(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
TDS-Income Tax	0.05	50.36	55.05
Advance Income Tax	-	-	-
IT Refundable	164.75	395.54	395.54
Total	164.80	445.90	450.59

Note 9. Other Current Assets
(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Balance with Tax Authorities			
- VAT Credit	13.62	13.62	13.62
- GST on Advance from Customers	867.20	920.44	920.44
- GST Input	350.92	214.73	491.28
Prepaid Expenses	67.60	-	-
Recoverable From Others	2.42	2.41	2.44
Total	1,301.76	1,151.20	1,427.78



Note 10. Equity Share Capital

(Amount in Lakhs)

(a) Authorised Share Capital:

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Equity Shares			
5,00,00,000 Equity shares of Rs 10/- each	5,000	5,000	5,000
Issued Subscribed & Paid up Capital:			
1,00,00,000 Equity shares of Rs 10/- each	1,000	1,000	1,000
Total	1,000	1,000	1,000

(b) Shares held by Holding company, its Subsidiary and Associates:

Particulars		As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Holding Company	Number	1,00,00,000	1,00,00,000	1,00,00,000
Raitel Corporation of India Limited	%	100%	100%	100%

(c) Details of Shareholders holding more than 5% Shares:-

Particulars		As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Holding Company	Number	1,00,00,000	1,00,00,000	1,00,00,000
Raitel Corporation of India Limited	%	100%	100%	100%

(d) The Reconciliation of number of shares outstanding is set out below:-

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Equity Shares Opening	1,00,00,000	1,00,00,000	1,00,00,000
Add: Shares issued	-	-	-
Less: Buy back	-	-	-
Equity Shares at the End	1,00,00,000	1,00,00,000	1,00,00,000

(e) Terms and Conditions

Right, Preference and restriction attached to shares

The Company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. During the period ended December 31, 2022 company has not declared any dividend.



RailTel Enterprises Limited
Statement of Changes in Equity for the period ended December 31, 2022

Note 11. Other Equity

A. EQUITY SHARE CAPITAL

(Amount in Lakhs)

As on April 1, 2021	1,000.00
Change in Equity Share Capital	-
As on March 31, 2022	1,000.00
As on April 1, 2021	1,000.00
Change in Equity Share Capital	-
As on December 31, 2021	1,000.00
As on April 1, 2022	1,000.00
Change in Equity Share Capital	-
As on December 31, 2022	1,000.00

B. OTHER EQUITY

(Amount in Lakhs)

Particulars	Retained Earnings	General Reserve	Other Reserves	Total Equity
Balance as at April 1, 2021	1,008.64			1,008.64
Add: Total Comprehensive Income	130.34			130.34
Less: Transfer to General Reserve	-			-
Balance as at March 31, 2022	1,138.98			1,138.98
Balance as at April 1, 2021	1,008.64			1,008.64
Add: Total Comprehensive Income	45.27			45.27
Less: Transfer to General Reserve	-			-
Balance as at December 31, 2021	1,053.91			1,053.91
Balance as at April 1, 2022	1,138.98	-	-	1,138.98
Add: Total Comprehensive Income	52.08			52.08
Less: Transfer to General Reserve	-	-	-	-
Balance as at December 31, 2022	1,191.06	-	-	1,191.06

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 28)

As per our limited review report of even date attached
For SKAA & Associates
Chartered Accountants
FRN 012726N



CA Suresh Kumar Agarwal
(Partner)

Membership No. 091886

Date: 27/01/2023

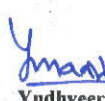
Place: New Delhi

UDIN: 23091886B07YE4Z2659

For and on behalf of the Board of
Directors of RailTel Enterprises Limited


H.C. Batra
Director & CFO
DIN: 08137865


Suresh Kumar
Director & CEO
DIN: 09131274


Yudhveer
Company Secretary
M No. A24971



NON CURRENT LIABILITIES

Note 12. Non Current Financial liabilities

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Security Deposit	-	357.64	371.43
Retention Money	-	825.85	874.00
Total	-	1,183.49	1,245.43

Note 13. Long Term Provisions

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Provision for Leave Encashment & Gratuity (LT)	2.40	6.46	5.76
Total	2.40	6.46	5.76

Note 14. Deferred Tax Liabilities (net)

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Deferred Tax Liability			
Depreciation claimed as deduction under Income Tax Act but chargeable in the statement of profit and loss in future years	-	-	-
Others	-	6.29	10.32
Less:			
Deferred Tax Assets			
Provision on debtors	1.71	-	2.20
Depreciation charged in the statement of profit and loss but to be claimed as deduction under Income Tax Act in future years	0.55	0.19	0.66
Others	-	-	-
Total Deferred Tax Liability/ (Assets) (Net)	(2.26)	6.10	7.46

CURRENT LIABILITIES

Note 15. Trade Payables

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Trade Payables			
Micro and Small Enterprises	186.75	115.78	76.11
Other than Micro and Small Enterprises	232.27	1,495.52	2,638.27
Total	419.02	1,611.30	2,714.38



Note 16. Other Current Financial liabilities

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Security Deposit	466.81	57.83	57.83
Retention Money	1,019.37	27.37	27.37
Expense payable	741.65	2,136.96	762.17
EMD Payable	24.50	24.60	24.60
Total	2,252.33	2,246.76	871.97

Note 17. Short Term Provisions

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Provision for Leave Encashment & Gratuity (ST)	-	2.89	0.02
Total	-	2.89	0.02

Note 18. Other Current Liabilities

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Deferred Revenue/Advance from Customer	120.40	56.13	21.59
Advance-ETCS Project	5,034.00	5,034.00	5,034.00
Advance-Others	779.02	326.35	256.75
Project Control Account (ETCS)	725.23	484.72	543.74
OTHER PAYABLES			
Payable to Others	24.19	33.18	406.62
Total	6,682.84	5,934.38	6,262.70



Note 19. Revenue from operations

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Income from Projects	1,161.28	3,389.05	5,156.85
Other Operating Revenue	20.26		
Total	1,181.54	3,389.05	5,156.85

Note 20. Other Income

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Interest Income			
Interest Income on deposits with Bank #	273.86	241.62	338.65
Interest Income on IT Refund	31.72	8.22	8.22
Other Non Operating Income			
Miscellaneous Income	1.97	-	-
Total	307.55	249.84	346.87

FY 2022-23 (Dec'22) : Includes Interest Income of INR 181.48 Lacs from ETCS Project

Note 21. Finance Income

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Discounting Impact of Liability	-	24.98	40.98
Total	-	24.98	40.98

Note 22. Expenses on Project

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Project Expense	937.35	3,028.43	4,643.69
Total	937.35	3,028.43	4,643.69

Note 23. Employee Benefit Expenses

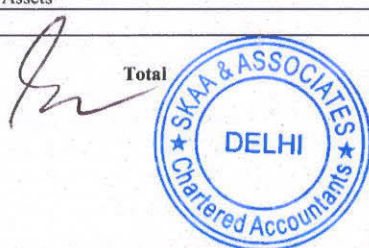
(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Salary and Wages	101.11	256.88	310.61
Contribution to Provident Fund & NPS	3.98	14.17	18.23
Total	105.09	271.05	328.84

Note 24. Administrative & Other Expenses

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Auditor's Remuneration			
(a) Auditor	0.21	0.63	0.84
(b) For Taxation Matters	0.35	0.35	0.35
Bank Charges	0.01	0.11	0.11
Rates and Taxes	-	-	0.75
Professional & Consultancy	18.38	30.07	39.02
Printing & Stationary Expenses	0.55	0.87	1.14
Business Development Expenses	-	0.11	0.16
Travelling & Conveyance Expense	18.04	43.09	56.46
Misc Expenses	0.75	7.44	3.54
Repair and Maintenance - Others	-	8.63	0.05
Manpower Support	46.21	38.92	51.90
Training Fees	0.08	-	-
Net Loss from Sale of Assets	0.17	0.45	0.45
Expected Credit Loss	-	-	8.76
Total	84.75	130.67	163.53



Note 25. Finance charges

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Finance Charges#	181.48	168.06	227.09
Discounting Impact of Liability	90.22		
Total	271.70	168.06	227.09

FY 2022-23 (Dec'22) : Interest Income of INR 181.48 Lacs from ETCS Project FDRs is transferred to ETCS project funds.

Note 26. Depreciation and Amortisation

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Depreciation on Tangible Assets	3.34	4.35	5.57
	3.34	4.35	5.57

Note 27. Tax Expenses

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Current Tax (Income Tax)	44.39	9.56	37.74
Tax impact of earlier Years	0.11	0.60	0.60
Deferred Tax Asset	(9.72)	5.88	7.24
Total	34.78	16.04	45.58

Note 28. Other Comprehensive Income(OCI)

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Items that will not be reclassified to Profit & Loss			
Remeasurement gain/(losses) on defined benefit plans	-	-	(0.08)
Income tax relating to item that will not be reclassified to Profit & Loss	-	-	(0.02)
Total	-	-	(0.06)





RAILTEL CORPORATION OF INDIA LIMITED

(A Government of India Undertaking)

Registered & Corporate Office: Plate - A, 6th Floor, Office Block Tower - 2, East Kidwai Nagar, New Delhi - 110023 Phone: 011-22900600, Fax: 011-22900699

Website: www.railtelindia.com; E-mail: cs@railtelindia.com; Corporate Identity Number: L64202DL2000GOI107905

Statement Of Financial Results For The Quarter Ended Dec 31, 2022

(Rs. in Lakhs)

Particulars	Standalone						Consolidated					
	Quarter Ended		Nine months ended		Year ended		Quarter Ended		Nine months ended		Year ended	
	31.12.2022 (Unaudited)	30.09.2022 (Unaudited)	31.12.2021 (Unaudited)	31.12.2022 (Unaudited)	31.12.2021 (Unaudited)	31.03.2022 (Audited)	31.12.2022 (Unaudited)	30.09.2022 (Unaudited)	31.12.2021 (Unaudited)	31.12.2022 (Unaudited)	31.12.2021 (Unaudited)	31.03.2022 (Audited)
1. Income :												
(a) Revenue from operations	45,053	42,512	41,381	1,24,611	1,06,631	1,52,154	45,432	42,871	41,769	1,25,988	1,08,292	1,54,845
(b) Other income	633	1,094	5,615	2,485	5,501	7,612	785	1,138	5,646	2,747	5,736	7,947
Total Income	45,686	43,606	46,996	1,27,096	1,12,132	1,59,766	46,217	44,009	47,415	1,28,735	1,14,028	1,62,792
2. Expenses												
(a) Access and other charges	12,616	11,446	11,313	36,543	31,717	43,260	12,616	11,446	11,313	36,543	31,717	43,260
(b) License fee to DoT (Department of Telecommunication)	1,890	1,891	1,633	5,537	4,838	6,679	1,890	1,891	1,633	5,537	4,838	6,679
(c) Expenses on Project	15,224	12,621	15,133	37,218	28,604	43,754	15,477	12,914	15,329	38,236	29,862	45,947
(d) Employee benefits expenses	4,824	4,374	4,848	14,302	12,068	18,250	4,844	4,403	5,029	14,406	12,341	18,579
(e) Finance costs	44	68	61	165	209	322	212	115	120	437	377	549
(f) Depreciation, amortisation & impairment expense	3,695	3,655	3,793	11,307	11,709	16,013	3,696	3,656	3,796	11,310	11,714	16,018
(g) Other expenses	3,146	2,155	1,326	7,012	2,346	3,533	3,168	2,180	1,381	7,097	2,482	3,698
Total Expenses	41,439	36,210	38,107	1,12,084	91,491	1,31,811	41,903	36,605	38,601	1,13,566	93,331	1,34,730
3. Profit/(Loss) from operations before Share of Profit / (Loss) of Joint Ventures	4,247	7,396	8,889	15,012	20,641	27,955	4,314	7,404	8,814	15,169	20,697	28,062
4. Exceptional items and tax (1- 2)												
4. Share of Profit / (Loss) of Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-
5. Profit/(Loss) from operations before Exceptional items and tax (3+4)	4,247	7,396	8,889	15,012	20,641	27,955	4,314	7,404	8,814	15,169	20,697	28,062
6. Exceptional items (Note No - 6)												
6. Exceptional items (Note No - 6)	-	-	-	-	-	-	-	-	-	-	-	-
7. Profit / (Loss) from operations before Tax (5 + 6) (Note No. 4 & 5)	4,247	7,396	8,889	15,012	20,641	27,955	4,314	7,404	8,814	15,169	20,697	28,062
8. Tax Expense												
(a) Current Tax	1,768	2,161	1,156	5,122	4,958	7,212	1,808	2,164	1,139	5,166	4,967	7,250
(b) Deferred Tax Charge/(Credit)	(679)	(282)	1,075	(1,290)	260	(79)	(679)	(284)	1,073	(1,290)	265	(71)
(c) Taxation in respect of earlier years	-	-	-	-	-	(12)	(10)	-	1	(10)	1	(11)
9. Profit/(Loss) for the period/year (7-8)	3,158	5,517	6,658	11,180	15,423	20,834	3,195	5,524	6,601	11,303	15,464	20,895
10. Other comprehensive income (OCI) : Net of tax {(Loss)/Profit}												
(a) Items that will not be reclassified to Profit and Loss												
Remeasurement gain/(losses) on defined benefit plans	(13)	(13)	40	(38)	119	(51)	(13)	(13)	40	(38)	119	(51)
Income tax relating to items that will not be reclassified to Profit and Loss	3	3	(10)	10	(30)	13	3	3	(10)	10	(30)	13
(b) Items that will be reclassified to Profit and Loss	-	-	-	-	-	-	-	-	-	-	-	-
Income tax relating to items that will be reclassified to Profit and Loss	-	-	-	-	-	-	-	-	-	-	-	-
11. Total Comprehensive Income for the period/year (9+10)	3,148	5,507	6,688	11,152	15,512	20,796	3,185	5,514	6,631	11,275	15,553	20,857



Particulars	Standalone						Consolidated					
	Quarter Ended		Nine months ended		Year ended		Quarter Ended		Nine months ended		Year ended	
	31.12.2022	30.09.2022	31.12.2021	31.12.2021	31.12.2021	31.03.2022	31.12.2022	30.09.2022	31.12.2021	31.12.2021	31.12.2021	31.03.2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
12. Profit is attributable to:												
(a) Owners of the Parent	3,158	5,517	6,658	11,180	15,423	20,834	3,195	5,524	6,601	11,303	15,464	20,895
(b) Non Controlling Interest												
13. Other Comprehensive Income is attributable to:												
(a) Owners of the Parent	(10)	(10)	30	(28)	89	(38)	(10)	(10)	30	(28)	89	(38)
(b) Non Controlling Interest												
14. Total Comprehensive Income is attributable to:												
(a) Owners of the Parent	3,148	5,507	6,688	11,152	15,512	20,796	3,185	5,513	6,631	11,275	15,553	20,857
(b) Non Controlling Interest												
15. Paid up Equity Share Capital (Face Value of Rs. 10 per share)	32,094	32,094	32,094	32,094	32,094	32,094	32,094	32,094	32,094	32,094	32,094	32,094
16. Other Equity				1,28,575	1,19,840	1,19,508				1,29,766	1,20,893	1,20,577
17. Earnings Per Equity Share (Face Value of Rs. 10 per share) (Not Annualized for the quarter/nine months ended)												
(a) Basic EPS (in Rs.)	0.98	1.72	2.07	3.48	4.81	6.49	0.996	1.72	2.06	3.52	4.82	6.51
(b) Diluted EPS (in Rs.)	0.98	1.72	2.07	3.48	4.81	6.49	0.996	1.72	2.06	3.52	4.82	6.51

Notes:

- The above standalone and consolidated financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 31st Jan 2023. The Statutory Auditors of the company have conducted limited review of the financial results for the Quarter ended 31st Dec 2022.
- The information presented in the financial results is extracted from the unaudited interim condensed standalone and consolidated financial results, which have been prepared in accordance with the Indian Accounting Standards (Ind AS) – 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 and 52 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 (as Amended) and other recognised accounting practices and policies to the extent applicable.
- 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 not been significantly impacted following a nationwide lockdown by the Government of India. However Covid situation in India has improved significantly at the end of period, resulting in normalization of business activity to the great extent. Further the company is continuously monitoring the situation and taking all possible measures and aspects.
- Figures for the previous periods / year have been re-grouped / re-classified / re-casted to conform to the classification of the current period.
- The Segment reporting of the group has been prepared in accordance with Ind AS 108 on "Operating Segments". The group operates within India and does not have operations in economic environment with different risks & returns. Hence it is considered operating in Pan India single geographical segment. The management of the group on the basis of its business activities, has identified two reportable segments : Telecom Services, Project Work Services.



Segment-Wise Revenue and Results are as follows:												
Particulars	Standalone						Consolidated					
	Quarter Ended		Nine months ended		Year ended		Quarter Ended		Nine months ended		Year ended	
	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue												
(a) Revenue from Operations												
Telecom Services	28,702	29,478	24,810	85,590	74,471	1,04,358	28,686	29,471	24,674	85,534	74,335	1,04,156
Project Work Services	16,351	13,034	16,572	39,021	32,161	47,797	16,746	13,400	17,095	40,454	33,957	50,689
Total	45,053	42,512	41,382	1,24,611	1,06,632	1,52,155	45,432	42,871	41,769	1,25,988	1,08,292	1,54,845
Less: Inter Segment Revenue												
Net Sales / Total Income												
2. Segment Results												
Profit Before tax & interest from Each Segment												
(a) Telecom Services	5,676	8,112	3,221	17,902	14,138	20,156	5,660	8,105	3,174	17,847	14,001	19,947
(b) Project Work Services	1,127	414	1,440	1,803	3,557	4,044	1,248	455	1,365	2,110	3,689	4,244
Total	6,803	8,526	4,661	19,705	17,695	24,200	6,908	8,560	4,539	19,957	17,690	24,191
Less:-												
(i) Other Un- allocable expenditure net of un - allocable income	2,430	1,196	(4,323)	4,587	(2,982)	(3,873)	2,299	1,168	(4,438)	4,411	(3,188)	(4,174)
(ii) Finance cost net of finance income	126	(66)	95	106	36	118	295	(11)	163	377	181	304
Total Profit before tax	4,247	7,396	8,889	15,012	20,641	27,955	4,313	7,404	8,814	15,169	20,697	28,061

Segment-Wise Assets and Liabilities are as follows:

(Rs. in Lakhs)								
Particulars	Standalone				Consolidated			
	As at 31.12.2022	As at 30.09.2022	As at 31.03.2022	As at 31.12.2021	As at 31.12.2022	As at 30.09.2022	As at 31.03.2022	As at 31.12.2021
	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)
1. Segment Assets								
(a) Telecom Services	2,31,453	2,13,986	1,81,262	1,89,224	2,31,453	2,13,986	1,81,262	1,89,224
(b) Project Work Services	31,869	37,470	65,968	68,232	42,235	48,065	66,559	68,427
(c) Un-allocable Assets	34,636	40,093	28,711	23,964	34,636	40,093	37,997	32,902
Total Assets	2,97,958	2,91,549	2,75,941	2,81,420	3,08,324	3,02,144	2,85,817	2,90,553
2. Segment Liabilities								
(a) Telecom Services	1,22,574	1,19,831	1,09,054	1,11,821	1,22,574	1,19,831	1,09,054	1,11,821
(b) Project Work Services	11,524	11,464	11,547	14,889	20,699	20,908	17,124	20,408
(c) Un-allocable Liabilities	3,191	2,732	3,738	2,777	3,191	2,732	6,968	5,337
Total Liabilities	1,37,289	1,34,027	1,24,339	1,29,487	1,46,464	1,43,471	1,33,147	1,37,566
3. Capital Employed								
(a) Telecom Services	1,08,879	94,156	72,208	77,403	1,08,879	94,155	72,208	77,403
(b) Project Work Services	20,345	26,006	54,421	53,343	21,536	27,157	49,435	48,019
(c) Un-allocable	31,445	37,360	24,973	21,187	31,445	37,361	31,028	27,565
Capital Employed	1,60,669	1,57,522	1,51,602	1,51,933	1,61,860	1,58,673	1,52,671	1,52,987

As per our report of even date attached
For M/s S R GOYAL & CO
Chartered Accountants
FRN 001537C

CA A.K. Atolia
M.No.077201
Place New Delhi
Date: 31.01.2023



For and on behalf of RailTel Corporation of India Limited



Sanjai Kumar
Chairman & Managing Director
DIN No.: 06923630

S R GOYAL & CO

CHARTERED ACCOUNTANTS

Independent Auditor's Review Report on The Unaudited Standalone Financial Results of the RailTel Corporation of India Limited for the quarter and nine months ended December 31, 2022 Pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
RailTel Corporation of India Limited
New Delhi

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results ("the Statement") of **RailTel Corporation of India Limited** ("the Company") for the quarter and nine months ended on 31st December 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), specified under Section 133 of the Companies Act, 2013, including relevant circular issued by the SEBI from time to time and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. This standard requires that we plan to perform the review to obtain moderate assurance as to whether the financial statements is free from material misstatement and also considering the requirements of SA 600 on "Using the work of Another Auditor". A review is limited primarily to inquiries of the company personnel and analytical procedure applied to financial data and thus provides less assurance than an audit. We do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 and based on the consideration of the review reports of other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with the applicable Indian Accounting Standard (Ind AS) and other recognized accounting policies has not disclosed the information required to be

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S R GOYAL & CO CHARTERED ACCOUNTANTS

disclosed in accordance with the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Other matter

- a) We did not review the financial results / information of Eastern Region, Western region and Southern Region included in these unaudited standalone financial results; whose financial results / information reflect total revenue from operations of Rs. 29,444 lakhs, total net profit after tax of Rs. 6,477 lakhs and total comprehensive income of Rs. 6,477 lakhs for the quarter ended December 31, 2022, and total assets of Rs 1,70,559 lakhs as on December 31, 2022. The same have been reviewed by other auditors appointed by the CAG.

Our conclusion 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 and the procedures performed by us as stated in paragraph 3 above.

- b) The unaudited standalone financials of the Company for the quarter and nine months ended 31 December 2021 and audited financial statements for the year ended 31st March 2022 were reviewed / audited by the predecessor statutory auditor of the Company.

