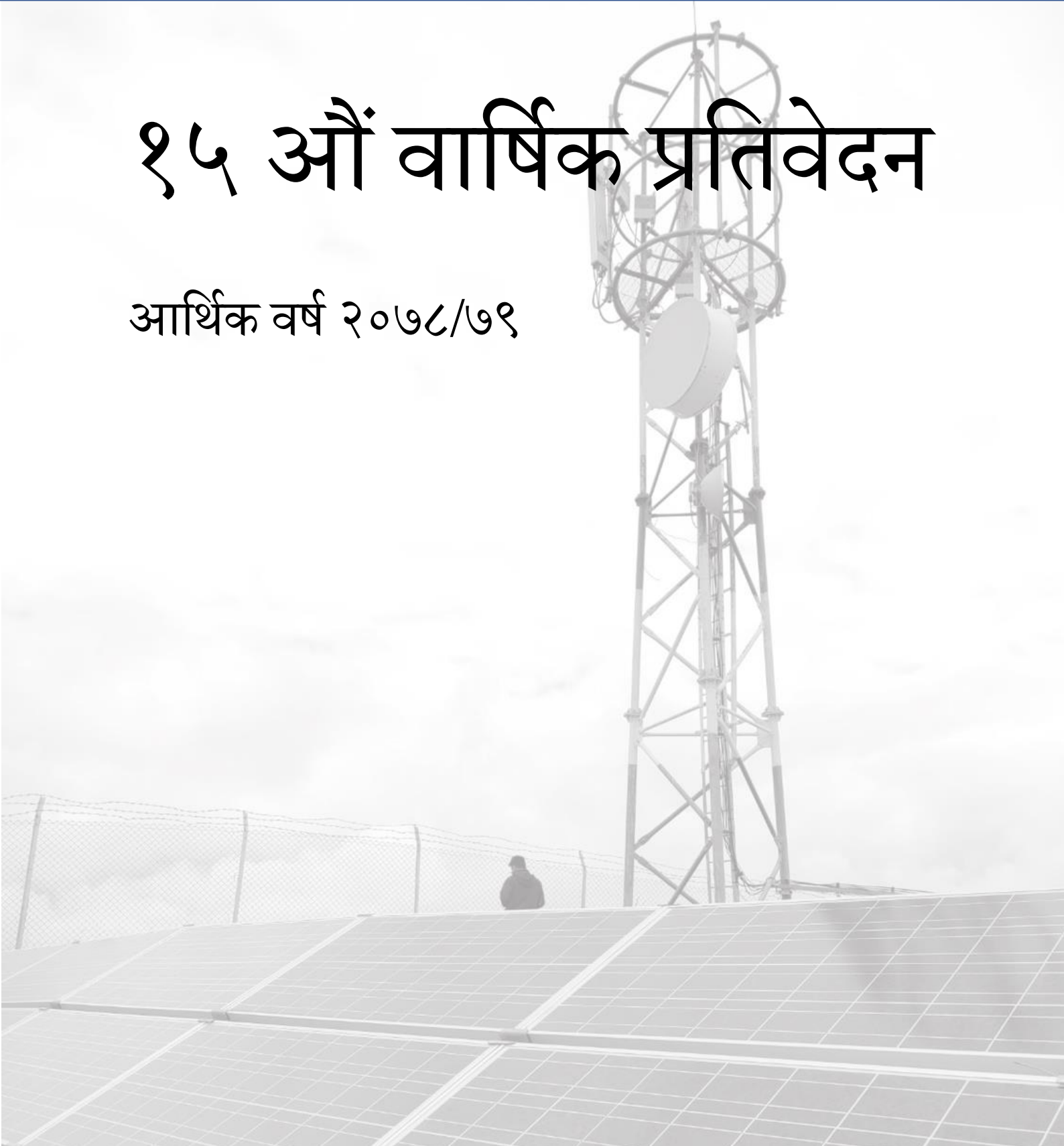




नेपाल दूरसञ्चार कम्पनी लिमिटेड

१५ औं वार्षिक प्रतिवेदन

आर्थिक वर्ष २०७८/७९



नेपाल दूरसञ्चार कम्पनी लिमिटेड
केन्द्रीय कार्यालय, भद्रकालीप्लाजा

पन्धौं वार्षिक साधारण सभा सम्बन्धी सूचना

(प्रथम पटक प्रकाशित मिति २०७९।०९।०७)

श्री आदरणीय शेयरधनी महानुभावहरू,

यस कम्पनीको मिति २०७९।०९।०६ मा बसेको सञ्चालक समितिको ९६७ औं बैठकको निर्णय अनुसार कम्पनीको पन्ध्रौं वा साधारणसभामा देहायका प्रस्तावहरू उपर छलफल तथा निर्णय गर्न निम्न मिति, समय र स्थानमा बस्ने भएकोले कम्पनी ऐन २०६३ दफा ६७ (२) तथा कम्पनीको नियमावलीको नियम १० को उपविनियम (३) बमोजिम सम्पूर्ण शेयरधनी महानुभावहरूलाई जानकारीका लागि यो सूचना प्रकाशित गरिएको छ ।

साधारण सभाको कार्यक्रम

मिति २०७९/०९/२८ गते बिहिवार (तदनुसार १२, जनवरी २०२३)

समय: दिनको १०:०० बजे ।

स्थान: राष्ट्रिय सभा गृह, प्रदर्शनी मार्ग, काठमाण्डौ ।

छलफलको विषय:

१. साधारण प्रस्ताव:

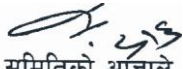
क) आर्थिक वर्ष २०७८/७९ को सञ्चालक समितिको वार्षिक प्रतिवेदन उपर छलफल गरी पारित गर्ने ।

ब)

लेखापरीक्षकको प्रतिवेदन सहित आ.व. २०७८/७९ को वासलात, नाफा नोक्सान हिसाव, नगद प्रवाह विवरण तथा अन्य अनुसूचीहरू उपर छलफल गरी पारित गर्ने ।

ग) लेखा परीक्षण ऐन, २०७५ को दफा ११ मा भएको व्यवस्था अनुसार श्री महालेखा परीक्षकको कार्यालयको परामर्श तथा कम्पनी २०६३ को दफा १६५(घ) को प्रावधान अनुरूप कम्पनीको लेखापरीक्षण समितिको सिफारिस बमोजिम आ.व. २०७९/८० को कम्पनीको लेखा परीक्षक नियुक्त गर्ने, निजहरूको पारिश्रमिक निर्धारण गर्ने तथा नियुक्तिका अन्य सर्तहरू निर्धारण गर्ने प्रस्ताव प गर्ने ।

घ) कम्पनी ऐन, २०६३ को दफा १८२ को उपदफा (२) बमोजिम नेपाल सरकार, अर्थ मन्त्रालयबाट स्वीकृति भए पश्चात आ.व. २०७८/७९ को कम्पनीको मुनाफा रकम मध्येबाट शेयरधनीहरूलाई प्रति शेयर रु.४०।- (अक्षरेपी चालिस रुपैयाँ मात्र) का दरले नगद लाभा वितरण गर्ने प्रस्ताव पारित गर्ने ।



सञ्चालक समितिको आञ्जाले
राजेन्द्र अर्याल
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कम्पनी सचिव



कम्पनीको वार्षिक साधारण सभा सम्बन्धी थप जानकारी:

१. कम्पनीको १५औं वार्षिक साधारणसभा प्रयोजनार्थ मिति २०७९ साल पौष १८ गते देखि मिति २०७९ साल पौष २७ गतेसम्म कम्पनीको शेयर दाखिल खारेजको काम बन्द गरिने छ। साथै, नेपाल स्टक एक्सचेन्ज लिमिटेडमा मिति २०७९ साल पौष १७ गते सम्म नियमानुसार कारोबार भई यस कम्पनीको शेयर दाखिल खारेजका लागि प्राप्त हुन आएका शेयरधनी महानुभावहरूलाई यस साधारण सभाको प्रयोजनको लागि शेयरधनी कायम गरिनेछ।
२. वार्षिक साधारण सभामा भाग लिन उपस्थित हुने शेयरधनीहरूले आफ्नो परिचय खुल्ने प्रमाण (कागजात) वा शेयर प्रमाणपत्र वा शेयरधनीहरूको BOID Statement अनिवार्य रूपमा लिई आउनु हुन अनुरोध गरिन्छ।
३. वार्षिक साधारण सभामा भाग लिन शेयरधनी आफैँ उपस्थित हुन नसकेको खण्डमा निजको तर्फबाट प्रोक्सी नियुक्त गर्न सकिनेछ। प्रतिनिधि नियुक्त गर्न चाहने शेयरधनीले सो सम्बन्धी निवेदन मिति २०७९/०९/२६ गते अपरान्ह ४ बजेभित्र कम्पनीको केन्द्रीय कार्यालय, भद्रकालीप्लाजा, काठमाण्डौँमा दर्ता गराई सक्नु पर्नेछ। एक भन्दा बढी व्यक्तिलाई शेयर विभाजन गरी वा अन्य कुनै किसिमबाट छुट्याएर दिएको प्रोक्सी बदर हुनेछ।
४. प्रतिनिधि मुकरर गरिसकेपछि बदर गर्न चाहेमा सभा हुने दिन हाजिरपुस्तिका खुल्नु अघि सभास्थलमा आई लिखित सूचना दिनु पर्नेछ।
५. सभामा भाग लिन प्रत्येक शेयरधनी महानुभावले सभा हुने स्थानमा उपस्थित भई सभास्थलमा रहेको हाजिरी पुस्तिकामा दस्तखत गर्नु पर्नेछ। शेयरधनी महानुभावको सुविधाको लागि सभा हुने दिन शेयरधनी उपस्थिती पुस्तिका विहान ९:०० बजेदेखि खुल्ला रहनेछ।
६. शेयरधनी महानुभावहरूको ठेगानामा पठाइने कम्पनीको पन्ध्रौं वार्षिक साधारण सभाको प्रतिवेदन यस कम्पनीको website: www.ntc.net.np मा पनि हेर्न सकिनेछ। कुनै कारणवस प्रतिवेदन प्राप्त गर्न नसक्नु भएका शेयरधनी महानुभावहरूले यस कम्पनीको केन्द्रीय कार्यालय, भद्रकालीप्लाजा, काठमाण्डौँबाट परिचय खुल्ने कागजात पेश गरी लिन सक्नु हुनेछ।
७. नाबालक वा विकीप्त शेयरधनीहरूको तर्फबाट कम्पनीको शेयरधनीहरूको लगत कितावमा संरक्षकको रूपमा नाम दर्ता भएका व्यक्तिलाई मात्र संरक्षकको रूपमा मान्यता दिइनेछ।
८. विविध शिर्षक अन्तर्गत छलफल गर्न चाहने शेयरधनीले सभा हुनु भन्दा ७ दिन अगावै कम्पनीको केन्द्रीय कार्यालय, कम्पनी सचिवालय, भद्रकालीप्लाजा काठमाण्डौँमा लिखित जानकारी दिनु पर्नेछ। त्यसरी लिखित जानकारी नदिएको विषय उपर प्रश्न गर्न सकिने छैन।
९. शेयरधनी महानुभावहरूले व्यक्त गर्नु भएको मन्तव्य वा प्रश्नहरूका सम्बन्धमा सञ्चालक समितिको तर्फबाट सामुहिक रूपमा जवाफ दिइनेछ।
१०. शेयरधनी महानुभावहरू सभास्थलमा उपस्थित हुँदा अनिवार्य रूपमा माक्सको प्रयोग गरिदिनुहुनका साथै भोला, पोका जस्ता बस्तुहरू नलिइ आउन हुन अनुरोध गरिन्छ। सुरक्षाकर्मीले आवश्यक देखेमा सुरक्षा जाँच गर्न सक्ने हुँदा सो कार्यमा सहयोग गरिदिनु हुन अनुरोध छ।
११. अन्य जानकारीका लागि कम्पनीको केन्द्रीय कार्यालय, कम्पनी सचिवालय, भद्रकालीप्लाजा, काठमाण्डौँमा सम्पर्क गर्नुहुन समेत अनुरोध छ।


३।९
राजेन्द्र अर्याल
कम्पनी सचिव

नेपाल दूरसञ्चार कम्पनी लिमिटेड

अनुसूची - १ (क)

(निर्वाचन निर्देशिकाको दफा ४ को खण्ड (घ) र कम्पनी ऐन २०६३ को दफा ७१ को उपदफा (३) सँग सम्बन्धित)

साधारण सभामा भाग लिन र मतदान गर्न आफ्नो प्रतिनिधि

नियुक्त गर्ने निवेदन (प्रोक्सी फारम) को ढाँचा

श्री सञ्चालक समिति

नेपाल दूरसञ्चार कम्पनी लिमिटेड

भद्रकाली प्लाजा, काठमाडौं ।

विषय: प्रतिनिधि नियुक्त गरेको बारे ।

.....जिल्ला म.न.पा./उ.म.न.पा./न.पा./गा.पा., वडा नं..... बस्ने म/हामीले त्यस कम्पनीको शेयरधनीको हैसियतले विक्रम संवत् २०७८ साल चैत्र महिना २४ गते बिहिवारका दिन हुने चौधौं वार्षिक साधारण सभामा म/हामी स्वयं उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकोले उक्त सभामा मेरो/हाम्रो तर्फबाट भाग लिन तथा मतदान गर्नका लागि जिल्ला म.न.पा./उ.म.न.पा./न.पा./गा.पा., वडा नं बस्ने त्यस कम्पनीका शेयरधनी श्रीलाई मेरो/हाम्रो प्रतिनिधि नियुक्त गरी पठाएको छु/ पठाएका छौं ।

प्रतिनिधि नियुक्त भएको व्यक्तिको

हस्ताक्षरको नमुना:

शेयरधनी प्रमाणपत्र भए प्रमाणपत्र नं.:

शेयरधनी प्रमाणपत्र अभौतिकीकरण गरिसकेको भए BOID नम्बर:

मिति:

निवेदक

दस्तखत:

नाम:

ठेगाना:

शेयर प्रमाणपत्र /BOID नं.:

शेयर संख्या:

द्रष्टव्य:

