Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu
Condensed Consolidated Statement of Financial Position
As at Poush 29, 2081 (13 January, 2025)

NPR in '000

	Group		Company	
	Current Period (Unaudited)	Previous Year (Audited)	Current Period (Unaudited)	Previous Year (Audited)
	As at Poush 29, 2081	As at Ashadh 31, 2081	As at Poush 29, 2081	As at Ashadh 31, 2081
Assets				
Non- Current Assets				
Intangible Assets	1,553,357	1,572,717	1,501,207	1,512,403
Property, Plant and Equipment	46,046,475	48,378,543	45,996,376	48,321,256
Right of Use (ROU) Assets	1,615,207	1,775,104	1,605,725	1,764,267
Capital Work-in-Progress	3,229,741	3,792,367	3,227,269	3,790,037
Long Term Loan and Advances	896,015	852,759	892,015	852,759
Investment	19,782,432	19,744,696	20,031,321	19,993,584
Deferred Tax Asset	2,378,951	4,452,860	2,330,095	4,412,498
Employee Loan	3,751,015	3,840,073	3,751,015	3,840,073
Contract Cost Assets	375,515	365,152	375,515	365,152
Total Non-Current Assets	**79,628,709**	**84,774,271**	**79,710,537**	**84,852,030**
Current Assets				
Inventory	422,360	522,384	421,316	521,072
Prepayments & Non-Financial Assets	5,098,899	2,396,863	5,097,548	2,385,398
Current Tax Assets	3,541,606	4,077,828	3,526,425	4,063,223
Accruals, Advance & Others Receivables	658,764	1,020,850	625,991	983,950
Trade Receivable	1,928,615	1,517,711	1,924,074	1,516,047
Investment	24,744,960	35,757,880	24,582,460	35,555,380
Cash & Cash Equivalents	7,045,360	4,268,953	7,001,462	4,252,725
Total Current Assets	**43,440,565**	**49,562,468**	**43,179,277**	**49,277,797**
Total Assets	**123,069,273**	**134,336,739**	**122,889,814**	**134,129,827**
Equity and Liabilities				
Equity				
Share Capital	18,000,000	18,000,000	18,000,000	18,000,000
Reserve and Surplus	73,042,310	75,825,399	73,141,356	75,907,052
Total Equity attributable to Equityholders	**91,042,310**	**93,825,399**	**91,141,356**	**93,907,052**
Non Controlling Interest	90,976	101,536		
Total Equity	**91,133,286**	**93,926,935**	**91,141,356**	**93,907,052**
Non-Current Liabilities				
Post Employment Benefits	6,566,012	18,187,775	6,566,012	18,187,775
Deferred Government Grant	1,729,981	1,664,449	1,729,981	1,664,449
Subscriber Deposits	59,954	59,987	59,954	59,987
GSM License Renewal Fee Liability	-	-	-	-
Lease Liability	1,953,288	2,088,892	1,943,164	2,077,551
Total Non-Current Liabilities	**10,309,235**	**22,001,103**	**10,299,111**	**21,989,763**
Current Liabilities and Provisions				
Current Tax Liabilities		-	-	-
GSM License Renewal Fee Liability	-	-	-	-
Provisions	57,816	252,910	57,816	252,910
Current Liabilities	15,163,666	11,285,684	14,986,572	11,110,322
Other Non-Financial Liabilities	6,405,270	6,870,108	6,404,960	6,869,780
Total Current Liabilities and Provisions	**21,626,752**	**18,408,702**	**21,449,347**	**18,233,012**
Total Equity and Liabilities	**123,069,273**	**134,336,739**	**122,889,814**	**134,129,827**

Sangita Pahadee (Aryal)
Managing Director

Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu

Condensed Consolidated Statement of Profit or Loss
For the Year ended Paush 29, 2081 (13 January, 2025)

