राष्ट्र निर्माण हाम्रो लक्ष्य

नेपाल टेलिकम
NEPAL TELECOM

पत्र संख्या :- के.ले.वि./ २०८२/८३

मिति :-२०८२/०४/३०

च.नं. :- ४५

श्री नेपाल धितोपत्र बोर्ड
सातदोबाटो, ललितपुर

बिषय : आ.ब. २०८१/८२ को चौथो त्रैमासिक वित्तीय प्रतिबेदन बारे ।

प्रस्तुत बिषयमा धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३ को नियम २६ को प्रावधान अनुसारको यस कम्पनीको आर्थिक बर्ष २०८१/८२ को चौथो त्रैमासिक वित्तीय प्रतिवेदन यसै पत्रसाथ संलग्न गरि पठाईएको व्यहोरा अनुरोध गरिन्छ ।

सविना
२०८२/४/३०
सविना मास्के प्रधान
निमित्त प्रबन्ध निर्देशक

बोधार्थ:
श्री नेपाल स्टक एक्सचेन्ज
सिंहदरबार प्लाजा, काठमाडौं ।

श्री नेपाल टेलिकम
कम्पनी सचिवालय, केन्द्रीय कार्यालय ।

Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu
Condensed Consolidated Statement of Financial Position
As at Ashadh 32, 2082 (16 July, 2025)

NPR in '000

	Group		Company	
	Current Period (Unaudited)	Previous Year (Audited)	Current Period (Unaudited)	Previous Year (Audited)

	As at Ashadh 32, 2082	As at Ashadh 31, 2081 (Restated)	As at Ashadh 32, 2082	As at Ashadh 31, 2081 (Restated)
Assets				
Non- Current Assets				
Intangible Assets	1,019,062	1,572,717	974,774	1,512,403
Property, Plant and Equipment	44,826,728	48,378,543	44,783,974	48,321,256
Right of Use (ROU) Assets	1,459,773	1,775,104	1,451,923	1,764,267
Capital Work-in-Progress	3,533,102	3,794,697	3,530,630	3,790,037
Long Term Loan and Advances	1,088,552	854,429	1,084,552	852,759
Investment	18,973,113	19,744,696	19,222,002	19,993,584
Deferred Tax Asset	887,580	4,059,040	845,016	4,018,678
Employee Loan	3,808,726	3,840,073	3,808,726	3,840,073
Contract Cost Assets	404,161	365,152	404,161	365,152
Total Non-Current Assets	**76,000,798**	**84,384,451**	**76,105,758**	**84,458,210**
Current Assets				
Inventory	307,815	522,384	307,285	521,072
Prepayments & Non-Financial Assets	2,563,715	2,386,748	2,562,969	2,385,398
Current Tax Assets	274,977	3,830,377	259,291	3,815,773
Accruals, Advance & Others Receivables	1,569,905	1,026,965	1,519,189	983,950
Trade Receivable	1,590,295	1,517,711	1,590,276	1,516,047
Investment	29,458,835	35,757,880	29,363,835	35,555,380
Cash & Cash Equivalents	9,161,902	4,268,953	9,082,837	4,252,725
Total Current Assets	**44,927,445**	**49,311,017**	**44,685,682**	**49,030,346**
Total Assets	**120,928,243**	**133,695,468**	**120,791,440**	**133,488,556**
Equity and Liabilities				
Equity				
Share Capital	18,000,000	18,000,000	18,000,000	18,000,000
Reserve and Surplus	71,037,629	75,184,128	71,158,886	75,265,781
Total Equity attributable to Equityholders	**89,037,629**	**93,184,128**	**89,158,886**	**93,265,781**
Non Controlling Interest	77,491	101,536		
Total Equity	**89,115,120**	**93,285,664**	**89,158,886**	**93,265,781**
Non-Current Liabilities				
Post Employment Benefits	9,270,918	18,187,775	9,270,918	18,187,775
Deferred Government Grant	1,851,491	1,664,449	1,851,491	1,664,449
Subscriber Deposits	62,359	59,987	62,359	59,987
Lease Liability	1,816,654	2,088,892	1,807,626	2,077,551
Total Non-Current Liabilities	**13,001,421**	**22,001,103**	**12,992,393**	**21,989,763**
Current Liabilities and Provisions			-	-
Current Tax Liabilities	228,517	252,910	228,517	252,910
Provisions	11,287,549	11,285,684	11,116,250	11,110,322
Current Liabilities	7,295,635	6,870,108	7,295,394	6,869,780
Other Non-Financial Liabilities	**18,811,702**	**18,408,702**	**18,640,161**	**18,233,012**
Total Current Liabilities and Provisions	**120,928,243**	**133,695,468**	**120,791,440**	**133,488,556**
Total Equity and Liabilities				