Our conclusion on the statement is not modified in respect of the above matter.

For S. R. Goyal & Co.
Chartered Accountants
FRN No. 001537C



A.K. Atolia

Place: New Delhi
Date: 31.01.2023
UDIN: 23077201BGXMOW6054

A.K. Atolia
(Partner)
M.No. - 077201

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S R GOYAL & CO

CHARTERED ACCOUNTANTS

Independent Auditor's Review Report on the Unaudited Consolidated Financial Results of the RailTel Corporation of India Limited for the quarter and nine months ended December 31, 2022 Pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
RailTel Corporation of India Limited
New Delhi

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results ("the Statement") of **RailTel Corporation of India Limited** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), for the quarter and nine months ended on 31st December 2022, attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), specified under Section 133 of the Companies Act, 2013, including relevant circular issued by the SEBI from time to time and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. This standard requires that we plan to perform the review to obtain moderate assurance as to whether the financial statements is free from material misstatement and also considering the requirements of SA 600 on "Using the work of Another Auditor". A review is limited primarily to inquiries of the company personnel and analytical procedure applied to financial data and thus provides less assurance than an audit. We do not express an audit opinion.
4. The Statement includes the results of RailTel Enterprises Ltd. (Subsidiary Company).

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CHARTERED ACCOUNTANTS

5. Based on our review conducted as stated in paragraph 3 and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with the applicable Indian Accounting Standard (Ind AS) and other recognized accounting policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Other matter

- a) We did not review the interim financial result of the subsidiary included in the unaudited consolidated financial results, whose interim financial results reflect total assets of Rs. 11,547.65 lakhs on 31st December 2022, total revenue from operations of Rs 1181.54 lakhs and total net profit after tax of Rs. 52.08 lakh and total comprehensive income of Rs. 52.08 lakhs for the quarter and nine months ended 31st December 2022 as considered in the unaudited consolidated financial results. This interim financial result has been reviewed by other auditor appointed by CAG whose reports has been furnished to us by the management of Parent company and our conclusion 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 auditors and the procedures performed by us as stated in paragraph 3 above.
- b) We did not review the financial results / information of Eastern Region, Western region and Southern Region included in these unaudited consolidated financial results; whose financial results / information reflect total revenue from operations of Rs. 29,444 lakhs, total net profit after tax of Rs. 6,477 lakhs and total comprehensive income of Rs. 6,477 lakhs for the quarter ended December 31, 2022, and total assets of Rs 1,70,559 lakhs as on December 31, 2022. The same have been reviewed by other auditors appointed by the CAG. Our conclusion 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 and the procedures performed by us as stated in paragraph 3 above.

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S R GOYAL & CO

CHARTERED ACCOUNTANTS

- c) The unaudited consolidated financials of the Company for the quarter and nine months ended 31 December 2021 and audited financial statements for the year ended 31st March 2022 were reviewed / audited by the predecessor statutory auditor of the Company.

Our conclusion on the statement is not modified in respect of the above matter.

For S. R. Goyal & Co.
Chartered Accountants
FRN No. 001537C



A.K. Atolia
(Partner)
M.No. - 077201

Place: New Delhi
Date: 31.01.2023
UDIN: 23077201BGXMQX1767

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रेलटेल
RAILTEL

A mini
ratna enterprise

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF RAILTEL ENTERPRISES LIMITED AT ITS MEETING HELD ON 20TH APRIL, 2023 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION BETWEEN RAILTEL ENTERPRISES LIMITED & RAILTEL CORPORATION OF INDIA & THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS.

This Report as per the provisions of section 232(2)(c) of the Companies Act, 2013 ("Act"), sets out the effect of the Scheme on the equity shareholders, key managerial personnel, promoters, and non-promoter shareholders of the Transferor Company and laying out in particular, if applicable.

Background

The proposed scheme of amalgamation ("**Scheme**") provides for amalgamation of M/s RailTel Enterprises Limited ("Transferor Company") and RailTel Corporation of India Limited ("Transferee Company") on a going concern basis as per the provisions of sections 230 to 232 of the Act read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (*For the sake of convenience, Transferor Companies and Transferee Company are hereinafter collectively referred to as "Companies"*).

Rationale of the Scheme

The Transferor Company, promoted by the Transferee Company, is engaged in the business of undertaking Information and Communication Technologies (ICT) infrastructure projects covering hardware and software applications and other associated sub-systems including planning, designing, commissioning, operationalizing, maintaining, and financing projects in India and abroad. Further, the Transferor company explores its capabilities and experience gained by RailTel from execution of number of small to large national level projects like National Knowledge Network (NKN), National Optical Fibre Network (NOFN), NE-I & NE-II projects under USOF, and various projects for many other Govt and private agencies. The Transferee Company, as provided above, has a strategic relationship with the Indian Railways wherein it provides wide variety of projects including provision of mission critical connectivity services like IP based video surveillance system at stations, 'e-Office' services and implementing short haul connectivity between stations and long-haul connectivity to support various organizations within the Indian Railways. The Transferee Company has been expanding its portfolio of services in the areas of Data Centre, Cloud, Telepresence, Retail Broadband (Railwire), etc., i.e. a business similar to the existing business of the Transferor Company. The businesses of both the Transferee Company and Transferor Company align with each other.

रेलटेल एन्टरप्राइजेज लिमिटेड

RailTel Enterprises Limited

CIN : U74900DL2014GO1270322

पंजीकृत कार्यालय : 6ठा तल, तीसरा ब्लॉक, दिल्ली टेक्नोलॉजी पार्क, शास्त्री पार्क, दिल्ली- 110053 (भारत)

कॉर्पोरेट कार्यालय : एनबीसीसी बिल्डिंग, कार्यालय टावर-2, 6ठा तल, प्लेट-ए, पूर्वी किदवाई नगर, नई दिल्ली- 110023 (भारत)

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In order to optimize and leverage the resources of both the Transferor and Transferee Company, the management is of the view that it will upscale the business of the merged entity which will be in the interest of all the stakeholders. Further, the proposed amalgamation is in consonance with the recent development and notification dated 13th December, 2021 bearing no. DPE/3(1)/2021-00, issued by Department of Public Enterprises, Ministry of Finance, wherein the department has contemplated to maintain bare minimum presence of Central Public Sector Enterprises in the strategic sectors.

The said amalgamation will also result in following benefits:

- i. Amalgamation of the Transferor Company, with the Transferee Company would lead to avail synergy benefits, eliminate multiple administrative functions and reduce administrative & compliance costs, thereby increasing the shareholders' value.
- ii. The proposed amalgamation would result in optimizing and leveraging existing resources of these Companies for the most beneficial utilization of these factors in the combined entity. It would be advantageous to combine the activities and operations of all these Companies in a single entity and building strong capability to effectively meet future challenges in competitive business environment.
- iii. Greater efficiency in cash management of the Transferee Company and better access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities. The proposed amalgamation would enhance the shareholders' value of the Companies.
- iv. Upon amalgamation, the combined entity will have a larger capital base which will ultimately help the company to boost its ability to raise finances.

Consideration

Upon the same becoming effective and with effect from the appointed date (being October 01, 2022), all the assets and liabilities and entire business of the Transferor Company shall stand transferred to and vested in the Transferee Company. In addition, upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. Further, no shares will be issued to the shareholders of the Transferor Company pursuant to the Scheme, as the said Transferor Company is a wholly-owned subsidiary of the Transferee Company.

Effect of the Scheme

S. No.	Particulars	Effect
1.	Promoter	Since, the Transferor Company is a wholly-owned subsidiary of the Transferee Company, therefore, there will be no issue and allotment of shares as no consideration by the Transferee Company to the shareholders of the Transferor Company.
2.	Non-promoter shareholders	Not Applicable, since there is no non-promoter shareholder in the Transferor Company.
3.	Directors	Upon the Scheme becoming effective, Transferor Company shall stand dissolved and accordingly, the directors of the Transferor Company shall cease to be employed in the Transferor Company.
4.	KMP (Key Managerial Personnel)	Upon the Scheme becoming effective, Transferor Company shall stand dissolved and accordingly, KMP

		of the Transferor Company shall cease to be employed in the Transferor Company.
5.	Secured Creditors	There are no secured creditors of the Transferor Company.
6.	Unsecured Creditors	No rights of the unsecured creditors of the Transferor Company are being affected pursuant to the Scheme. The unsecured creditors of the Transferor Company shall become unsecured creditors of the Transferee Company. Hence, the right of the unsecured creditors are neither being reduced nor being varied or extinguished.
7.	Depositors	No effect, as there is no depositor in the Transferor Company.
8.	Employee	No effect, as pursuant to the Scheme becoming effective, the present employees of the Transferor Company shall continue to act as employees of the Transferee Company, upon effectiveness of the Scheme.
9.	Debenture holders	No effect, as there is no debenture holder in the Transferor Company.

Effect of the Scheme

The Board of Directors have unanimously adopted this report after noting and considering the information set forth in this report.

For and on behalf of RailTel Enterprises Limited


Name: Shri Suresh Kumar
Designation: Director & CEO
Place: Delhi
Date: 20th April, 2023

REPORT ADOPTED BY THE MERGER COMMITTEE OF THE BOARD OF RAILTEL CORPORATION OF INDIA AT ITS MEETING HELD ON 20TH APRIL, 2023 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION BETWEEN RAILTEL ENTERPRISES LIMITED & RAILTEL CORPORATION OF INDIA LIMITED & THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS.

This Report as per the provisions of section 232(2)(c) of the Companies Act, 2013 ("Act"), sets out the effect of the Scheme on the equity shareholders, key managerial personnel, promoters, and non-promoter shareholders of the Transferee Company and laying out in particular, if applicable.

Background

The proposed scheme of amalgamation ("*Scheme*") provides for amalgamation of M/s RailTel Enterprises Limited ("*Transferor Company*") and RailTel Corporation of India Limited ("*Transferee Company*") on a going concern basis as per the provisions of sections 230 to 232 of the Act read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (For the sake of convenience, Transferor Company and Transferee Company are hereinafter collectively referred to as "*Companies*").

Rationale of the Scheme

The Transferor Company, promoted by the Transferee Company, is engaged in the business of undertaking Information and Communication Technologies (ICT) infrastructure projects covering hardware and software applications and other associated sub-systems including planning, designing, commissioning, operationalizing, maintaining, and financing projects in India and abroad. Further, the Transferor company explores its capabilities and experience gained by RailTel from execution of number of small to large national level projects like National Knowledge Network (NKN), National Optical Fibre Network (NOFN), NE-I & NE-II projects under USOF, and various projects for many other Govt and private agencies. The Transferee Company, as provided above, has a strategic relationship with the Indian Railways wherein it provides wide variety of projects including provision of mission critical connectivity services like IP based video surveillance system at stations, 'e-Office' services and implementing short haul connectivity between stations and long-haul connectivity to support various organizations within the Indian Railways. The Transferee Company has been expanding its portfolio of services in the areas of Data Centre, Cloud, Telepresence, Retail Broadband (Railwire), etc., i.e. a business similar to the existing business of the Transferor Company. The businesses of both the Transferee Company and Transferor Company align with each other.

रेलटेल कॉर्पोरेशन ऑफ इंडिया लिमिटेड, भारत सरकार (रेल मंत्रालय) का उपक्रम

CIN : L64202DL2000GOI107905

Registered & Corporate Office : Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi - 110023
T : +91 11 22900600, F +91 11 22900699 | Website : www.railtelindia.com



In order to optimize and leverage the resources of both the Transferor and Transferee Company, the management is of the view that it will upscale the business of the merged entity which will be in the interest of all the stakeholders. Further, the proposed amalgamation is in consonance with the recent development and notification dated 13th December, 2021 bearing no. DPE/3(1)/2021-00, issued by Department of Public Enterprises, Ministry of Finance, wherein the department has contemplated to maintain bare minimum presence of Central Public Sector Enterprises in the strategic sectors.

The said amalgamation will also result in following benefits:

- i. Amalgamation of the Transferor Company, with the Transferee Company would lead to avail synergy benefits, eliminate multiple administrative functions and reduce administrative & compliance costs, thereby increasing the shareholders' value.
- ii. The proposed amalgamation would result in optimizing and leveraging existing resources of these Companies for the most beneficial utilization of these factors in the combined entity. It would be advantageous to combine the activities and operations of all these Companies in a single entity and building strong capability to effectively meet future challenges in competitive business environment.
- iii. Greater efficiency in cash management of the Transferee Company and better access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities. The proposed amalgamation would enhance the shareholders' value of the Companies.
- iv. Upon amalgamation, the combined entity will have a larger capital base which will ultimately help the company to boost its ability to raise finances.

Consideration

Upon the same becoming effective and with effect from the appointed date (*being October 01, 2022*), all the assets and liabilities and entire business of the Transferor Company shall stand transferred to and vested in the Transferee Company. In addition, upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. Further, no shares will be issued to the shareholders of the Transferor Company pursuant to the Scheme, as the said Transferor Company is a wholly-owned subsidiary of the Transferee Company.

Effect of the Scheme

S. No.	Particulars	Effect
1.	Promoter	No effect, as Promoter Shareholders shall continue to act as shareholders in the Transferee Company
2.	Non-promoter shareholders	The non-promoter shareholders shall continue to act as shareholders in the Transferee Company
3.	Directors	No effect, as the directors shall continue to act as directors of the Transferee Company.
4.	KMP (Key Managerial Personnel)	No effect, as the KMPs shall continue to act as KMPs of the Transferee Company.
5.	Secured Creditors	There are no secured creditors of the Transferee Company.



6.	Unsecured Creditors	No rights of the unsecured creditors of the Transferee Company are being affected pursuant to the Scheme.
7.	Depositors	No effect, as there is no depositor in the Transferee Company.
8.	Employee	No effect, as the present employees shall continue to act as employees of the Transferee Company.
9.	Debenture holders	No effect, as there is no debenture holder in the Transferee Company.

Effect of the Scheme

The Merger Committee of the Board of the Company have unanimously adopted this report after noting and considering the information set forth in this report.

For and on behalf of RailTel Corporation of India Limited



20/04/2023.



Name: Shri Sanjai Kumar

Designation: Chairman & Managing Director

Place: Delhi

Date: 20TH April, 2023



**Before the Government of India
Ministry of Corporate Affairs
Application No. 24/1/2023-CL-III
In the matter of Sections 230 to 232 and other applicable provisions of
the Companies Act, 2013 read with the
Companies (Companies, Arrangements and Amalgamation) Rules, 2016
And
In the matter of Scheme of Amalgamation
Amongst
RailTel Enterprises Limited
And
RailTel Corporation of India Limited
And
Their respective shareholders and creditors**

Sub: Notice of the meeting of unsecured creditors of M/s. RailTel Corporation of India Limited convened as per the directions of the Ministry of Corporate Affairs ("MCA").

Ref: In the matter of Scheme of Amalgamation ("Scheme") between M/s. RailTel Enterprises Limited ("Transferor Company") and M/s. RailTel Corporation of India Limited ("Transferee Company") and their respective shareholders and creditors

This is to inform that a meeting of the unsecured creditors of the Transferee Company will be held on Friday, 26th May, 2023 at 12:30 Hrs (IST), at the Registered & Corporate Office of the Company at Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi-110023, to approve the Scheme under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("CA, 2013") as directed by the MCA vide order dated March 20, 2023 passed in pursuance to Application No. 24/1/2023-CL-III ("Order").

Copy of the Notice convening aforesaid meeting along with the Explanatory Statement and other Annexures are enclosed.

Pursuant to the Order the notice of the meeting has been sent to the unsecured creditors whose debt is of a value more than Rs. 10,00,000/- in the records of the Transferee Company as on the cut-off date i.e. September 30, 2022 (i) through electronic mode to the unsecured creditors whose e-mail IDs are available with the Transferee Company and (ii) through Registered Post/Speed Post (physically) to the unsecured creditors whose e-mail IDs are not available with the Transferee Company.

This notice is also being made available on the website of the Transferee Company www.railtelindia.com along with the website of the stock exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

We request you to take the above information on record.

Thanking You

Sd/-

Yours truly,

Sandeep Jain

Executive Director/Planning (Civil & PSU)/Railway Board

Chairperson appointed for the meeting

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

CIN : L64202DL2000GOI107905

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

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

Website : www.railtelindia.com

MEETING OF THE UNSECURED CREDITORS OF RAILTEL CORPORATION OF INDIA LIMITED

(convened pursuant to Order of MCA dated March 20, 2023 of the Ministry of Corporate Affairs)

Day	Friday
Date	26 th May, 2023
Time	12:30 Hrs (IST)
Venue	Registered & Corporate Office of the Company at Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi-110023

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

CIN : L64202DL2000GOI107905

Registered & Corporate Office : Plate-A, 6th Floor, Office Block-2, East Kidwai Nagar, New Delhi-110023,
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FORM NO. CAA. 2

[Pursuant to Section 230(3) of the Companies Act, 2013 and Rule 6 and 7 of Companies
(Compromises, Arrangements and Amalgamations) Rules, 2016]

Before the Government of India
Ministry of Corporate Affairs
Application No. 24/1/2023-III
In the matter of Sections 230 to 232 and other applicable provisions of
the Companies Act, 2013 read with the
Companies (Compromises, Arrangements and Amalgamation) Rules, 2016
And
In the matter of Scheme of Amalgamation
Amongst
RailTel Enterprises Limited
And
RailTel Corporation of India Limited
And
Their respective shareholders and creditors

RailTel Enterprises Limited

A Company incorporated under the provisions of Companies Act, 2013.

Through its Authorized Representative: Shri Yudhveer, Company Secretary.

Registered Office: 6th Floor, 3rd Block Delhi Technology Park, Shastri Park, Delhi-110053.

CIN: U74900DL2014GOI270322

PAN: AAGCR9912H

..... Transferor Company

RailTel Corporation of India Limited

A Company incorporated under the provisions of Companies Act, 1956.

Through its Authorized Representative: Shri J.S. Marwah, Company Secretary.

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

CIN: L64202DL2000GOI107905

PAN: AABCR7176C

..... Transferee Company

NOTICE OF THE MEETING OF THE UNSECURED CREDITORS OF RAILTEL CORPORATION OF INDIA LIMITED

To,

Unsecured Creditors of

RailTel Corporation of India Limited

NOTICE is hereby given that by an Order dated March 20, 2023 ("**Order**"), the Ministry of Corporate Affairs ("**MCA**") has directed to convene a meeting of the unsecured creditors of RailTel Corporation of India Limited ("**Transferee Company**") to be held, for the purpose of considering, and if thought fit, approving, the Scheme of Amalgamation ("**Scheme**") of M/s. RailTel Enterprises Limited ("**Transferor Company**"), with RailTel Corporation of India Limited ("**Transferee Company**") and their respective shareholders and creditors under the provisions of Sections 230 to 232 of the Companies Act, 2013 and the other applicable provisions thereof and applicable rules thereunder.

In pursuance of the Order and as directed therein, further notice is hereby given that a meeting of unsecured creditors of the Transferee Company ("**Meeting**"), will be held on Friday, 26th May, 2023 at 12:30 Hrs (IST) at the Registered & Corporate

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

CIN : L64202DL2000GOI107905

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

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

Website : www.railtelindia.com

Office of the Company at Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi-110023, in compliance with the applicable provisions of the Companies Act, 2013 ("Act") and circulars issued thereunder, as amended from time to time, at which day, time and place the said unsecured creditors of Transferee Company are requested to attend the Meeting.

At the Meeting, the following resolution(s) will be considered and if thought fit, be passed, by requisite majority, under Sections 230 to 232 and other applicable provisions of the Act:

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications issued thereunder, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the circulars and notifications issued thereunder, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and subject to the provisions of the Memorandum and Articles of Association of the M/s. RailTel Corporation of India Limited ("Transferee Company") and subject to the approval of Ministry of Corporate Affairs ("MCA") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the Parties to the Scheme, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the MCA or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Transferee Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the Scheme of Amalgamation of M/s. RailTel Enterprises Limited with M/s. RailTel Corporation of India Limited ("Scheme") and their respective shareholders and creditors, which was circulated along with this Notice, be and is hereby approved.

RESOLVED FURTHER THAT the Board of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by MCA while sanctioning the Scheme or by any authorities under law, including but not limited to passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper, and to settle any question, difficulty or doubt that may arise in respect of Scheme, without being required to seek any further consent or approval of the Unsecured Creditors of the Transferee Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy or through authorized representative, provided that a proxy in the prescribed form i.e. Form MGT-11, duly signed by you or your authorized representative, is deposited at the registered office of the Transferee Company at the Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi-110023 not later than 48 (forty eight) hours before the time fixed for the aforesaid meeting. The form of proxy is attached herewith as **Annexure-F** and can be obtained free of cost from the registered office of the Transferee Company or from the website of the Transferee Company i.e. www.railtelindia.com.

TAKE FURTHER NOTICE that in terms of the said Orders of the MCA, the voting rights of unsecured creditors shall be given to such unsecured creditors of the Transferee Company whose value of debt is more than Rs. 10,00,000/- (Rupees Ten Lakhs only) as per the records of the Transferee Company stood as on cut-off date i.e., September 30, 2022 ("Cut-off Date").

A copy of the Scheme, the Explanatory Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other annexures as indicated in the Index are enclosed herewith. A copy of this notice and the accompanying documents will be placed on the Transferee Company's website viz www.railtelindia.com and 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. The copy of the Scheme and other enclosed annexures can be obtained free of charge on all working days, from the registered office of the Transferee Company between 11:00 A.M. to 05:00 P.M. or by sending email to the Transferee Company at cs@railtelindia.com, up to the date of the Meeting.

TAKE FURTHER NOTICE that as per the directions of the MCA to appoint Chairperson of the meeting not below the rank of Joint Secretary from the administrative ministry of the Transferee Company i.e. Railway Board, Ministry of Railways, the Merger Committee of the Board in its meeting held on 20/04/2023 has appointed Shri Sandeep Jain as the Chairperson of the Meeting, including for any adjournment(s) thereof in terms of Railway Board letter no. 2023/PL/57/01 dated 17/04/2023.