Particulars	Group				Company			
	Current Year		Corresponding		Current Year		Previous Year	
	This Quarter (2081.07.01-2081.09.29)	Year to Date (2081.04.01 - 2081.09.29)	This Quarter (2080.07.01 - 2080.09.29)	Year to Date (2080.04.01 - 2080.09.29)	This Quarter (2081.07.01-2081.09.29)	Year to Date (2081.04.01 - 2081.09.29)	This Quarter (2080.07.01 - 2080.09.29)	Year to Date (2080.04.01 - 2080.09.29)
Revenue from contract with customers	8,319,321	17,008,733	8,665,523	17,254,397	8,324,739	17,004,925	8,661,716	17,246,780
Finance Income	1,127,798	2,307,171	1,864,462	3,627,575	1,126,249	2,303,416	1,859,108	3,616,155
Other Income	5,199	211,582	139,784	446,500	4,542	210,926	139,763	446,445
Total Income	**9,452,317**	**19,527,486**	**10,669,769**	**21,328,471**	**9,455,531**	**19,519,266**	**10,660,587**	**21,309,380**
Employee Benefit Expenses	(1,721,199)	(3,504,386)	(1,484,697)	(3,526,662)	(1,712,848)	(3,487,633)	(1,479,085)	(3,514,409)
Operation and Maintenance Costs	(1,596,569)	(3,151,630)	(1,676,312)	(3,197,911)	(1,600,885)	(3,149,376)	(1,669,309)	(3,186,231)
Sales Channel, Marketing and Promotion Costs	(75,102)	(132,790)	(74,031)	(130,683)	(74,889)	(131,481)	(72,203)	(125,017)
Office Operation Expenses	(294,890)	(605,790)	(334,983)	(609,459)	(293,144)	(603,109)	(333,225)	(605,940)
Regulatory Fees, Charges and Renewals	(1,199,260)	(2,253,876)	(2,114,709)	(4,022,415)	(1,199,260)	(2,253,876)	(2,114,709)	(4,022,415)
Foreign Exchange (Loss)/Gain	43,837	139,667	9,687	67,713	47,107	143,798	9,081	68,997
Shares of results of associates	-	-	-	-	-	-	-	-
Earning Before Interest,Tax, Depreciation & Amortisation (EBITDA)	**4,609,133**	**10,018,682**	**4,994,725**	**9,909,055**	**4,621,612**	**10,037,589**	**5,001,138**	**9,924,365**
Finance Cost	(42,703)	(77,382)	(37,599)	(76,941)	(42,412)	(76,798)	(37,599)	(76,941)
Depreciation	(1,828,520)	(3,268,714)	(1,803,904)	(3,212,889)	(1,823,875)	(3,259,922)	(1,800,477)	(3,205,929)
Amortisation	(232,279)	(498,645)	(286,022)	(585,009)	(228,287)	(490,482)	(282,084)	(576,963)
Impairments - net of reversals	118,306	(11,348)	(93,542)	62,247	118,306	(11,348)	(93,542)	62,247
Profit Before Tax	**2,623,936**	**6,162,592**	**2,773,657**	**6,096,464**	**2,645,345**	**6,199,039**	**2,787,436**	**6,126,780**
Income Tax Expenses				-				
Current Income Tax	(346,261)	(1,481,515)	(1,530,498)	(2,770,871)	(346,261)	(1,481,515)	(1,530,498)	(2,770,871)
Deferred Taxes	(1,395,059)	(2,073,910)	649,658	582,248	(1,403,553)	(2,082,403)	647,034	575,495
Deferred Taxes- Due to Change in Corporate Tax Rate								
Profit For the Period	**882,616**	**2,607,168**	**1,892,817**	**3,907,841**	**895,531**	**2,635,121**	**1,903,972**	**3,931,404**
Condensed Consolidated Statement of Other Comprehensive Income								
Profit for the period	**882,616**	**2,607,168**	**1,892,817**	**3,907,841**	**895,531**	**2,635,121**	**1,903,972**	**3,931,404**
Other Comprehensive Income	-	-						
Total Comprehensive Income for the Period	**882,616**	**2,607,168**	**1,892,817**	**3,907,841**	**895,531**	**2,635,121**	**1,903,972**	**3,931,404**
Net Profit attributable to:								
Equity holders of the company	882,616	2,617,728	1,892,817	3,916,743	895,531	2,635,121	1,903,972	3,931,404
Non-controlling interest		(10,560)		(8,901)	-	-	-	-
Earnings Per Share (Basic)						29.28		43.68
Earnings Per Share (Diluted)						29.28		43.68