Sabina Maskay Pradhan
For Managing Director

Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu

Condensed Consolidated Statement of Profit or Loss
For the Year ended Ashadh 32, 2082 (16 July, 2025)

Particulars	Group				Company			
	Current Year		Corresponding Previous Year		Current Year		Corresponding Previous Year	
	This Quarter (2082.01.01-2082.03.32)	Year to Date (2081.04.01 - 2082.03.32)	This Quarter (Restated) (2081.01.01-2081.03.31)	Year to Date (Restated) (2080.04.01 - 2081.03.31)	This Quarter (2082.01.01-2082.03.32)	Year to Date (2081.04.01 - 2082.03.32)	This Quarter (Restated) (2081.01.01-2081.03.31)	Year to Date (Restated) (2080.04.01 - 2081.03.31)
Revenue from contract with customers	9,216,720	34,539,692	9,084,145	34,577,081	9,214,828	34,532,442	9,078,977	34,560,266
Finance Income	907,465	3,716,209	1,591,745	6,800,919	906,165	3,709,737	1,587,510	6,780,879
Other Income	181,636	494,765	245,582	775,852	180,782	491,162	245,565	775,765
Total Income	**10,305,821**	**38,750,666**	**10,921,472**	**42,153,853**	**10,301,775**	**38,733,341**	**10,912,052**	**42,116,911**
Employee Benefit Expenses	(2,737,862)	(7,933,250)	(2,854,195)	(8,713,396)	(2,731,250)	(7,902,856)	(2,846,203)	(8,686,683)
Operation and Maintenance Costs	(1,102,354)	(5,891,069)	(1,389,173)	(6,384,995)	(1,100,026)	(5,885,311)	(1,384,122)	(6,362,594)
Sales Channel, Marketing and Promotion Costs	(137,278)	(343,378)	(99,665)	(290,199)	(137,141)	(341,707)	(97,295)	(281,253)
Office Operation Expenses	(372,605)	(1,270,364)	(372,170)	(1,306,173)	(369,709)	(1,261,299)	(369,334)	(1,297,705)
Regulatory Fees, Charges and Renewals	(950,754)	(4,346,436)	(1,381,626)	(7,290,528)	(950,754)	(4,346,436)	(1,381,626)	(7,290,528)
Foreign Exchange (Loss)/Gain	50,595	202,051	59,144	95,682	46,719	202,433	59,738	98,007
Shares of results of associates	(1,715)	51,926	(275,212)	(275,212)	(1,715)	51,926	(275,212)	(275,212)
Earning Before Interest,Tax, Depreciation & Amortisation (EBITDA)	**5,053,849**	**19,220,146**	**4,608,573**	**17,989,033**	**5,057,899**	**19,250,091**	**4,617,998**	**18,020,944**
Finance Cost	(36,921)	(150,007)	(32,710)	(167,925)	(36,570)	(148,781)	(32,710)	(167,925)
Depreciation	(1,538,787)	(6,124,928)	(1,408,657)	(6,025,440)	(1,534,017)	(6,107,066)	(1,404,631)	(6,011,222)
Amortisation	(335,045)	(1,068,113)	(97,186)	(1,079,711)	(330,820)	(1,051,683)	(92,658)	(1,063,496)
Impairments - net of reversals	(565,547)	(726,213)	779,288	472,350	(565,547)	(726,213)	779,288	472,350
Profit Before Tax	**2,577,548**	**11,150,885**	**3,849,308**	**11,188,306**	**2,590,944**	**11,216,349**	**3,867,287**	**11,250,651**
Income Tax Expenses				-				
Current Income Tax	(2,235,391)	(4,784,428)	2,873,260	(114,419)	(2,235,391)	(4,784,428)	2,873,260	(114,419)
Deferred Taxes	(525,408)	(3,761,526)	(6,094,369)	(4,885,735)	(529,650)	(3,763,728)	(6,098,814)	(4,900,730)
Profit For the Period	**(183,251)**	**2,604,931**	**628,199**	**6,188,152**	**(174,097)**	**2,668,192**	**641,734**	**6,235,502**
Condensed Consolidated Statement of Other Comprehensive Income								
Profit for the period	**(183,251)**	**2,604,931**	**628,199**	**6,188,152**	**(174,097)**	**2,668,192**	**641,734**	**6,235,502**
Other Comprehensive Income		(1,376,822)				(1,376,822)		
Total Comprehensive Income for the Period	**(183,251)**	**1,228,109**	**628,199**	**6,188,152**	**(174,097)**	**1,291,370**	**641,734**	**6,235,502**
Net Profit attributable to:								
Equity holders of the company	(183,251)	1,252,008	628,199	6,188,152	(174,097)	1,291,370	641,734	6,235,502
Non-controlling interest		(23,899)		(12,775)	-	-	-	-
Earnings Per Share (Basic)						14.82		34.64
Earnings Per Share (Diluted)						14.82		34.64