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

CIN : L64202DL2000GOI107905

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



Further, the as per the directions of MCA the Company has appointed Shri Naresh Kumar Sinha of M/s. Kumar Naresh Sinha & Associates, Practicing Company Secretaries to be the Scrutinizer for the Meeting, including for any adjournment(s) thereof.

TAKE FURTHER NOTICE that as per the directions of the MCA the notice to the relevant statutory authorities in accordance with section 230(5) of the CA, 2013 read with Rule 8(2) of the Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 shall be served in due course.

The results of the Meeting shall be announced by the Chairperson within two working days of the conclusion of the Meeting upon receipt of Scrutinizer's report and the same shall be displayed on the website of the Transferee Company viz. www.railtelindia.com besides being communicated to BSE Limited and the National Stock Exchange of India Limited.

The Scheme, if approved by the unsecured creditors, will be subject to the subsequent approval of the MCA and such other approvals, permissions, and sanctions of regulatory or other authorities, as may be necessary.

In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be considered approved by the unsecured creditors only if the Scheme is approved by majority in number representing three-fourths in value of the such unsecured creditors of Transferee Company whose value of debt is more than Rs. 10,00,000/- (Rupees Ten Lakhs only) as per the records of the Transferee Company on cut-off date i.e., September 30, 2022, and have voted during the Meeting or by way of remote e-voting.

Date: 21/04/2023

Place: New Delhi

Sd/-

Sandeep Jain

Executive Director/Planning (Civil & PSU)/Railway Board

Chairperson appointed for the Meeting

रेलटेल कॉर्पोरेशन ऑफ इंडिया लिमिटेड (भारत सरकार का उपक्रम)
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Website : www.railtelindia.com

Notes:

1. Only unsecured creditors of the Transferee Company whose value of debt exceeds Rs. 10,00,000/- (Rupees Ten Lakhs only) as of the cut-off date i.e., September 30, 2022, may attend and vote either in person or by proxy (a proxy need not be an unsecured creditor of the Transferee Company) or in the case of a body corporate by a representative authorized under Section 113 of the Companies Act, 2013 at the meeting of the unsecured creditors of the Transferee Company. The authorized representative of a body corporate which is an unsecured creditor of the Transferee Company may attend and vote at the meeting of the unsecured creditors of the Transferee Company provided a copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing such representative to attend and vote at the meeting of the unsecured creditors of the Transferee Company, duly certified to be a true copy by a Director, Manager, Secretary or other authorized officer of such body corporate, is deposited at the registered office of the Transferee Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the unsecured creditors of the Transferee Company.
2. A person can act as proxy on behalf of not more than 50 (fifty) unsecured creditors holding in aggregate, not more than 10% (ten percent) of the total debt due to the unsecured creditors of the Transferee Company whose meeting has been concerned. However, an unsecured creditor holding more than 10% (ten percent) of the total due to the unsecured creditors of the Transferee Company, whose meeting has been concerned, may appoint a single person as proxy and such person shall not act as proxy for any other person or unsecured creditor.
3. The form of proxy can be obtained free of charge from the registered office of the Transferee Company.
4. All alterations made in the form of proxy should be initialed.
5. The MCA by its Order dated March 20, 2023 ("Order") has directed that a meeting of the unsecured creditors of the Transferee Company whose value of debt exceeds Rs. 10,00,000/- (Rupees Ten Lakhs only) as of the cut-off date i.e. September 30 2022, shall be convened. Accordingly, meeting of such unsecured creditors is being convened at the Registered & Corporate Office of the Company at Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi-110023 on Friday, 26th May, 2023 at 12:30 (IST) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Unsecured creditors would be entitled to vote in the said meeting either in person or through proxy.
6. An unsecured creditor or his proxy or authorized representative, attending the meeting, is requested to bring the duly completed and signed Attendance Slip.
7. Unsecured creditors having outstanding debt exceeding value of Rs. 10,00,000/- (Rupees Ten Lakhs only) as on September 30, 2020, being the cut-off date, will be entitled to exercise their right to vote on the above resolution.
8. In accordance with the provisions of sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the unsecured creditors of the Transferee Company, voting in person or by proxy or through authorized representative, agree to the Scheme.
9. Pursuant to the directions of MCA, Shri Sandeep Jain, Executive Director/Planning (Civil & PSU), Railway Board has been appointed as Chairperson of the meeting in terms of Railway Board letter no. 2023/PL/57/01 dated 17/04/2023.
10. The Scrutinizer will submit his report to the Chairman of the meeting after completion of the scrutiny of the votes cast by the unsecured creditors of the Transferee Company through polling done at the meeting.
11. The explanatory statement pursuant to Sections 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("CA 2013") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto.
12. The quorum of the Meeting of the unsecured creditors of the Transferee Company shall be one-third of such unsecured creditors whose debt is of value more than Rs. 10,00,000/- (Rupees Ten Lakhs only) as per the records of the Transferee Company stood as on Cut-Off date i.e. September 30, 2022. Such unsecured creditors attending the Meeting shall be counted for the purpose of reckoning the quorum. As per the directions of MCA, in case the above stated quorum is not present at the Meeting, the Chairperson is empowered to defer/adjourn such Meeting and shall hold it on such other subsequent date, after giving notice to such unsecured creditors.

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

CIN : L64202DL2000GOI107905

Registered & Corporate Office : Plate-A, 6th Floor, Office Block-2, East Kidwai Nagar, New Delhi-110023,
T : +91 11 22900615, F : +91 11 22900699
Website : www.railtelindia.com

13. The Notice of the Meeting, explanatory statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the Scheme and the other annexures as indicated in the Index are being sent to the unsecured creditors whose value of debt is more than Rs. 10,00,000/- (Rupees Ten Lakhs only) as per the records of the Transferee Company stood as on cut-off date i.e., September 30, 2022 (i) through electronic mode to the unsecured creditors whose e-mail IDs are available with the Transferee Company; and (ii) through registered post or Speed post, physically, to the unsecured creditors whose email IDs are not available with the Transferee Company.
14. The unsecured creditors may note that the notice and accompanying documents are also available on the website of the Transferee Company at www.railtelindia.com, and will also be filed to the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited.
15. All the documents referred to in this Notice shall also be open for inspection by the unsecured creditors at the registered office of the Transferee Company between 11:00 A.M. to 05:00 P.M. on all working days up to the date of the Meeting. The unsecured creditors desirous to inspect these documents may send request from their official email ID to the Transferee Company at cs@railtelindia.com.
16. The Notice convening the Meeting in Form CAA 2 will be published through advertisement in English language; and in Hindi language newspapers.
17. All unsecured creditors related communication may be addressed to the Transferee Company at cs@railtelindia.com.

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

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Before the Government of India
Ministry of Corporate Affairs
Application No. 24/1/2023-CL-III
In the matter of Sections 230 to 232 and other applicable provisions of
the Companies Act, 2013 read with the
Companies (Companies, Arrangements and Amalgamation) Rules, 2016
And
In the matter of Scheme of Amalgamation
Amongst
RailTel Enterprises Limited
And
RailTel Corporation of India Limited
And
Their respective shareholders and creditors

RailTel Enterprises Limited

A Company incorporated under the provisions of Companies Act, 2013.

Through its Authorized Representative: Shri Yudhveer, Company Secretary.

Registered Office: 6th Floor, 3rd Block Delhi Technology Park, Shastri Park, Delhi-110053.

CIN: U74900DL2014GOI270322

PAN: AAGCR9912H

..... Transferor Company

RailTel Corporation of India Limited

A Company incorporated under the provisions of Companies Act, 1956.

Through its Authorized Representative: Shri J.S. Marwah, Company Secretary.

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

CIN: L64202DL2000GOI 107905

PAN: AABCR7176C

..... Transferee Company

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232 (1) AND (2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 ("EXPLANATORY STATEMENT")

A. MEETING FOR UNSECURED CREDITORS OF THE TRANSFEREE COMPANY

This is an Explanatory Statement accompanying the Notice convening the meeting of the unsecured creditors of the RailTel Corporation of India Limited for the purpose of their consideration and if thought fit, approving, the proposed Scheme of Amalgamation ("Scheme") of RailTel Enterprises Limited ("Transferor Company") with the RailTel Corporation of India Limited ("Transferee Company") and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013 ("Act"), and other applicable provisions of the Act, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("CAA Rules"), whereby and whereunder it is proposed to amalgamate the Transferor Companies with the Transferee Company, in the manner and on the terms and conditions stated in the said Scheme. A copy of the Scheme is enclosed as **Annexure A**.

Capital terms not defined herein and used in the Notice and this Explanatory Statement shall have the meaning as ascribed to them in the Scheme.

B. DATE, TIME, AND VENUE OF MEETING

Pursuant to an Order dated March 20, 2023, passed by the Ld. Ministry of Corporate Affairs ("MCA") in Application No. 24/1/2023-CL-III, this meeting of the unsecured creditors of the Company ("Meeting") is being held on Friday, 26th May, 2023 at 12:30 Hrs (IST) at the Registered & Corporate Office of the Company at Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi-110023 (IST) for the purpose of considering and if thought fit, approving, the said Scheme.

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

CIN : L64202DL2000GOI107905

Registered & Corporate Office : Plate-A, 6th Floor, Office Block-2, East Kidwai Nagar, New Delhi-110023,
T : +91 11 22900615, F : +91 11 22900699
Website : www.railtelindia.com

PARTICULARS OF THE COMPANIES WHO ARE PARTIES TO THE SCHEME

C. PARTICULARS OF THE TRANSFEROR COMPANY

- Corporate Identification Number:** U74900DL2014GOI270322
- PAN:** AAGCR9912H
- Name:** RailTel Enterprises Limited
- Date of incorporation:** August 12, 2014
- Type of company:** Public unlisted Government Company
- Registered Office:** 6th Floor, IIIrd Block Delhi Technology Park, Shastri Park New Delhi East Delhi 110053
- Email-ID:** yudhveer@railtelindia.com
- Details of capital structure:** The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on December 31, 2022 is as follows;

Authorised share capital:	Amt. (In Rs.)
5,00,00,000 equity shares of Rs. 10/- each	50,00,00,000
Issued, Subscribed and Fully Paid-up Share Capital:	
1,00,00,000 equity shares of Rs. 10/- each	10,00,00,000

Subsequent to December 31, 2022 and till the date of filing of joint application there is no change in the share capital of the Transferor Company.

- Name of the stock exchange where securities of Transferor Company are listed:** The securities of Transferor Company are not listed on any stock exchange in India.
- Nature of business of the Transferor Company:** The Transferor Company is wholly owned subsidiary of the Transferee Company. The Transferor Company is promoted by the Transferee Company to continue engaged in the telecom, non-telecom and allied business of the Transferee Company. The main object of the Transferor Company is set out in clause III(a) of Memorandum of Association which is as under:

- "1. To undertake Information and Communication Technologies (ICT) infrastructure projects covering hardware and software applications and other associated sub-systems in India and abroad including planning, designing, development, construction, improvement, commissioning, operation, maintenance and financing of projects and various services relating thereto including marketing, collecting revenues and of advisory nature.*
- 2. To carry on any ICT infrastructure construction work in India or abroad on Build-Operate-Transfer (BOT), Build Own operate-Transfer (BOOT), Build-Lease-Transfer(BLT) etc. or otherwise or any other scheme or project found suitable in and related to the field of infrastructure projects and other ancillary fields that may be assigned to or secured by the Company on its own or through its holding company or subsidiary(ies) including financing of those projects and their services including commissioning, operation, maintenance, etc. as well as marketing, collecting revenues, etc.*
- 3. To undertake design and development of Railway Signalling projects /systems and also for other works relating to railway electrification, power distribution systems, transmission lines etc. concerned with the running of Railway in India and abroad.*
- 4. To carry out consultation services for various customers in the field of IT, Telecom, signalling, critical infrastructure in India and abroad.*
- 5. To undertake Data Center, Network/Security Operation center related infrastructure projects in India and abroad including planning, designing, development, construction, improvement, commissioning, operation, maintenance and financing of projects and various services relating thereto marketing, collecting revenues etc."*

- Name of the promoters of the Transferor Company along with their residential address:**
The promoter of Transferor Company is Transferee Company i.e. RailTel Corporation of India Limited.

- As on March 31, 2023, the list of directors of the Transferor Company is as under:**

Name of the Director	Designation	DIN
Shri Sanjai Kumar	Chairman-cum-Director	06923630
Shri Suresh Kumar	Director & CEO	09131274
Shri Harish Chandra Batra	Director (Finance) & CFO	08137865

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13. **Details of change of name of the Transferor Company in the last five years:** The Transferor Company has not changed its name in last five years.
14. **Details of change of registered office of Transferor Company in the last five years:** The Transferor Company has not changed its registered office in last five years.
15. **Details of change of Objects of the Transferor Company in the last five years:** The Transferor Company has not changed its objects in last five years.
16. **Date of Board Meeting at which the Scheme was approved:** September 28, 2022.
17. **The directors who gave their assent/ dissent:** The Scheme was unanimously approved by all the directors of the Transferor Company.
18. **Amount due to Secured Creditors of the Transferor Company as on September 30, 2022:** The Transferor Company has no Secured Creditor as on September 30, 2022.
19. **Amount due to Unsecured Creditors of the Transferor Company as on September 30, 2022:** The Transferor Company has 15 Unsecured Creditors having outstanding debt of Rs. 25.45 Crore as on September 30, 2022.
20. **Disclosure about the effect of Scheme on the material interests of Directors/ KMP etc.:** Kindly refer to the Report adopted by the Board of Directors of Transferor Company in their meeting held on 20th April, 2023 as annexed herewith and marked as **Annexure-D**.

S. No.	Particulars	Effect
1.	Promoter	Since, the Transferor Company is a wholly-owned subsidiary of the Transferee Company, therefore, there will be no issue and allotment of shares as consideration by the Transferee Company to the shareholders of the Transferor Company.
2.	Non-promoter shareholders	Not Applicable, since there is no non-promoter shareholder in the Transferor Company.
3.	Directors	Upon the Scheme becoming effective, Transferor Company shall stand dissolved and accordingly, the directors of the Transferor Company shall cease to be employed in the Transferor Company.
4.	KMP (Key Managerial Personnel)	Upon the Scheme becoming effective, Transferor Company shall stand dissolved and accordingly, KMP of the Transferor Company shall cease to be employed in the Transferor Company.
5.	Secured Creditors	There are no secured creditors of the Transferor Company.
6.	Unsecured Creditors	No rights of the unsecured creditors of the Transferor Company are being affected pursuant to the Scheme. The unsecured creditors of the Transferor Company shall become unsecured creditors of the Transferee Company. Hence, the right of the unsecured creditors are neither being reduced nor being varied or extinguished.
7.	Depositors	No effect, as there is no depositor in the Transferor Company.
8.	Employee	No effect, as pursuant to the Scheme becoming effective, the present employees of the Transferor Company shall continue to act as employees of the Transferee Company, upon effectiveness of the Scheme.
9.	Debenture holders	No effect, as there is no debenture holder in the Transferor Company.

21. **Net worth of the Transferor Company as on December 31, 2022:** Rs. 2191.06 Lakhs.

D. PARTICULARS OF THE TRANSFEE COMPANY

22. **Corporate Identification Number:** L64202DL2000GOI107905
23. **PAN:** AABCR7176C
24. **Name:** RailTel Corporation of India Limited
25. **Date of incorporation:** September 26, 2000
26. **Type of company:** Public listed Government Company
27. **Registered Office:** Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar New Delhi South Delhi 110023
28. **Email-ID:** cs@railtelindia.com
29. **Details of capital structure:** The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on December 31, 2022 is as follows;

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Authorised share capital:	Amt. (In Rs.)
100 crore equity shares of Rs. 10/- each	10,00,00,00,000
Issued, Subscribed and Fully Paid-up Share Capital:	
32,09,38,407 crore equity shares of Rs. 10/- each	3,20,93,84,070

Subsequent to September 30, 2022 and till the date of filing of joint application there is no change in the share capital of the Transferee Company.

30. **Name of the stock exchange where securities of Transferee Company are listed:** The securities of Transferee Company is listed on National Stock Exchange of India Ltd and BSE Limited.

31. **Nature of business of the Transferee Company:** The Transferee Company undertakes a wide variety of projects including provision of mission critical connectivity services like IP based video surveillance system at stations, 'e-Office' services and implementing short haul connectivity between stations and long haul connectivity to support various organizations within the Indian Railways. The main objects of the Transferee Company are set out under clause III(a) of Memorandum of association are as under:

- "1. To plan, build, develop, operate and maintain in India broadband telecom network by laying optical fibre cable (OFC) and providing associated equipment alongside Railway Track and on the railway property utilizing Right of Way (ROW) on lease from the Ministry of Railways.
2. To take over and maintain Railways owned OFC and microwave assets and liabilities thereon, including contractual rights and obligations, on such terms and conditions as may be prescribed by the Ministry of Railways from time to time.
3. To plan, design, establish, develop, provide, operate and maintain any or all types of telecommunication network systems and services including information technology enabled and value added services such as :
 - National long distance and international telecommunication and multimedia services;
 - Internet services, electronic mail services, e-commerce services, cyber services, multimedia and content transmission;
 - Telephony, Facsimile, Telex, Wireless, Wire and Data communications, Telematic and other like forms of communications;
 - Cellular mobile telephone services, mobile internet on Wireless Applications Protocol, satellite telephone, VSTATs services;
 - Video phones and video conferencing, integrated service data network, satellite networks;
 - International gateways;
 - Broadcasting of audio, video and data signals;
 - Local Area Network, Wide Area Network, Globally managed data networks; on end to end basis in all parts of the country and elsewhere;
4. To plan, design, develop, establish, provide, operate, maintain and modernize communications for Railway train control, operational, safety and accident/disaster management systems and networks.
5. To lease and maintain the additional/ spare capacity of the infrastructure to Government, other multiple agencies, Government and non-government organizations, residents or foreigners or non-resident Indians duly giving priority to Railway requirements.
6. To create a nationwide broadband telecom and multimedia network to supplement national telecom infrastructure to spur growth of telecom, Internet and IT enabled value-added services in all parts of country specially rural, remote and backward areas.
7. To enter into any collaboration with strategic partner(s) to implement and achieve its goals and objectives.
8. To generate necessary revenues through commercial exploitation for its developmental needs of telecom services/facilities.
9. To collect and settle revenue, rental, lease charges and other charges payable to the Company by persons, companies, agencies and administrations for the services provided and to utilize the same for furtherance of activities of the Company.
10. To develop, manufacture, design, operate, alter, convert, process, import, export, buy, sell, lease, transfer, install, service, maintain, exchange of all telecommunication related computer hardware and software or software of all kinds including machine oriented and problem oriented software, programmes application systems, data collection and other facilities relating to computer operations and data processing equipments of all kinds, data entry devices, data collecting systems, accounting and invoicing machines and intelligent terminals etc.

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11. To plan, build, develop, operate, and maintain broadband telecom network by laying optical fibre cable and providing associated equipment alongside any or all of the other utilities, like roadways, pipelines, waterways, plain land etc.
 12. To undertake design and development of railway signaling projects / systems, telecom works in new factories/workshops and also other works relating to railway electrification, power distribution systems, transmission lines, incidental civil engineering works etc. concerned with running of railway in India and abroad. However, for undertaking any electrification work which are within purview of CORE, Allahabad, RailTel would seek prior approval of the Board (CRB).
 13. To undertake design and development of information technology, infrastructure projects covering hardware and software applications and other associated sub systems in the industry.
 14. To carry on the business/ activity/ scheme like Build Operate- Transfer (BOT), Build-Own-Operate-Transfer (BOOT), Build-Lease, Transfer (BLT) or any other scheme or project found suitable in relation to the fields of business of the Company under the Public Private Partnership (PPP) programme."
32. **Details of promoters of the Transferee Company:** As on current date, there is only one promotor in the Transferee Company i.e. the President of India acting through Ministry of Railways.
33. **As on March 31, 2023, the list of directors of the Transferee Company is as under:**

Name of the Director	Designation	DIN
Shri Sanjai Kumar	Chairman & Managing Director	06923630
Shri Rakesh Ranjan	Director/NPM	09575567
Shri Vippagunta Rama Manohara Rao	Director/Finance & CFO	06689335
Shri Manoj Tandon	Director/POM	10044053
Shri Rameshwer Meena	Part-time Govt. Nominee Director	10077767
Shri Subhash Sharma	Non-Executive- Independent Director	05333124
Shri Manoharan Nallasamy	Non-Executive- Independent Director	06430322

34. **Details of change of name of the Transferee Company in the last five years:** The Transferee Company has not changed its name in last five years
35. **Details of change of registered office of Transferee Company in the last five years:** The Transferee Company has changed its registered office from 6th Floor, Illrd Block, Delhi Technology Park, Shastri Park, New Delhi- 110053 to Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar New Delhi-110023 w.e.f. September 26, 2019.
36. **Details of change of Objects of the Transferee Company in the last five years:** The Transferee Company has not changed its objects in last five years.
37. **Date of Board Meeting at which the Scheme was approved:** September 29, 2022.
38. **The directors who gave their assent/ dissent:** The Scheme was unanimously approved by all the directors of the Transferee Company.
39. **Amount due to Secured Creditors of the Transferee Company as on September 30, 2022:** The Transferee Company has no Secured Creditor as on September 30, 2022.
40. **Amount due to Unsecured Creditors of the Transferee Company as on September 30, 2022:** The Transferee Company has 361 Unsecured Creditors having outstanding debt of Rs. 260.93 Crore as on September 30, 2022
41. **Disclosure about the effect of Scheme on the material interests of Directors/ KMP etc.:** Kindly refer to the Report adopted by the Merger Committee of the Board of the Transferee Company in their meeting held on 20th April, 2023 as annexed herewith and marked as **Annexure-E**.

S. No.	Particulars	Effect
1.	Promoter	No effect as Promoter Shareholders shall continue to act as shareholders in the Transferee Company
2.	Non-promoter shareholders	The non-promoter shareholders shall continue to act as shareholders in the Transferee Company
3.	Directors	No effect as the directors shall continue to act as directors of the Transferee Company.
4.	KMP (Key Managerial Personnel)	No effect as the KMPs shall continue to act as KMPs of the Transferee Company.
5.	Secured Creditors	There are no secured creditors of the Transferee Company.