Sangita Pahadee (Aryal)
Managing Director

Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu
Condensed Consolidated Statement of Changes in Equity
For the Year ended Poush 29, 2081 (13 January, 2025)

NPR in '000

Particulars	Company					
	Attributable to Equity holders of the company					
	Share Capital	Retained Earning	Deferred Tax Reserve	FVtOCI Reserve	Revaluation Reserve	Total
Balance as on Shrawan 1, 2080	18,000,000	42,228,076	9,913,517	-	23,509,661	93,651,253
Previous Period Adjustments		(69)	-			(69)
Restated Opening Balance	18,000,000	42,228,006	9,913,517	-	23,509,661	93,651,184
Profit for the period		7,455,869				7,455,869
Dividend for FY 2079-80		(7,200,000)				(7,200,000)
Transfer from Revaluation Reserve		48,011			(48,011)	-
Transferred to Deferred Tax Reserve		5,501,018	(5,501,018)			-
						-
Balance as on Ashadh 31, 2081	18,000,000	48,032,905	4,412,498	-	23,461,649	93,907,052
Balance as on Shrawan 1, 2081	18,000,000	48,032,905	4,412,498	0.00	23,461,649	93,907,052
Previous Period Adjustment	-	-	-	-	-	0
Prior Period Income	-	-	-	-	-	0
Prior Period Expenses	-	(817)	-	-	-	-817
Restated Opening Balance	18,000,000	48,032,088	4,412,498	-	23,461,649	93,906,236
Profit for the year	-	2,635,121	-	-	-	2,635,121
Dividend to equity shareholder						-
Cash Dividend paid	-	(5,400,000)	-	-	-	(5,400,000)
Transfer from Revaluation Reserve	-	-	-	-	-	-
Transfer To Deferred Tax Reserve	-	2,082,403	(2,082,403)	-	-	-
Balance as on Poush 29, 2081	18,000,000	47,349,612	2,330,095	-	23,461,649	91,141,356

Sangita Pahadee (Aryal)
Managing Director

Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu

Condensed Consolidated Statement of Changes in Equity

For the Year ended Poush 29, 2081 (13 January, 2025)