Sabina Maskay Pradhan
For Managing Director

Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu
Condensed Statement of Cash Flows
For the Year ended Ashadh 32, 2082 (16 July, 2025)

NPR in '000

	Group		Company	
	Current Period (Unaudited)	Previous Year (Audited)	Current Period (Unaudited)	Previous Year (Audited)
	As at Ashadh 32, 2082	As at Ashadh 31, 2081 (Restated)	As at Ashadh 32, 2082	As at Ashadh 31, 2081 (Restated)
Cash Flow from Operating Activities				
Net Profit for the period	**2,604,931**	**6,188,052**	**2,668,192**	**6,235,502**
Adjustments				
Income Tax expense recognised in profit or loss	4,784,428	114,419	4,784,428	114,419
Deferred Tax expense recognised in profit or loss	3,761,526	4,885,857	3,763,728	4,900,730
Depreciation	6,124,928	6,028,185	6,107,066	6,011,222
Finance Income	(3,544,532)	(6,633,819)	(3,538,060)	(6,614,348)
Impairment Loss	726,213	(472,350)	726,213	(472,350)
Finance Costs	298,788	337,243	297,562	335,850
Actuarial (Gain)/Loss	(1,956,046)	1,751,370	(1,956,046)	1,751,370
Amortization of License	1,068,113	1,052,854	1,051,683	1,036,559
Equity loss on Associate	(51,926)	275,212	(51,926)	275,212
Unrealised (Gain)/Loss on Cash and Cash equivalents	-	-	-	-
Movements in Working Capital	-	-	-	-
Decrease/(Increase) in Inventory	187,864	180,297	186,744	181,261
(Increase)/Decrease in Prepayments & Other Non-Financi	(176,967)	(273,798)	(177,571)	(273,544)
(Increase)/Decrease in Employee Loan	31,347	(218,348)	31,347	(218,348)
(Increase)/Decrease in Other Advances	(541,296)	(236,780)	(535,239)	(202,953)
(Increase)/Decrease in Trade Receivable	(121,179)	659,413	(121,179)	659,413
(Increase)/Decrease in Deferred Taxes	-	-	-	-
(Increase)/Decrease in Contract cost assets	(240,418)	(167,792)	(240,418)	(167,792)
Increase /(Decrease) in Non-Current Liability	(8,727,444)	(4,490,546)	(8,727,444)	(4,490,546)
Increase /(Decrease) in Provisions	(24,393)	(16,511,507)	(24,393)	(16,511,507)
Increase /(Decrease) in Current Liability	(3,966,035)	(2,768,396)	(3,961,503)	(2,773,369)
Increase /(Decrease) in Trade Payable	269,869	-2,036,609	269,869	(2,038,015)
Increase /(Decrease) in Lease Liability	(269,926)	(206,879)	(269,926)	(206,879)
Increase /(Decrease) in Other Non-Financial Liabilities	425,614	(206,169)	425,614	(206,169)
NFRS Adjustments	(10,842)	(213)	(10,842)	(213)
Previous Year Adjustments	1,348	(69)	1,734	(69)
Income Taxes Paid	(1,229,028)	(2,368,325)	(1,227,946)	(2,365,366)
Total Adjustments	**(3,179,994)**	**(21,306,749)**	**(3,196,505)**	**(21,275,432)**
Net Cash flow from Operating Activities (A)	**(575,063)**	**(15,118,697)**	**(528,313)**	**(15,039,930)**
Cash Flow from Investing Activities				
Internet License Fee Renewal	-	-	-	-
Acquisition of Intangible Assets	(300)	(331,385)	(300)	(331,385)
Acquisition of Property, Plant and Equipment	(2,570,926)	(3,538,920)	(2,569,902)	(3,530,383)
Decrease/ (Increase) in ROU Assets	0	(62,001)	0	(62,001)
Decrease/ (Increase) in Capital Work in Progress	151,845	1,516,302	151,987	1,514,434
Decrease/ (Increase) in long term loan and Advances	(231,793)	132,550	(231,793)	132,550
Decrease/ (Increase) in Investment	6,577,872	16,784,532	6,470,372	16,717,033
Income from Investment & Bank Deposit	3,544,532	6,633,819	3,538,060	6,614,348
Adjustment in Retained Earning	-	2,937		
Investment in Subsidiary company	-	-	-	-
Net Cash Flow from Investing Activities (B)	**7,471,231**	**21,137,835**	**7,358,424**	**21,054,596**
Cash Flow from Financing Activities				
Increase/(Decrease) in Share Capital	-		-	-
Proceeds from issuance of Share from Non-Controlling Interest	-	-		
Lease Payment	(3,600)	(3,600)		
Dividend Paid	(2,000,000)	(7,172,068)	(2,000,000)	(7,172,068)
Net Cash Flow from Financing Activities (C)	**(2,003,600)**	**(7,175,668)**	**(2,000,000)**	**(7,172,068)**
Net Increase in Cash (A+B+C)	**4,892,568**	**(1,156,530)**	**4,830,111**	**(1,157,402)**
Effect of exchange rate fluctuations on Cash and Cash equivalents	382	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	**9,161,902**	**4,268,953**	**9,082,837**	**4,252,726**