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6.	Unsecured Creditors	No rights of the unsecured creditors of the Transferee Company are being affected pursuant to the Scheme.
7.	Depositors	No effect, as there is no depositor in the Transferee Company.
8.	Employee	No effect, as the present employees shall continue to act as employees of the Transferee Company.
9.	Debenture holders	No effect, as there is no debenture holder in the Transferee Company.

42. **Net worth of the Transferee Company as on December 31, 2022:-** Rs.160669 Lakhs.

43. **RELATIONSHIP SUBSISTING BETWEEN COMPANIES WHO ARE PARTIES TO THE SCHEME**

The Transferor Company is a wholly owned subsidiary of the Transferee Company.

44. **SALIENT FEATURES OF THE SCHEME**

(1) **Appointed Date**

The Scheme shall be operative from the “**Appointed Date**”, i.e. 01st October, 2022 or such other date as the MCA or such other competent authority may approve.

(2) **Rationale**

The Transferor Company, promoted by the Transferee Company, is engaged in the business of undertaking Information and Communication Technologies infrastructure projects covering hardware and software applications and other associated sub-systems including planning, designing, commissioning, operationalizing, maintaining, and financing projects in India and abroad.

Further, the Transferor Company also explores its capabilities and experience gained by the Transferee Company from execution of number of small to large national level projects like National Knowledge Network, National Optical Fibre Network, NE-I & NE-II projects under USOF, and various projects for many other Government and private agencies. The Transferee Company, as provided above, has a strategic relationship with the Indian Railways wherein it provides wide variety of projects including provision of mission critical connectivity services like IP based video surveillance system at stations, 'e-Office' services and implementing short haul connectivity between stations and long-haul connectivity to support various organizations within the Indian Railways. The Transferee Company has been expanding its portfolio of services in the areas of Data Centre, Cloud, Telepresence, Retail Broadband (Railwire), etc., i.e., a business similar to the existing business of the Transferor Company. The businesses of both the Transferee Company and Transferor Company align with each other.

In order to optimize and leverage the resources of both the Transferor and Transferee Company, the management is of the view that it will upscale the business of the merged entity which will be in the interest of all the stakeholders. Further, the proposed amalgamation is in consonance with the recent development and notification dated 13th December, 2021 bearing no. DPE/3(1)/2021-DD, issued by Department of Public Enterprises, Ministry of Finance, wherein the department has contemplated to maintain bare minimum presence of Central Public Sector Enterprises in the strategic sectors.

The said amalgamation shall also result in following benefits:

- Amalgamation of the Transferor Company, with the Transferee Company would lead to avail synergy benefits, eliminate multiple administrative functions and reduce administrative & compliance costs, thereby increasing the shareholders' value.
- The proposed amalgamation would result in optimizing and leveraging existing resources of these Companies for the most beneficial utilization of these factors in the combined entity. It would be advantageous to combine the activities and operations of all these Companies in a single entity and building strong capability to effectively meet future challenges in competitive business environment.
- Greater efficiency in cash management of the Transferee Company and better access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities. The proposed amalgamation would enhance the shareholders value of the Companies.
- Upon amalgamation, the combined entity will have a larger capital base which will ultimately help the company to boost its ability to raise finances.

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Further, there is no adverse effect of the Scheme on the directors, key management personnel, promoters, non-promoter members, creditors and employees of the Companies and the same would be in the best interest of all stakeholders.

The above are only the salient features of the Scheme. For more details, please refer to the Scheme as annexed herewith and marked as "Annexure-A"

45. **Pre and Post Scheme capital structure:**

Pre-Scheme capital structure of the Transferor Companies and Transferee Company are detailed in clause 6.1 of the Scheme. Pursuant to the terms of the clause 6.1 of the Scheme, the authorized share capital of the Transferor Company shall stand cancelled and the Transferor Company shall be dissolved upon the Scheme becoming effective. Pursuant to the Scheme becoming effective, the authorized share capital of the Transferor Companies as on the Effective Date shall stand transferred to and be added with the authorized share capital of the Transferee Company. Further, there will be no issue of shares by the Transferee Company to the shareholders of the Transferor Companies upon the Scheme becoming effective, therefore, there will be no change in post amalgamation paid-up share capital of the Transferee Company.

46. The proposed Scheme is not intended to bring any beneficial effect or any material interest in any manner to any person(s) who is/are for the time being directors, key managerial personnel of the Transferee Company involved in the Scheme except to the extent of their shareholding, if any, in the Transferee Company.

47. The Scheme will be in the best interests of Transferor Companies and Transferee Company, their respective shareholders and creditors. The said Scheme will not adversely affect the rights of any of the shareholders and creditors of the Transferor Companies and Transferee Company in any manner whatsoever

48. **DETAILS OF APPROVALS / SANCTIONS/ NO-OBJECTIONS, IF ANY, RECEIVED OR PENDING FOR THE SCHEME**

A. Board Approval

The Board of Directors of the Transferor Company and Transferee Company approved the Scheme of amalgamation at its meeting held on September 28, 2022, and September 29, 2022, respectively.

B. Regulatory Approval

Exemption from seeking approval from SEBI- Pursuant to SEBI Master Circular dated 23.11.2021 read with SEBI Circular dated March 10, 2017; the requirement for seeking approval from SEBI is not required to schemes which solely provides for merger of a wholly owned subsidiary with the parent company. However, such draft schemes shall be filed with the Stock Exchanges for the purpose of disclosures and the Stock Exchanges shall disseminate the scheme documents on their websites.

C. Approval from Ministry of Railways-

Approved the proposal for taking in-principle approval from the Alternate Mechanism vide letter no. 2022/PL/48/4 dated 04/08/2022.

D. Approval from Department of Investment and Public Asset Management ("DIPAM")

No objection to the merger of Transferor Company with the Transferee Company has been approved by DIPAM vide its File No. 12/16/2022-DIPAM-V dated 22/09/2022.

E. Shareholders And Creditors Approvals

On the Scheme being approved by the requisite majority of the shareholders and creditors of the respective companies involved in the Scheme as per the requirement of Section 230 of the Act, Transferor Company and Transferee Company will file petition with the MCA, for sanction of the Scheme.

49. **AUDITORS CERTIFICATE OF CONFORMITY OF ACCOUNTING TREATMENT IN THE SCHEME WITH ACCOUNTING STANDARDS**

The statutory auditor of the Transferor Company and Transferee Company has confirmed that the accounting treatment in the proposed Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.

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The respective statutory auditor of the Transferor Company and Transferee Company has confirmed that in accordance with Indian Accounting Standards specified under Section 133 of the Companies Act 2013, no accounting treatment has been specified for the amalgamating company since pursuant to the Scheme, the amalgamating company will be amalgamated into the amalgamated company as a going concern without winding up.

50. PROCEEDINGS AGAINST THE TRANSFEROR COMPANY AND TRANSFEE COMPANY

- No investigation proceedings have been instituted or are pending against any of the Transferor Company and/or the Transferee Company under the provisions of the Companies Act, 2013.
- No winding up proceedings have been filed or are pending against any of the Transferor Company and Transferee Company before concerned Registrar of Companies pursuant to Section 232(2)(b) of the Act.

51. FILING WITH STATUTORY AUTHORITIES

This notice shall be sent to all the unsecured creditors of the Transferee Company (whose value of debt on the cut-off date i.e. September 30, 2022 was more than 10 lakh rupees) along with service to Regional Director, Registrar of Companies, Official Liquidator, and Income Tax Authorities in the manner as may be specified by such respective authorities.

52. INSPECTION OF DOCUMENTS

In addition to the documents annexed hereto, following documents will be open for inspection by the unsecured creditors at the registered office of the Transferee Company on all working days (between 11:00 A.M. to 05:00 P.M.) except Saturdays, Sundays, and Public Holidays upto the date of the Meeting:

- Copy of the Order dated March 20, 2023 passed by the Ministry of Corporate Affairs in Application No. 24/1/2023-III directing the convening and holding of meeting of its equity shareholders, and unsecured creditors;
- Copy of the resolutions passed by the Board of Directors of the Transferor Company.
- Copy of the resolutions passed by the Board of Directors/Merger Committee of the Transferee Company.
- Audited Financial Statements of the Transferor Company for the financial year ended on March 31, 2022;
- Audited Financial Statements of the Transferee Company for the financial year ended on March 31, 2022;
- Unaudited Financial results of the Transferor Company for the period year ended on December 31, 2022;
- Unaudited Financial results of the Transferee Company for the period year ended on December 31, 2022 along with limited review report;
- Memorandum and Articles of Association of the Transferor Company and Transferee Company.

A copy of the Scheme, Explanatory Statement, may be downloaded from the website of the Company at www.railtelindia.com

After the Scheme is approved by the requisite majority of equity shareholders (including public shareholders), secured creditors and unsecured creditors of the Company, it will be subject to the approval/sanction by the MCA.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Company recommend the Scheme for approval of the unsecured creditors. The Directors and Key Managerial Personnel of the Company and their relatives do not have any concern or interest, financially or otherwise, in the Scheme except as shareholders, if so, in general.

Date: 21/04/2023

Place: New Delhi

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**SCHEME OF AMALGAMATION
BETWEEN
RAILTEL ENTERPRISES LIMITED
(TRANSFEROR COMPANY)
AND
RAILTEL CORPORATION OF INDIA LIMITED
(TRANSFeree COMPANY)
AND
THEIR RESPECTIVE MEMBERS AND CREDITORS
UNDER SECTIONS 230 to 232 OF THE COMPANIES ACT, 2013**

PREAMBLE

This Scheme of Amalgamation (*hereinafter referred to as "Scheme" and more particularly defined hereinafter*) is presented under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (*hereinafter referred to as "Act" and more particularly defined hereinafter*) read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 including any amendments, modifications, alterations, etc., thereto from time to time, if any, for the amalgamation of Railtel Enterprises Limited ("**Transferor Company**") with and into Railtel Corporation of India Limited ("**Transferee Company**") with effect from the Appointed Date (*more particular defined hereinafter*) and dissolution of the Transferor Company without winding up.

(*For the sake of brevity, the Transferor Company and Transferee Company are hereinafter collectively referred as "Companies".*)

1. BACKGROUND AND DESCRIPTION OF COMPANIES

- 1.1 'RailTel Corporation of India Limited (hereinafter referred to as "**Transferee Company**" or "**RailTel**") is a listed government company (public sector undertaking) having status of Mini Ratna (Category-I). The Transferee Company was incorporated under the provisions of Companies Act, 1956, on 26th September, 2000 bearing CIN L64202DL2000GOI107905 having its registered office at Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi-110023. The Transferee Company has a strategic relationship with the Indian Railways whereby it undertakes a wide variety of projects including provision of mission critical connectivity services like IP based video



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surveillance system at stations, 'e-Office' services and implementing short haul connectivity between stations and long haul connectivity to support various organizations within the Indian Railways.

The Transferee Company is being administered by the Ministry of Railways and its equity shares are listed on National Stock Exchange of India Ltd. and BSE Limited.

- 1.2 Railtel Enterprises Limited (hereinafter referred to as the “**Transferor Company**”/ “**REL**”), is a wholly owned subsidiary of the Transferee Company. The Transferor Company was incorporated on 12th August, 2014, bearing CIN U74900DL2014GOI270322, having its registered office situated at 6th Floor, 3rd Block Delhi Technology Park, Shastri Park, New Delhi-110053. The Transferor Company was promoted by the Transferee Company to continue the telecom, non- telecom and allied business of the Transferee Company.

2. PURPOSE & RATIONALE OF THE SCHEME

- 2.1 The Transferor Company, promoted by the Transferee Company, is engaged in the business of undertaking Information and Communication Technologies (ICT) infrastructure projects covering hardware and software applications and other associated sub-systems including planning, designing, commissioning, operationalizing, maintaining, and financing projects in India and abroad. Further, the Transferor company also explores its capabilities and experience gained by RailTel from execution of number of small to large national level projects like National Knowledge Network (NKN), National Optical Fibre Network (NOFN), NE-I & NE-II projects under USOF, and various projects for many other Govt and private agencies. The Transferee Company, as provided above, has a strategic relationship with the Indian Railways wherein it provides wide variety of projects including provision of mission critical connectivity services like IP based video surveillance system at stations, 'e-Office' services and implementing short haul connectivity between stations and long haul connectivity to support various organizations within the Indian Railways. The Transferee Company has been expanding its portfolio of services in the areas of Data Centre, Cloud, Telepresence, Retail Broadband (Railwire), etc., i.e. a business similar to the existing business of the Transferor Company. The businesses of both the Transferee Company and Transferor Company align with each other.
- 2.2 Now, in order to optimize and leverage the resources of both the Transferor and Transferee Company, the management is of the view that it will upscale the business of the merged entity which will be in the interest of all the stakeholders. Further, the proposed amalgamation is in consonance with the recent development and notification



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dated 13th December, 2021 bearing no. DPE/3(1)/2021-DD, issued by Department of Public Enterprises, Ministry of Finance, wherein the department has contemplated to maintain bare minimum presence of Central Public Sector Enterprises in the strategic sectors.

2.3 The said amalgamation shall also result in following benefits:

- (i) Amalgamation of the Transferor Company, with the Transferee Company would lead to avail synergy benefits, eliminate multiple administrative functions and reduce administrative & compliance costs, thereby increasing the shareholders' value.
- (ii) The proposed amalgamation would result in optimizing and leveraging existing resources of these Companies for the most beneficial utilization of these factors in the combined entity. It would be advantageous to combine the activities and operations of all these Companies in a single entity and building strong capability to effectively meet future challenges in competitive business environment.
- (iii) Greater efficiency in cash management of the Transferee Company and better access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities. The proposed amalgamation would enhance the shareholders' value of the Companies.
- (iv) Upon amalgamation, the combined entity will have a larger capital base which will ultimately help the company to boost its ability to raise finances.

Further, there is no adverse effect of this Scheme on the directors, key management personnel, promoters, non-promoter members, creditors and employees of the Companies and the same would be in the best interest of all stakeholders.

In view of the aforesaid, the Board of Directors of the Companies have considered and proposed the Amalgamation (*as defined hereinafter*) of the Transferor Companies with and into the Transferee Company in order to benefit the stakeholders of all the Companies. Accordingly, the Board of Directors of the Companies have formulated this Scheme pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act (*as defined hereinafter*).



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3. PARTS OF THE SCHEME

The Scheme is divided into the following parts:

Part A deals with definitions used in the Scheme, interpretation and sets out the share capital of the Transferor Company and Transferee Company

Part B, *inter-alia*, deals with transfer and vesting of assets, liabilities, profits or losses, legal proceedings, employees constituting business of Transferor Company with and into the Transferee Company

Part C deals with the consideration for the amalgamation and accounting treatment;

Part D deals with the miscellaneous provisions applicable to this Scheme.



PART-A

DEFINITIONS AND SHARE CAPITAL

4. DEFINITIONS

In this Scheme, unless inconsistent/ repugnant with the subject, context or meaning thereof, the following expressions shall have the meaning as set out herein below:

- 4.1 “Accounting Standards”** means the Indian Accounting Standards as notified under Section 133 of the Act read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 issued by the Ministry of Corporate Affairs and the other accounting principles generally accepted in India and as may be amended from time to time;
- 4.2 “Act” or “the Act”** means the Companies Act, 2013, the rules and regulations made there under as applicable, and shall include any and all statutory amendment, modification(s) or re-enactment(s) thereof from time to time;
- 4.3 “Amalgamation”** means amalgamation of the Transferor Company with and into the Transferee Company on a going concern basis in terms of the Scheme (*as defined hereinafter*) in its present form or with any modification(s) as approved by the Ministry of Corporate Affairs (*as defined hereinafter*) or any other competent authority;
- 4.4 “Appointed Date”** for the purpose of this Scheme means 01st October, 2022 or such other date as the Ministry of Corporate Affairs (*as defined hereinafter*) or such other competent authority may approve;
- 4.5 “Board of Directors” or “Board”** means and includes the respective Board of Directors of the Transferor Company and the Transferee Company, or any committee constituted by such Board of Directors for the purposes of the Scheme.
- 4.6 “Central Government” or “Ministry of Corporate Affairs” or “MCA”** means the Central Government, Ministry of Corporate Affairs having jurisdiction over the schemes entered between government companies under section 230 to 232 of the Act vide its notification bearing no. GSR 582(E) dated June 13, 2017.
- 4.7 “Contract”** means any contract, agreement, arrangement, tender, memorandum of understanding, engagement, purchase order, license, guarantee, indenture, note, bond,



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loan, lease, commitment other arrangement, understanding or undertaking, whether written or oral;

- 4.8 “Effective Date”** shall be the last of the dates on which certified copies of the order of Ministry of Corporate Affairs under Section 230 to 232 of the Act, sanctioning this Scheme, is filed by the respective Companies with their respective jurisdictional Registrar of Companies (*as defined hereinafter*).

Provided that any reference in this Scheme to the date of “upon coming into effect of the Scheme” or “upon the scheme becoming effective” or “effectiveness of the Scheme” shall mean the Effective Date;

- 4.9 “Income Tax Act”** means the Income Tax Act, 1961 (including the rules and regulations made thereunder), and shall include any statutory modification(s), re-enactment(s) or amendment(s) thereof from time to time;
- 4.10 “Intellectual Property Rights” or “IPR”** means, whether registered or not in the name of or recognized under Applicable Law(s) as being intellectual property of Transferor Company, or in the nature of common law rights of Transferor Company, all domestic and foreign (a) trademarks, service marks, brand names, internet domain names, websites, online web portals, trade names, logos, trade dress and all applications and registration for the foregoing, and all goodwill associated with the foregoing and symbolized by the foregoing; (b) confidential and proprietary information and trade secrets; (c) published and unpublished works of authorship, and copyrights therein, and registrations and applications therefore, if any, and all renewals, extensions, restorations and reversions thereof; (d) computer software, programs (including source code, object code, firmware, operating systems and specifications) and processes; (e) designs, drawings, sketches; (f) tools, databases, frameworks, customer data, proprietary information, knowledge, any other technology or know-how, licenses, software licenses and formulas; (g) ideas and all other intellectual property or proprietary rights; and (h) all rights in all of the foregoing provided by Applicable Law(s);
- 4.11 “Law” or “Applicable Law”** means any relevant statutes, notifications, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinances, schemes, notices, treaties, judgement, decree, approvals, order or instructions enacted or issued or sanctioned by any Governmental authority (*as defined hereinafter*), having the force of Law and as applicable to the Companies;
- 4.12 “Governmental and Registration Authority”** means any relevant Central, State or local government, legislative body, regulatory or administrative authority and shall also include



any court, tribunal, quasi-judicial body, regional director, registrar of Companies, official liquidator, income tax authority and any other governmental/ semi-governmental authority having jurisdiction over the Companies;

- 4.13 "Registrar of Companies," or "ROC"** means the Registrar of Companies, National Capital Territory of Delhi and Haryana, situated at New Delhi.
- 4.14 "Scheme" or "the Scheme" or "this Scheme"** means this scheme of amalgamation in its present form as submitted to the MCA or this Scheme with such modification(s), if any, as may be made by the Members and the Creditors of the Transferor Company and/ or the Transferee Company or such modification(s) as may be imposed by any Governmental authority and/ or directed to be made by the MCA while sanctioning the Scheme and as accepted by the respective Board of Directors, Members and Creditors of the Transferor Company and/ or the Transferee Company;
- 4.15 "Transferee Company"** shall have the meaning as ascribed to it in Clause 1.1 of this Scheme;
- 4.16 "Transferor Company"** shall have the meaning as ascribed to it in Clause 1.2. of this Scheme.



5. INTERPRETATION

Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and if not defined therein then under the relevant Applicable Law(s). In this Scheme, unless the context otherwise requires:

- i. references to "persons" shall include individuals, body corporates (wherever incorporated), unincorporated associations and partnerships;
- ii. heading, sub-heading and bold typeface are only for convenience and shall not affect the construction or interpretation of this Scheme;
- iii. the term "Clause" refers to the specified clause of this Scheme;
- iv. references to one gender includes all genders;
- v. any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- vi. words in the singular shall include the plural and vice-versa; and
- vii. reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time and any reference to a legal provision shall include any subordinate legislation made from time to time under such a statutory provision

6. CAPITAL STRUCTURE

6.1 The Share Capital of the Companies as at March 31, 2022 is as under:

Company	Authorized Share Capital (In Crores)	Issued, Subscribed and Paid-up Share Capital (In Crores)
RailTel Corporation of India Limited (Transferee Company)	Rs. 1,000 Crores Divided into 100 Crores equity Shares of Rs. 10/- each	Rs. 320.94/- Crores Divided into 32.094 Crores equity Shares of Rs. 10/- each



Railtel Enterprises Limited (Transferor Company)	Rs. 50 Crores Divided into 5 Crores equity shares of Rs. 10/- Each	Rs. 10 Crores Divided into 1 crores equity shares of Rs. 10/- Each
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Subsequent to March 31, 2022 and till the date of approval of this Scheme by the respective Board of the Companies, there is no change in the authorized, issued, subscribed and paid-up share capital of the Transferor and Transferee Companies.

- 6.2 It is expressly clarified that until this Scheme becomes effective, the Companies are free to alter their authorized, issued, subscribed or paid-up share capital as may be required for their respective business requirements, subject to the necessary approvals from their respective Boards and shareholders, if required.