१. माथि उल्लेखित सम्पूर्ण व्यहोरा भरी यो निवेदन (प्रोक्सी फारम) साधारण सभा शुरुहुने दिन भन्दा कम्तीमा ५(पाँच) दिन अगावै कम्पनीको रजिष्टर्ड कार्यालय (के.का. भद्रकाली प्लाजा) मा दर्ता गरी सक्नु पर्नेछ ।
२. एकै शेयरधनीको एकभन्दा बढी निवेदन (प्रोक्सी फारम) प्राप्त भएमा सो शेयरधनीले पेस गरेका सबै निवेदनहरू (प्रोक्सी फारम) रद्द हुनेछन् ।

सञ्चालक समितिको प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरू,

नेपाल दूरसञ्चार कम्पनी लिमिटेडको १५ औं साधारण सभामा उपस्थित सम्पूर्ण शेयरधनी महानुभावहरू, नियामक निकायका प्रतिनिधिहरू, कम्पनीको बाह्य लेखापरीक्षक, कम्पनीको कानूनी सल्लाहकार, कर्मचारीहरू लगायत सबैलाई हार्दिक स्वागत तथा अभिवादन गर्दछौं। समीक्षा अवधि २०७८/७९ मा Covid-19 विरुद्धको महामारीको प्रत्यक्ष असर न्यूनीकरण भई कम्पनीका आयोजनाहरूको कार्यान्वयन तथा सेवा वितरणमा सहजता आएको, 4G तथा FTTH सेवाको व्यापक विस्तार भएको जस्ता कारणले समग्र राजश्वमा सकारात्मक प्रभाव परेको छ। तर अन्तरआवद्धता सम्बन्धी निर्देशिका अनुसार अन्तरदेशीय अन्तरआवद्धता शुल्कमा कमी तथा OTT सेवाहरूको व्यापक प्रयोगका कारणले अन्तरआवद्धता राजश्वमा कमी आएको छ। यसका बावजूद समीक्षा वर्षमा कम्पनीको व्यावसायिक उपलब्धि तथा वित्तीय नतिजा सन्तोषजनक रहेको छ।

परिवर्तित स्थितिमा आम ग्राहकहरूको चाहना तथा आवश्यकता (Voices and Choices of customers) लाई मध्यनजर गरी नवीनतम प्रविधिमा आधारित गुणस्तरीय दूरसञ्चार सेवा प्रदान गर्न आफ्नो सबै स्रोत तथा साधनहरूलाई अधिकतम परिचालन गर्दै आएको छ। मुलुकका सम्पूर्ण भू-भागमा बसोबास गर्ने जनताहरूलाई अत्याधुनिक दूरसञ्चार सेवा उपलब्ध गराउने योजना अन्तर्गत कम्पनीले अत्यन्त तीव्र गतिको वायरलेस प्रविधिको 4G/VoLTE advanced सेवालाई देशका ७७ वटै जिल्लामा विस्तार गरिएको छ। त्यसैगरी नेपाल सरकारको डिजिटल नेपालको अवधारणालाई मूर्तरूप दिन कम्पनीले FTTH सेवा विस्तारलाई विशेष जोड दिएको छ। त्यस्तै कम्पनीको वित्तीय अवस्था सुधार गर्न ताररहित सेवाहरूमा आमूल रूपान्तरण सहित विस्तार, अन्तर्राष्ट्रिय रोमिङ्ग सेवाको विस्तार र सेवाहरूको गुणस्तर सुधार लगायतका कार्यहरूलाई निरन्तरता दिइएको छ। कम्पनीले संस्थागत सुशासनलाई प्राथमिकतामा राख्दै आफ्ना नीति तथा नियमहरू पारदर्शी रूपमा प्रस्तुत गर्ने गरेको छ। आर्थिक वर्ष २०७८/७९ मा कम्पनीले गरेका प्रगतिहरू, उपलब्धिहरू तथा कम्पनी सञ्चालनमा देखिएका चुनौतीहरू एवं भविष्यका अल्पकालीन तथा दीर्घकालीन योजनाहरू सहितको प्रतिवेदन कम्पनी ऐन, २०६३, धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३ बमोजिम तयार गरी सञ्चालक समितिको तर्फबाट यस सभामा स्वीकृतिको लागि पेश गरिएको छ।

कम्पनीको कार्य सम्पादन

वित्तीय उपलब्धी

आ.व. २०७८/७९ मा कम्पनीको कुल आय गत वर्षको तुलनामा ५.१२ प्रतिशतले वृद्धि भई रु. ४४ अर्ब ३७ करोड ४६ लाख ५७ हजार भएको छ। त्यस्तै नाफा १८.७९ प्रतिशतले वृद्धि भई रु. ८ अर्ब ४७ करोड ७ लाख ३४ हजार भएको छ। कम्पनीको आय तथा नाफामा वृद्धि हुनुका मुख्य कारणहरू यस प्रकार रहेका छन् :-

- 4G आयोजनाको कार्यान्वयनसँगै यसको पहुँच बिस्तार हुँदा समग्र सक्रिय ग्राहक आधार वृद्धि हुन गई मोबाइल डाटा, भ्वाइस, एस.एम.एस. सेवा आदिको उपयोगमा वृद्धि हुन गएको।
- 2G/3G सेवाको पहुँच नपुगेका स्थानहरूमा समेत 2G/3G/4G सेवाको पहुँच विस्तार गरिएको कारणले ग्राहक आधार वृद्धि हुन गएको।
- FTTH सेवाप्रति ग्राहकको बढ्दो आकर्षणका कारण इन्टरनेट, टेलिफोन तथा IPTV सेवाका ग्राहकहरू वृद्धि हुन गई Fixed Network बाट हुने आयमा समेत सकारात्मक प्रभाव परेको।
- Covid-19 विरुद्धको खोप पश्चात महामारीको प्रत्यक्ष असर न्यूनीकरण भई चालू आ.व.को शुरुवाटै कम्पनीका आयोजनाहरूको कार्यान्वयन तथा सेवा वितरणमा सहजता आएको।

कम्पनीको वित्तीय उपलब्धिको मुख्य झलक यस प्रकार रहेको छ:

(रकम रु. हजारमा)

विवरण	आर्थिक वर्ष		बढी/(घटी)	
	२०७८/७९	२०७७/७८ (परिमार्जित)	रु. मा	प्रतिशतमा
कूल आय	४४,३७४,६५६.९०	४१,९६८,५७६.०७	२,४०६,०८०.८२	५.७३
सञ्चालन आय	३७,९९९,७८९.३४	३५,६९९,३८९.५२	२,२२८,४०७.८२	६.२४
कर्मचारी खर्च	७,३६९,७९३.२७	६,९४८,९३४.४७	४२१,५७८.८०	६.०७
मर्मत तथा सञ्चालन खर्च	७,०५८,३२८.४९	७,८४९,९५३.८९	(७९१,६२५.३९)	(-९.९९)
कार्यालय सञ्चालन खर्च	१,९२९,६९५.३९	९७०,९३४.८७	१,५०,७६०.५१	१५.५३
बजारीकरण तथा प्रबर्द्धन खर्च	२६०,६९९.२०	१९०,४०९.२७	७०,२८९.९३	३६.९९
कूल खर्च	३१,३९९,०२९.६६	३१,०४८,९०४.४२	२६२,९२५.२४	०.८४
नाफा	८,४७०,७३३.९९	६,७९४,२९९.५७	१,६७६,५९४.३४	२४.६८
प्रति शेयर आमदानी (रु.)	४७.०६	३७.७५	९.३१	२४.६८
नेटवर्थ प्रतिशेयर (रु.)	५२९.२७	४९९.९९	३०.०८	६.०३

आय

4G सेवाको व्यापक विस्तार गरिएका कारण GSM Voice तथा Data सेवाको प्रयोगमा वृद्धि भई Voice सेवातर्फ करिब रु १ अर्ब ५८ करोड ९ लाख २७ हजार वृद्धि भएको र डाटा सेवा तर्फ करिब रु. १ अर्ब ४७ करोड ७१ लाख ८४ हजार वृद्धि भएको छ । CDMA सेवाका ग्राहकहरूलाई GSM सेवामा रूपान्तरण गरिएका कारण CDMA सेवाको आयमा रु १२ करोड २८ लाख ३४ हजारले कमी भएको छ । त्यसैगरी अन्तरआवद्धता सम्बन्धी निर्देशिका, २०७६, अनुसार मोबाइल मार्फत मोबाइलमा हुने भ्वाइस सेवाको अन्तरदेशीय अन्तरआवद्धता शुल्कमा ८१.४८ प्रतिशतले कमी आएको तथा OTT सेवाको बढ्दो प्रयोगका कारणले अन्तरआवद्धता आयमा करिब रु. ६८ करोड ६१ लाख ५६ हजारले कमी भएको छ । समग्रमा समीक्षा अवधिमा कुल कार्य सञ्चालन आय रु. २ अर्ब २२ करोड ८४ लाख ८ हजारले वृद्धि भएको छ । यसैगरी बैक तथा वित्तीय संस्थामा भएको लगानीमा गत आ.व. को तुलनामा प्रतिफलमा वृद्धि भएका कारण समीक्षा अवधिमा ब्याज आमदानीतर्फ करिब रु. ७७ करोड ५३ लाख ४८ हजारले वृद्धि भएको छ ।

अदृश्य सम्पत्ति (Intangible Assets)

कम्पनीको अदृश्य सम्पत्ति समीक्षा अवधिमा २१.८५ प्रतिशतले कमी भई रु. १ अर्ब ९२ करोड ४८ लाख ३ हजार पुगेको छ । लाइसेन्सको अवधि पुगी अदृश्य सम्पत्ति अपलेखन (Amortization) गरेका कारण अदृश्य सम्पत्ति घट्न गएको हो ।

जायजैथा, प्लाण्ट र उपकरण (Property, Plant and Equipment)

आयोजनाहरू सम्पन्न भई पूँजीकरण गरिएको कारणले समीक्षा अवधिमा जायजैथा, प्लाण्ट र उपकरण ७.०१ प्रतिशतले वृद्धि भई रु. ५१ अर्ब ५७ करोड ७२ लाख १ हजार पुगेको छ । समीक्षा अवधिमा कम्पनीको जग्गा तथा भवनको पुर्नमूल्यांकन गरिएको तथा पुर्नमूल्यांकन जगोडामा रु. २ अर्ब ३० करोडले वृद्धि भएको छ ।

पूँजीगत कार्य प्रगति (Capital work in Progress)

आयोजनाहरू सम्पन्न भई पूँजीकरण गरिएको कारणले समीक्षा अवधिमा पूँजीगत कार्य प्रगति २८.१५ प्रतिशतले कमी भई रु. ५ अर्ब ९९ करोड २९ लाख ९३ हजार पुगेको छ ।

दीर्घकालीन ऋण तथा अग्रिम भुक्तानी (Long term Loan and Advances)

आयोजनाहरू सम्पन्न गर्नका लागि आपूर्तिकर्तालाई दिईएको दीर्घकालीन ऋण तथा अग्रिम भुक्तानी रकम आयोजनाहरू सम्पन्न भई पूँजीकरण गरिएको कारणले समीक्षा अवधिमा दीर्घकालीन ऋण तथा अग्रिम भुक्तानी ३९.९१ प्रतिशतले कमी भई रु. १ अर्ब १८ करोड ३६ लाख ७१ हजार पुगेको छ।

लिजमा प्रयोग भएको सम्पत्ति Right of Use (ROU) Assets

कम्पनीको लेखा नीति नेपाल वित्तीय प्रतिवेदन मान बमोजिम कम्पनीबाट लिजमा लिई प्रयोग भैरहेका सम्पत्तिहरूको लेखाङ्कन गर्दा समीक्षा अवधिमा रु. २ अर्ब ३५ करोड ८ लाख ७२ हजारको लिजमा प्रयोग भएको सम्पत्ति (Right of Use (RoU) Assets) लेखाङ्कन गरिएको छ।

मुद्दती निक्षेप तथा ऋणपत्रमा लगानी (Term Deposit and Investment in Debenture)

कम्पनीमा रहेको सञ्चित रकमलाई उच्चतम परिचालन गर्न बैंक तथा वित्तीय संस्थाको मुद्दती निक्षेप तथा ऋणपत्रमा गरिएको लगानी समीक्षा अवधिमा ३१.१७ प्रतिशतले वृद्धि भई रु. ५५ अर्ब १३ करोड ९९ लाख १२ हजार पुगेको छ।

जिन्सी मौज्जात (Inventories)

सेवा विस्तारको लागि आवश्यक पर्ने जिन्सी उपकरणहरू सेवा विस्तारमा प्रयोग गरिएका कारण समीक्षा अवधिमा जिन्सी मौज्जात ६९.४० प्रतिशतले कमी भई रु. १७ करोड ८ लाख ६४ हजार पुगेको छ।

नगद र नगद सरह (Cash and cash Equivalent)

कम्पनीमा रहेको सञ्चित रकमलाई उच्चतम परिचालन गर्न बैंक तथा वित्तीय संस्थाको मुद्दती निक्षेप तथा ऋणपत्रमा लगानी गरिएका कारण समीक्षा अवधिमा नगद र नगद सरहको सम्पत्ति ४७.०७ प्रतिशतले कमी भई रु. ५ अर्ब ६७ करोड १२ लाख ७४ हजार पुगेको छ।

शेयर पूँजी (Share Capital)

आ.व. २०७७/७८ मा कम्पनीले लाभांशको रूपमा २०% बोनस शेयर वितरण गरेको हुनाले समीक्षा अवधिमा शेयर पूँजी २०% ले वृद्धि भई रु. १८ अर्ब पुगेको छ।

व्यापारिक भुक्तानी योग्य दायित्व बाँकी (Trade Payable)

दूरसञ्चार उपकरणहरू खरिद गरिएका कारण समीक्षा अवधिमा व्यापारिक भुक्तानी योग्य दायित्व २२.२५ प्रतिशतले वृद्धि भई रु. १ अर्ब ९५ करोड ७८ लाख २८ हजार पुगेको छ।

व्यवस्थाहरू (Provisions)

जि.एस.एम लाइसेन्स बापत तेस्रो नवीकरण शुल्कको लागि रु. ४ अर्ब थप व्यवस्था गरिएको हुँदा समीक्षा अवधिमा व्यवस्थाहरू (provisions) ४५.८५ प्रतिशतले वृद्धि भई रु. १२ अर्ब ७२ करोड ३२ लाख ८८ हजार पुगेको छ।