Sabina Maskay Pradhan
For Managing Director

Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu
Condensed Consolidated Statement of Changes in Equity
For the Year ended Ashadh 32, 2082 (16 July, 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		(178,022)	(468,762)			(646,784)
Restated Opening Balance	**18,000,000**	**42,050,054**	**9,444,755**	**-**	**23,509,661**	**93,004,469**
Profit for the period		7,461,312				7,461,312
Dividend to equity shareholder		(7,200,000)				(7,200,000)
Transfer from Revaluation Reserve		48,011			(48,011)	-
Transferred to Deferred Tax Reserve		5,426,077	(5,426,077)			-
						-
Balance as on Ashadh 31, 2081	**18,000,000**	**47,785,454**	**4,018,678**	**-**	**23,461,649**	**93,265,781**
Balance as on Shrawan 1, 2081	**18,000,000**	**47,785,454**	**4,018,678**	**0.00**	**23,461,649**	**93,265,781**
Previous Period Adjustment	-	2,525	-	-	-	2,525.47
Prior Period Income	-	25	-	-	-	25
Prior Period Expenses	-	(817)	-	-	-	(817)
Restated Opening Balance	**18,000,000**	**47,787,188**	**4,018,678**	**-**	**23,461,649**	**93,267,515**
Profit for the year	-	1,291,370	-	-	-	1,291,370
Dividend to equity shareholder						-
Cash Dividend paid	-	(5,400,000)	-	-	-	(5,400,000)
Transfer from Revaluation Reserve	-	43,210	-	-	(43,210)	-
Transfer To Deferred Tax Reserve	-	3,173,662	(3,173,662)	-	-	-
Balance as on Ashadh 32, 2082	**18,000,000**	**46,895,431**	**845,016**	**-**	**23,418,439**	**89,158,886**