NPR in '000

Particulars	Group							
	Attributable to Equity holders of the company						Non Controlling Interest	Total Equity
	Share Capital	Retained Earning	Deferred Tax Reserve	FVtOCI Reserve	Revaluation Reserve	Total		
Balance as on Shrawan 1, 2080	**18,000,000**	**42,174,119**	**9,913,517**	**-**	**23,509,661**	**93,597,297**	**118,352**	**93,715,649**
Previous Period Adjustments		1,905	-			**1,905**	1,109	**3,014**
Prior Period Income		57				**57**		**57**
Prior Period Expenses		(204)				**(204)**		**(204)**
Restated Opening Balance	**18,000,000**	**42,175,877**	**9,913,517**	**-**	**23,509,661**	**93,599,055**	**119,461**	**93,718,516**
Profit for the period		7,426,344				**7,426,344**	(17,925)	7,408,419
Dividend for FY 2079-80		(7,200,000)				**(7,200,000)**		(7,200,000)
Share of non controlling interest						-	0	-
Transfer from Revaluation Reserve		48,011			(48,011)	-		-
Transferred to Deferred Tax Reserve		5,486,145	(5,486,145)			-		-
Balance as on Ashadh 31, 2081	**18,000,000**	**47,936,378**	**4,427,371**	**-**	**23,461,649**	**93,825,398**	**101,536**	**93,926,935**
						-		
Balance as on Shrawan 1, 2081	**18,000,000**	**47,936,378**	**4,427,371**	**-**	**23,461,649**	**93,825,398**	**101,536**	**93,926,934**
Previous Period Adjustment		-				-		-
Prior Period Income		-				-		-
Prior Period Expenses		(817)				**(817)**		(817)
Adjustment of Stock		-				-		-
Restated Opening Balance	**18,000,000**	**47,935,561**	**4,427,371**	**-**	**23,461,649**	**93,824,582**	**101,536**	**93,926,118**
Profit for the period		2,617,728				**2,617,728**	(10,560)	2,607,168
Dividend to equity shareholder						-		-
Bonus Share Issued	-	-				-		-
Cash Dividend paid		(5,400,000)				**(5,400,000)**		(5,400,000)
Transfer Revaluation Reserve		-			-	-		-
Transfer To Deferred Tax Reserve		2,082,403	(2,082,403)			-		-
Balance as on Poush 29, 2081	**18,000,000**	**47,235,693**	**2,344,968**	**-**	**23,461,649**	**91,042,310**	**90,976**	**91,133,286**

Sangita Pahadee (Aryal)
Managing Director

Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu
Condensed Statement of Cash Flows
For the Year ended Poush 29, 2081 (13 January, 2025)