PART B

TRANSFER AND VESTING OF THE UNDERTAKINGS OF TRANSFEROR COMPANY WITH AND INTO THE TRANSFEE COMPANY

7. TRANSFER AND VESTING OF ASSETS

- 7.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme including in relation to the mode of transfer or vesting, all property(ies), being movable or immovable, tangible or intangible, belonging to the Transferor Company including but not limited to properties, plant and equipments, furniture and fixtures, land and building (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), bank balances, bank accounts in the name of Transferor Company, remittances in transit, bank deposits against bank guarantees, interest accrued on deposits, security deposits (*whether current or non-current*), capital advances, prepaid expenses, deferred costs (*whether current or non-current*), cash and cash equivalents, interest receivable, trade receivables (*including trade receivables from the related parties*), unbilled revenue (*including unbilled revenue from the related parties*), outstanding loans and advances (*short-term and long-term*), if any, recoverable in cash or in kind or for the value to be received including but not limited to loans and advances to suppliers, vendors, customers, staff, employees, others, balance with Governmental and Registration Authorities, prepaid expenses (*current and non-current*), fixed assets, inventories including goods in transit, finished goods, advances, advance income tax, income tax receivables, service tax credit receivables and refunds, deferred tax assets (*whether current and non-current*), Goods and Service Tax ("GST") credits and refunds, receivables, including refunds from Governmental and Registration Authorities, capital advances, trade receivables, accrued interest, other current and non-current assets, contribution to gratuity fund, permits, approvals, authorizations, telephone



connections, telex, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements that are in force on the Effective Date and all other interests, benefits, any other permits, approvals or authorizations under the applicable provisions of the Applicable Law(s), all past and present investments, if any, including but not limited to investment in quoted and unquoted shares and other securities of all descriptions of any corporate, mutual funds etc., other assets such as computer software and hardware, routers, all types of furniture and fixtures, vehicles (*whether freehold or encumbered*), office equipment, all types of lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, if any, and privileges of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company (*hereinafter referred to as "Said Assets"*) and all documents of titles, receipts and easements in relation thereto or improvement, all rights, covenants, continuing rights, titles and interest in connection with Said Assets shall, unless otherwise agreed between Transferor Company and Transferee Company specifically, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in Transferee Company in the mode and manner as prescribed in this Scheme on a going concern basis pursuant to provisions of Section 230 to 232 of the Act and all other applicable provisions of the Act and pursuant to the orders of the MCA or any other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing so as to become on and from Appointed Date, Said Assets of the Transferee Company.

- 7.2 Without prejudice to the above, in respect of the Said Assets of Transferor Company, including cash and bank balances, as are movable in nature or incorporeal property or are otherwise capable of being transferred by delivery or possession or by endorsement and/or delivery, the same shall stand transferred to the Transferee Company upon coming into effect of this Scheme and shall upon such transfer become Said Assets of the Transferee Company with effect from the Appointed Date. In respect of any such assets, rights, titles and interests other than the Said Assets referred hereinabove, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Transferee Company pursuant to an order being made thereof by the MCA under Sections 230 to 232 of the Act.
- 7.3 Without prejudice to the above, the IPR and Said Assets of Transferor Company, if any, belonging to the Transferor Company shall stand transferred to and vested and be deemed to be transferred to and vested in the name of the Transferee Company without any further act, instrument or deed. The Transferee Company, however, shall after the effectiveness



of this Scheme, file the relevant intimations with the concerned Governmental and Registration Authorities in relation to Amalgamation, if required, who shall take them on record pursuant to the order of MCA.

- 7.4 Upon coming into effect of this Scheme and with effect from the Appointed Date, all statutory licenses including but not limited to permits, quotas, approvals, permissions, clearances, incentives, consents and authorization orders and all other business certifications and all other registration certificates issued to the Transferor Company under the Applicable Law(s) including but not limited to Shops and Commercial Establishments Act of the respective states where the establishments of the Transferor Company are situated, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Contract Labour (Regulations and Abolition) Act, 1970, Employees' State Insurance Corporation Act, 1948 and/or Gratuity Act, 1972 and pension and/or superannuation fund or benefits and any other funds or benefits created by the Transferor Company for the employees, any subsidies, concessions, grants, special reservations, rights, claims, leases, tenancy rights, liberties, benefits under applicable provisions of the Income Tax Act, no-objection certificates, permissions, approvals including but not limited to letter of permission related to bonded premises in software technology parks, expansion of Software Technology Park operation facilities, PBWH licenses, approvals granted for setting up and operating units in special economic zones, software technology parks etc., registration-cum-membership certificates, consents, quotas, rights, entitlements, certificate of importer-exporter codes, allotment letters for importer exporter codes, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and other benefits or privileges, if any (hereinafter referred to as "Said Rights and Interests"), enjoyed or conferred upon or held or availed of and all rights and benefits that have accrued or which may accrue to Transferor Company, shall, pursuant to the provisions of Sections 230 to 232 of the Act and other applicable provisions of the Applicable Law(s), for the time being in force, without any further act, instrument or deed, upon the Scheme becoming effective, be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become on and from the Appointed Date, Said Rights and Interests of Transferor Company, effective and enforceable on the same terms and conditions to the extent permissible under the Applicable Law(s) for the time being in force and shall be duly and appropriately mutated or endorsed by the concerned Governmental and Registration Authorities therewith in favour of the Transferee Company.

8. TRANSFER AND VESTING OF LIABILITIES

- 8.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all



secured and unsecured liabilities, borrowings (*long-term and short-term*), including liabilities of every kind, nature and description, whatsoever and howsoever arising, whether present or future, including contractual liabilities, guarantees (*long-term and short term*), security deposits received, loans (*including loan from related parties which includes interest accrued*), contingent liabilities, non-trade payables, trade payables, retention money, payables for purchase of property, plant and equipments, creditors of other fixed assets, letters of credit, etc., if any, statutory liabilities/dues (*whether disputed or undisputed*), any kind of commitment or any other advances received (*whether disclosed or undisclosed*), duties, term loans from banks and financial institutions, book overdrafts, loan and advances (*whether long-term or short term*) from banks, customers, revenue received in advance, statutory dues payable, government dues for taxes, contribution to provident fund, labour welfare funds, trade payables (including dues from related parties), short terms borrowing from the related parties, supplier credits, dues of micro and small enterprises, staff and other creditors, dues of creditors other than micro and small enterprises, employee benefit payable, others employees costs, long term or short term provisions, advance from customers, provisions (*whether current or non-current*) including provisions for tax, gratuity, leaves benefits, expenses payable, deferred tax liabilities, taxes, GST payables and obligations of Transferor Company, other current and non-current liabilities, if any, along with any charge, encumbrance, lien or security thereon, if any, and those arising out of proceedings of any nature (*hereinafter referred to as "Said Liabilities"*) shall also be transferred to and vested in or be deemed to be transferred to and stand vested, without any further act, instrument or deed in the Transferee Company pursuant to provisions of Sections 230 to 232 of the Act and all other applicable provisions of Act and other Applicable Law(s) so as to become said Liabilities of Transferee Company and further, it shall not be necessary to obtain separate consent of any third party or any person who is a party to any contract or arrangement by virtue of which such the said Liabilities may have arisen and are to be transferred to the Transferee Company.

- a) All loans raised and utilized or incurred as part of the said Liabilities, if any, by the Transferor Company anytime after the Appointed Date, but prior to the Effective Date, shall be deemed to be transferred to and vested with the Transferee Company without any further act or deed.
- b) The borrowing limits, if any, of the Transferee Company shall, without any further act or deed, stand enhanced by an amount being the aggregate of said Liabilities of the Transferor Company which are being transferred to the Transferee Company pursuant to this Scheme and the Transferee Company shall not be required to pass any separate resolutions or comply with any provisions of the Act, in this regard.



- c) It is clarified that so far the said Assets of the Transferor Company are concerned which have the security or charge, encumbrance or lien, if any, relating to securing the Said Liabilities or any other obligations of Transferor Company, shall, without any further act or deed continue to relate to such said Assets after the Effective Date in the name of the Transferee Company and shall not extend to any other assets of the Transferee Company. However, it is expressly clarified that any such security or charge or encumbrance or lien shall not be entered to as security in relation to any assets of the Transferee Company, save to the extent as may be guaranteed or warranted by the terms of the existing security arrangements to which the Transferor Company is a party and consistent with the joint obligations assumed by them under such arrangement or otherwise as may be agreed to by Board of the Transferee Company.
- d) Transferee Company, wherever required at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be necessary with the lender, such that the Transferee Company shall assume sole responsibility for repayment of borrowings.
- 8.2 With effect from the Effective Date and until such time the names of the bank accounts of the Transferor Company are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the existing bank accounts of Transferor Company, in so far, as may be necessary. The banks shall also allow and honour cheques or other bills issued in the name of the Transferor Company on and from the Effective Date.
- 8.3 Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of movable and immovable properties of the Transferor Company with the Transferee Company occurs by virtue of this Scheme itself, the Transferee Company, at any time upon coming into effect of this Scheme, may execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement or memorandum of understanding to which the Transferor Company are parties, who specifically requires any such document mentioned above, on the Effective Date, as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme and/or subject to necessary approvals require under the Applicable Law(s) be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliance, referred to above.

9. TRANSFER OF PROFITS, INCOMES, LOSSES AND EXPENDITURE

- 9.1 All profits or incomes including interest on deposits with banks, interest income etc.,



accruing or arising to the Transferor Company or loss or expenditure (*including the effect of taxes, if any*) to the Transferor Company on and any time after the Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or loss or expenditure as the case may be of the Transferee Company.

- 9.2 Upon coming into effect of this Scheme and as per the provisions of Section 72A and other applicable provisions of the Income Tax Act, all accumulated business and tax losses and unabsorbed depreciation of the Transferor Company shall be transferred to the Transferee Company. It is expressly clarified that all the accumulated business and tax losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Transferee Company in terms of the applicable provisions of the Income Tax Act.

10. COMPLIANCE WITH INCOME TAX ACT

- 10.1 This Scheme complies with the conditions relating to “amalgamation” as specified under Section 2(1B) and section 47 and all other relevant provisions of the Income Tax Act. If any terms and provisions of these Scheme are found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of Applicable Law(s) or for any other reason whatsoever, then the provisions of such amended Section(s) of the Income Tax Act or any other Applicable Law(s) shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(1B) of the Income Tax Act or any other Applicable Law, as may be amended from time to time. Such modification shall, however, not affect other parts of this Scheme.

11. LEGAL PROCEEDINGS

- 11.1 Upon coming into effect of his Scheme, all suits, actions and other proceedings including legal and taxation proceedings (before any statutory or quasi-judicial authority or tribunal or any court or arbitral body), if any, by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and/or be enforced by or against the Transferee Company as effectually and in the same manner and extent as if the same has been instituted and/or pending and/or arising by or against the Transferee Company.
- 11.2 It is expressly specified that the Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company as referred above, be transferred to its name and shall have the same continued, prosecuted and enforced in its name



12. INTER COMPANY TRANSACTIONS

12.1 Without prejudice to the above provisions, upon the Scheme becoming effective and with effect from the Appointed Date, all inter-company transactions, inter-se between the Transferor Company and the Transferee Company, including but not limited to:

- a) any loans, advances, payahles, investments and other obligations (*including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form*) which are due or outstanding or which may become due at any time in future; or
- b) any agreement/memorandum of understanding, executed amongst the aforesaid Companies which are due or outstanding or which may become due at any time in future,

shall stand cancelled as on the Effective Date and shall be of no effect and the Transferor Company and the Transferee Company shall have no further obligation outstanding in that behalf.

13. TREATMENT OF TAXES

13.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all taxes, duties, cess payable by the Transferor Company (*including under the Income Tax Act, Customs Act, 1962 or any other Applicable Laws*), accruing and relating to the Transferor Company from the Appointed Date onwards, including but not limited to advance tax payments, tax deducted at source ("TDS"), minimum alternate tax ("MAT") any refund and interest due thereon on any credits, claims and exemptions shall, for all purposes be treated as advance tax payments, TDS, MAT, any refund and interest due on any such credits, claims and exemptions or refunds, as the case may be, of Transferee Company.

13.2 Upon the Scheme becoming effective, the Transferee Company is permitted to file or revise the returns of the Transferor Company including but not limiting to TDS return, sales tax/value added tax returns, service tax returns, GST returns and all other relevant returns filed with the Governmental Authorities for the period citber prior to the Appointed Date and/or period commencing on and from the Appointed Date, to claim refunds and interest due, if any thereon, credits, exemptions pursuant to provisions of this Scheme, notwithstanding that the time period prescribed for filing/ revision of such return may have elapsed.



- 13.3 Upon this Scheme becoming effective, all unavailed credits, claims and exemptions, any refunds, interest due there on, benefit of carried forward losses and other statutory benefits, if any, in respect of income tax (*including but not limited to TDS, tax collected at source, advance tax, book and tax losses etc.*), cenvat, customs, value added tax, sales tax, service tax, GST etc. to which the Transferor Company is entitled to, prior to the period of the Appointed Date, shall be available to and vest in the Transferee Company, without any further act or deed.
- 13.4 TDS, service tax, GST, if any, deducted by and/or charged to the Transferee Company under the Income Tax Act or any other statute for the time being in force, in respect of the payments made by the Transferee Company to the Transferor Company on account of inter-company transactions, assessable for the period commencing from the Appointed Date shall be deemed to be the advance tax/ service tax/ GST etc. paid by the Transferee Company and credit for such advance tax/ service tax/ GST etc. shall be allowed to the Transferee Company notwithstanding that certificates or challans for advance tax/ service tax/ GST etc. being in the name of the Transferor Company and not in the name of the Transferee Company. Upon this Scheme becoming effective, the Transferee Company is permitted to file and/ or revise tax returns of the Transferor Company (*including but not limited to income tax returns, withholding tax returns, TDS certificates, sales tax returns, value added tax returns, service tax returns, GST returns and other tax returns*) for the period commencing on and from the Appointed Date, to claim refunds and interest due, if any thereon, credits, exemptions pursuant to provisions of this Scheme, notwithstanding that the time period prescribed for filing/ revision of such return may have elapsed.
- 13.5 Without prejudice to the generality of aforesaid, any concessional or statutory forms under applicable tax laws, or local levies issued or received by Transferor Company, if any, in respect of period commencing from the Appointed Date shall be deemed to be issued or received in the name of the Transferee Company and benefit of such forms shall be allowable to the Transferee Company in the same manner and to the same extent as would have been available to Transferor Company.
- 13.6 The Transferee Company shall file the relevant intimations, if required under the Applicable Law(s), at its own cost, for the record of concerned Governmental and Registration Authorities who shall take them on file. The Transferee Company shall be deemed to be authorized to execute any such writings on behalf of the Transferor Company in order to carry out or perform all such formalities or compliances referred to above on part of Transferor Company.



- 13.7 All the expenses incurred by the Companies in relation to the Amalgamation as per the terms and conditions of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the Income Tax Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.
- 13.8 Any refund under the tax laws due to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Transferee Company. The concerned Governmental and Registration Authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the orders on this Scheme by the MCA upon relevant proof and documents being provided to the said authorities.

14. EMPLOYEES

14.1 Upon coming into effect of this Scheme:

- a) All staff, workmen and employees, if any, who are in employment of the Transferor Company on the Effective Date shall become the staff, workmen and employees of the Transferee Company with effect from the Appointed Date on the basis that:
 - (i) their employment shall be deemed to have been continuous and not interrupted by reasons of the said transfer; and
 - (ii) the terms and conditions of their employment after such transfer shall not in any way be less favorable to them than those applicable to them immediately preceding the said transfer.
- b) It is expressly provided that as far as provident fund, employee state insurance plan scheme, gratuity scheme/trusts, leave encashment, superannuation scheme, compensated absences, unavailed leave scheme or any other special scheme(s) or fund(s) or trust(s), provisions for benefits created or existing, if any, for benefit of staff / workmen / employees of the Transferor Company is concerned, upon coming into effect of the Scheme, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, related to the administration or operation of such scheme(s) or fund(s) or trust(s) and intent that all rights, duties, powers and obligation(s) of the Transferor Company in relation to such scheme(s) or fund(s) or trust(s) shall become those of the Transferee Company. It is clarified that the employment of employees of the Transferor Company will be treated as having



been continuous for the purpose of the aforesaid scheme(s) or fund(s) or trust(s) including for the purposes of payment of any retrenchment compensation and other terminal benefits. The Transferee Company shall file relevant intimations with the concerned Governmental and Registration Authorities who shall take the same on record and endorse the name of the Transferee Company for Transferor Company. Upon this Scheme becoming effective, all contributions to such scheme(s) or fund(s) or trust(s) created or existing for the benefit of such employees of the Transferor Company shall be made by the Transferee Company in accordance with the provisions of such scheme(s) or fund(s) or trust(s) and Applicable Law(s).

15. CONTRACTS, DEEDS, RESOLUTIONS, ETC.

- 15.1 Subject to other provisions contained in this Scheme, all contracts, deeds, understandings, bonds, guarantees, agreements, instruments and writings and benefits of whatsoever nature, if any, to which any of the Transferor Company is a party and are subsisting or having effect on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced by or against the Transferee Company as fully and effectually as if, instead of Transferor Company, the Transferee Company had been a party thereto or beneficiary or oblige thereto or thereunder.
- 15.2 Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from the Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, certificates, insurance covers, clearances, authorities, power of attorney given by, issued to or executed in favour of the Transferor Company or any instrument of whatsoever nature including various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed or availed by any of Transferor Company, granted by any Governmental and Registration Authority, or by any other person, shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.
- 15.3 All resolutions of the Transferor Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any upper monetary or any other limits imposed under provisions of the Act, then the said limits



shall apply mutatis mutandis to such resolutions and shall constitute the aggregate of the said limits in the Transferee Company.

16. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

16.1 With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company shall be deemed to carry on all their businesses and other incidental matters for and on account of and in trust for the Transferee Company with reasonable diligence and due business prudence in the same manner as carried before and shall not without the prior written consent of the Transferee Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of such said Assets or such said Rights and Interests or IPR and their business undertaking(s) or any part thereof, save and except in each case:

- a) If it is in the ordinary course of business of Transferor Company; or
- b) If the same is expressly permitted by this Scheme.

16.2 All profits and cash accruing to or losses arising or incurred (including the effect of taxes, if any thereon), by the Transferor Company shall for all purposes, be treated as the profits/ cash, taxes or losses of the Transferee Company.

16.3 The Transferor Company shall not vary or alter, except in the ordinary course of their businesses or pursuant to any pre-existing obligations undertaken prior to the date of approval of the Scheme by the Board of Directors of Transferor Company, the terms and conditions of employment of any of their employees, nor shall they conclude settlement with any union or their employees except with the written consent of the Transferee Company.

17. SAVING OF CONCLUDED TRANSACTIONS

17.1 Where any of the Said Liabilities of Transferor Company, as on the Appointed Date, transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

17.2 Without prejudice to anything mentioned above or anything contained in this Scheme, transfer and vesting of all employees, contracts, legal proceedings etc. of the Transferor Company as per this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee



Company accepts and adopts all acts, deeds, matters and things made, done and executed by the Transferor Company as acts, deeds, matters and things made, done and executed by or on behalf of the Transferee Company.

- 17.3 All the Said Liabilities, incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and pursuant to provisions of Sections 230 to 232 and any other applicable provisions of the Act, shall without any further act, instrument or deed be and stand transferred to and/or vested in and/ or be deemed to have been transferred to and vested in the Transferee Company and shall become Said Liabilities of the Transferee Company.

PART C CONSIDERATION FOR THE AMALGAMATION (*AS DEFINED HEREINAFTER*) AND ACCOUNTING TREATMENT

18. CONSIDERATION

Since, the Transferor Company is a wholly owned subsidiary of the Transferee Company, accordingly, upon the Scheme becoming effective, all the equity shares as held by the Transferee Company in the Transferor Company either by itself or through its subsidiaries/nominees shall stand cancelled and extinguished. Therefore, there will be no issue and allotment of shares as consideration by the Transferee Company to the shareholders of the Transferor Company upon coming into effect of the Scheme. The investments in the shares of Transferor Company, appearing in the books of account of Transferee Company shall, without any further act or deed, stand cancelled.

19. CLUBBING OF AUTHORISED SHARE CAPITAL

- 19.1 As an integral part of the Scheme, and, upon coming into effect of this Scheme, the authorized share capital of Transferor Company, as on the Effective Date, shall stand transferred to, and be added to the authorized share capital of the Transferee Company, as on the Effective Date, without any further act or deed. The fee, if any, paid by Transferor Company before the Effective date on its authorised share capital shall be



set-off against any fee payable by the Transferee Company on increase in Authorised Share Capital consequent upon coming into effect of this Scheme.

- 19.2 It is hereby clarified that the consent of the Members of the Transferee Company to the Scheme shall be sufficient for purposes of effecting this amendment in the Memorandum of Association and Articles of Association of the Transferee Company and that no further approvals or resolutions under Sections 13, 14 and 61 or any other applicable provisions of the Act, would be required to be separately passed, nor any additional registration fee, stamp duty, etc., be payable by the Transferee Company. Further for this purpose, the filing fees and stamp duty, if any, already paid by the Transferor Company on its authorized share capital shall be utilized and applied to increased authorized share capital of the Transferee Company and shall be deemed to have been so paid by the Transferee Company on such combined authorized share capital. Further, the Transferee Company shall pay such fees/ stamp duty, if any, on the authorized share capital so increased after amalgamation
- 19.3 Pursuant to this Scheme, the Transferee Company shall file the requisite forms/ documents with the RoC, for alteration of its authorized share capital.
- 19.4 For the avoidance of doubt, it is hereby clarified that if the authorized share capital of the Transferor Company or the Transferee Company undergoes any change, either as a consequence of any corporate action or otherwise, then the authorized share capital to be specified in Clause V of the Memorandum of Association of the Transferee Company with effect from the Effective Date shall automatically stand modified to take into account the effect of the change.

20. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY

Upon the coming into effect of this Scheme, the Amalgamation of the Transferor Company with and into the Transferee Company shall be accounted for as per "Pooling of Interest Method" provided under the "Indian Accounting Standard (Ind AS) 103 for "Business Combination" prescribed under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time.

- 20.1 All the assets including intangible assets in the books of the Transferor Company and liabilities of the Transferor Company including reserves, shall stand transferred in the books of account of the Transferee Company at their existing carrying amounts and in the same form as appearing in such books of accounts from the beginning of earliest



period presented in the merged financial statements of the Transferor Company, in accordance with paragraph 9(iii) of Appendix C of Ind AS 103.