वैदेशिक मुद्रा सटही दरबाट भएको (नोक्सान)/नाफा -Foreign Exchange (Loss)/Gain

वैदेशिक मुद्राको सटही दर रेटमा भएको परिवर्तनका कारण समीक्षा अवधिमा रु. ३४ करोड ५९ लाख ४१ हजार नाफा भएको छ। गत आ.व. मा वैदेशिक मुद्राको सटही दर परिवर्तनका कारणले रु. ५ करोड ५६ लाख ८४ हजार नाफा भएको थियो।

अपलेखन (Amortization)

कम्पनीको लेखा नीति तथा नेपाल वित्तीय प्रतिवेदन मान बमोजिम कम्पनीबाट लिजमा लिई प्रयोग भैरहेका सम्पत्तिहरूको लेखाङ्कन गर्दा र लाइसेन्सको अवधि अनुसार अपलेखन गर्दा समीक्षा अवधिमा अपलेखन खर्च रु. १ अर्ब १० लाख ४५ हजारले वृद्धि भई रु. १ अर्ब १५ करोड १४ लाख ४९ हजार पुगेको छ।

सहायक कम्पनीको सञ्चालन तथा वित्तीय उपलब्धिको मुख्य झलक

सहायक कम्पनी नेपाल डिजिटल पेमेन्ट्स कम्पनी लिमिटेड (NDPC) को विवरण

सर्वसाधारणलाई मोबाइल वित्तीय सेवा उपलब्ध गराउन राष्ट्रिय वाणिज्य बैंक लिमिटेडसँगको सहकार्यमा कम्पनी ऐन, २०६३ बमोजिम पब्लिक लिमिटेड कम्पनीको रूपमा २०७७ श्रावण १३ गते नेपाल डिजिटल पेमेन्ट्स कम्पनी लिमिटेड (NDPC) स्थापना गरिएको हो । नेपाल टेलिकम सहायक कम्पनीको रूपमा स्थापना गरिएको NDPC लाई नेपाल राष्ट्र बैंकबाट २०७७ चैत ३ गते भुक्तानी तथा फछ्यौट ऐन, २०७५ अन्तर्गत इजाजतपत्र प्राप्त भएको छ ।

देशभरि नै सजिलो, क्वायती, भरपर्दो र सुविधाजनक डिजिटल भुक्तानी सेवा प्रदान गर्ने उद्देश्यका साथ स्थापना गरिएको सो कम्पनीले मिति २०७८ भाद्र २९ देखि 'नमस्ते पे' ब्राण्ड सहित सेवा प्रदान गरेको छ । बैंकिङ तथा डिजिटल रूपमा बैंकिङ पहुँच नभएका सेवाग्राहीलाई नगद रहित वित्तीय प्रणालीमा समावेश गरी डिजिटल समाज निर्माण गर्ने लक्ष्य कम्पनीले राखेको छ।

सहायक कम्पनी नेपाल डिजिटल पेमेन्ट्स कम्पनी लिमिटेड को वित्तीय अवस्थाको विवरण

(रकम रु. मा)

विवरण	आर्थिक वर्ष २०७८/७९	आर्थिक वर्ष २०७७/७८ (परिमार्जित)
सञ्चालन आय	८५,२०,७७७	०
वित्तीय आम्दानी	२,७३,४४,३५२	२,०५,९९,९२९
कुल आम्दानी	३,५८,६५,९२९	२,०८,०७,९२९
कर्मचारी खर्च	९,२४,०७,४४८	५३,५४,५३०
मर्मत तथा सञ्चालन खर्च	८९,०८,६२९	९९,५५,२०३
बजारीकरण तथा प्रवर्द्धन खर्च	९९,२३,८६६	९५७,५५०
कार्यालय सञ्चालन खर्च	९,९३,९८,९५२	८९,५९,६९८
कुल खर्च	७,८५,५३,०२०.६९	२,९८,७८,३७४
नाफा/(नोक्सान)	(३,३२,५७,५५८)	(९७,००,२५९)
प्रति शेयर आम्दानी (रु.)	(८.३९)	(०.४३)
नेटवर्थ प्रतिशेयर (रु.)	९९.६३	९९.९५

व्यावसायिक उपलब्धि

भ्वाइस सेवा

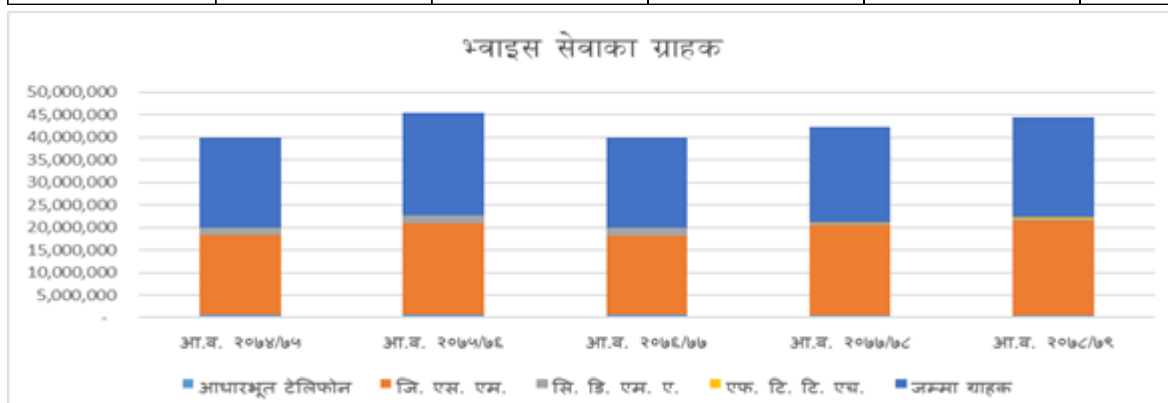
गत आ. व. मा २ करोड ११ लाख ग्राहक आधार रहेकोमा यस आ. व. मा करिब १० लाख ८८ हजार ग्राहक वृद्धि भई कुल ग्राहक आधार करिब २ करोड २१ लाख ८८ हजार पुगेको छ । कम्पनीको कुल भ्वाइस सेवाको ग्राहक मध्ये GSM मोबाइल सेवामा ९४.८८ प्रतिशत ग्राहक रहेका छन्। देशभरिको समग्र भ्वाइस सेवार्तर्फ कम्पनीको बजार हिस्सा समीक्षा अवधिमा ०.६३ प्रतिशतले वृद्धि भई ५३.६९१ प्रतिशत पुगेको छ ।

कम्पनीको विभिन्न प्रविधि अन्तर्गतका भ्वाइस सेवाका ग्राहकहरू निम्नानुसार रहेका छन्:

विवरण	आ. व.		बढी/(घटी)	बढी/(घटी) प्रतिशतमा	जम्मा प्रतिशतमा
	२०७८/७९	२०७७/७८			
आधारभूत टेलिफोन	४८३,९८९	५६३,४६५	(८०,२७६)	(१४.२५)	२.९८
जि. एस. एम.	२९,०५९,४०५	१९,९७९,०८६	९,०८०,३१९	५.४९	९४.८८
सि. डि. एम. ए.	४३७,९९२	४३८,४९२	(१,३००)	(०.३०)	९.९७
एफ. टि. टि. एच.	२९६,०३६	९२७,२२३	६३१,१८७	६९.८९	०.९७
जम्मा ग्राहक	२२,९८७,८२२	२९,९००,२६६	९,०८७,५५६	५.९५	९००.००
कम्पनीको बजार हिस्सा	५३.६९	५३.०६		०.६३	

आ. व. ०७४/७५ देखी भ्वाइस सेवाका ग्राहकहरूको अवस्था

सेवाहरू	आ.व. २०७४/७५	आ.व. २०७५/७६	आ.व. २०७६/७७	आ.व. २०७७/७८	आ.व. २०७८/७९
आधारभूत टेलिफोन	६८६,७६२	६७७,९२८	६६४,३४२	५६३,४६५	४८३,९८९
जि. एस. एम.	१७,५८६,२९४	२०,२३८,६३७	१७,४८०,९६४	१९,९७९,०८६	२९,०५९,४०५
सि. डि. एम. ए.	१,७०६,९६३	१,७७९,९०२	१,८०२,२२९	४३८,४९२	४३७,९९२
एफ. टि. टि. एच.	५९२	५९२	३८,६८०	९२७,२२३	२९६,०३६
जम्मा ग्राहक	१९,९८०,५३९	२२,६९६,२५९	१९,९८६,२०७	२९,९००,२६६	२२,९८७,८२२



डाटा सेवा

गत आ. व. मा ग्राहक आधार २ करोड ३ लाख ९७ हजार रहेकोमा समीक्षा अवधिमा १० लाख ८८ हजार ग्राहक वृद्धि भई कुल ग्राहक आधार २ करोड १४ लाख ८५ हजार पुगेको छ। कम्पनीको कुल डाटा सेवाको ग्राहकमध्ये GSM मोबाइल सेवामा ९७.९८ प्रतिशत ग्राहक रहेका छन्। देशभरिको समग्र डाटा सेवा (ब्रोडब्याण्ड) तर्फ गत वर्ष कम्पनीको बजार हिस्सा ५३.८२ प्रतिशत रहेको समीक्षा अवधिमा ०.०५ प्रतिशतले वृद्धि भई ५३.८७ प्रतिशत पुगेको छ।

कम्पनीको विभिन्न प्रविधि अन्तर्गतका डाटा सेवाका ग्राहकहरू निम्नानुसार रहेका छन्: २

विवरण	आ. व.		बढी/(घटी)	बढी/(घटी) प्रतिशतमा	जम्मा प्रतिशतमा
	२०७८/७९	२०७७/७८			
जि. एस. एम.	२१,०५१,४०५	१९,९७१,०८६	१,०८०,३१९	५.४१	९७.९८
सि. डि. एम. ए.	१३६,५७३	१३६,५७३	-	-	०.६४
वाइम्याक्स	६,२९३	१८,५६१	(१२,२६८)	(६६.१०)	०.०३
ए. डि. एस. एल.	१००,४५५	१४९,३५२	(४८,८९७)	(३२.७४)	०.४७
एफ. टि. टि. एच.	१९१,०६१	१२२,११०	६८,९५१	५६.४७	०.८९
जम्मा ग्राहक	२१,४८५,७८७	२०,३९७,६८२	१,०८८,१०५	५.३३	१००.००
कम्पनीको बजार हिस्सा	५३.८७	५३.८२		०.०५	

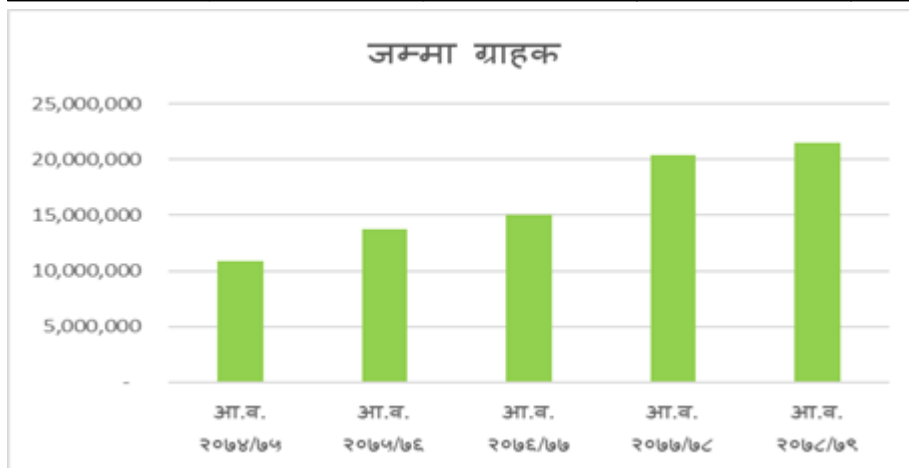
नोट: वाइम्याक्स सेवा चालू आर्थिक वर्षको अन्त्यमा बन्द गरिएको।

^१ नेपाल दूरसञ्चार प्राधिकरणको २०७९ आषाढको MIS Report अनुसार

^२ कम्पनीको २०७९ आषाढको MIS Report अनुसार

आ. व. ०७४/७५ देखी डाटा सेवाका ग्राहकहरूको अवस्था

सेवाहरु	आ.व. २०७४/७५	आ.व. २०७५/७६	आ.व. २०७६/७७	आ.व. २०७७/७८	आ.व. २०७८/७९
जि. एस. एम.	१०,५२२,१३८	१३,३३९,६५९	१४,६८८,५३९	१९,९७१,०८६	२१,०५१,४०५
सि. डि. एम. ए.	१३६,५७३	१३६,५७३	१३६,५७३	१३६,५७३	१३६,५७३
वाइम्याक्स	१७,६०६	१८,१७८	१८,४९१	१८,५६१	६,२९३
ए. डि. एस. एल.	२०६,२१७	२१३,३४१	१९३,९६७	१४९,३५२	१००,४५५
एफ. टि. टि. एच.	६७०	४,८२४	३७,१३८	१२२,११०	१९१,०६१
जम्मा ग्राहक	१०,८८३,२०४	१३,७९२,५७५	१५,०७४,७०८	२०,३९७,६८२	२१,४८५,७८७



सेवा विस्तार

- एउटै लाइनबाट एकैपटक गुणस्तरीय टेलिफोन, उच्च गतिको इन्टरनेट र टेलिभिजन (NTTV) समेत चलाउन सकिने FTTH प्रविधिको विस्तारलाई समीक्षा अवधीमा विशेष जोड दिईएको छ। आ.व. २०७८।७९ मा ४ लाख २७ हजार ७ सय ७६ लाइन क्षमताको नेटवर्क विस्तार गरी जम्मा ९८ हजार ३ सय ६२ FTTH लाइन (Unique CPE) वितरण गरिएको छ। २०७९ आषाढ मसान्त सम्ममा कुल ९ लाख ४७ हजार ७ सय १२ FTTH लाइन वितरण गर्न सकिने पूर्वाधार नेटवर्क विस्तार गरी ६७ जिल्लाका विभिन्न स्थानीय निकायमा कुल २ लाख ५९ हजार ४ सय ८७ लाइन (Unique CPE) मार्फत FTTH सेवा वितरण गरिएको छ। सोमध्ये FTTH Voice user २ लाख १६ हजार ३६, FTTH Data user १ लाख ९१ हजार ६१ र NTTV user १० हजार ६ सय ६९ रहेका छन्।