NPR in '000

	Group		Company	
	Current Period (Unaudited)	Previous Year (Unaudited)	Current Period (Unaudited)	Previous Year (Unaudited)
	As at Poush 29, 2081	As at Ashadh 31, 2081	As at Poush 29, 2081	As at Ashadh 31, 2081
Cash Flow from Operating Activities				
Net Profit for the period	**2,607,168**	**6,182,609**	**2,635,121**	**6,230,059**
Adjustments				
Income Tax expense recognised in profit or loss	1,481,515	44,921	1,481,514.57	44,921
Deferred Tax expense recognised in profit or loss	2,073,910	4,960,798	2,082,403	4,975,671
Depreciation	3,268,714	6,028,185	3,259,922	6,011,222
Finance Income	(2,135,494)	(6,633,819)	(2,131,739)	(6,614,348)
Impairment Loss	11,348	(472,350)	11,348	(472,350)
Finance Costs	154,180	337,243	153,596	335,850
Actuarial (Gain)/Loss	-	1,751,370	-	1,751,370
Amortization of License	498,645	1,052,854	490,482	1,036,559
Equity loss on Associate	-	275,212	-	275,212
Unrealised (Gain)/Loss on Cash and Cash equivalents	-	-	-	-
Movements in Working Capital	-	-	-	-
Decrease/(Increase) in Inventory	81,884	180,297	81,616	181,261
(Increase)/Decrease in Prepayments & Other Non-Financia	(2,712,150)	(273,798)	(2,712,150)	(273,544)
(Increase)/Decrease in Employee Loan	89,059	(218,348)	89,059	(218,348)
(Increase)/Decrease in Other Advances	365,322	(236,780)	357,959	(202,953)
(Increase)/Decrease in Trade Receivable	(401,885)	659,413	-401,885	659,413
(Increase)/Decrease in Deferred Taxes	-	-	-	-
(Increase)/Decrease in Contract cost assets	(74,543)	(167,792)	(74,543)	(167,792)
Increase /(Decrease) in Non-Current Liability	(11,556,264)	(4,490,546)	(11,556,264)	(4,490,546)
Increase /(Decrease) in Provisions	(195,095)	(16,511,507)	(195,095)	(16,511,507)
Increase /(Decrease) in Current Liability	267,953	(2,768,396)	271,497	(2,773,369)
Increase /(Decrease) in Trade Payable	52,285	-2,036,609	51,156	(2,038,015)
Increase /(Decrease) in Lease Liability	(134,387)	(206,879)	(134,387)	(206,879)
Increase /(Decrease) in Other Non-Financial Liabilities	(464,820)	(206,169)	(464,820)	(206,169)
NFRS Adjustments	-	(213)	-	(213)
Previous Year Adjustments	(817)	(69)	(817)	(69)
Income Taxes Paid	(945,293)	(2,368,325)	(944,717)	(2,365,366)
Total Adjustments	**(10,275,934)**	**(21,301,306)**	**(10,285,862)**	**(21,269,989)**
Net Cash flow from Operating Activities (A)	**(7,668,766)**	**(15,118,697)**	**(7,650,741)**	**(15,039,930)**
Cash Flow from Investing Activities				
Internet License Fee Renewal	-	-	-	-
Acquisition of Intangible Assets	(256,563)	(331,385)	(256,563)	(331,385)
Acquisition of Property, Plant and Equipment	(934,641)	(3,538,920)	(934,392)	(3,530,383)
Decrease/ (Increase) in ROU Assets	0	(62,001)	0	(62,001)
Decrease/ (Increase) in Capital Work in Progress	562,625	1,516,302	562,768	1,514,434
Decrease/ (Increase) in long term loan and Advances	(39,256)	132,550	(39,256)	132,550
Decrease/ (Increase) in Investment	10,975,183	16,784,532	10,935,183	16,717,033
Income from Investment & Bank Deposit	2,135,494	6,633,819	2,131,739	6,614,348
Adjustment in Retained Earning	0	2,937		
Investment in Subsidiary company	-	-	-	-
Net Cash Flow from Investing Activities (B)	**12,442,843**	**21,137,835**	**12,399,479**	**21,054,596**
Cash Flow from Financing Activities				
Increase/(Decrease) in Share Capital	-		-	-
Proceeds from issuance of Share from Non-Controlling Interest	-	-		
Lease Payment	(1,800)	(3,600)		
Dividend Paid	(2,000,000)	(7,172,068)	(2,000,000)	(7,172,068)
Net Cash Flow from Financing Activities (C)	**(2,001,800)**	**(7,175,668)**	**(2,000,000)**	**(7,172,068)**
Net Increase in Cash (A+B+C)	**2,772,277**	**(1,156,530)**	**2,748,737**	**(1,157,402)**
Effect of exchange rate fluctuations on Cash and Cash equivalents	4,130	2,325	-	-
Cash & Cash Equivalents at Beginning of the period	4,268,953	5,423,157	4,252,725	5,410,127
Cash & Cash Equivalents at the End of the period	**7,045,360**	**4,268,953**	**7,001,462**	**4,252,726**

Sangita Pahadee (Aryal)
Managing Director

Disclosure as per Securities Registration and Issue Regulations, 2073
Related to sub-Regulation (1) of Regulation (26)

1. **Financial Statements**

   A. **Statement of Financial position and Statement of Profit or Loss**
   Published along with this report

   B. **Major Financial Ratios**

Earnings Per Share – (NPR)	29.28	Net worth per share (NPR)	506.34
P/E ratio	30.33	Current Ratio	2.01
Total Assets per share (NPR)	682.72		

