



Ensuring Business Continuity through Telecom and Digital Solutions

Excerpts of the Speech of
Sh. Puneet Chawla
Chairman & Managing Director
at
21st Annual General Meeting of
RailTel Corporation of India Ltd.



Dear Shareholders,

It gives me immense pleasure to present to you the 21st Annual Report of your Company. I am happy to state that despite fierce competition in the market, RailTel is on a steady growth path and is one of the very few profitable, debt free and dividend paying telecom PSU's.

RailTel, a millennial company, started its journey in the year 2000 as a Telecom service provider of Indian Railways. Today RailTel is a 1400+ Cr company with 60,000+ RKM high capacity OFC network along Railway Track, 18000+ KM Citywide Access Network, two UPTIME USA certified TIER III Data Centres, MeitY empaneled Railcloud, State of the Art Security Operation Centre and 700+ manpower which serve as a backbone of its services. From a vanilla bandwidth provider, RailTel has metamorphosed into an integrated ICT service provider. Today, I can proudly say, that your company has become a trusted ICT partner for Govt as well as Private organizations, including a few Fortune 100 companies.

Results & Progress

During FY 20-21 RailTel has achieved highest ever consolidated income of Rs. 1411 Crore, up by 21% over consolidated income of Rs. 1166 Crore in FY 19-20. With this, RailTel has posted a Profit before tax amounting to Rs. 197 Crore and Profit after tax of Rs. 142 Crore for the Financial Year 2020- 2021 on consolidated basis. The company has paid an interim dividend of Rs. 32.09 crores to its shareholders. Your Company is also required to pay Rs. 30.68 crores towards revenue share to Railways for the year. The company is constantly discharging its liability for payment of license fee to DoT and paid Rs. 56.56 crores in FY 2020-21.

Consolidated Revenue (Rs. in Cr.)



Dividend Payout (Rs. in Cr.)



Fixed Asset Gross Block (Rs. in Cr.)



Indian Railways & RailTel

Your company is actively carrying out various projects for Indian Railways. We have provided public Wi-Fi at 6050+ stations. This is arguably one of the largest integrated Wi-Fi Networks of the world. To monetize this network, we have launched paid Wi-Fi services at all stations which has received good response.

RailTel was entrusted with implementation of NIC e-office for Railway establishments in a phased manner to replace manual files with Digital Files. RailTel had created 1.3 Lacs office users in 172 establishments of Indian Railways. NIC e-office has been a major saviour for railway officials during the lockdown as the platform helped them continue their file work remotely.

RailTel is also implementing Hospital Management Information System (HMIS) at 125 health facilities and 650 polyclinics of Indian Railways across India for improved hospital administration and patient healthcare. This has been implemented at 154 Hospitals/Health units over NR, SCR, NER & ECR Zones.

RailTel HD Video Conferencing service is an end-to-end, full high-definition video conferencing service that gives users a virtual, face-to-face meeting experience. This service is extensively used by Indian Railways for holding online meetings of Railway Board, Zonal & divisional set up, inauguration events etc.

RailTel is providing a number of Data Centre and Cloud Services such as managed hosting, Disaster Recovery, Colocation, Cloud computing from its MeitY empaneled "RailCloud". It is also providing Value Added Services such as e-tendering/e auction.

RailTel is providing IP based Video Surveillance System at Indian Railway Stations across country and train coaches. This state-of-the-art surveillance system will have video analytics and facial recognition software to ensure proactive high-tech security at railway stations.

The project of replacing old mechanical signalling equipment with state-of-the-art electronic interlocking system at 12 stations of Northern Railway is being carried out. Work at three stations has already been completed and it is in progress at 09 other stations. A new order has been received for 14 more stations and survey work has been started.

RailWire – Retail Broadband Initiative

Our retail broadband service RailWire- which is a collaborative model in partnership with local entrepreneurs & local cable operators for providing access network, has done exceptionally well in the past year. We have 4 lac RailWire subscribers which is 3.38 times growth in just one year 4 months. This is suitable for providing rural connectivity at Gram Panchayat/village levels as well as for connecting banks and other Government institutions.

PM WANI and Village Connectivity

PM WANI project of Govt of India is an exciting opportunity for RailTel to play an anchor role by continuous engagement with regulatory bodies and industry players, to enhance evolving framework. RailTel has already registered itself as a Public data Office Aggregator(PDOA) for PM WANI programme. RailTel also envisages to extend the Wi-Fi / broadband services to villages using its POPs at the already existing Wi-Fi stations.

Services to Other Sectors

Coal- RailTel is providing Virtual Private Network connectivity, HD video conferencing service, e-office etc to Coal India and all its Subsidiaries. This is an important sector for us as the sector is a very niche and gives lot of opportunities for business growth.

Banks- We provide crucial Virtual Private Network connectivity and point to point connectivity to various public sector and private sector banks like State Bank of India, Central Bank of India, Bank of Baroda, Karur Vysya Bank etc.

Strategic Sector- We are providing connectivity to a number of defense and Strategic organizations for their critical applications and communication requirements.

Health- RailTel is implementing Telemedicine for Karnataka State Govt. on POC basis.

Acknowledgment

I express my gratitude to our esteemed Shareholders, my colleagues on the Board of Directors and to the Chairman & CEO, Members and Officers of the Railway Board, for their valuable support, advice and co-operation. We are particularly grateful to the Ministry of Railways and other Ministries, Regulators for their commitment in accelerating the Company's growth.

I would like to extend my deepest appreciation for RailTel team and their valuable contribution for a sustainable performance in the future. Powered by the talent of our people and faith in the resilience of our business model, we look forward to overcoming any challenges that may lie ahead.

Date: 29-09-2021

Place: New Delhi

Sd/-
Puneet Chawla
Chairman & Managing Director

Note: This does not purport to form proceedings of this Annual General Meeting.



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