Sabina Maskay Pradhan
For Managing Director

Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu

Condensed Consolidated Statement of Changes in Equity

For the Year ended Ashadh 32, 2082 (16 July, 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		(176,048)	(468,762)			**(644,809)**	1,109	(643,700)
Prior Period Income		57				**57**		57
Prior Period Expenses		(204)				**(204)**		(204)
Restated Opening Balance	**18,000,000**	**41,997,924**	**9,444,755**	**-**	**23,509,661**	**92,952,341**	**119,461**	**93,071,802**
Profit for the period		7,431,787				**7,431,787**	(17,925)	7,413,862
Dividend to equity shareholder		(7,200,000)				**(7,200,000)**		(7,200,000)
Share of non controlling interest						-	-	-
Transfer from Revaluation Reserve		48,011			(48,011)	-		-
Transferred to Deferred Tax Reserve		5,411,204	(5,411,204)			-		-
Balance as on Ashadh 31, 2081	**18,000,000**	**47,688,927**	**4,033,551**	**-**	**23,461,649**	**93,184,127**	**101,536**	**93,285,664**
						-		
Balance as on Shrawan 1, 2081	**18,000,000**	**47,688,927**	**4,033,551**	**-**	**23,461,649**	**93,184,127**	**101,536**	**93,285,664**
Previous Period Adjustment		2,285				**2,285**	(146)	2,139
Prior Period Income		25				**25**		25
Prior Period Expenses		(817)				**(817)**		(817)
Adjustment of Stock		-				-		-
Restated Opening Balance	**18,000,000**	**47,690,421**	**4,033,551**	**-**	**23,461,649**	**93,185,621**	**101,390**	**93,287,011**
Profit for the period		1,252,008				**1,252,008**	(23,899)	1,228,109
Dividend to equity shareholder						-		-
Bonus Share Issued	-	-				-		-
Cash Dividend paid		(5,400,000)				**(5,400,000)**		(5,400,000)
Transfer Revaluation Reserve		43,210			(43,210)	-		-
Transfer To Deferred Tax Reserve		3,173,662	(3,173,662)			-		-
Balance as on Ashadh 32, 2082	**18,000,000**	**46,759,300**	**859,889**	**-**	**23,418,439**	**89,037,629**	**77,491**	**89,115,120**

Sabina Maskay Pradhan
For 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 instructions, if any, of Statutory Auditors or Regulatory Authority
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 Group 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 Group 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 Group. The adjustments, if required, are given on annual basis in the audited financial statements.
9. The 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. The company has contributed NPR 13.15 billion during the period as Defined Benefit Assets (DBA) against the obligation for Employee Benefit Obligation.
11. The actuarial discount rate assumption for employee benefits has been reduced from 7.5% to 7% due to current financial market conditions and a significant decrease in the expected return.
12. 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.
13. In accordance with the Supreme Court's decision, the Company settled a legal case by paying NPR 350 million to MoCIT. The payment has been expensed in the current year and was previously disclosed as a contingent liability.
14. During a review of prior-period records, the Company identified an overstatement in the prior-period reporting, which has been corrected through appropriate adjustments.
15. The Company has recognized a provision of NPR 751 million in relation to a tax-related legal dispute. This matter was previously disclosed as a contingent liability.
16. The company has recognized an expected credit loss of 5% on the amortized cost of the debt instrument.
17. Previous period's figures are regrouped / rearranged/restated wherever necessary for consistent presentation and comparison.
18. The detailed interim financial statement has been published in the website "www.ntc.net.np" of the Company.

Sabina Maskay Pradhan
For 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)	14.82	Net worth per share (NPR)	495.33
P/E ratio	59.18	Current Ratio	2.40
Total Assets per share (NPR)	671.06		

   C. Related Party Disclosure

   - The Company adheres to the requirements of NAS 24 "Related Parties" and other legal obligations regarding the disclosure of related party transactions and balances.
   - The Group Financial Statements include Nepal Doorsanchar Company Limited (Parent Company) and Nepal Digital Payments Company Ltd. (Subsidiary Company).
   - All transactions between the Company and its subsidiary are executed based on the arm's length principle. The effects of all inter-company transactions and outstanding balances are excluded from the Group Financial Statements.
   - The Government of Nepal, which is the principal owner of the company, the employee retirement fund maintained with Citizen Investment Trust (CIT), the Nepal Telecom employee retirement fund managed with Employee Provident Fund, Nepal Bank Limited, Rastriya Banijya Bank Limited, and Agricultural Development Bank Limited, as well as Trishuli Jal Vidhyut Company Limited, Nagarik Stock Dealer Company Ltd., and Upper Tamakoshi Hydropower Ltd., are considered associated companies and related parties of the Company.
   - The Board of Directors, Managing Director, other Key Management Personnel, and their relatives are also considered related parties of the Company.
   - No transactions between the Company and Key Management Personnel, including the Managing Director, were observed except as prescribed under the Company's regulations.