- 20.2 The identity of the reserves pertaining to the Transferor Company, shall be preserved and shall appear in the merged financial statements of Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company and it shall be aggregated with the corresponding balance appearing in the financial statements of Transferee Company, in accordance with Appendix C of Ind AS 103.
- 20.3 Inter-company balances and dues, if any, between the Transferor Company and the Transferee Company shall stand cancelled and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 20.4 In case of any differences in 'accounting policies between both the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference will be adjusted in the 'retained earnings' in the books of the Transferee Company.
- 20.5 The investments in the share capital of Transferor Company shall stand cancelled and any excess of Assets over Liabilities or Liabilities over Assets transferred to the Transferee Company would be recorded as 'Capital Reserve' in the books of the Transferee Company and would be presented separately from other capital reserves with disclosure of its nature and purpose in the notes to the financial statements of the Transferee Company.

PART D

MISCELLANEOUS PROVISIONS APPLICABLE TO THIS SCHEME

21. DISSOLUTION OF TRANSFEROR COMPANY

- 21.1 Pursuant to the Scheme becoming effective, the Transferor Company shall, without any further act or deed, stand dissolved without following the process of winding up.

22. APPLICATION TO THE MINISTRY OF CORPORATE AFFAIRS OR SUCH OTHER COMPETENT AUTHORITY

- 22.1 The Transferor Company and the Transferee Company shall with all reasonable dispatch, make all necessary applications and/ or petitions under Sections 230 to 232 and other applicable provisions of the Act (as may be necessary) to the MCA, for sanctioning the Scheme and for dissolution of the Transferor Company without



winding up under the provisions of Law and obtain all approvals as may be required under Law.

23. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 23.1 The Board of each of the Companies may assent to any modifications/ amendments including withdrawal/ termination of the Scheme or to any other conditions or limitations that the MCA or any Governmental and Registration Authority or shareholders or Board of the Transferor Company or the Transferee Company may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by their respective Boards. Each of the Companies shall authorize their respective Boards to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or order of the MCA or any Governmental and Registration Authority of any other competent authority or otherwise howsoever arising out of or by virtue of the Scheme and/or to give effect to and to implement the Scheme, in part or in whole, and/or any matter concerned or connected therewith.
- 23.2 Further, it is clarified that the initial consent of the shareholders and creditors (*both secured and unsecured*) of the Companies to this Scheme shall in itself be deemed to be sufficient to authorize the operation of the abovementioned clause of this Scheme and any subsequent alteration would not require a fresh note of consent from such shareholders and creditors.

24. CONDITIONALITY OF THE SCHEME

- 24.1 This Scheme is and shall be conditional upon and subject to the following:
- The Scheme being approved by the respective majorities of the Members and/ or creditors of the Transferor Company and the Transferee Company as required, if any and as may be directed by the MCA;
 - Obtaining the sanction of the MCA or such other competent authority by the Transferor Company and the Transferee Company under Sections 230 to 232 and other applicable provisions of the Act.
 - The certified or authenticated copies of the order of the MCA sanctioning this Scheme being filed with the Registrar of Companies having jurisdiction over the Companies.





25. EFFECT OF NON-RECEIPT OF APPROVAL

- 25.1 In the event of any of the said sanctions and approvals referred in the Scheme not being obtained and/or complied with and/or satisfied, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.
- 25.2 In the event of revocation of the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the applicable laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.
- 25.3 The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date.

26. COSTS, CHARGES AND EXPENSES

- 26.1 All costs, charges, taxes including duties, levies and all other expenses, if any (*save as expressly provided*) of the Transferor Company and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

For RAILTEL CORPORATION OF INDIA LIMITED	For RAILTEL ENTERPRISES LIMITED
 <p>J. S. Marwah Company Secretary M. No. F 8075</p>	 <p>Yudhveer Company Secretary M. No. A 24971</p>

जे. एस. मारवाह / J. S. MARWAH
 कंपनी सचिव व अपर महासंचालक (वित्त)
 Company Secretary & Asstt. General Manager (Finance)
 रेलटेल कॉर्पोरेशन ऑफ इंडिया लि. (सरकार द्वारा एक उपक्रम)
 RailTel Corporation of India Ltd. (A Govt. of India Undertaking)
 प्लेट-A, छठा तल, ऑफिस ब्लॉक, टावर-2,
 ईस्ट किडवाई नगर, नई दिल्ली-110023
 Plate-A, 6th Floor, Office Block, Tower-2,
 East Kidwai Nagar, New Delhi-110023



LIMITED REVIEW REPORT ON STANDALONE FINANCIAL RESULTS FOR
THE QUARTER ENDED ON DECEMBER 2022

To,

THE BOARD OF DIRECTORS

RAILTEL ENTERPRISES LIMITED

We have reviewed the accompanying Statement of Standalone Unaudited Financial Result ("the statement") of RailTel Enterprises Limited ("the company") for the quarter ended on **31st December, 2022**. This statement is the responsibility of the company's Management and has been approved by the board of directors. Our Responsibility is to issue a report on these financial statement based on our review.

We conducted our review of the statement in accordance with the standard on Review Engagement (SRE) 2410. "Review of Interim Financial Information Performed by the independent Auditors of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquire of company personnel and analytical procedure applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying statement of standalone unaudited financial results, prepared in accordance with applicable standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosures Requirements) Regulation , 2015 (as amended) including the manner in which it is to be disclosed , or that it contains any material misstatement.

For SKAA & Associates
Chartered Accountant

ICAI Firm Registration Number: **012726N**


CA Suresh Kumar Agarwal
Partner

M. No. : 091886

Date : 27/01/2023

Place : New Delhi

UDIN : 230918866GYEYZ2659



RailTel Enterprises Limited
Balance Sheet as at December 31, 2022

(Amount in Lakhs)

Particulars	Note No.	As at	As at	As at
		December 31, 2022	December 31, 2021	March 31, 2022
		Unaudited	Unaudited	Audited
(A) ASSETS				
(1) NON-CURRENT ASSETS				
(i) Property, Plant and Equipments	2	5.09	8.10	6.88
(ii) Deferred Tax Assets (net)	3	2.26	-	-
TOTAL NON CURRENT ASSETS		7.35	8.10	6.88
(2) CURRENT ASSETS				
(i) Financial Assets				
(a) Trade Receivables	3	1,899.28	3,064.99	3,495.54
(b) Cash and Cash Equivalents	4	499.72	233.82	202.52
(c) Other Bank Balances	5	6,746.99	5,871.01	6,170.01
(d) Loans and Advances	6	0.00	0.00	4.97
(e) Other Current Financial Assets	7	927.75	2,270.27	1,488.41
(ii) Current Tax Assets (Net)	8	164.80	445.90	450.59
(iii) Other Current Assets	9	1,301.76	1,151.20	1,427.78
TOTAL CURRENT ASSETS		11,540.30	13,037.19	13,239.82
TOTAL ASSETS		11,547.65	13,045.29	13,246.70
(B) EQUITY AND LIABILITIES				
(1) EQUITY				
(i) Equity Share Capital	10	1,000.00	1,000.00	1,000.00
(ii) Other Equity	11	1,191.06	1,053.91	1,138.98
TOTAL EQUITY		2,191.06	2,053.91	2,138.98
(2) LIABILITIES				
a. NON CURRENT LIABILITIES				
i. Financial Liabilities				
(a) Borrowings		-	-	-
(b) Other Non Current Financial Liabilities	12	-	1,183.49	1,245.43
ii. Provisions	13	2.40	6.46	5.76
iii. Deferred Tax Liabilities (net)	14	-	6.10	7.46
iv. Other Non Current Liabilities		-	-	-
TOTAL NON CURRENT LIABILITIES		2.40	1,196.05	1,258.65
b. CURRENT LIABILITIES				
i. Financial Liabilities				
(a) Borrowings		-	-	-
(b) Trade Payables	15	-	-	-
-Total outstanding dues of micro enterprises and small enterprises		186.75	115.78	76.11
-Total outstanding dues of creditors other than micro enterprises and small enterprises		232.27	1,495.52	2,638.27
(c) Other Current Financial Liabilities	16	2,252.33	2,246.76	871.97
ii. Provisions	17	-	2.89	0.02
iii. Other Current Liabilities	18	6,682.84	5,934.38	6,262.70
TOTAL CURRENT LIABILITIES		9,354.19	9,795.33	9,849.07
TOTAL EQUITY AND LIABILITIES		11,547.65	13,045.29	13,246.70

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 28)

As per our limited review report of even date attached
For SKAA & Associates
Chartered Accountants
FRN 012726N

C.A. Suresh Kumar Agarwal
(Partner)

Membership No. 091886

Date: 27/01/2023

Place: New Delhi

UDIN: 23091886B6YFYZZ2659



For and on behalf of the Board of Directors of
RailTel Enterprises Limited

H.C. Batra
Director & CFO
DIN: 08137865

Suresh Kumar
Director & CEO
DIN: 09131274

Yudhveer
Company Secretary
M No. A24971



RailTel Enterprises Limited
Statement of Profit and Loss for the period ended December 31, 2022

(Amount in Lakhs)

Particulars	Notes No.	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
		Unaudited	Unaudited	Audited
I. INCOME				
a. Revenue from operations	19	1,181.54	3,389.05	5,156.85
b. Other Income	20	307.55	249.84	346.87
c. Finance Income	21	-	24.98	40.98
Total Income		1,489.09	3,663.87	5,544.70
II. EXPENSES				
a. Project Expenses	22	937.35	3,028.43	4,643.69
b. Employee Benefits Expenses	23	105.09	271.05	328.84
c. Administrative & Other Expenses	24	84.75	130.67	163.53
d. Finance Charges	25	271.70	168.06	227.09
e. Depreciation and Amortisation Expense	26	3.34	4.35	5.57
Total Expenses		1,402.23	3,602.56	5,368.72
III. Profit before exceptional items and tax		86.86	61.31	175.98
IV. Exceptional Items		-	-	-
V. Profit before tax		86.86	61.31	175.98
VI. Tax expenses				
a. Current Tax	27	44.39	9.56	37.74
b. Deferred Tax	27	(9.72)	5.88	7.24
c. Tax impact of earlier years	27	0.11	0.60	0.60
VII. Profit for the period (A)		52.08	45.27	130.40
VIII. Other comprehensive income(OCI):				
i. Items that will not be reclassified to Profit & Loss		-	-	-
Remeasurement losses on defined benefit plans	28	-	-	(0.08)
Income tax relating to item that will not be reclassified to Profit & Loss	28	-	-	(0.02)
Other comprehensive income/(Loss) (B)		-	-	(0.06)
Total comprehensive income for the period		52.08	45.27	130.34
IX. Earning per Equity Share of Rs 10/- each				
(a) Basic (in Rs.)	28(12)	0.52	0.45	1.30
(b) Diluted (in Rs.)	28(12)	0.52	0.45	1.30

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 28)

As per our limited review report of even date attached
For SKAA & Associates
Chartered Accountants
FRN 012726N

CA Suresh Kumar Agarwal
(Partner)
Membership No. 091886

Date: 27/01/2023
Place: New Delhi

UDIN: 23091886BGYEYZ2659



For and on behalf of the Board of Directors of
RailTel Enterprises Limited

H.C Batra
Director & CFO
DIN: 08137865

Suresh Kumar
Director & CEO
DIN: 09131274

Yudhveer
Company Secretary
M No. A24971



NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE PERIOD ENDED ON DECMEBER 31, 2022

Note-1 Significant Accounting Policies

A. Corporate Information

RailTel Enterprises Limited ('the Company') incorporated in India on 12th August 2014 is a public sector undertaking. The company is promoted by and is under administrative control of RailTel Corporation of India Limited. The Registered office of the Company is situated at 6th Floor, 3rd Block, Delhi Technology Park, Delhi-110053 and Corporate Office at Plate-A, 6th Floor, Office Tower-2, East Kidwai Nagar, New Delhi-110023.

In line with the future business plan of RailTel it was felt to diversify into ICT project segment as a System Integrator. Hence, to have clear focus on project execution works, REL has been setup. Also this shall help RailTel make a clear distinction between RailTel's existing core activities viz-a-viz project works ensuring resource and accountable separation thereby making REL as a separate profit centre. This would also facilitate the Company in proper and suitably reflecting the operational results in a more transparent manner and activity wise. The aim is to exploit the capabilities and experience gained by RailTel from execution of number of small to large national level projects like National Knowledge Network (NKN), National Optical Fibre Network (NOFN), NE-I & NE-II projects under USOF, and various projects for many other Govt and private agencies. In recent years, RailTel has been expanding its portfolio of services in the areas of Data Centre, Cloud, Telepresence, Retail Broadband (Railwire), etc. With the creation of REL, RailTel aims to be one of the leading System Integrator in the country working in the field of ICT.

REL shall be taking up turnkey project work for creation, management and operation in the areas of IT, Telecom, networking, Data Center and Railway's ICT and S&T projects. With a dedicated focus and organization suited to executing projects in the areas of expertise, REL is poised to become a key driver of growth and innovation for RailTel as well

B. Summary of Significant Accounting Policies as per Ind-AS

1. Basis for Preparation of 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) Rules, 2015.

The Accounting policies of the company have been drafted on the basis of Indian Generally Accepted Accounting principles (IGAAP) to the Indian Accounting Standards notified by the Ministry of Corporate Affairs on 16th February 2015 as the Companies (Indian Accounting Standards) Rules 2015 read with Companies (Indian Accounting Standards) Amendment Rules 2016. These financial statements are presented in Indian Rupees (Rs).

2. Use of Estimates

The preparation of financial statements in conformity with Indian Accounting Standards 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, 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 year.

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 recognized in the financial statements is stated here under:

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

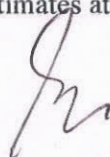
Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/ recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

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.



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. 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.

4. Property Plant and Equipment (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.

SN	Name of Assets	Main asset/Component	Useful life of assets
1	Computer	Main Assets	3 Year 31.67%
2	Office Equipment's	Main Assets	5 Year 19%

5. 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.

6. Revenue Recognition and Receivables

Service Revenues

Service revenues include incomes from project work for creation, management and operation in the areas of IT, Telecom, networking, Data Center and Railway's ICT and S&T projects. Revenues are recognized on proportionately basis on provision of services over the period of arrangement.

Revenue shall be measured at the fair value of the consideration received or receivables.

Service revenues are recognised as the services are rendered and are stated net of discounts, waivers and taxes. Service revenue is recognised from the date of satisfactory installation services at the customer site and as per terms of contract finalized with the customers.

Deferred revenue includes amount received in advance from customers which would be recognised over the periods when the related services are expected to be rendered.



Deposit Works

When the outcome of a contract can be estimated reliably, contract revenue and contract costs associated with the contract are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period based on statements of account received from the contractors.

Interest and Other Income

For all financial instruments measured at amortised cost and interest-bearing financial assets, classified as financial assets at fair value through profit or loss or as available for sale, interest income is recognized using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in 'finance income' in the income statement.

7. 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.

8. Unbilled Revenue

Unbilled revenue represent revenue recognised 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.

9. Employee Benefits

Employee benefits include provident fund, pension, gratuity and compensated absences.

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

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.

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.

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.

10. Taxes

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.

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 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 reliability.



11. 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.

12. 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.

13. 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 hat their disclosure is relevant to explain the performance of the company for the year.

14. 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.

15. 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.

16. 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.

17. 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

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at carried at amortised cost

A financial asset is subsequently measured at amortised 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.

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.

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.

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



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. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

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.

18. Basis for Preparation of Interim financial statement

The Interim financial statements of the Company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with rule 3 of Companies (Indian Accounting Rules), 2015 (as amended). Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised Ind AS on an ongoing basis.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.



NON CURRENT ASSETS

Note 2. Property Plant & Equipment

(Amount in Lakhs)

Particulars	Computer	Furniture & Fixtures	Office Equipments	Total
Year Ended March 31, 2022				
Gross Carrying amount				
Cost as at April 1, 2021	20.49	-	2.42	22.91
Additions	1.60	-	0.21	1.81
Disposal	1.80	-	0.33	2.13
Transfer	-	-	-	-

Closing Gross Carrying Amount	20.29	-	2.30	22.59
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Accumulated Depreciation				
Opening accumulated Depreciation	10.88	-	0.68	11.56
Charge during the year	5.14	-	0.43	5.57
Disposals / adjustment	1.27	-	0.15	1.42

Closing Accumulated Depreciation	14.75	-	0.96	15.71
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Impairment				
Opening accumulated Impairment	-	-	-	-
Impairment during the year	-	-	-	-
Reversal of Impairment during the year	-	-	-	-

Closing Accumulated Impairment	-	-	-	-
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NET CARRYING AMOUNT- March 31, 2022	5.54	-	1.34	6.88
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Particulars	Computer	Furniture & Fixtures	Office Equipments	Total
Period Ended December 31, 2021				
Gross Carrying amount				
Cost as at April 1, 2021	20.49	-	2.42	22.91
Additions	1.60	-	0.21	1.81
Disposal	1.80	-	0.33	2.13
Transfer	-	-	-	-

Closing Gross Carrying Amount	20.29	-	2.30	22.59
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Accumulated Depreciation				
Opening accumulated Depreciation	10.88	-	0.68	11.56
Charge during the period	4.03	-	0.32	4.35
Disposals / adjustment	1.27	-	0.15	1.41

Closing Accumulated Depreciation	13.64	-	0.85	14.49
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Impairment				
Opening accumulated Impairment	-	-	-	-
Impairment during the period	-	-	-	-
Reversal of Impairment during the period	-	-	-	-

Closing Accumulated Impairment	-	-	-	-
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NET CARRYING AMOUNT- December 31, 2021	6.65	-	1.45	8.10
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Particulars	Computer	Furniture & Fixtures	Office Equipments	Total
Period Ended December 31, 2022				
Gross Carrying amount				
Cost as at April 1, 2022	20.29	-	2.30	22.59
Additions	0.77	0.71	0.30	1.78
Disposal	0.70	-	-	0.70
Transfer	-	-	-	-

Closing Gross Carrying Amount	20.36	0.71	2.60	23.67
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Accumulated Depreciation				
Opening accumulated Depreciation	14.75	-	0.96	15.71
Charge during the period	2.92	0.04	0.38	3.34
Disposals / adjustment	0.47	-	-	0.47

Closing Accumulated Depreciation	17.20	0.04	1.34	18.58
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Impairment				
Opening accumulated Impairment	-	-	-	-
Impairment during the period	-	-	-	-
Reversal of Impairment during the period	-	-	-	-

Closing Accumulated Impairment	-	-	-	-
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NET CARRYING AMOUNT- December 31, 2022	3.16	0.67	1.26	5.09
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As per our report of even date attached
For SKAA & Associates
Chartered Accountants
FRN 042726N

CA Suresh Kumar Agarwal
(Partner)
Membership No. 091886
Date: 27/01/2023
Place: New Delhi
UDIN: 23091886869YEYZ2659



For and on behalf of the Board of Directors of
RailTel Enterprises Limited

H.C. Batra
Director & CFO
DIN: 08137865

Suresh Kumar
Director & CEO
DIN: 09131274

Yudhvir
Company Secretary
M No. A24971



CURRENT ASSETS

Note 3. Trade Receivables

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Unsecured, Considered Good unless stated Otherwise			
Project works			
Considered Good	1,906.09	3,064.99	3,504.30
Considered Doubtful			
Total	1,906.09	3,064.99	3,504.30
Trade Receivables which have significant increase in credit risk	-	-	-
Trade Receivables - Credit Impaired	6.81	-	8.76
Total	1,899.28	3,064.99	3,495.54

Note 4. Cash and Cash Equivalents

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
(i) Cash and Cash Equivalent (Maturity <= 3 Months)			
Term Deposits	59.75	164.00	196.75
(ii) Balances with Scheduled Bank			
In Current A/c	438.60	68.38	4.40
(iii) Cash in Hand (Imprest) A/c	1.37	1.44	1.37
Total	499.72	233.82	202.52

Note 5. Other Bank Balances

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
BG Margin Money A/c*	26.48	71.89	71.89
In Term Deposit (Having original maturity of more than 3 months but less than 12 months or residual maturity less than 12 months)**	6,720.51	5,799.12	6,098.12
	6,746.99	5,871.01	6,170.01

* BG (Margin Money) represent bank deposit under lien (for issuing Bank Guarantee by bank)

** Balance in Term Deposit includes FDRs from ETCS project funds INR 4338 lakhs as on 31.12.2022



Note 6. Loans and Advances
(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Unsecured, Considered Good Unless Stated Otherwise			
Advances to Employee	-	0	4.97
Total	0.00	0	4.97

Note 7. Other Current Financial Assets
(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Unsecured, Considered good unless stated otherwise			
Security Deposits	76.84	12.22	12.22
Accrued interest on term deposits	195.59	161.30	236.15
EMD Deposited	-	-	5.81
Unbilled Revenue	655.32	2,059.57	1,167.66
Other Receivable #	0.00	37.18	66.57
Total	927.75	2,270.27	1,488.41

Receivable from Holding Company Railtel Corporation of India Limited

Note 8. Current Tax Assets
(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
TDS-Income Tax	0.05	50.36	55.05
Advance Income Tax	-	-	-
IT Refundable	164.75	395.54	395.54
Total	164.80	445.90	450.59

Note 9. Other Current Assets
(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Balance with Tax Authorities			
- VAT Credit	13.62	13.62	13.62
- GST on Advance from Customers	867.20	920.44	920.44
- GST Input	350.92	214.73	491.28
Prepaid Expenses	67.60	-	-
Recoverable From Others	2.42	2.41	2.44
Total	1,301.76	1,151.20	1,427.78



Note 10. Equity Share Capital

(Amount in Lakhs)

(a) Authorised Share Capital:

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Equity Shares			
5,00,00,000 Equity shares of Rs 10/- each	5,000	5,000	5,000
Issued Subscribed & Paid up Capital:			
1,00,00,000 Equity shares of Rs 10/- each	1,000	1,000	1,000
Total	1,000	1,000	1,000

(b) Shares held by Holding company, its Subsidiary and Associates:

Particulars		As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Holding Company	Number	1,00,00,000	1,00,00,000	1,00,00,000
Raitel Corporation of India Limited	%	100%	100%	100%

(c) Details of Shareholders holding more than 5% Shares:-

Particulars		As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Holding Company	Number	1,00,00,000	1,00,00,000	1,00,00,000
Raitel Corporation of India Limited	%	100%	100%	100%

(d) The Reconciliation of number of shares outstanding is set out below:-

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Equity Shares Opening	1,00,00,000	1,00,00,000	1,00,00,000
Add: Shares issued	-	-	-
Less: Buy back	-	-	-
Equity Shares at the End	1,00,00,000	1,00,00,000	1,00,00,000

(e) Terms and Conditions

Right, Preference and restriction attached to shares

The Company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. During the period ended December 31, 2022 company has not declared any dividend.