- त्यसैगरी आ. व. २०७८।७९ मा जडान गरिएको ६७७ eNodeB हरू मार्फत थप ५० स्थानीय निकायमा 4G-LTE सेवा विस्तार भई २०७९ आषाढ मसान्तसम्ममा ६ हजार ७ सय ३७ मध्ये ६ हजार ४ सय ६३ eNodeB मार्फत ७३५ स्थानीय निकायमा 4G/LTE सेवाको पहुँच पुगेको छ।
- त्यसैगरी सुगम स्थान देखि दुर्गम एवं विकट स्थानहरूमा Voice सेवालाई अझ प्रभावकारी बनाउन आ.व. २०७८।७९ मा ४९६ 2G/3G BTS जडान गरिएको।
- दूरसञ्चार क्षेत्रमा हुने नवीनतम प्रविधिको विकास तथा विस्तार गर्ने कम्पनीको योजना अनुरूप आ. व. २०७८।७९ मा 5G सेवा परीक्षण गर्नका लागि नेपाल दूरसञ्चार प्राधिकरणबाट अनुमति प्राप्त भैसकेको र 5G Trial को Testing Modality को सम्बन्धमा 4G/LTE आयोजना अन्तर्गतका आपूर्तिकर्ताहरूबाट प्राप्त प्रस्तावको विस्तृत अध्ययन गरी केही स्थानमा 5G Trial गर्नका लागि खरिद आदेश समेत भइसकेको छ।
- गण्डकी तथा लुम्बिनी प्रदेशका १२ मुख्य-मुख्य स्थानमा 100G per Lambda क्षमताको DWDM उपकरणहरू पनि सञ्चालनमा आएका छन्।
- ग्रामीण दूरसञ्चार विकास कोष परिचालन आयोजनाको प्रदेश नं १, मधेश र बागमती प्रदेश अन्तर्गतका मध्यपहाडी लोकमार्ग, जिल्ला सदरमुकाम जोड्ने विभिन्न मार्गमा अप्टिकल फाइबर नेटवर्क विस्तार गर्ने कार्यक्रम अन्तर्गत आ. व. २०७८।७९ को अन्त्यसम्ममा कुल १ हजार २ सय ९९ किलोमिटर बिस्तार भएको छ। साथै सोही प्रदेशहरूमा 10G/100G Interface क्षमताको Router र 100G per Lambda क्षमताको DWDM उपकरणहरू पनि सञ्चालनमा आएका छन्।
- त्यसैगरी कर्णाली र सुदूरपश्चिम प्रदेश अन्तर्गत मध्यपहाडी लोकमार्ग, जिल्ला सदरमुकाम जोड्ने विभिन्न मार्गमा अप्टिकल फाइबर नेटवर्क (UG/ADSS) विस्तार गर्ने कार्यक्रम अन्तर्गत यस आ.व. मा ३२० किलोमिटर ADSS अप्टिकल फाइबर नेटवर्क विस्तार सम्पन्न भई करिब ५८८ किलोमिटर UG अप्टिकल फाइबर नेटवर्क विस्तारका लागि सम्झौताको प्रक्रियामा रहेको छ। साथै, सोही प्रदेशहरूका मध्यपहाडी लोकमार्ग लगायतका २३ मुख्य-मुख्य स्थानहरूमा जडान भएका 100G per Lambda क्षमताको DWDM उपकरणहरूको Acceptance Testing सम्पन्न भई सञ्चालनको क्रममा रहेका छन् भने ४६ मुख्य-मुख्य स्थानहरूमा 10G/100G Interface क्षमताको Router जडान भई Acceptance Testing कार्यको प्रक्रियामा रहेका छन्।
- यसैगरी तत्काल अप्टिकल फाइबर विस्तार गर्न नसकिने कर्णाली र सुदूरपश्चिम प्रदेश अन्तर्गतका अति विकट एवं दुर्गम जिल्ला सदरमुकामहरूमा समेत भरपर्दो Connectivity स्थापना गर्ने उद्देश्यले २१ Hop Microwave Radio सञ्चालन गर्नका लागि आपूर्तिकर्तासँग सम्झौता सम्पन्न भएको छ।

गुणस्तर सुधार

- कम्पनीले सेवाको पहुँच नपुगेको स्थानमा समय सापेक्षित सेवा विस्तार गर्नुको साथै प्रदान गरिएका विविध सेवाहरूको न्यूनतम गुणस्तर सुनिश्चित गर्ने प्रयासलाई निरन्तरता दिएको छ। सेवाको उपलब्धता एवं गुणस्तरमा थप अभिवृद्धि गर्नका लागि विगतमा जस्तै यस आ. व. मा पनि Preventive Maintenance, Network Optimization, Transmission Network Capacity Upgrade, Service Core Network Capacity Upgrade, Solar Power Supply जडान, Battery Backup थप गर्ने लगायतका कार्यहरूलाई निरन्तरता दिइएको छ। सेवाको विस्तार, सेवाको निरन्तर उपलब्धता तथा सेवाको गुणस्तर सुधार गर्ने लगायतका महत्वपूर्ण कार्यहरूलाई प्राथमिकता दिन दक्ष जनशक्ति आवश्यक रहने मुख्य एवं महत्वपूर्ण कार्यमा कम्पनीका कर्मचारीलाई विशेषरूपमा केन्द्रित गराई अन्य सहायक कार्यहरू Outsource मार्फत गराउने नीतिलाई निरन्तरता दिइएको छ।
- मोबाइल सेवा अन्तर्गतका BTS, Power, Transmission उपकरणहरूको मर्मत सम्भार Outsourced Managed Service मार्फत गर्न कार्य अगाडि बढाइएको छ। अव्यवस्थित केबुलहरूलाई सडक, खानेपानी तथा विद्युत लगायत अन्य सम्बन्धित निकायसँग समन्वय गरी व्यवस्थित गर्ने कार्यलाई निरन्तरता दिइएको छ।

आर्थिक वातावरण

विश्व अर्थतन्त्र

Covid-19 विरुद्धको खोपको कार्यक्रम पश्चात Covid-19 महामारीको प्रत्यक्ष असर न्यूनीकरण भई आर्थिक क्रियाकलापमा भएको वृद्धिले २०२१ मा विश्वको आर्थिक वृद्धिदर ६.१ प्रतिशत रहेको थियो। अर्थतन्त्रमा Covid-19 महामारीको प्रभाव कम हुँदै जाने पूर्वानुमान रहे तापनि रसिया र युक्रेनको युद्ध लम्बिन सक्ने, रसिया माथि थप प्रतिबन्ध लाग्न सक्ने र पेट्रोलियम पदार्थको मूल्यमा थप वृद्धि हुन सक्ने अनुमानका आधारमा सन् २०२२ मा विश्व अर्थतन्त्र ३.२ प्रतिशतले मात्र विस्तार हुने अन्तर्राष्ट्रिय मुद्रा कोषको प्रक्षेपण रहेको छ। सन् २०२१ मा विकसित मुलुक र उदीयमान तथा विकासशील मुलुकका अर्थतन्त्रहरू क्रमशः ५.२ प्रतिशत र ६.८ प्रतिशतले वृद्धि भएकोमा सन् २०२२ मा क्रमशः ३.३ प्रतिशत र ३.८ प्रतिशत हुने कोषको प्रक्षेपण छ। चीन र भारतको आर्थिक वृद्धिदर सन् २०२१ मा क्रमशः ८.१ प्रतिशत र ८.९ प्रतिशत रहेकोमा सन् २०२२ मा क्रमशः ४.४ प्रतिशत र ८.२ प्रतिशत रहने कोषको प्रक्षेपण छ।

देशको अर्थतन्त्रको समीक्षा

नेपाल सरकार अर्थ मन्त्रालयबाट प्रकाशित आ.व. २०७८।७९ को आर्थिक सर्वेक्षण अनुसार कोभिड १९ महामारीको प्रभाव क्रमशः न्यून हुँदै आर्थिक तथा सामाजिक गतिविधि सामान्य हुँदै गएकाले आ.व. २०७६।७७ मा २.३७ प्रतिशतले ऋणात्मक रहेको आर्थिक वृद्धिदर आ.व. २०७७।७८ मा ४.५ प्रतिशतले वृद्धि भएको छ। समीक्षा अवधिको आर्थिक वृद्धिदर ५.८४ प्रतिशतले वृद्धि हुने अनुमान रहेको छ। आर्थिक वर्ष २०७८।७९ को कुल गार्हस्थ्य उत्पादनमा कृषि तथा गैर कृषि क्षेत्रको योगदान क्रमशः २३.९ र ७६.१ प्रतिशत रहने अनुमान छ। गत आ.व. को कुल गार्हस्थ्य उत्पादनमा कृषि तथा गैर कृषि क्षेत्रको योगदान क्रमशः २४.९ र ७५.१ प्रतिशत रहेको थियो। समीक्षा अवधिको फागुन सम्म औषत उपभोक्ता मुद्रास्फीति ५.४ प्रतिशत रहेको छ जुन गत आ.व. को सोही अवधिमा ३.५ प्रतिशत रहेको थियो।

दूरसञ्चार क्षेत्रको समीक्षा

International Telecommunications Union (ITU) ले २०२२ सेप्टेम्बरमा प्रकाशित गरेको प्रतिवेदन ^३ अनुसार सन् २०२१ को अन्त्यमा विश्वभर मोबाइल सेवाको औषत घनत्व १०९.९ प्रतिशत रहेको छ। विकसित मुलुकमा मोबाइल सेवाको घनत्व १३४.८ प्रतिशत, विकासशील मुलुकमा १०५.१ प्रतिशत, अल्पविकसित मुलुकमा ७५.६ प्रतिशत रहेको छ। मोबाइल सेवाको घनत्व सबै भन्दा बढी १४६.२ प्रतिशत कमनवेल्थ अफ इन्डिपेन्डेन्ट स्टेट्स (CIS) मा रहेको छ भने सबैभन्दा कम ८२.७ प्रतिशत अफ्रिकामा रहेको छ। एसिया प्यासिफिक क्षेत्रमा मोबाइल सेवाको घनत्व ११२.४ प्रतिशत रहेको छ।

समग्रमा विश्वको कुल जनसंख्याको ९६.९ प्रतिशत जनसंख्यामा सेलुलर मोबाइल नेटवर्कको पहुँच पुगेको छ भने 3G मोबाइल नेटवर्कको पहुँच ९५ प्रतिशत जनसंख्यामा र 4G-LTE/WiMAX मोबाइल नेटवर्कको पहुँच ८७.६ प्रतिशत जनसंख्यामा पुगेको छ। विकसित देशमा कुल ९९.७ प्रतिशत जनसंख्यामा सेलुलर मोबाइल नेटवर्कको पहुँच पुगेको अवस्था रहेको छ भने अल्पविकसित देशको हकमा कुल ९०.१ प्रतिशत जनसंख्यामा सेलुलर मोबाइल नेटवर्कको पहुँच पुगेको छ। अर्को तर्फ अल्पविकसित देशको ग्रामीण क्षेत्रका ११.६ प्रतिशत जनतामाझ 2G मोबाइल नेटवर्कको मात्र पहुँच रहेको छ भने १५ प्रतिशत जनता अझै पनि सेलुलर मोबाइल नेटवर्कको पहुँचबाट वञ्चित रहेका छन्।

ITU ले प्रकाशित गरेको सोही प्रतिवेदन अनुसार सन् २०२० को अन्त्यसम्ममा विश्वको ६५.७ प्रतिशत घरधुरीमा इन्टरनेटको पहुँच पुगिसकेको छ। घरधुरी अनुसार इन्टरनेटको पहुँच विकसित मुलुकमा ८७.८ प्रतिशत, विकासशील मुलुकमा ५७.८ प्रतिशत र अल्पविकसित मुलुकमा २२ प्रतिशत रहेको छ। एसिया प्यासिफिक क्षेत्रमा भने जम्मा ६४.१ प्रतिशत घरधुरीमा इन्टरनेटको पहुँच पुगेको छ।

विश्वभरि नै भ्वाइस सेवाको भन्दा डाटा सेवाको माग तीव्र रूपमा बढ्दै गएको पाइन्छ। साथै विभिन्न प्रकारका सफ्टवेयर एप्लिकेसन (Over The Top-OTT) मार्फत निःशुल्क रूपमा इन्टरनेटमा आधारित भ्वाइस टेलिफोन सेवा प्राप्त भएकाले त्यस्ता प्रकारका OTT सफ्टवेयर

एप्लिकेसनहरूको व्यापक प्रयोग हुन थालेको छ । जसले गर्दा अन्तराष्ट्रिय सेवा बापतको मात्र नभई राष्ट्रिय भ्वाइस तथा एसएमएस सेवा बापतको राजस्वमा नकारात्मक असर परेको छ । कोभिड-१९ देखि विविध प्रकारका अनलाइन गतिविधि बढेकोले डाटा सेवाको माग अत्याधिक रूपमा वृद्धि भएको छ । डाटा सेवाको व्यापारमा परिमाणात्मक वृद्धि भएता पनि तीव्र प्रतिस्पर्धात्मक वातावरणका कारण भ्वाइस तथा डाटा सेवाको महसुल दरमा लगातार गिरावट आईरहेको छ । यसका अतिरिक्त डाटा सेवाको महसुल दर भ्वाइस सेवाको महसुल दरको तुलनामा कम रहेकाले समग्रमा दूर सञ्चार सेवा प्रदायकहरूलाई आफ्नो राजस्व कायम गर्न कठिन भइरहेको छ । यसरी विविध कारणले गर्दा स्वाभाविक रूपमा हुन गएको राजस्व गिरावटलाई न्यूनीकरण गर्न ग्राहक मैत्री भ्यालुएडेड सेवामार्फत राजस्व वृद्धि गर्ने प्रयास गरिएको छ ।