   C. **Related Party Disclosure**
   - The Company follows requirements of NAS 24 "Related Parties" and other legal requirements for disclosures of related party transactions and balances.
   - Group Financial Statements include Nepal Doorsanchar Company Limited, (Parent Co.) and Nepal Digital Payments Company Ltd. (Subsidiary Co.).
   - All transaction between the Company and the subsidiary are executed on arm's length principle. Effects of all inter-company transactions and outstanding balances are excluded in the Group Financial Statements.
   - The Government of Nepal - which is the principal owner of the company, employee retirement fund maintained with Citizen Investment Trust (CIT), Nepal telecom employee retirement fund earmarked with Nepal Bank Limited, Rastriya Banijya Bank Limited and Agricultural Development Bank Limited and Trishuli Jal Vidhyut Company Limited, Nagarik Stock Dealer Company Ltd., Upper Tamakoshi Hydropower Ltd. are Associate companies considered to be related party to the company.
   - The Board of Directors, Managing Director and other Key Management Personnel and their relatives are considered to be related party of the company as well.
   - No transaction between the company and Key Management Personnel along with Managing Director was observed other than as prescribed under the company's regulations.

2. **Management Analysis**
Despite the challenging business environment in terms of ever-increasing competitive telecom industry and operational unease created by shortage of equipment/goods due to global issues, Nepal Telecom has managed to record satisfactory performance by diversifying its products/services and pursuing "Service to all" approach while expanding its service coverage.

3. **Details Related to Legal Proceedings**
In the current period, there has been nine (9) legal cases registered against the company and no legal case lodged by the company in this period.

4. **Analysis of Company's Shares Transactions**
Since shares of the company are traded based on the trust of investors towards the company and analysis of its returns, no major fluctuations are noted in the share price of the Company and there has been satisfactory trading of shares in the capital market.
The following figures depict the transactions of the company's share in capital market during the quarter:
   - Maximum Share Price : NPR 1107
   - Minimum Share Price : NPR 887.3
   - Closing Share Price : NPR 888
   - Total Number of Transactions : 16,405
   - Total Number of Shares Traded : 1,499,237
   - Total Number of Transaction Days : 55

   * Source: *As published in the website of Nepal Stock Exchange (www.nepalstock.com.np)*

5. **Problems and Challenges**
External:
   - Intense market competition, shifts in customer behavior prompting lower tariffs, and the introduction of cost-effective packages to sustain competitiveness in the business environment
   - The subscriber's utilization of services has been adversely affected by the financial crisis
   - Rapid development and advancement in telecom technologies often result in the obsolescence of technology and equipment.
   - Shift in user behavior from voice to data and other services as per global trends.
   - Users shifting from mobile data to other fixed broadband services.
   - Changes in Government and Regulatory rules and regulations directly related to service tariff.
   - Service disruption due to unfavorable weather conditions, service expansion by other utility service providers, city beautification movement adopted by the local government during the reporting period.
   - Difficulty in expansion of network coverage and maintaining quality of services due to unavailability of reliable power grid supply in remote areas.

Sangita Pahadee (Aryal)
Managing Director

- The international and domestic voice business, along with its revenue, is experiencing a negative impact due to OTT applications.
- Adhering to procurement rules and regulations sometimes requires additional time to acquire necessary equipment or services.

Internal:

- Difficulty in service delivery and maintenance mostly in remote areas.

Strategies Initiated by the Management to Solve the Problems and Challenges:

- Establishing modern telecommunication infrastructures for providing quality services in all the areas of Nepal and cater to changing customer needs and demands.
- To gain a competitive advantage, the focus is on offering new fixed and mobile services via 4G/LTE, FTTH, Data Lease service and IoT service, providing customers with quality services at reasonable prices. At the same time, the company has been migrating customers from older technologies to these newer technologies.
- The company has rolled out nationwide 4G/LTE services across all 77 districts to meet the growing demands of customers.
- The company is expanding and reinforcing its backbone networks to ensure reliable services. Additionally, it is collaborating with NTA to expand optical fiber backbone networks through the RTDF grant.
- The company has initiated a regular monitoring process to optimize its existing networks.
- Increasing Value Added Services (VAS) to cater changing customer preferences of telecommunication services.
- Upgradation of billing system for convergence of all the services of the company to provide one stop billing solution to the customers.
- Operating a Customer Relationship Management (CRM) system to enhance customer experience by addressing queries and grievances through call centers, complaint desks, mobile apps, websites, chat boxes, and social media platforms.
- Company has initiated 7 to 7 field support for enhancing customer experience and 24 hours support for core and backbone equipment.
- Offering customer-focused orientation and training sessions to employees to adapt to the competitive business environment.
- Emphasizing the automation of business processes to decrease operational costs and enhance operational efficiency
- Implementing performance-based evaluation of employee and incentives based on their performance.
- Restructuring the organizational structure to align with its business requirements.
- The company has invested in commercially viable horizontal and vertical industries to explore additional sources of revenue.
- The company is executing a migration plan from PSTN/ADSL services to FTTH service, offering voice, data, and IPTV services. Various promotional offers have been initiated to encourage customers to migrate from PSTN/ADSL to FTTH service.
- In collaboration with concerned government agencies, the company has been expanding services to all local government and company has also been focusing on expanding its corporate business.