RailTel Enterprises Limited
Statement of Changes in Equity for the period ended December 31, 2022

Note 11. Other Equity

A. EQUITY SHARE CAPITAL

(Amount in Lakhs)

As on April 1, 2021	1,000.00
Change in Equity Share Capital	-
As on March 31, 2022	1,000.00
As on April 1, 2021	1,000.00
Change in Equity Share Capital	-
As on December 31, 2021	1,000.00
As on April 1, 2022	1,000.00
Change in Equity Share Capital	-
As on December 31, 2022	1,000.00

B. OTHER EQUITY

(Amount in Lakhs)

Particulars	Retained Earnings	General Reserve	Other Reserves	Total Equity
Balance as at April 1, 2021	1,008.64			1,008.64
Add: Total Comprehensive Income	130.34			130.34
Less: Transfer to General Reserve	-			-
Balance as at March 31, 2022	1,138.98			1,138.98
Balance as at April 1, 2021	1,008.64			1,008.64
Add: Total Comprehensive Income	45.27			45.27
Less: Transfer to General Reserve	-			-
Balance as at December 31, 2021	1,053.91			1,053.91
Balance as at April 1, 2022	1,138.98	-	-	1,138.98
Add: Total Comprehensive Income	52.08			52.08
Less: Transfer to General Reserve	-	-		-
Balance as at December 31, 2022	1,191.06	-	-	1,191.06

Significant Accounting Policies and the accompanying notes referred to above form an integral part of financial statement (from Note No 1 to 28)

As per our limited review report of even date attached
For SKAA & Associates
Chartered Accountants
FRN 012726N



CA Suresh Kumar Agarwal
(Partner)

Membership No. 091886

Date: 27/01/2023

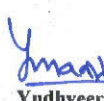
Place: New Delhi

UDIN: 23091886B07YE4Z2659

For and on behalf of the Board of
Directors of RailTel Enterprises Limited


H.C. Batra
Director & CFO
DIN: 08137865


Suresh Kumar
Director & CEO
DIN: 09131274


Yudhveer
Company Secretary
M No. A24971



NON CURRENT LIABILITIES

Note 12. Non Current Financial liabilities

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Security Deposit	-	357.64	371.43
Retention Money	-	825.85	874.00
Total	-	1,183.49	1,245.43

Note 13. Long Term Provisions

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Provision for Leave Encashment & Gratuity (LT)	2.40	6.46	5.76
Total	2.40	6.46	5.76

Note 14. Deferred Tax Liabilities (net)

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Deferred Tax Liability			
Depreciation claimed as deduction under Income Tax Act but chargeable in the statement of profit and loss in future years	-		-
Others	-	6.29	10.32
Less:			
Deferred Tax Assets			
Provision on debtors	1.71	-	2.20
Depreciation charged in the statement of profit and loss but to be claimed as deduction under Income Tax Act in future years	0.55	0.19	0.66
Others		-	
Total Deferred Tax Liability/ (Assets) (Net)	(2.26)	6.10	7.46

CURRENT LIABILITIES

Note 15. Trade Payables

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Trade Payables			
Micro and Small Enterprises	186.75	115.78	76.11
Other than Micro and Small Enterprises	232.27	1,495.52	2,638.27
Total	419.02	1,611.30	2,714.38



Note 16. Other Current Financial liabilities

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Security Deposit	466.81	57.83	57.83
Retention Money	1,019.37	27.37	27.37
Expense payable	741.65	2,136.96	762.17
EMD Payable	24.50	24.60	24.60
Total	2,252.33	2,246.76	871.97

Note 17. Short Term Provisions

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Provision for Leave Encashment & Gratuity (ST)	-	2.89	0.02
Total	-	2.89	0.02

Note 18. Other Current Liabilities

(Amount in Lakhs)

Particulars	As at December 31, 2022	As at December 31, 2021	As at March 31, 2022
Deferred Revenue/Advance from Customer	120.40	56.13	21.59
Advance-ETCS Project	5,034.00	5,034.00	5,034.00
Advance-Others	779.02	326.35	256.75
Project Control Account (ETCS)	725.23	484.72	543.74
OTHER PAYABLES			
Payable to Others	24.19	33.18	406.62
Total	6,682.84	5,934.38	6,262.70



Note 19. Revenue from operations

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Income from Projects	1,161.28	3,389.05	5,156.85
Other Operating Revenue	20.26		
Total	1,181.54	3,389.05	5,156.85

Note 20. Other Income

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Interest Income			
Interest Income on deposits with Bank #	273.86	241.62	338.65
Interest Income on IT Refund	31.72	8.22	8.22
Other Non Operating Income			
Miscellaneous Income	1.97	-	-
Total	307.55	249.84	346.87

FY 2022-23 (Dec'22) : Includes Interest Income of INR 181.48 Lacs from ETCS Project

Note 21. Finance Income

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Discounting Impact of Liability	-	24.98	40.98
Total	-	24.98	40.98

Note 22. Expenses on Project

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Project Expense	937.35	3,028.43	4,643.69
Total	937.35	3,028.43	4,643.69

Note 23. Employee Benefit Expenses

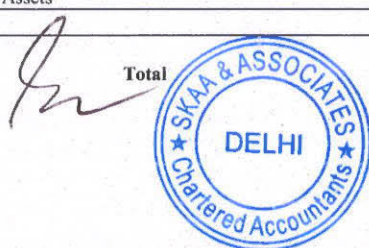
(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Salary and Wages	101.11	256.88	310.61
Contribution to Provident Fund & NPS	3.98	14.17	18.23
Total	105.09	271.05	328.84

Note 24. Administrative & Other Expenses

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Auditor's Remuneration			
(a) Auditor	0.21	0.63	0.84
(b) For Taxation Matters	0.35	0.35	0.35
Bank Charges	0.01	0.11	0.11
Rates and Taxes	-	-	0.75
Professional & Consultancy	18.38	30.07	39.02
Printing & Stationary Expenses	0.55	0.87	1.14
Business Development Expenses	-	0.11	0.16
Travelling & Conveyance Expense	18.04	43.09	56.46
Misc Expenses	0.75	7.44	3.54
Repair and Maintenance - Others	-	8.63	0.05
Manpower Support	46.21	38.92	51.90
Training Fees	0.08	-	-
Net Loss from Sale of Assets	0.17	0.45	0.45
Expected Credit Loss	-	-	8.76
Total	84.75	130.67	163.53



Note 25. Finance charges

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Finance Charges#	181.48	168.06	227.09
Discounting Impact of Liability	90.22		
Total	271.70	168.06	227.09

FY 2022-23 (Dec'22) : Interest Income of INR 181.48 Lacs from ETCS Project FDRs is transferred to ETCS project funds.

Note 26. Depreciation and Amortisation

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Depreciation on Tangible Assets	3.34	4.35	5.57
	3.34	4.35	5.57

Note 27. Tax Expenses

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Current Tax (Income Tax)	44.39	9.56	37.74
Tax impact of earlier Years	0.11	0.60	0.60
Deferred Tax Asset	(9.72)	5.88	7.24
Total	34.78	16.04	45.58

Note 28. Other Comprehensive Income(OCI)

(Amount in Lakhs)

Particulars	For the Period Ended on December 31, 2022	For the Period Ended on December 31, 2021	For the Year Ended on March 31, 2022
Items that will not be reclassified to Profit & Loss			
Remeasurement gain/(losses) on defined benefit plans	-	-	(0.08)
Income tax relating to item that will not be reclassified to Profit & Loss	-	-	(0.02)
Total	-	-	(0.06)





RAILTEL CORPORATION OF INDIA LIMITED

(A Government of India Undertaking)

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Website: www.railtelindia.com; E-mail: cs@railtelindia.com; Corporate Identity Number: L64202DL2000GOI107905

Statement Of Financial Results For The Quarter Ended Dec 31, 2022

(Rs. in Lakhs)

Particulars	Standalone						Consolidated					
	Quarter Ended		Nine months ended		Year ended		Quarter Ended		Nine months ended		Year ended	
	31.12.2022 (Unaudited)	30.09.2022 (Unaudited)	31.12.2021 (Unaudited)	31.12.2022 (Unaudited)	31.12.2021 (Unaudited)	31.03.2022 (Audited)	31.12.2022 (Unaudited)	30.09.2022 (Unaudited)	31.12.2021 (Unaudited)	31.12.2022 (Unaudited)	31.12.2021 (Unaudited)	31.03.2022 (Audited)
1. Income :												
(a) Revenue from operations	45,053	42,512	41,381	1,24,611	1,06,631	1,52,154	45,432	42,871	41,769	1,25,988	1,08,292	1,54,845
(b) Other income	633	1,094	5,615	2,485	5,501	7,612	785	1,138	5,646	2,747	5,736	7,947
Total Income	45,686	43,606	46,996	1,27,096	1,12,132	1,59,766	46,217	44,009	47,415	1,28,735	1,14,028	1,62,792
2. Expenses												
(a) Access and other charges	12,616	11,446	11,313	36,543	31,717	43,260	12,616	11,446	11,313	36,543	31,717	43,260
(b) License fee to DoT (Department of Telecommunication)	1,890	1,891	1,633	5,537	4,838	6,679	1,890	1,891	1,633	5,537	4,838	6,679
(c) Expenses on Project	15,224	12,621	15,133	37,218	28,604	43,754	15,477	12,914	15,329	38,236	29,862	45,947
(d) Employee benefits expenses	4,824	4,374	4,848	14,302	12,068	18,250	4,844	4,403	5,029	14,406	12,341	18,579
(e) Finance costs	44	68	61	165	209	322	212	115	120	437	377	549
(f) Depreciation, amortisation & impairment expense	3,695	3,655	3,793	11,307	11,709	16,013	3,696	3,656	3,796	11,310	11,714	16,018
(g) Other expenses	3,146	2,155	1,326	7,012	2,346	3,533	3,168	2,180	1,381	7,097	2,482	3,698
Total Expenses	41,439	36,210	38,107	1,12,084	91,491	1,31,811	41,903	36,605	38,601	1,13,566	93,331	1,34,730
3. Profit/(Loss) from operations before Share of Profit / (Loss) of Joint Ventures	4,247	7,396	8,889	15,012	20,641	27,955	4,314	7,404	8,814	15,169	20,697	28,062
4. Exceptional items and tax (1- 2)												
4. Share of Profit / (Loss) of Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-
5. Profit/(Loss) from operations before Exceptional items and tax (3+4)	4,247	7,396	8,889	15,012	20,641	27,955	4,314	7,404	8,814	15,169	20,697	28,062
6. Exceptional items (Note No - 6)												
6. Exceptional items (Note No - 6)	-	-	-	-	-	-	-	-	-	-	-	-
7. Profit / (Loss) from operations before Tax (5 + 6) (Note No. 4 & 5)	4,247	7,396	8,889	15,012	20,641	27,955	4,314	7,404	8,814	15,169	20,697	28,062
8. Tax Expense												
(a) Current Tax	1,768	2,161	1,156	5,122	4,958	7,212	1,808	2,164	1,139	5,166	4,967	7,250
(b) Deferred Tax Charge/(Credit)	(679)	(282)	1,075	(1,290)	260	(79)	(679)	(284)	1,073	(1,290)	265	(71)
(c) Taxation in respect of earlier years	-	-	-	-	-	(12)	(10)	-	1	(10)	1	(11)
9. Profit/(Loss) for the period/year (7-8)	3,158	5,517	6,658	11,180	15,423	20,834	3,195	5,524	6,601	11,303	15,464	20,895
10. Other comprehensive income (OCI) : Net of tax [(Loss)/Profit]												
(a) Items that will not be reclassified to Profit and Loss												
Remeasurement gain/(losses) on defined benefit plans	(13)	(13)	40	(38)	119	(51)	(13)	(13)	40	(38)	119	(51)
Income tax relating to items that will not be reclassified to Profit and Loss	3	3	(10)	10	(30)	13	3	3	(10)	10	(30)	13
(b) Items that will be reclassified to Profit and Loss	-	-	-	-	-	-	-	-	-	-	-	-
Income tax relating to items that will be reclassified to Profit and Loss	-	-	-	-	-	-	-	-	-	-	-	-
11. Total Comprehensive Income for the period/year (9+10)	3,148	5,507	6,688	11,152	15,512	20,796	3,185	5,514	6,631	11,275	15,553	20,857



Particulars	Standalone						Consolidated					
	Quarter Ended		Nine months ended		Year ended		Quarter Ended		Nine months ended		Year ended	
	31.12.2022	30.09.2022	31.12.2021	31.12.2021	31.12.2021	31.03.2022	31.12.2022	30.09.2022	31.12.2021	31.12.2021	31.12.2021	31.03.2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
12. Profit is attributable to:												
(a) Owners of the Parent	3,158	5,517	6,658	11,180	15,423	20,834	3,195	5,524	6,601	11,303	15,464	20,895
(b) Non Controlling Interest												
13. Other Comprehensive Income is attributable to:												
(a) Owners of the Parent	(10)	(10)	30	(28)	89	(38)	(10)	(10)	30	(28)	89	(38)
(b) Non Controlling Interest												
14. Total Comprehensive Income is attributable to:												
(a) Owners of the Parent	3,148	5,507	6,688	11,152	15,512	20,796	3,185	5,513	6,631	11,275	15,553	20,857
(b) Non Controlling Interest												
15. Paid up Equity Share Capital (Face Value of Rs. 10 per share)	32,094	32,094	32,094	32,094	32,094	32,094	32,094	32,094	32,094	32,094	32,094	32,094
16. Other Equity				1,28,575	1,19,840	1,19,508				1,29,766	1,20,893	1,20,577
17. Earnings Per Equity Share (Face Value of Rs. 10 per share) (Not Annualized for the quarter/nine months ended)												
(a) Basic EPS (in Rs.)	0.98	1.72	2.07	3.48	4.81	6.49	0.996	1.72	2.06	3.52	4.82	6.51
(b) Diluted EPS (in Rs.)	0.98	1.72	2.07	3.48	4.81	6.49	0.996	1.72	2.06	3.52	4.82	6.51

Notes:

- The above standalone and consolidated financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 31st Jan 2023. The Statutory Auditors of the company have conducted limited review of the financial results for the Quarter ended 31st Dec 2022.
- The information presented in the financial results is extracted from the unaudited interim condensed standalone and consolidated financial results, which have been prepared in accordance with the Indian Accounting Standards (Ind AS) – 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 and 52 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 (as Amended) and other recognised accounting practices and policies to the extent applicable.
- 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 not been significantly impacted following a nationwide lockdown by the Government of India. However Covid situation in India has improved significantly at the end of period, resulting in normalization of business activity to the great extent. Further the company is continuously monitoring the situation and taking all possible measures and aspects.
- Figures for the previous periods / year have been re-grouped / re-classified / re-casted to conform to the classification of the current period.
- The Segment reporting of the group has been prepared in accordance with Ind AS 108 on "Operating Segments". The group operates within India and does not have operations in economic environment with different risks & returns. Hence it is considered operating in Pan India single geographical segment. The management of the group on the basis of its business activities, has identified two reportable segments : Telecom Services, Project Work Services.



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Segment-Wise Revenue and Results are as follows:												
(Rs. in Lakhs)												
Particulars	Standalone						Consolidated					
	Quarter Ended		Nine months ended		Year ended		Quarter Ended		Nine months ended		Year ended	
	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue												
(a) Revenue from Operations												
Telecom Services	28,702	29,478	24,810	85,590	74,471	1,04,358	28,686	29,471	24,674	85,534	74,335	1,04,156
Project Work Services	16,351	13,034	16,572	39,021	32,161	47,797	16,746	13,400	17,095	40,454	33,957	50,689
Total	45,053	42,512	41,382	1,24,611	1,06,632	1,52,155	45,432	42,871	41,769	1,25,988	1,08,292	1,54,845
Less: Inter Segment Revenue												
Net Sales / Total Income												
2. Segment Results												
Profit Before tax & interest from Each Segment												
(a) Telecom Services	5,676	8,112	3,221	17,902	14,138	20,156	5,660	8,105	3,174	17,847	14,001	19,947
(b) Project Work Services	1,127	414	1,440	1,803	3,557	4,044	1,248	455	1,365	2,110	3,689	4,244
Total	6,803	8,526	4,661	19,705	17,695	24,200	6,908	8,560	4,539	19,957	17,690	24,191
Less:-												
(i) Other Un- allocable expenditure net of un - allocable income	2,430	1,196	(4,323)	4,587	(2,982)	(3,873)	2,299	1,168	(4,438)	4,411	(3,188)	(4,174)
(ii) Finance cost net of finance income	126	(66)	95	106	36	118	295	(11)	163	377	181	304
Total Profit before tax	4,247	7,396	8,889	15,012	20,641	27,955	4,313	7,404	8,814	15,169	20,697	28,061

Segment-Wise Assets and Liabilities are as follows:

(Rs. in Lakhs)								
Particulars	Standalone				Consolidated			
	As at 31.12.2022	As at 30.09.2022	As at 31.03.2022	As at 31.12.2021	As at 31.12.2022	As at 30.09.2022	As at 31.03.2022	As at 31.12.2021
	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)
1. Segment Assets								
(a) Telecom Services	2,31,453	2,13,986	1,81,262	1,89,224	2,31,453	2,13,986	1,81,262	1,89,224
(b) Project Work Services	31,869	37,470	65,968	68,232	42,235	48,065	66,559	68,427
(c) Un-allocable Assets	34,636	40,093	28,711	23,964	34,636	40,093	37,997	32,902
Total Assets	2,97,958	2,91,549	2,75,941	2,81,420	3,08,324	3,02,144	2,85,817	2,90,553
2. Segment Liabilities								
(a) Telecom Services	1,22,574	1,19,831	1,09,054	1,11,821	1,22,574	1,19,831	1,09,054	1,11,821
(b) Project Work Services	11,524	11,464	11,547	14,889	20,699	20,908	17,124	20,408
(c) Un-allocable Liabilities	3,191	2,732	3,738	2,777	3,191	2,732	6,968	5,337
Total Liabilities	1,37,289	1,34,027	1,24,339	1,29,487	1,46,464	1,43,471	1,33,147	1,37,566
3. Capital Employed								
(a) Telecom Services	1,08,879	94,156	72,208	77,403	1,08,879	94,155	72,208	77,403
(b) Project Work Services	20,345	26,006	54,421	53,343	21,536	27,157	49,435	48,019
(c) Un-allocable	31,445	37,360	24,973	21,187	31,445	37,361	31,028	27,565
Capital Employed	1,60,669	1,57,522	1,51,602	1,51,933	1,61,860	1,58,673	1,52,671	1,52,987

As per our report of even date attached
For M/s S R GOYAL & CO
Chartered Accountants
FRN 001537C

CA A.K. Atolia
M.No.077201
Place New Delhi
Date: 31.01.2023



For and on behalf of RailTel Corporation of India Limited



Sanjai Kumar
Chairman & Managing Director
DIN No.: 06923630

S R GOYAL & CO

CHARTERED ACCOUNTANTS

Independent Auditor's Review Report on The Unaudited Standalone Financial Results of the RailTel Corporation of India Limited for the quarter and nine months ended December 31, 2022 Pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
RailTel Corporation of India Limited
New Delhi

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results ("the Statement") of **RailTel Corporation of India Limited** ("the Company") for the quarter and nine months ended on 31st December 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), specified under Section 133 of the Companies Act, 2013, including relevant circular issued by the SEBI from time to time and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. This standard requires that we plan to perform the review to obtain moderate assurance as to whether the financial statements is free from material misstatement and also considering the requirements of SA 600 on "Using the work of Another Auditor". A review is limited primarily to inquiries of the company personnel and analytical procedure applied to financial data and thus provides less assurance than an audit. We do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 and based on the consideration of the review reports of other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with the applicable Indian Accounting Standard (Ind AS) and other recognized accounting policies has not disclosed the information required to be

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New Delhi- 110049



S R GOYAL & CO

CHARTERED ACCOUNTANTS

disclosed in accordance with the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Other matter

- a) We did not review the financial results / information of Eastern Region, Western region and Southern Region included in these unaudited standalone financial results; whose financial results / information reflect total revenue from operations of Rs. 29,444 lakhs, total net profit after tax of Rs. 6,477 lakhs and total comprehensive income of Rs. 6,477 lakhs for the quarter ended December 31, 2022, and total assets of Rs 1,70,559 lakhs as on December 31, 2022. The same have been reviewed by other auditors appointed by the CAG.

Our conclusion 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 and the procedures performed by us as stated in paragraph 3 above.

- b) The unaudited standalone financials of the Company for the quarter and nine months ended 31 December 2021 and audited financial statements for the year ended 31st March 2022 were reviewed / audited by the predecessor statutory auditor of the Company.

Our conclusion on the statement is not modified in respect of the above matter.

For S. R. Goyal & Co.
Chartered Accountants
FRN No. 001537C



Place: New Delhi
Date: 31.01.2023
UDIN: 23077201BGXMOW6054

A.K. Atolia
(Partner)
M.No. - 077201

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S R GOYAL & CO

CHARTERED ACCOUNTANTS

Independent Auditor's Review Report on the Unaudited Consolidated Financial Results of the RailTel Corporation of India Limited for the quarter and nine months ended December 31, 2022 Pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
RailTel Corporation of India Limited
New Delhi

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results ("the Statement") of **RailTel Corporation of India Limited** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), for the quarter and nine months ended on 31st December 2022, attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), specified under Section 133 of the Companies Act, 2013, including relevant circular issued by the SEBI from time to time and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. This standard requires that we plan to perform the review to obtain moderate assurance as to whether the financial statements is free from material misstatement and also considering the requirements of SA 600 on "Using the work of Another Auditor". A review is limited primarily to inquiries of the company personnel and analytical procedure applied to financial data and thus provides less assurance than an audit. We do not express an audit opinion.
4. The Statement includes the results of RailTel Enterprises Ltd. (Subsidiary Company).