नेपाल दूरसञ्चार प्राधिकरणको २०७९ असार महिनाको MIS Report अनुसार भ्वाइस सेवाका प्रयोगकर्ताहरूको कुल संख्या ४ करोड १९ लाख ३२ हजार पुगी टेलिघनत्व १४३.६२ प्रतिशत पुगेको छ। सोमध्ये ५३.६९ प्रतिशत बजार हिस्सा कम्पनीको रहेको छ । यसैगरी यस आ. व. मा ब्रोडब्याण्ड डाटा सेवाको कुल घनत्व १३१.६२ प्रतिशत पुगेको छ र उक्त ब्रोडब्याण्ड डाटा सेवामा कम्पनीको बजार हिस्सा ५३.८७ प्रतिशत रहेको छ ।

संस्थागत सुशासन तथा पारदर्शिता

संस्थागत सुशासन (Corporate Governance) सम्बन्धी अभ्यासलाई उच्च महत्वकासाथ पालना गराउन सञ्चालक समिति र सुशासन कायम गर्न कम्पनी व्यवस्थापन प्रतिबद्ध रहेको छ। कम्पनीले आफ्ना शेयरधनी, सरोकारवालाहरूको हित तथा सेवाग्राहीहरूको अपेक्षा अनुरूप सेवाग्राहीलाई प्रदान गर्ने सेवा तथा सेवाको गुणस्तर वृद्धि गर्न संस्थागत सुशासनलाई आफ्नो नीति तथा नियमहरूको अभिन्न अंगको रूपमा अपनाएको छ। कम्पनीको लक्ष्य तथा उद्देश्य प्राप्तिका लागि आवश्यक प्रणालीको विकास गरी सोको प्रभावकारीरूपमा पालना गराउनुका साथै अनुगमन गर्ने व्यवस्था गरिएको छ । संस्थागत सुशासनका अभ्यासहरू चुस्त एवं मजबुत बनाउन दूरसञ्चार ऐन, २०५३, कम्पनी ऐन, २०६३, धितोपत्र बोर्ड सम्बन्धी ऐन, २०६३, सुशासन (व्यवस्थापन तथा सञ्चालन) ऐन, २०६४, सार्वजनिक खरिद ऐन, २०६३, श्रम ऐन, २०७४ लगायत नेपाल सरकार तथा नियामक निकायहरूबाट समय-समयमा जारी गरिएका नीति एवं निर्देशनहरूलाई पूर्णरूपमा पालना गरिएको छ। संघीय संरचना अनुरूप सातै प्रदेशहरूमा प्रादेशिक निर्देशनालय स्थापना गरिएको छ। धितोपत्र दर्ता तथा निष्कासन नियमावली, २०७३ को नियम २६ को उपनियम (१) बमोजिम त्रैमासिक रूपमा वित्तीय विवरण सार्वजनिक गर्दै वार्षिक प्रतिवेदन नेपाल वित्तीय प्रतिवेदन मान अनुसार तयार गर्ने गरिएको छ ।

भ्रष्टाचार निवारण ऐन, २०५९, सम्पत्ति शुद्धीकरण (मनी लाउन्डरिङ्ग) ऐन, २०६४ लगायत ऐन बमोजिम भ्रष्टाचार रोकथाम गर्न कम्पनी प्रतिबद्ध रहेको छ। भ्रष्टाचार निवारण ऐन, २०५९ अनुसार कर्मचारीहरूको सम्पत्ति विवरण प्रत्येक आर्थिक वर्षको सुरुमा नै सम्बद्ध निकायमा पठाउने गरिएको छ। भ्रष्टाचार निवारणका लागि आवश्यक नियन्त्रण प्रणाली लागू गरिएको छ। कम्पनीमा वित्तीय अनुशासन कायम राख्न लेखापरीक्षण समिति गठन भई क्रियाशिल रहेको छ । लेखापरीक्षण समितिको भूमिका प्रभावकारी बनाउन लेखापरीक्षण प्रतिवेदन एवं कम्पनीमा स्थापित आन्तरिक नियन्त्रण प्रणालीको समय सापेक्ष पुनरावलोकन गरी समय सापेक्ष सुधारका कदमहरू कार्यान्वयन गर्ने गरिएको छ । कर्मचारी सम्बन्धी विनियमावलीमा कर्मचारीहरूले पालना गर्नुपर्ने आचार संहिताको व्यवस्था गरिएको छ। कम्पनीले अगाडि सारेको महत्वपूर्ण योजनाहरू तथा अन्य नियमित कार्यहरू प्रभावकारी ढंगले समयमै सम्पन्न गर्न कम्पनी प्रमुख र विभागीय प्रमुखहरू बीच कार्य सम्पादन सम्झौता (Performance Contract) गरी सो अनुसार कार्य सम्पादनको मूल्यांकन गर्ने गरिएको छ भने कम्पनीका कार्यहरू व्यवस्थित गर्नको लागि आवश्यक अधिकारहरू प्रत्यायोजन गर्नुको साथै अधिकृतस्तरका कर्मचारीहरूलाई कार्य विवरण दिई काम प्रति जिम्मेवार बनाइएको छ। त्यस्तै संस्थागत सुशासनका लागि नागरिक बडापत्र कार्यान्वयन गरिएको छ । नेपाल सरकार ,प्रधानमन्त्रीको कार्यालयमा रहेको हेलो सरकार, नियामक निकाय लगायत अन्य सरोकारवाला निकायहरूबाट प्राप्त हुने निर्देशन एवं सुझावहरू पालना गरी सेवाग्राहीका गुनासोहरूलाई उचितरूपमा सम्बोधन गर्न कम्पनी प्रतिबद्ध रहँदै आएको छ । साथै खरिद प्रक्रियामा एकरूपता ल्याई पारदर्शी एवम् प्रतिस्पर्धात्मक बनाउन विद्युतीय प्रक्रियाबाट कम्पनीले आफ्नो खरिद प्रणालीलाई व्यवस्थित गर्दै आएको छ।

सञ्चालक समिति

कम्पनी ऐन, २०६३, तथा कम्पनीको नियमावलीको नियम १२ अनुसार यस कम्पनीको सञ्चालक समिति गठन भएको छ। सञ्चालक समितिले आफ्नो काम कारबाही कम्पनी ऐन, २०६३, कम्पनीको प्रबन्धपत्र तथा नियमावली अनुसार गर्दै आएको छ। कम्पनीको प्रबन्धपत्रमा भएको व्यवस्था अनुसार ७ जना सञ्चालकहरू रहेका छन्।

२०७८ आषाढ मसान्तमा यस कम्पनीको सञ्चालक समितिको संरचना देहायबमोजिम रहेको छ:-

क्र.सं.	सञ्चालकको नाम	पद	प्रतिनिधित्व गर्ने संस्था
१	डा. बैकुण्ठ अर्याल	अध्यक्ष	सचिव, नेपाल सरकार, सञ्चार तथा सूचना प्रविधि मन्त्रालय
२	श्री सुनिल पौडेल	सदस्य	प्रबन्ध निर्देशक, नेपाल टेलिकम
३	श्री उत्तर कुमार खत्री	सदस्य	सह-सचिव, नेपाल सरकार, सञ्चार तथा सूचना प्रविधि मन्त्रालय
४	श्री फणीन्द्र गौतम	सदस्य	सह-सचिव, नेपाल सरकार, कानून न्याय तथा संसदीय मामिला मन्त्रालय
५	श्री भुपाल बराल	सदस्य	सह-सचिव, नेपाल सरकार, अर्थ मन्त्रालय
६	श्री अम्बिका प्रसाद पौडेल	सदस्य	सर्व-साधारण शेयर प्रतिनिधि
७	श्री शंकर लामिछाने	सदस्य	कर्मचारी प्रतिनिधि

सञ्चालक समितिमा भएको हेरफेर र सोको कारण

आर्थिक वर्ष २०७७/७८ मा कम्पनीको सञ्चालक समितिमा भएको हेरफेर निम्नानुसार रहेको छ:-

क्र.सं.	सञ्चालकको नाम	पद	प्रतिनिधित्व गर्ने संस्था	उक्त स्थानमा अगाडि रहेको व्यक्ति	कारण
१	डा. बैकुण्ठ अर्याल	अध्यक्ष	सचिव, नेपाल सरकार, सञ्चार तथा सूचना प्रविधि मन्त्रालय	श्री हरी प्रसाद बस्याल	नेपाल सरकारको निर्णय अनुसार।
२	श्री भुपाल बराल	सदस्य	सह-सचिव, नेपाल सरकार, अर्थ मन्त्रालय	श्री रामेश्वर दंगाल	नेपाल सरकारको निर्णय अनुसार।
३	श्री उत्तर कुमार खत्री	सदस्य	सह-सचिव, नेपाल सरकार, सञ्चार तथा सूचना प्रविधि मन्त्रालय	श्री उत्तर कुमार खत्री	नेपाल सरकारको निर्णय अनुसार।
४	श्री फणीन्द्र गौतम	सदस्य	सह-सचिव, नेपाल सरकार, कानून, न्याय तथा संसदीय मामिला मन्त्रालय	श्री लीला देवी गड्तौला (निरौला)	नेपाल सरकारको निर्णय अनुसार।
५	श्री सुनिल पौडेल	सदस्य	प्रबन्ध निर्देशक, नेपाल टेलिकम	श्री प्रतिभा वैद्य	नेपाल सरकारको निर्णय अनुसार।
६	श्री प्रतिभा वैद्य	सदस्य	नि प्रबन्ध निर्देशक, नेपाल टेलिकम	श्री डिल्लीराम अधिकारी	नेपाल सरकारको निर्णय अनुसार।

७	श्री डिल्लीराम अधिकारी	सदस्य	प्रवन्ध निर्देशक, नेपाल टेलिकम	श्री कामिनी राजभण्डारी	नेपाल सरकारको निर्णय अनुसार।
८	श्री अम्बिका प्रसाद पौडेल	सदस्य	सर्व-साधारण शेयरको प्रतिनिधि	श्री विष्णु प्रसाद कसजु	१३ औं साधारण सभाबाट निर्विरोध निर्वाचित हुनु भएको।
९	श्री शंकर लामिछाने	सदस्य	कर्मचारी प्रतिनिधि	श्री राज बहादुर रावल	कर्मचारीहरू बाट निर्वाचित

सञ्चालकहरूलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम

समीक्षा वर्ष २०७८/७९ मा सञ्चालक समितिको बैठक ४३ वटा बसेको र उक्त बैठकमा उपस्थित सञ्चालकहरूलाई निम्नानुसार पारिश्रमिक, भत्ता तथा सुविधाको रकम भुक्तानी भएको छः-

क्र.सं.	पदाधिकारीहरू	पद	बैठकमा उपस्थित संख्या	जम्मा रकम
१	डा. बैकुण्ठ अर्याल	अध्यक्ष	४०	१,८८,०००।००
२	श्री हरि प्रसाद बस्याल	अध्यक्ष	३	१२,०००।००
३	श्री भुपाल बराल	सदस्य	१२	६९,०००।००
४	श्री रामेश्वर दंगाल	सदस्य	२७	१,०८,०००।००
५	श्री उत्तर कुमार खत्री	सदस्य	२७	१,३६,०००।००
६	श्री डिल्लीराम शर्मा	सदस्य	३	१२,०००।००
७	श्री फणीन्द्र गौतम	सदस्य	४१	१,८५,०००।००
८	श्री सुनिल पौडेल	सदस्य	८	६०,०००।००
९	श्री प्रतिभा वैद्य	सदस्य	१५	६०,०००।००
१०	श्री डिल्लीराम अधिकारी	सदस्य	२०	८०,०००।००
११	श्री अम्बिका प्रसाद पौडेल	सदस्य	४२	१,९२,५००।००

लेखा परीक्षण समिति

कम्पनी ऐन, २०६३ को अधिनमा रही सञ्चालक समितिले कम्पनीको आन्तरिक नियन्त्रण प्रणाली, जोखिम व्यवस्थापन, संस्थागत सुशासनको प्रभावकारिताको मूल्यांकन गर्नका लागि गैर कार्यकारी सञ्चालकको संयोजकत्वमा ४ जना सञ्चालक र आन्तरिक लेखापरीक्षण तथा निरीक्षण विभागका प्रमुख सदस्य सचिव रहने गरी लेखापरीक्षण समिति गठन गरेको छ। यस समितिमा २०७९ असार मसान्तमा निम्न पदाधिकारीहरू रहेका छन् :

क्र.सं.	पदाधिकारी	पद
१	सञ्चालक श्री भूपाल बराल	अध्यक्ष
२	सञ्चालक श्री उत्तर कुमार खत्री	सदस्य
३	सञ्चालक श्री सुशील कोइराला	सदस्य
४	सञ्चालक श्री अम्बिका प्रसाद पौडेल	सदस्य
५	ना प्र नि (आ.ले.प. तथा नि. विभाग) श्री प्रेम बहादुर गुरुङ	सदस्य सचिव

कम्पनीको लेखापरीक्षण समितिले कम्पनी ऐन, २०६३ को दफा १६४ र १६५ को प्रावधान अनुसार कम्पनीको वित्तीय स्थिति, आन्तरिक नियन्त्रण तथा जोखिम व्यवस्थापन प्रणाली, प्रचलित नियम कानूनहरूको अनुपालन, लेखा नीतिको परिमार्जन तथा कार्यान्वयन र लेखापरीक्षण कार्यक्रम बारे नियमित समीक्षा गरी सञ्चालक समिति मार्फत व्यवस्थापनलाई आवश्यक निर्देशन दिँदै आएको छ ।

लेखापरीक्षण समितिको प्रमुख उद्देश्यहरू देहाय बमोजिम रहेका छन् :