2. **Management Analysis**

Amidst a challenging business landscape characterized by intensifying competition in the telecommunications sector and operational constraints arising from global shortages of equipment and goods, Nepal Telecom has managed to deliver satisfactory results through strategic diversification of its products and services, along with a commitment to a 'Service to All' approach in expanding its service coverage.

3. **Details Related to Legal Proceedings**

In the current reporting period, a total of eighteen (18) legal cases have been filed against the company, whereas two (2) legal cases have been initiated by the company against other parties.

4. **Analysis of Company's Shares Transactions**

The trading of the Company's shares in the capital market has remained stable, supported by investor confidence and analysis of its financial performance. No significant fluctuations in the share price were observed during the period.
The table below presents the Company's share transactions in the capital market for the reported quarter:

- Maximum Share Price : NPR 915
- Minimum Share Price : NPR 835
- Closing Share Price : NPR 877.27
- Total Number of Transactions : 16,317
- Total Number of Shares Traded : 1,835,501
- Total Number of Transaction Days : 63

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

5. **Problems and Challenges**

External:

- Market competition, evolving customer behavior leading to lower tariffs, and the introduction of cost-effective packages to maintain competitiveness.
- Subscriber usage has been adversely affected by the ongoing financial difficulties.
- Rapid advancements in telecommunications technology often lead to the obsolescence of existing technologies and equipment.
- A global shift in user behavior from voice services to data and other digital services. Increasing migration of users from mobile data to fixed broadband services.
- Changes in government and regulatory policies directly impacting service tariffs.
- Service disruptions caused by adverse weather conditions, infrastructure works by other utility providers during the reporting period.
- Challenges in network expansion and service quality maintenance due to the lack of a reliable power grid in remote areas.

- Declining revenue from international and domestic voice services due to the growing use of OTT (Over-The-Top) applications.
- Adherence to procurement rules and regulations may result in delays in acquiring essential equipment or services.

Internal:

- Challenges in delivering and maintaining services, especially in remote regions.

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

- The Company is committed to establishing modern telecommunication infrastructure across Nepal to deliver high-quality services and address changing customer needs. Nationwide 4G/LTE services have been deployed in all 77 districts, and efforts are underway to migrate customers from legacy PSTN/ADSL services to FTTH, which integrates voice, data, and IPTV services.
- To strengthen competitiveness, the Company continues to introduce new fixed and mobile services such as 4G/LTE, FTTH, data lease, and IoT, offering them at reasonable prices. Promotional offers and customer migration initiatives are being implemented to accelerate adoption of these advanced technologies.
- Expansion and reinforcement of backbone networks are being prioritized to ensure reliable service delivery. In collaboration with the Nepal Telecommunications Authority (NTA), optical fiber backbone networks are being expanded under the RTDF grant program.
- Regular network optimization through enhanced monitoring processes, 7-to-7 field support, and 24-hour technical assistance for core and backbone equipment are in place to maintain and improve service quality, particularly in remote areas.
- To adapt to evolving customer preferences, the Company is expanding its Value Added Services (VAS) portfolio and enhancing its billing system to provide an integrated, one-stop billing solution for all services.
- A Customer Relationship Management (CRM) system is being utilized to improve customer experience through multiple support channels, including call centers, complaint desks, mobile apps, websites, chatbots, and social media.
- To better respond to market dynamics, the Company is investing in business process automation, restructuring its organizational framework, and conducting customer-focused training programs for employees.
- A performance-based evaluation system, including incentives, has been implemented to motivate employees and improve overall service standards.
- The Company has also invested in commercially viable horizontal and vertical sectors to diversify revenue streams. Additionally, it is expanding services to local governments and corporate clients in collaboration with relevant government agencies.

6. **Corporate Governance**
   - The Citizen Charter (Nagarik Badapatra), Employees Code of Conduct, and the Central Level Governance Unit have been implemented to strengthen corporate governance within the company.
   - The company has been providing necessary and important information to its customers, as well as other members of the public, through its website, frequent media announcements, and dissemination of information via its various social media platforms in order to maintain transparency.
7. To strengthen the internal control mechanism of the Company, a separate Internal Audit and Inspection Department has been established. The department conducts audits of various company departments on an ongoing basis and provides necessary recommendations to the Audit Committee. Accordingly, the Audit Committee holds regular meetings to implement these recommendations.
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

Sabina Maskay Pradhan
For Managing Director