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S R GOYAL & CO

CHARTERED ACCOUNTANTS

5. Based on our review conducted as stated in paragraph 3 and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with the applicable Indian Accounting Standard (Ind AS) and other recognized accounting policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Other matter

- a) We did not review the interim financial result of the subsidiary included in the unaudited consolidated financial results, whose interim financial results reflect total assets of Rs. 11,547.65 lakhs on 31st December 2022, total revenue from operations of Rs 1181.54 lakhs and total net profit after tax of Rs. 52.08 lakh and total comprehensive income of Rs. 52.08 lakhs for the quarter and nine months ended 31st December 2022 as considered in the unaudited consolidated financial results. This interim financial result has been reviewed by other auditor appointed by CAG whose reports has been furnished to us by the management of Parent company and our conclusion 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 auditors and the procedures performed by us as stated in paragraph 3 above.
- b) We did not review the financial results / information of Eastern Region, Western region and Southern Region included in these unaudited consolidated financial results; whose financial results / information reflect total revenue from operations of Rs. 29,444 lakhs, total net profit after tax of Rs. 6,477 lakhs and total comprehensive income of Rs. 6,477 lakhs for the quarter ended December 31, 2022, and total assets of Rs 1,70,559 lakhs as on December 31, 2022. The same have been reviewed by other auditors appointed by the CAG. Our conclusion 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 and the procedures performed by us as stated in paragraph 3 above.

“SRG HOUSE” Plot No. 2, M.I.Road, Opp. Ganpati Plaza, JAIPUR – 302 001
Phone :0141-4041300, 4041301, 2362363,2362365
e-mail: srgoyal@srgoyal.com * ajay@srgoyal.com * website : www.srgoyal.com

**Branch Office : 105A, South Ex-Plaza, 389, Masjid Moth, South Ext. Pt.II,
New Delhi- 110049**



S R GOYAL & CO

CHARTERED ACCOUNTANTS

- c) The unaudited consolidated financials of the Company for the quarter and nine months ended 31 December 2021 and audited financial statements for the year ended 31st March 2022 were reviewed / audited by the predecessor statutory auditor of the Company.

Our conclusion on the statement is not modified in respect of the above matter.

For S. R. Goyal & Co.
Chartered Accountants
FRN No. 001537C



A.K. Atolia
(Partner)
M.No. - 077201

Place: New Delhi
Date: 31.01.2023
UDIN: 23077201BGXMQX1767

“SRG HOUSE” Plot No. 2, M.I.Road, Opp. Ganpati Plaza, JAIPUR – 302 001
Phone :0141-4041300, 4041301, 2362363,2362365
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Branch Office : 105A, South Ex-Plaza, 389, Masjid Moth, South Ext. Pt.II,
New Delhi- 110049



रेलटेल
RAILTEL

A mini
ratna enterprise

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF RAILTEL ENTERPRISES LIMITED AT ITS MEETING HELD ON 20TH APRIL, 2023 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION BETWEEN RAILTEL ENTERPRISES LIMITED & RAILTEL CORPORATION OF INDIA & THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS.

This Report as per the provisions of section 232(2)(c) of the Companies Act, 2013 ("Act"), sets out the effect of the Scheme on the equity shareholders, key managerial personnel, promoters, and non-promoter shareholders of the Transferor Company and laying out in particular, if applicable.

Background

The proposed scheme of amalgamation ("**Scheme**") provides for amalgamation of M/s RailTel Enterprises Limited ("Transferor Company") and RailTel Corporation of India Limited ("Transferee Company") on a going concern basis as per the provisions of sections 230 to 232 of the Act read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (*For the sake of convenience, Transferor Companies and Transferee Company are hereinafter collectively referred to as "Companies"*).

Rationale of the Scheme

The Transferor Company, promoted by the Transferee Company, is engaged in the business of undertaking Information and Communication Technologies (ICT) infrastructure projects covering hardware and software applications and other associated sub-systems including planning, designing, commissioning, operationalizing, maintaining, and financing projects in India and abroad. Further, the Transferor company explores its capabilities and experience gained by RailTel from execution of number of small to large national level projects like National Knowledge Network (NKN), National Optical Fibre Network (NOFN), NE-I & NE-II projects under USOF, and various projects for many other Govt and private agencies. The Transferee Company, as provided above, has a strategic relationship with the Indian Railways wherein it provides wide variety of projects including provision of mission critical connectivity services like IP based video surveillance system at stations, 'e-Office' services and implementing short haul connectivity between stations and long-haul connectivity to support various organizations within the Indian Railways. The Transferee Company has been expanding its portfolio of services in the areas of Data Centre, Cloud, Telepresence, Retail Broadband (Railwire), etc., i.e. a business similar to the existing business of the Transferor Company. The businesses of both the Transferee Company and Transferor Company align with each other.

रेलटेल एन्टरप्राइजेज लिमिटेड

RailTel Enterprises Limited

CIN : U74900DL2014GO1270322

पंजीकृत कार्यालय : 6ठा तल, तीसरा ब्लॉक, दिल्ली टेक्नोलॉजी पार्क, शास्त्री पार्क, दिल्ली- 110053 (भारत)

कॉर्पोरेट कार्यालय : एनबीसीसी बिल्डिंग, कार्यालय टावर-2, 6ठा तल, प्लेट-ए, पूर्वी किदवाई नगर, नई दिल्ली- 110023 (भारत)

Regd. Office : 6th Floor, IIIrd Block, Delhi Technology Park, Shastri Park, Delh-110053 (India).

Tel. : +91-11-22185933 Email: rel@railtelindia.com, Website : www.railtelindia.com

Corporate Office : NBCC Building, Office Tower-2, 6th Floor, Phase-A, East Kidwai Nagar, New Delhi-110023 (India).

Tel. : +91-11-22900600, Fax : + 91-11-22900699



In order to optimize and leverage the resources of both the Transferor and Transferee Company, the management is of the view that it will upscale the business of the merged entity which will be in the interest of all the stakeholders. Further, the proposed amalgamation is in consonance with the recent development and notification dated 13th December, 2021 bearing no. DPE/3(1)/2021-00, issued by Department of Public Enterprises, Ministry of Finance, wherein the department has contemplated to maintain bare minimum presence of Central Public Sector Enterprises in the strategic sectors.

The said amalgamation will also result in following benefits:

- i. Amalgamation of the Transferor Company, with the Transferee Company would lead to avail synergy benefits, eliminate multiple administrative functions and reduce administrative & compliance costs, thereby increasing the shareholders' value.
- ii. The proposed amalgamation would result in optimizing and leveraging existing resources of these Companies for the most beneficial utilization of these factors in the combined entity. It would be advantageous to combine the activities and operations of all these Companies in a single entity and building strong capability to effectively meet future challenges in competitive business environment.
- iii. Greater efficiency in cash management of the Transferee Company and better access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities. The proposed amalgamation would enhance the shareholders' value of the Companies.
- iv. Upon amalgamation, the combined entity will have a larger capital base which will ultimately help the company to boost its ability to raise finances.

Consideration

Upon the same becoming effective and with effect from the appointed date (being October 01, 2022), all the assets and liabilities and entire business of the Transferor Company shall stand transferred to and vested in the Transferee Company. In addition, upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. Further, no shares will be issued to the shareholders of the Transferor Company pursuant to the Scheme, as the said Transferor Company is a wholly-owned subsidiary of the Transferee Company.

Effect of the Scheme

S. No.	Particulars	Effect
1.	Promoter	Since, the Transferor Company is a wholly-owned subsidiary of the Transferee Company, therefore, there will be no issue and allotment of shares as no consideration by the Transferee Company to the shareholders of the Transferor Company.
2.	Non-promoter shareholders	Not Applicable, since there is no non-promoter shareholder in the Transferor Company.
3.	Directors	Upon the Scheme becoming effective, Transferor Company shall stand dissolved and accordingly, the directors of the Transferor Company shall cease to be employed in the Transferor Company.
4.	KMP (Key Managerial Personnel)	Upon the Scheme becoming effective, Transferor Company shall stand dissolved and accordingly, KMP

		of the Transferor Company shall cease to be employed in the Transferor Company.
5.	Secured Creditors	There are no secured creditors of the Transferor Company.
6.	Unsecured Creditors	No rights of the unsecured creditors of the Transferor Company are being affected pursuant to the Scheme. The unsecured creditors of the Transferor Company shall become unsecured creditors of the Transferee Company. Hence, the right of the unsecured creditors are neither being reduced nor being varied or extinguished.
7.	Depositors	No effect, as there is no depositor in the Transferor Company.
8.	Employee	No effect, as pursuant to the Scheme becoming effective, the present employees of the Transferor Company shall continue to act as employees of the Transferee Company, upon effectiveness of the Scheme.
9.	Debenture holders	No effect, as there is no debenture holder in the Transferor Company.

Effect of the Scheme

The Board of Directors have unanimously adopted this report after noting and considering the information set forth in this report.

For and on behalf of RailTel Enterprises Limited


Name: Shri Suresh Kumar
Designation: Director & CEO
Place: Delhi
Date: 20th April, 2023

REPORT ADOPTED BY THE MERGER COMMITTEE OF THE BOARD OF RAILTEL CORPORATION OF INDIA AT ITS MEETING HELD ON 20TH APRIL, 2023 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION BETWEEN RAILTEL ENTERPRISES LIMITED & RAILTEL CORPORATION OF INDIA LIMITED & THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS.

This Report as per the provisions of section 232(2)(c) of the Companies Act, 2013 ("Act"), sets out the effect of the Scheme on the equity shareholders, key managerial personnel, promoters, and non-promoter shareholders of the Transferee Company and laying out in particular, if applicable.

Background

The proposed scheme of amalgamation ("*Scheme*") provides for amalgamation of M/s RailTel Enterprises Limited ("*Transferor Company*") and RailTel Corporation of India Limited ("*Transferee Company*") on a going concern basis as per the provisions of sections 230 to 232 of the Act read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (For the sake of convenience, Transferor Company and Transferee Company are hereinafter collectively referred to as "*Companies*").

Rationale of the Scheme

The Transferor Company, promoted by the Transferee Company, is engaged in the business of undertaking Information and Communication Technologies (ICT) infrastructure projects covering hardware and software applications and other associated sub-systems including planning, designing, commissioning, operationalizing, maintaining, and financing projects in India and abroad. Further, the Transferor company explores its capabilities and experience gained by RailTel from execution of number of small to large national level projects like National Knowledge Network (NKN), National Optical Fibre Network (NOFN), NE-I & NE-II projects under USOF, and various projects for many other Govt and private agencies. The Transferee Company, as provided above, has a strategic relationship with the Indian Railways wherein it provides wide variety of projects including provision of mission critical connectivity services like IP based video surveillance system at stations, 'e-Office' services and implementing short haul connectivity between stations and long-haul connectivity to support various organizations within the Indian Railways. The Transferee Company has been expanding its portfolio of services in the areas of Data Centre, Cloud, Telepresence, Retail Broadband (Railwire), etc., i.e. a business similar to the existing business of the Transferor Company. The businesses of both the Transferee Company and Transferor Company align with each other.

रेलटेल कॉर्पोरेशन ऑफ इंडिया लिमिटेड, भारत सरकार (रेल मंत्रालय) का उपक्रम

CIN : L64202DL2000GOI107905

Registered & Corporate Office : Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi - 110023
T : +91 11 22900600, F +91 11 22900699 | Website : www.railtelindia.com



In order to optimize and leverage the resources of both the Transferor and Transferee Company, the management is of the view that it will upscale the business of the merged entity which will be in the interest of all the stakeholders. Further, the proposed amalgamation is in consonance with the recent development and notification dated 13th December, 2021 bearing no. DPE/3(1)/2021-00, issued by Department of Public Enterprises, Ministry of Finance, wherein the department has contemplated to maintain bare minimum presence of Central Public Sector Enterprises in the strategic sectors.

The said amalgamation will also result in following benefits:

- i. Amalgamation of the Transferor Company, with the Transferee Company would lead to avail synergy benefits, eliminate multiple administrative functions and reduce administrative & compliance costs, thereby increasing the shareholders' value.
- ii. The proposed amalgamation would result in optimizing and leveraging existing resources of these Companies for the most beneficial utilization of these factors in the combined entity. It would be advantageous to combine the activities and operations of all these Companies in a single entity and building strong capability to effectively meet future challenges in competitive business environment.
- iii. Greater efficiency in cash management of the Transferee Company and better access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities. The proposed amalgamation would enhance the shareholders' value of the Companies.
- iv. Upon amalgamation, the combined entity will have a larger capital base which will ultimately help the company to boost its ability to raise finances.

Consideration

Upon the same becoming effective and with effect from the appointed date (*being October 01, 2022*), all the assets and liabilities and entire business of the Transferor Company shall stand transferred to and vested in the Transferee Company. In addition, upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. Further, no shares will be issued to the shareholders of the Transferor Company pursuant to the Scheme, as the said Transferor Company is a wholly-owned subsidiary of the Transferee Company.

Effect of the Scheme

S. No.	Particulars	Effect
1.	Promoter	No effect, as Promoter Shareholders shall continue to act as shareholders in the Transferee Company
2.	Non-promoter shareholders	The non-promoter shareholders shall continue to act as shareholders in the Transferee Company
3.	Directors	No effect, as the directors shall continue to act as directors of the Transferee Company.
4.	KMP (Key Managerial Personnel)	No effect, as the KMPs shall continue to act as KMPs of the Transferee Company.
5.	Secured Creditors	There are no secured creditors of the Transferee Company.



6.	Unsecured Creditors	No rights of the unsecured creditors of the Transferee Company are being affected pursuant to the Scheme.
7.	Depositors	No effect, as there is no depositor in the Transferee Company.
8.	Employee	No effect, as the present employees shall continue to act as employees of the Transferee Company.
9.	Debenture holders	No effect, as there is no debenture holder in the Transferee Company.

Effect of the Scheme

The Merger Committee of the Board of the Company have unanimously adopted this report after noting and considering the information set forth in this report.

For and on behalf of RailTel Corporation of India Limited



20/04/2023.



Name: Shri Sanjai Kumar

Designation: Chairman & Managing Director

Place: Delhi

Date: 20TH April, 2023

Annexure-F

**RAILTEL CORPORATION OF INDIA LIMITED****Corporate Identity Number:** 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**Proxy Form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

CIN: L64202DL2000GOI107905

Name of the company: RailTel Corporation of India Limited

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

Name of the unsecured creditor:	
Address:	
Amount of debt as on September 30, 2022:	
E-Mail ID:	

I / We, being the unsecured creditor(s) of RailTel Corporation of India Limited, hereby appoint

1.	Name:	
	Address:	
	E-Mail ID:	
	Signature	

Or failing him

2.	Name:	
	Address:	
	E-Mail ID:	
	Signature	

Or failing him

3.	Name:	
	Address:	
	E-Mail ID:	
	Signature	

as my/our proxy to attend and vote either for or against resolution for me/us and on my/our behalf at the meeting of unsecured creditors of the Transferee Company to be held on at Friday, 26th May, 2023 at 12:30 Hrs (IST) and at any adjournment thereof in respect of such resolutions as are indicated below:-

Resolution No.	Particulars	For	Against
1.	"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications issued thereunder, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the circulars and notifications issued thereunder, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and subject to the provisions of the Memorandum and Articles of Association of the M/s. RailTel Corporation of India Limited ("Transferee Company") and subject to the approval of Ministry of Corporate Affairs ("MCA") and subject to such other		

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

CIN : L64202DL2000GOI107905**Registered & Corporate Office :** Plate-A, 6th Floor, Office Block-2, East Kidwai Nagar, New Delhi-110023,**T :** +91 11 22900615, **F :** +91 11 22900699**Website :** www.railtelindia.com

	<p>approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the Parties to the Scheme, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the MCA or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Transferee Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the Scheme of Amalgamation of M/s. RailTel Enterprises Limited with M/s. RailTel Corporation of India Limited ("Scheme") and their respective shareholders and creditors, which was circulated along with this Notice, be and is hereby approved.</p> <p>RESOLVED FURTHER THAT the Board of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by MCA while sanctioning the Scheme or by any authorities under law, including but not limited to passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper, and to settle any question, difficulty or doubt that may arise in respect of Scheme, without being required to seek any further consent or approval of the Unsecured Creditors of the Transferee Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."</p>		
--	--	--	--

Signed this.....day of2023.

Signature of unsecured creditor(s)

Affix Re. 1
Revenue
Stamp

Signature of first proxy holder Signature of second proxy holder Signature of third proxy holder

Notes:

1. The form of Proxy must be deposited at the registered office of the Transferee Company at [Insert Address], not later than 48 (Forty-Eight) hours before the scheduled time of the commencement of the said Meeting.
2. If you are a body corporate, as the unsecured creditor, a copy of the resolution of the Board of Directors or the Governing Body authorizing such a person to act as its representative/proxy at the Meeting and certified to be a true copy by a director, the manager, the secretary or any other authorized officer of such Body Corporate should be lodged with the Transferee Company at its registered Office not later than 48 (Forty Eight) hours before the Meeting.
3. A person can act as a proxy on behalf of unsecured creditors not exceeding 50 (fifty) and holding in aggregate not more than 10% of the total value of debt to the unsecured creditors of the Transferee Company. An unsecured creditor holding more than 10% of the total value of debt to the unsecured creditors of the Transferee Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or unsecured creditor.
4. All alterations made in the form of proxy should be initialled.
5. Please affix appropriate revenue stamp before putting signatures.
6. In case of multiple proxies, the proxy later in time shall be accepted.
7. Proxy need not be unsecured creditor of RailTel Corporation of India Limited.
8. No person shall be appointed as Proxy who is a minor.

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

CIN : L64202DL2000GOI107905

Registered & Corporate Office : Plate-A, 6th Floor, Office Block-2, East Kidwai Nagar, New Delhi-110023,
T : +91 11 22900615, F : +91 11 22900699
Website : www.railtelindia.com



Annexure-G



RAILTEL CORPORATION OF INDIA LIMITED

Corporate Identity Number: L64202DL2000GOI107905

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

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

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

Attendance Slip

Meeting of Unsecured Creditors on Friday, 26th May, 2023 at 12:30 Hrs (IST) at the Registered & Corporate Office of the Company at Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi-110023.

I/We hereby record my/our presence at the meeting of unsecured creditors of RailTel Corporation of India Limited convened pursuant to order of Ministry of Corporate Affairs dated March 20, 2023 on Friday, 26th May, 2023 at 12:30 Hrs (IST) at the Registered & Corporate Office of the Company at Plate-A, 6th Floor, Office Block, Tower-2, East Kidwai Nagar, New Delhi-110023.

Name of the unsecured creditor/ Proxy/ Authorized Representative	
Address of the unsecured creditor/ Proxy/ Authorized Representative	
Value of Debt as on September 30, 2022	

Signature of the Unsecured Creditor/Proxy/
Authorized Representative

Notes:

1. Unsecured Creditors/ Proxy Holder/Authorized Representative wishing to attend the Meeting should bring the attendance slip to the Meeting and hand over at the entrance duly signed.
2. Unsecured Creditors/ Proxy Holder/Authorized Representative desiring to attend the Meeting should bring his/her copy of Notice for reference at the Meeting.

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

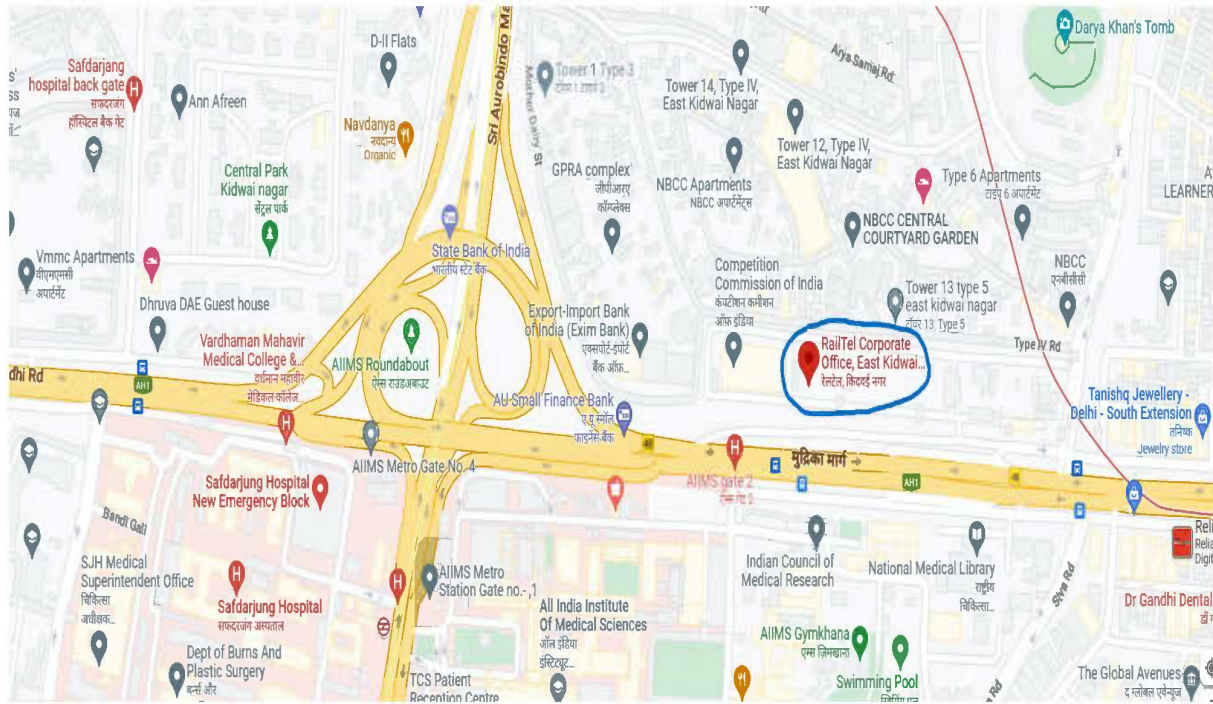
CIN : L64202DL2000GOI107905

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

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

Website : www.railtelindia.com

ROUTE MAP OF THE VENUE OF THE MEETING



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

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