- आन्तरिक लेखापरीक्षण तथा बाह्य लेखापरीक्षणमा औँल्याइएका विषयहरूमा आवधिक रूपमा समीक्षा गरी सो सम्बन्धमा अपनाउनु पर्ने कदम बारे व्यवस्थापनलाई आवश्यक निर्देशन दिने र सो सम्बन्धी सुझाव सञ्चालक समितिमा पेश गर्ने ।
- कम्पनीको वार्षिक वित्तीय विवरणलाई सही र यथार्थ बनाउन व्यवस्थापनलाई आवश्यक निर्देशन दिने ।
- प्रचलित नियम, कानूनमा भएको व्यवस्था तथा नियमनकारी निकायबाट जारी गरिएका निर्देशनहरूको पालना गरे, नगरेको सम्बन्धमा समीक्षा गर्ने ।
- आन्तरिक लेखापरीक्षण सम्बन्धी विस्तृत कार्य योजना तयार गरी सोको आधारमा आन्तरिक लेखापरीक्षण गराउने ।
- कम्पनीको काम कारबाहीमा नियमितता, मितव्ययिता, औचित्यता, प्रभावकारिता जस्ता कुराहरू अवलम्बन भए, नभएको बारे समीक्षा गरी सो सम्बन्धमा अपनाउनु पर्ने कदम बारे व्यवस्थापनलाई आवश्यक निर्देशन दिने र सो सम्बन्धी सुझाव सञ्चालक समितिमा पेश गर्ने ।
- कम्पनी ऐन, २०६३ को दफा १६५ मा उल्लेख भएका कार्यहरू गर्ने ।

समीक्षा अवधिमा यस समितिले गरेका प्रमुख कार्यहरूको संक्षिप्त विवरण देहाय बमोजिम रहेको छन् :

- आन्तरिक नियन्त्रण, जोखिम व्यवस्थापन प्रणाली र प्रशासनलाई अझ सुदृढ पार्न सुधारको आवश्यकता रहेका क्षेत्रहरूमा व्यवस्थापनलाई आवश्यक निर्देशन दिइएको।
- कम्पनीको आन्तरिक तथा बाह्य लेखापरीक्षण प्रतिवेदनमा औँल्याइएका बुँदाहरूको प्रतिक्रिया र प्रगतिको समीक्षा गरी सुधारको लागि आवश्यक निर्देशन दिइएको ।
- कम्पनीले प्रचलित नियम, कानूनमा भएको व्यवस्था र नियमनकारी निकायले दिएको निर्देशन परिपालना गरे, नगरेको सम्बन्धमा छलफल गरिएको ।
- कम्पनीको आसामी बाँकी, राजश्व वृद्धि, खर्च नियन्त्रण तथा आर्थिक अनुशासन सम्बन्धी छलफल तथा निर्देशन दिइएको।
- आ.व.२०७८।७९ को प्राविधिक परीक्षण गर्न विषय वस्तुहरूमा छलफल तथा विषयहरू छनौट गरिएको।

- प्राविधिक परीक्षणको प्रतिवेदन माथि छलफल तथा सुधारको लागि आवश्यक निर्देशन दिइएको ।
- कम्पनीको आ.व. २०७८।७९ को अन्तिम लेखापरीक्षकको पारिश्रमिक तथा नियुक्तिका शर्तहरूको सिफारिस गरिएको ।
- कम्पनीको आन्तरिक नियन्त्रण प्रणालीको समीक्षा तथा मूल्यांकन गरिएको ।

समीक्षा अवधिमा लेखापरीक्षण समितिको बैठक १५ पटक बसेको र समितिका पदाधिकारीहरूलाई निम्नानुसारको बैठक भत्ता भुक्तानी गरिएको :

क्र.सं.	पदाधिकारीहरू	पद	बैठक संख्या	भत्ता दर रु. ४०००	भत्ता दर रु. ७५००	भत्ता रकम रु.	कर कट्टी रु.	खुद रकम रु.
१	सञ्चालक श्री डिल्लीराम शर्मा		२	२		८,०००	१,२००	६,८००
२	सञ्चालक श्री रामेश्वर दंगाल	अध्यक्ष	११	११		४४,०००	६,६००	३७,४००
३	सञ्चालक श्री भूपाल बराल	अध्यक्ष	४	२	२	२३,०००	३,४५०	१९,५५०
४	सञ्चालक श्री उत्तर कुमार खत्री	सदस्य	१०	८	२	४७,०००	७,०५०	३९,९५०
५	सञ्चालक श्री फणीन्द्र गौतम	सदस्य	१४	१२	२	६३,०००	९,४५०	५३,५५०
६	सञ्चालक श्री अम्बिका प्रसाद पौडेल	सदस्य	१४	१२	२	६३,०००	९,४५०	५३,५५०
७	ना.प्र.नि. श्री राजेन्द्र श्रेष्ठ	सदस्य	११	११		४४,०००	६,६००	३७,४००
८	ना.प्र.नि.(आ.ले.प. तथा नि. विभाग) श्री प्रेम गुरुङ	सदस्य	४	२	२	२३,०००	३,४५०	१९,५५०
	जम्मा					३,१५,०००	४७,२५०	२,६७,७५०

आन्तरिक नियन्त्रण प्रणाली

संस्थागत दक्षता र प्रभावकारिता अभिवृद्धि गर्न, समयमै सही र पूर्ण वित्तीय विवरण तथा व्यवस्थापकीय सूचना उपलब्ध गराउन तथा ऐन, नियमका पालना गर्न आन्तरिक नियन्त्रण प्रणालीको महत्वपूर्ण भूमिका रहेको हुन्छ। साथै जालसाजी रोक्न, गल्ती कम गर्न र जोखिम व्यवस्थापन गर्न आन्तरिक नियन्त्रण प्रणाली हुन जरुरी हुन्छ। कम्पनीको उद्देश्य पूरा गर्न र आर्थिक अनुशासन कायम राख्न प्रभावकारी नियन्त्रण प्रणाली अपरिहार्य रहेको छ। यी विषयलाई मध्येनजर गरी समितिले आवश्यकतानुसार विनियम, कार्यविधि, नीति तथा मापदण्ड तयार गरी प्रभावकारी रूपमा लागू गरेको छ। यस्ता विनियम, कार्यविधि, नीति तथा मापदण्डहरूलाई जोखिम पहिचान तथा निराकरण गर्नको लागि समय सापेक्ष परिमार्जन गरी अद्यावधिक गर्ने गरिएको छ। कम्पनीको नियन्त्रण प्रणालीलाई थप प्रभावकारी बनाउन कम्पनीमा एक स्वतन्त्र आन्तरिक लेखापरीक्षण तथा निरीक्षण विभाग गठन गरिएको छ। यस विभागले लेखापरीक्षण समितिको प्रत्यक्ष निगरानी र रेखदेखमा काम गर्दछ। लेखापरीक्षण समितिले नियमित रूपमा आन्तरिक लेखापरीक्षण, बाह्य लेखापरीक्षण र निरीक्षण प्रतिवेदनहरूको समीक्षा गरी सञ्चालक समितिलाई कम्पनीको आन्तरिक नियन्त्रण प्रणालीको प्रभावकारिताका विषयमा स्वतन्त्र रूपले जानकारी गराउने गरेको छ। आन्तरिक लेखापरीक्षण तथा निरीक्षण विभागले सञ्चालक समितिले स्वीकृत गरेको आन्तरिक लेखापरीक्षण कार्यविधि र प्रचलित कानून तथा मूल्य मान्यताको आधारमा आधारित लेखापरीक्षण गर्ने गर्दछ। कम्पनीको नियन्त्रण प्रणालीलाई थप प्रभावकारी बनाउन प्रत्येक दुई

वर्षको अन्तरालमा कम्तीमा एकपटक आय सुनिश्चितताको परीक्षण (Revenue Assurance Audit), कार्यसम्पादनको परीक्षण (Performance Audit) र प्राविधिक परीक्षण (Technical Audit) गराउने व्यवस्था गरिएको छ । सोही बमोजिम आन्तरिक लेखापरीक्षण तथा निरीक्षण विभागमा यस सम्बन्धी कार्यको लागि छुट्टै प्राविधिक इकाई गठन भई कार्य भइरहेको छ । त्यस्तै राजस्व चुहावट नियन्त्रण गर्ने उद्देश्यले राजस्व निगरानी तथा अनुगमन समिति क्रियाशिल रहेको छ ।

लेखा परीक्षक

कम्पनीको आ.व. २०७८।७९ को लागि महालेखा परीक्षकको कार्यालयबाट परामर्श बमोजिम अन्तिम लेखापरीक्षकमा नियुक्त हुनु भएका लेखापरीक्षकद्वय चार्टर्ड एकाउन्टेन्ट श्री पियुष आनन्द तथा चार्टर्ड एकाउन्टेन्ट श्री महेश कुमार गुराँगाईबाट लेखापरीक्षण कार्य सम्पन्न भएको छ । आर्थिक वर्ष २०७९।८० को लेखापरीक्षण गर्नको लागि महालेखा परीक्षकको कार्यालयको परामर्श तथा लेखापरीक्षण समितिको सिफारिस अनुसार यस साधारण सभाबाट लेखापरीक्षकको नियुक्ति गरिनेछ ।

ग्राहक सेवा

कम्पनीले आफ्नो सफलताको आधारको रूपमा ग्राहक आधार वृद्धि एवं प्रभावकारी ग्राहक सेवालाई मानकको रूपमा लिँदै आएको छ। सोही अनुरूप विश्व बजारमा स्थापित भएका नविनतम प्रविधिको अवलम्बन गरी ग्राहक वर्गको रुचि एवं चाहना बमोजिमका दूरसञ्चार सेवा प्रदान गर्दै आएको छ । ग्राहकवर्गको गुनासो तथा जिज्ञासालाई प्रभावकारी रूपमा सम्बोधन गर्न Chatbot, IVR, USSD, SMS, Social Media, Website आदिको उच्चतम प्रयोग गर्दै आईरहेको छ। यसका आतिरिक्त ७७ जिल्लास्थित कम्पनीका कार्यालयहरुबाट ग्राहक सेवा प्रदान गरिनुका साथै गुनासो व्यवस्थापन समेत गर्ने गरिएको छ ।

वातावरण संरक्षणमा कम्पनीको योगदान

कम्पनीले नविनतम प्रविधिको प्रयोग मार्फत आफ्ना कार्यहरूलाई Automation गर्ने र कागजको खपत कम गर्न Digital Signature र Document Management System कार्यान्वयनका लागि तीव्रताका साथ कार्य गरिएको छ । प्लास्टिक कार्डको खपत कम गरी Digital payment लाई प्रवर्द्धन गर्न MPOS प्रविधि मार्फत सहज रूपमा रिचार्ज गर्ने कार्यलाई थप प्रोत्साहन गरिएको छ । हाल Digital भुक्तानी मार्फत दूरसञ्चार लगायतका अन्य Utility सेवाको भुक्तानीका लागि सहयोग पुग्ने गरी सहायक कम्पनी मार्फत सेवा प्रदान गरिएको छ । डिजेल, पेट्रोलबाट सञ्चालित पुराना सवारी साधनको परिचालन क्रमिक रूपमा कम गराउँदै Electric Vehicle ले प्रतिस्थापन गर्ने कार्य सुरु गरिएको छ ।

सरोकारवालासँगको सम्बन्ध

कम्पनीले आफ्नो व्यवसायसँग सरोकार राख्ने सबै सरोकारवालासँग सौहार्दपूर्ण व्यावसायिक सम्बन्ध कायम गर्दै आएको छ । कम्पनीले नेपाल सरकारका निकायहरू, दूरसञ्चार नियामक, सेवा विस्तार एवं सेवा प्रवाहका लागि महत्वपूर्ण योगदान पुर्याउने सडक विभाग, विद्युत प्राधिकरण लगायत अन्य निकायहरूसँग सुमधुर सम्बन्ध कायम गर्दै आएको छ । त्यसैगरी दूरसञ्चार तथा सूचना प्रविधिसँग सम्बन्धित उपकरण उत्पादन गर्ने निर्माता कम्पनी, आपूर्तिकर्ता तथा परामर्शदाताहरूसँग निरन्तर सुमधुर सम्बन्ध कायम गर्दै आएको छ ।

शेयरधनी महानुभावहरू तथा अन्य सरोकारवालाहरूको जानकारीको लागि कम्पनीले वित्तीय एवं अन्य जानकारीहरू नियमित रूपमा कम्पनीको वेब पेज, पत्रपत्रिका, न्युजलेटर, वार्षिक प्रतिवेदन तथा पत्रकार सम्मेलन मार्फत उपलब्ध गराउँदै आएको छ।

जोखिम व्यवस्थापन

वित्तीय तथा व्यावसायिक गतिविधिहरूलाई मूल्याङ्कन गरी कम्पनीलाई हुन सक्ने सम्भावित नोक्सानी/जोखिमलाई कम गर्न हामी प्रतिबद्ध छौं । दूरसञ्चार प्रविधिको विकास, Data सेवा र Smart Phone को बढ्दो प्रयोगका कारण OTT (जस्तै Viber, WhatsApp,

Messenger आदि) सेवाहरूको व्यापक प्रयोग भएको कारणले विदेशबाट हुने आगमन कल र मुलुकबाट हुने बाह्य गमन कलको परिमाणमा पनि असर परेको छ। कम्पनीले प्राप्त गर्ने राजस्वमा मुलुक भित्रिने अन्तर्राष्ट्रिय कल बापतको रकमको ठूलो योगदान रहने गरेको छ। बढ्दो प्रतिस्पर्धाको कारणले व्यापार प्रवर्धनको क्रममा महसुलमा कटौती गर्नुपर्ने बाध्यात्मक अवस्था रहेको छ। यी कारणहरूले गर्दा कम्पनीको समग्र राजस्वमा चुनौती थपिएको छ।

कम्पनीले अन्तर्राष्ट्रिय अन्तर-आवद्धताबाट घट्न गएको राजस्व पूर्ति गर्न र कम्पनीको समग्र राजस्व वृद्धि गर्न कम्पनीमा भएका स्रोत तथा साधनहरूलाई अधिकतम परिचालन गरेको छ। साथै डाटा सेवा, भ्यालुएडेड सेवा तथा अन्य नवीन सेवाका विकास तथा विस्तार मार्फत आय वृद्धि गर्न आफ्नो सम्पूर्ण ध्यान केन्द्रित गरेको छ। उच्च गतिको डाटा सेवाको बढ्दो मागलाई सम्बोधन गर्न ब्यान्डविथ थप गरी प्रतिस्पर्धात्मक मूल्यमा इन्टरनेट सेवा उपलब्ध गराइएको छ। साथै ग्राहकहरूलाई अत्याधुनिक सेवा प्रदान गर्न बिलिङ्ग प्रणालीमा समेत समयसापेक्ष सुधार गरिएको छ।