6. **Corporate Governance**
   - Citizen Charter (Nagarik Badapatra), Employees Code of Conduct, Central level Governance Unit has been in practice in order to strengthen the Corporate Governance in the company.
   - The company has been providing necessary and important information to its customers along and other members of the public through its website, frequent media announcements as well as dissemination of the information from its different social media presence in order to maintain transparency.
7. In order to strengthen the internal control mechanism of the Company, a separate Internal Audit and Inspection Department has been established. The department carries out audits of various departments of the company on a continuous manner and makes necessary recommendations to the Audit Committee. Accordingly, the Audit Committee holds regular meetings to implement the recommendations thereof.
8. **Declaration by Managing Director on Truthfulness of Information**

   I, hereby, declare that all the information provided in this document is true, complete and factual and that I take personal responsibility for any deviations thereof. I also declare that the Company's information or data, that assist investors in making informed investment decisions, have not been misstated in any way.

Managing Director
Nepal Doorsanchar Company Limited

Sangita Pahadee (Aryal)
Managing Director

Notes to Condensed Consolidated Financial Statements:

1 The above financial statements are prepared in accordance with Nepal Financial Reporting Standards (NFRS) .
2 The figures presented above are subject to change as per the instruction, if any, of Statutory Auditors.
3 Group Financial Statements include Nepal Doorsanchar Company Limited (Parent Co.) and Nepal Digital Payments Company Ltd. (Subsidiary Co.).

4 All inter-company transactions and outstanding balances among Group Companies are excluded in Group Financial Statements.
5 Employee Benefit Expenses includes provision for employee calculated in line with provisions of Bonus Act/Regulations and amortisation of deferred employee benefits of subsidised loan provided as per Employee bylaws of the company.
6 The company consistently follows accounting policies and applies accounting estimates on consistent basis.

7 There has been no material change in accounting policies from the policies that have been disclosed in the last published audited financial statements.

8 For interim financial reporting the company makes estimates and assumption, wherever required, on the basis of past experience, budget, performance achievements and annualization of transactions. Therefore, the quarterly published interim financial reports may, on occasions, approximate the financial position and performance of the company. The adjustments, if required, are given on annual basis in the audited financial statements.
9 Company has implemented Defined Benefit contributory pension scheme in FY 2080-81 for employees joining after Kartik 1, 2066. The Financial impact arising from change in this rules has been as per NAS 19 " Employee Benefit"
10 Company has contributed NPR 11.06 billion during the period as Defined Benefit Assets (DBA) against the obligation for Employee Benefit Obligation
11 Reduction in tariff for domestic interconnection as per Interconnection Guidelines issued by Nepal Telecommunication Authority in previous year. Similarly expenses related to internatonal bandwidth has also been reduced significantly.
12 Previous period's figures are regrouped / rearranged/restated wherever necessary for consistent presentation and comparison.
13 The detailed interim financial statement has been published in the website "www.ntc.net.np" of the Company.

Sangita Pahadee (Aryal)
Managing Director