कम्पनीको वित्तीय अवस्था सुधार गर्न ताररहित सेवाहरूको आमूल रूपान्तरण सहितको विस्तार, अन्तर्राष्ट्रिय रोमिङ्ग सेवाको विस्तार र सेवाहरूको गुणस्तर सुधार लगायतका कार्यलाई निरन्तरता दिइएको छ। यसबाट कम्पनीको राजस्व वृद्धि हुने अपेक्षा गरिएको छ।

कम्पनीको नेटवर्कको अनधिकृत प्रयोग गरी कम्पनीको आय र मुलुकको राजस्व चुहावट गर्न केही व्यक्ति र समूहले गैरकानुनी रूपमा अन्तर्राष्ट्रिय आगमन कल बाइपासका आधुनिक प्रविधि उपयोग गर्ने गरेको पाइएको छ। दूरसञ्चार र सूचना प्रविधिको माध्यमबाट मुलुकको समग्र विकासमा टेवा पुऱ्याइरहेको यस कम्पनीको आर्थिक स्वास्थ्यमा Call bypass जस्ता गैरकानुनी कार्यले प्रतिकूल प्रभाव पारिरहेको छ। यस्ता गैरकानुनी क्रियाकलाप निरुत्साहित र नियन्त्रण गरी राजस्व चुहावटको नकारात्मक असर न्यूनीकरण गर्न कम्पनीले नेपाल प्रहरीको केन्द्रीय अनुसन्धान ब्युरोसँगको सहकार्यमा राजस्व चुहावट नियन्त्रण गर्नुको साथै सोका लागि विभिन्न आधुनिक प्रविधिको प्रयोग गर्दै आएको छ।

बजारको तीव्र प्रतिस्पर्धालाई न्यूनीकरण गर्न सस्तो सुलभ तथा भरपर्दो सेवा प्रदान गरी ग्राहकलाई कम्पनीका सेवाहरूमा नै आबद्ध गराइराख्ने रणनीति लिइएको छ।

कर्मचारी प्रति कम्पनीको योगदान

ईमान्दार, प्रतिबद्ध, र उत्प्रेरित मानव संसाधन बिना कुनै पनि संस्थाले लक्ष्य हासिल गर्न सक्दैन। कम्पनीले आफ्ना कर्मचारीहरूलाई सदैव महत्वपूर्ण सम्पत्तिको रूपमा लिएको छ। दक्ष र प्रतिभाशाली कर्मचारी नभएसम्म कम्पनीको प्रगति हुन नसक्ने वास्तविकतालाई पूर्वरूपले अङ्गीकार गरी कर्मचारीको व्यवस्थित परिचालनमा विशेष ध्यान दिइएको छ। कम्पनीका कर्मचारीहरूले सम्पादन गर्नुपर्ने कार्य विवरण, लक्ष्य र प्रगति मूल्यांकन परिसूचकहरू विकास गरी सो बमोजिम निजहरूको कार्यसम्पादन मूल्यांकन गर्ने कार्यको सुरुवात गरिएको छ।

कर्मचारी भर्ना

कम्पनीमा दक्ष तथा सक्षम कर्मचारी भर्ना गर्नको लागि पारदर्शी नीति नियम तथा मापदण्डहरू लागू गरिएको छ। कम्पनीले कर्मचारी भर्ना निश्चित मापदण्डको आधारमा प्रतिस्पर्धाको माध्यमबाट गर्ने गरेको छ। साथै संविधानको मर्म अनुसार समावेशिताको सिद्धान्तको आधारमा समेत कर्मचारी भर्ना गर्ने गरिएको छ।

सेवा तथा सुविधा

कार्यरत कर्मचारीहरूलाई कम्पनीले आकर्षक सेवा सुविधा उपलब्ध गराउँदै आएको छ। कर्मचारीहरूको सेवा-सुविधामा तलब, भत्ता, बोनस, प्रोत्साहन भत्ता रहेको छ। तह ११ र तह १० का कर्मचारीहरूलाई सवारी साधनको सुविधा पनि उपलब्ध गराइएको छ। देशको आर्थिक अवस्थालाई मध्यनजर गरी कर्मचारीको सेवा-सुविधा समयानुकूल पुनरावलोकन गर्ने गरिएको छ। त्यस्तै कर्मचारीहरूलाई पोशाक भत्ता,

औषधी उपचार खर्च, दुर्घटना बिमा, सापटी, विभिन्न प्रकारका बिदा, टेलिफोन, मोबाइल, इन्टरनेट र सीयुजी सुविधा उपलब्ध गराइएको छ । समीक्षा अवधिमा नियुक्ति तथा बहुवा पदस्थापन र सरुवा कार्यविधि २०७८, सरुवाका लागि Online Transfer request भर्न सक्ने व्यवस्था मिलाइएको छ । कर्मचारीहरूको सेवा-सुविधामा गरिएको खर्चको विवरण लेखापरीक्षण प्रतिवेदनमा उल्लेख गरिएको छ ।

कार्यसम्पादन सम्झौता

कम्पनीका निर्धारित लक्ष्य, योजना नियमित कार्यहरू समयमै सम्पन्न गर्ने प्रतिबद्धताका साथ कम्पनीका प्रबन्ध निर्देशक तथा प्रमुख प्राविधिक अधिकृत, प्रमुख व्यावसायिक अधिकृत, प्रमुख सञ्चालन अधिकृत, प्रमुख मानव संसाधन अधिकृत, प्रमुख वित्तीय अधिकृत, वायरलाईन तथा ग्राहक सेवा निर्देशनालयका निर्देशक र वायरलेस सेवा निर्देशनालयका निर्देशक बीच कार्यसम्पादन सम्झौता भएको छ । साथै निर्देशक तथा विभागीय प्रमुख र प्रबन्धकहरू बीच समेत कार्यसम्पादन सम्झौता भएको छ । त्यस्तै समीक्षा अवधिमा कार्यसम्पादन सम्झौता ८ तहका कर्मचारीसम्म विस्तार गर्ने कार्य थालनी गरिएको छ ।

कम्पनी पुनः संरचना

बदलिँदो परिस्थिति अनुरूप कम्पनीले पुनः संरचनाको कार्यलाई अगाडि बढाउँदै आएको छ । २०७२ सालमा कायम गरिएको ४१५९ जनाको दरबन्दीलाई समीक्षा अवधिमा पुनरावलोकन गरी ३००९ कायम गरिएको छ ।

कर्मचारी को सेवा शर्त सम्बन्धी विनियमावली परिमार्जन

कम्पनीले समयसापेक्ष आर्थिक तथा कर्मचारी सेवा शर्त सम्बन्धी विनियमावली परिमार्जन गर्दै आएको छ । सोही सिलसिलामा संशोधन प्रक्रियामा रहेको कर्मचारी सेवा शर्त विनियमावली २०७८ सञ्चालक समितिबाट स्वीकृत भई २०७८ साउन १ गते देखि लागू भएको छ भने कर्मचारी सरुवा सम्बन्धी नीति तयार गरी सोही अनुसार कार्यान्वयन हुँदै आएको छ ।

तालिम तथा वृत्ति विकास

मानव संसाधनलाई सृजनाशील, सकारात्मक, अद्यावधिक र उत्प्रेरित बनाई राख्न तालिमको व्यवस्था गरिएको छ । मानव संसाधनको विकासले दैनिक कार्यमा सहयोग गर्ने मात्र नभई कम्पनीमा नयाँ सोच, नयाँ प्रविधिहरू भित्र्याउन मद्दत पुग्ने कुरामा सञ्चालक समिति विश्वस्त छ । तालिम खर्च नभई लगानी हो भन्ने हाम्रो मान्यता रहेको छ । त्यसैले सक्षम तथा व्यावसायिक जनशक्ति तयार गर्न कम्पनीले निरन्तर लगानी गरिएको छ । बदलिँदो परिवेश, गतिशील प्राविधिक वातावरणमा आफ्ना कर्मचारीहरूलाई समयसापेक्ष, दक्ष र सीप युक्त बनाउन तथा कर्मचारीहरूको क्षमता अभिवृद्धिका साथसाथै प्रोत्साहन गर्नका लागि कम्पनीले समय-समयमा विभिन्न आन्तरिक तथा बाह्य तालिम एवं सेमिनारहरूमा कर्मचारीलाई सहभागी गराउँदै आएको छ । समीक्षा वर्षमा दूरसञ्चार तालिम तथा अनुसन्धान केन्द्रबाट कूल ८०७ अधिकृत तथा ४८९ सहायक स्तर कर्मचारीहरूले विभिन्न ६६ वटा तालिम लिएका छन् भने ११३ कर्मचारीलाई समीक्षा वर्षमा वैदेशिक तालिम, गोष्ठी तथा सेमिनारमा सहभागी गराइएको छ । पारदर्शी ढंगले स्तरवृद्धिको लागि वार्षिक रूपमा कर्मचारीहरूको कार्यसम्पादन मूल्यांकन निश्चित मापदण्डको आधारमा गर्ने गरिएको छ । कम्पनीमा कार्यरत कर्मचारीहरूको विवरण यस प्रकार रहेको छ :

तह	२०७८।७९			२०७९।७८		
	महिला	पुरुष	जम्मा	महिला	पुरुष	जम्मा
अधिकृत	२२७	१७८०	२००७	५०७	३४५०	३९५७
सहायक	२६६	१५४५	१८११			
जम्मा	४९३	३३२५	३८१८	५०७	३४५०	३९५७

बढी (घटी)	(१४)	(१२५)	(१३९)			
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राष्ट्रिय अर्थतन्त्रमा कम्पनीको योगदान

दूरसञ्चार सेवालाई आर्थिक विकासको सम्वाहकको रूपमा स्वीकार गरिएको सन्दर्भमा कम्पनीले कर राजस्व संकलन, डिजिटल डिभाईड न्यूनीकरण, डिजिटल साक्षरता बिस्तार, विद्युतीय सरकारको अवधारणा साकार, ज्ञानमा आधारित समाज निर्माणको माध्यमबाट राष्ट्र निर्माणमा अतुलनीय योगदान पुऱ्याउँदै आएको छ । मूलतः कम्पनीको कूल आयको ५० प्रतिशत भन्दा अधिक हिस्सा आयकर, मूल्य अभिवृद्धि कर, सेवा शुल्क रोयल्टी, लाभांश लगायत शीर्षकमा सरकारी राजस्व बापत जम्मा गर्दै आएको तथ्य म यहाँहरूलाई स्मरण गराउन चाहन्छु । यसले देशको कुल गार्हस्थ्य उत्पादन वृद्धिमा कम्पनीको महत्वपूर्ण भूमिका रहेको संकेत गर्दछ । आर्थिक वर्ष २०७८।७९ मा कर तथा गैह्रकर बापत रु.२६ अर्ब ४१ करोड सरकारी कोषमा योगदान गरेका छौं, जुन कम्पनीको कुल राजस्वको ५९.५२% रहेको छ ।

डिजिटल डिभाईड न्यूनीकरण तथा डिजिटल फ्रेमवर्कमा कम्पनीको योजना

देशको समग्र विकासमा सञ्चार तथा सूचना प्रविधिको महत्वपूर्ण योगदान रहेको हुन्छ। कम्पनीले सेवा विस्तार गर्दा नाफा नहुने दुर्गम एवं अति विकट स्थानमा समेत भौगोलिक विविधता सुहाउँदो उपयुक्त प्रविधि प्रयोग गरी सस्तो र भरपर्दो दूरसञ्चार सेवा उपलब्ध गराउँदै आईरहेको छ । इन्टरनेटको पहुँच विस्तारले डिजिटल डिभाईड न्यूनीकरण गर्नमा महत्वपूर्ण योगदान पुऱ्याउँदछ । इन्टरनेटको पहुँच विस्तारलाई नेपाल सरकारले समेत डिजिटल नेपाल अवधारणा कार्यान्वयनका लागि अत्यावश्यक एउटा आधार स्तम्भको रूपमा लिइएको छ । इन्टरनेटले सूचना र सञ्चारमा सहज पहुँच स्थापना गर्न मद्दत पुऱ्याउनुका साथै विकासका अन्य अवसरहरू समेत उपलब्ध गराउने हुनाले कम्पनीले 4G/LTE प्रविधि मार्फत देशभर द्रुतगतिको इन्टरनेट सेवा विस्तारमा विशेष जोड दिएको छ। कम्पनीले विभिन्न प्रविधि मार्फत ब्रोडब्याण्ड सेवा उपलब्ध गराइरहेको परिप्रेक्ष्यमा 4G/LTE प्रविधि मार्फत प्रदान गरिएको इन्टरनेट सेवाले डिजिटल डिभाईड मात्र नभई ब्रोडब्याण्ड डिभाईड समेत न्यूनीकरण गर्न उल्लेख्य योगदान पुऱ्याउँदै आएको छ।

आगामी योजनाहरू

दूरसञ्चार सेवाको विस्तारको लागि आधुनिक प्रविधि सहितको पूर्वाधार विकास गर्ने सम्बन्धमा:

- 4G/LTE सेवा तथा FTTH सेवा विस्तारको लागि Backbone Network को स्तरोन्नति गर्ने ।
- पूर्वाधार निर्माणको खर्चलाई मितव्ययी तथा प्रभावकारी बनाउन पूर्वाधारको सहप्रयोग गर्ने ।
- बढी लागत लाग्ने र कम प्रतिफल प्राप्तहुने उच्च हिमाली तथा पहाडी क्षेत्रका दुर्गम र विकट स्थानमा ग्रामीण दूरसञ्चार विकास कोषको रकम प्रयोग गरी पूर्वाधार (Tower, Transmission Link, Power तथा RAN Equipment) तयार गर्न नेपाल दूरसञ्चार प्राधिकरण र नेपाल सरकार सञ्चार तथा सूचना प्रविधि मन्त्रालयसँग समन्वय गर्ने ।
- अन्तरदेशीय सूचना महामार्गलाई भरपर्दो बनाउन Multiple Cross Border Optical Fiber Network विस्तार गर्ने ।
- ग्रामीण दूरसञ्चार विकास कोष (RTDF) मार्फत मध्यपहाडी लोकमार्गमा Optical Fiber Network मार्फत सूचना महामार्ग निर्माणको आयोजना सम्पन्न गर्ने ।
- सेवाको पहुँच नपुगेका स्थानहरू पहिचान गरी सेवाको सुनिश्चितता कायम गर्न Tower, Power तथा BTS हरू जडान गर्ने ।
- विद्युत पहुँच नभएका स्थानहरूमा Solar Power System जडान गर्ने ।
- आयोजना व्यवस्थापनलाई थप व्यवस्थित र प्रभावकारी बनाउने ।

देशव्यापी रूपमा वायरलाईन तथा वायरलेस सेवा विस्तार गर्ने सम्बन्धमा:

- Time Division Multiplexing (TDM) based Host र Remote Switching Unit (RSU) लाई FTTH प्रविधिबाट प्रतिस्थापन गरी आ.व. २०७९।८० मा FTTH सेवा वितरण लाई निरन्तरता दिने ।

- FTTH प्रविधि विस्तार नभएका क्षेत्रमा अन्य प्रविधि मार्फत वायरलाईन ब्रोडब्याण्ड इन्टरनेट सेवाको विस्तार गर्ने ।
- FTTH /Leased Line वितरणको लक्ष्य प्राप्तिमा लागि प्रोत्साहन भत्ताको व्यवस्था गर्ने ।
- FTTH प्रविधि विस्तार नभएका क्षेत्रमा PSTN मार्फत Voice सेवा प्रदान गर्ने ।
- सेवा विस्तारलाई थप प्रभावकारी बनाउन बाह्य स्रोतको जनशक्ति परिचालन गर्ने ।
- SIP/Easy Call सेवालाई नेपालभित्र प्रयोग गर्ने ।
- 2G/4G सेवा विस्तारलाई निरन्तरता दिने ।
- 5G प्रविधिको परीक्षण गर्ने ।
- 1800 MHz मा सञ्चालित 2G सेवालाई क्रमिक रूपमा बन्द गरी B3 LTE को Bandwidth Upgrade गरि 20MHz पुऱ्याउने ।
- CDMA प्रविधिलाई 4G/LTE प्रविधिबाट प्रतिस्थापन गर्ने ।
- कम्पनीको साधन स्रोत तथा जनशक्तिको उच्चतम प्रयोग गरी सेवा विस्तार गर्ने ।
- सेवा विस्तारलाई थप प्रभावकारी बनाउन बाह्य स्रोतको जनशक्ति परिचालन गर्ने ।
- अन्तराष्ट्रिय लिज सेवा विस्तार गर्ने ।
- रोमिङ्ग सेवा विस्तार गर्ने ।

भरपर्दो र गुणस्तरीय दूरसञ्चार सेवा प्रदान गर्ने सम्बन्धमा:

- कम्पनीले उपलब्ध गराउने सेवामा नियामक निकायले तोकेको मापदण्ड अनुसारको KPI (Key Performance Indicators) कायम गर्न निरन्तर अनुगमन गरी सेवाको मर्मत संभार तथा सञ्चालन प्रभावकारी बनाउने ।
- कम्पनीबाट प्रदान गरिएका सेवाहरू चुस्त-दुरुस्त राख्न Preventive / Corrective Maintenance तथा Network Optimization कार्यलाई थप प्रभावकारी बनाउने ।
- 2G/3G Core and Associated Transport Network Modernization गर्ने ।
- मर्मत संभार कार्यलाई चुस्त-दुरुस्त बनाउन Outsource/Managed Service को अवधारणा लागू गर्ने ।
- गुणस्तर वृद्धि गरी वायरलाईन सेवालाई भरपर्दो बनाउने ।
- इन्टरनेट/Data सेवालाई थप प्रभावकारी बनाउने ।
- Aerial केबुल व्यवस्थित गर्ने कार्यलाई निरन्तरता दिने ।
- Power System को आधुनिकिकरण गर्ने ।
- Service Level Agreement गर्ने ।
- System Security, Cyber Security लाई थप प्रभावकारी बनाउने ।
- अनधिकृत कलको नियन्त्रण गर्ने ।
- प्रतिस्पर्धात्मक दूरसञ्चार बजारको अध्ययन तथा अनुसन्धान गरी नविनतम सेवाहरूको विस्तार गर्ने ।
- Discounted Inter Operator Tariff (DIOT) सम्झौता गर्ने ।
- कम्पनीका सेवाहरूको आक्रामक रूपमा प्रचार प्रसार, व्यापार प्रवर्धन तथा बजारीकरण गर्ने ।
- कम्पनीको Visibility तथा Brand Value बढाउने ।

- सिम तथा रिचार्जको वितरण प्रणालीलाई थप व्यवस्थित गर्ने ।
- ग्राहक आधार वृद्धि गर्ने कार्यक्रम सञ्चालन गर्ने ।
- संस्थागत ग्राहक आधार वृद्धि गर्ने।
- Value Added Service (VAS) प्रवर्धन गर्ने ।

सांगठनिक, व्यवस्थापकिय तथा प्रतिस्पर्धी क्षमतामा अभिवृद्धि तथा प्रणालीगत सुधार गर्ने सम्बन्धमा:

- कार्यसम्पादनको आधारमा कर्मचारीलाई प्रोत्साहन भत्ता उपलब्ध गराउने ।
- संस्थागत सुधार तथा विकास गर्ने।
- विभिन्न प्रकारका अवकाश योजना (VRS/TRS/CRS) लागू गर्ने ।
- जनशक्ति व्यवस्थापन तथा विकास गर्ने ।
- कर्मचारी सुविधा तथा उत्प्रेरणा वृद्धि गर्ने ।
- कर्मचारीको सुविधा, वृत्ति विकास, तालिम तथा उत्प्रेरणा वृद्धि गर्ने ।
- ट्रेड युनियन र व्यवस्थापन बीचको सम्बन्ध प्रभावकारी बनाउने ।
- Mobile Financial Services को विस्तार गर्ने ।
- IT Sector मा सहायक कम्पनी स्थापना गर्ने ।
- Business Intelligence (BI) प्रविधिको उच्चतम प्रयोग गर्ने ।
- Data Center स्थापना गर्ने ।
- Private Cloud Platform सञ्चालन गर्ने ।
- केन्द्रीय भुक्तानी प्रणाली लागू गर्ने।

सुशासन तथा आन्तरिक नियन्त्रण प्रणालीको विकास गर्ने सम्बन्धमा:

- Standard Operating Procedure लागू गर्ने ।
- Business Process Reengineering प्रक्रियाको सुरुवात गर्ने ।
- व्यवस्थापनको कार्य परीक्षण गर्ने ।
- अन्तरिक लेखापरीक्षण कार्यविधि, कम्पनीको आर्थिक विनियमावली, कर्मचारी विनियमावली, कम्पनी ऐन, आयकर ऐन, अन्य प्रचलित ऐन तथा परिपत्रहरूको आधारमा कम्पनीमा आर्थिक अनुशासन तथा सुशासन कायम राख्न लेखापरीक्षणलाई प्रभावकारी बनाउने ।
- कम्पनीको विभिन्न सेवाहरूको आय सुनिश्चितता, प्राविधिक तथा कार्य सम्पादन परीक्षण गर्ने ।

लगानी विविधीकरण गरी राजश्व तथा मुनाफा वृद्धि गर्ने सम्बन्धमा:

- दैनिक संकलित रकमको उच्चतम परिचालन गर्ने ।
- कम्पनीको सञ्चित रकमलाई उच्चतम परिचालन गर्ने ।
- प्रयोगमा नआउने जिन्सी सामानहरूको लिलामी कार्यलाई थप प्रभावकारी बनाउने ।
- अनुत्पादक खर्चमा कटौती गरी आर्थिक अनुशासन तथा मितव्ययिता नीति लागू गर्ने ।

सम्मान तथा पुरस्कार

कम्पनीले सन् २०२१ मा Best Telecommunication Brand - Nepal 2021 को सम्मान प्राप्त गर्न सफल भएको छ। यो सम्मान ग्लोबल बिजनेस आउटलुकले प्रदान गर्ने गरेको छ।

आर्थिक वर्ष २०७७/७८ मा सबैभन्दा बढि आयकर दाखिला गरे बापत आन्तरिक राजस्व विभागबाट ११ औं राष्ट्रिय कर दिवस २०७९ को अवसरमा कम्पनी सम्मानित भएको छ।

चालू आर्थिक वर्षको उपलब्धी

मुलुकभर तीव्र गतिको वायरलेस प्रविधिको 4G/LTE सेवा उपलब्ध गराउने योजना अन्तर्गत चालू आ. व. को आश्विन मसान्त सम्ममा थप ७३ eNodeB सञ्चालनमा ल्याइएको छ। यसरी थप सञ्चालनमा आएका eNodeB हरूले थप ४ स्थानीय निकायमा 4G/LTE सेवा विस्तार भई आश्विन मसान्तसम्ममा सातै प्रदेशका ७७ वटा जिल्लाका कुल ७३९ स्थानीय तहमा 4G/LTE सेवा उपलब्ध रहेको छ।

दूरसञ्चार क्षेत्रमा हुने नविनतम 5G प्रविधिको अवलम्बन गर्ने कम्पनीको योजना अनुरूप आ. व. ०७८/७९ मा 5G सेवा परीक्षण गर्नका लागि नेपाल दूरसञ्चार प्राधिकरणबाट अनुमति प्राप्त भैसकेको र 4G/LTE आयोजना अन्तर्गतका आपूर्तिकर्ताहरूबाट केही स्थानमा 5G Trial गर्नका लागि आवश्यक उपकरण प्राप्त भइसकेको छ। विश्व बजारमा प्रचलित आधुनिक सिम कार्ड प्रविधि e-sim कम्पनीले हालसालैका सातै प्रदेशबाट वितरण गरिएको छ। एउटै फाइबरबाट फोन, इन्टरनेट तथा टेलिभिजन सेवा उपलब्ध हुने Fiber to The Home (FTTH) सेवाको विस्तार आक्रामक तवरले गर्ने योजना स्वरूप चालू आर्थिक वर्षलाई FTTH वर्षको रूपमा लिई कार्य गरिएको छ।

चालू आ.व. मा FTTH सेवातर्फ कुल ६ लाख वितरण योग्य नेटवर्क तयार गरी कुल ३ लाख (नयाँ एवं माइग्रेसनका गरी) ग्राहक थप गर्ने योजना अनुरूप आश्विन मसान्त सम्ममा ७२ हजार वितरण योग्य नेटवर्क तयार भई करिब २१ हजार ६ सय थप ग्राहक FTTH सेवामा आवद्ध भएका छन्। यसरी चालू आ.व. को आश्विन सम्ममा FTTH प्रविधिमा आधारित फोन तथा इन्टरनेट सेवा ६८ जिल्लामा विस्तार भई कुल FTTH ग्राहक आधार (Unique CPE) २ लाख ८१ हजार ८२ पुगेको छ। सो मध्ये २ लाख ३६ हजार ९६ ग्राहक FTTH Voice का छन् भने FTTH Data र NTTV टेलिभिजन सेवाका ग्राहक क्रमशः २ लाख ५ हजार ८९ र १३ हजार १ सय २७ रहेका छन्।

यसै गरी पूर्वाधार तर्फ ग्रामीण दूरसञ्चार विकास कोष परिचालन आयोजनाको प्रदेश नं १, मधेश प्रदेश र बागमती प्रदेश अन्तर्गतका मध्यपहाडी लोकमार्ग, सदरमुकाम जोड्ने विभिन्न मार्गमा अप्टिकल फाइबर विस्तार गर्ने सम्पन्न गर्ने योजना अनुरूप यस आ. व. को आश्विन मसान्त सम्ममा कुल १३२६ किलोमिटर खण्डमा अप्टिकल फाइबर विस्तार भएको छ।

त्यसैगरी कर्णाली र सुदूरपश्चिम प्रदेश अन्तर्गतका मध्यपहाडी लोकमार्ग, सदरमुकाम जोड्ने विभिन्न मार्गमा करिब ५८८ किलोमिटर UG अप्टिकल फाइबर विस्तारको लागि सम्झौताको प्रक्रिया रहेको छ। यसका साथै उक्त प्रदेशका मध्यपहाडी लोकमार्ग लगायतका २३ मुख्य-मुख्य स्थानहरूमा जडान भएका 100G per Lambda क्षमताको DWDM उपकरणहरूमा Traffic Migration को कार्य जारी रहेको छ भने ४६ मुख्य-मुख्य स्थानहरूमा जडान भएका 10G/100G Interface क्षमताको Router उपकरणको Acceptance Testing कार्य भइरहेको छ।

कम्पनीमा सञ्चालनमा रहेका योजनाहरू निर्धारित समयमा सम्पन्न गर्न, सोको अनुगमन गर्न र कम्पनीका काम कारवाहीलाई प्रभावकारी बनाउन कम्पनी व्यवस्थापन र विभागीय प्रमुखहरूसँग कार्य सम्पादन सम्झौता गरिएको छ। यसले योजनाहरू निर्धारित समयमा कार्यान्वयन हुने, पूर्वाधार तथा नेटवर्क विस्तार हुने र कम्पनीको समग्र राजस्व तथा ग्राहक आधार वृद्धि हुने अपेक्षा गरिएको छ।

कम्पनीले चालू आर्थिक वर्षमा गरेको वित्तीय उपलब्धी :

विवरण	आ.व. २०७९।८० को लक्ष्य	२०७९ असोजसम्म	
		प्रगति	प्रगति (प्रतिशतमा)
आय (रु. अर्बमा)	५५.५१	११.०४	१९.८९
नाफा (रु. अर्बमा)	१५.३०	२.२३	१४.५८

कम्पनीले चालू आर्थिक वर्षमा गरेको व्यावसायिक उपलब्धी :

विवरण	आ.व. २०७९।८० को लक्ष्य	२०७९ असोजसम्म	
		प्रगति	प्रगति (प्रतिशतमा)
जि.एस.एम	३१,००,०००	२,४६,६१३	७.९६
एफ.टि.टि.एच	३,००,०००	२१,५९५	७.२०

कम्पनी ऐन, २०६३ को दफा १०९ अनुसार खुलाइएका थप विवरणहरू

विगत वर्षको कारोबारको सिंहावलोकन

यस सम्बन्धी विस्तृत विवरण सञ्चालक समितिको प्रतिवेदनमा उल्लेख गरिएको छ ।

राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कम्पनीको कारोबारलाई कुनै असर परेको भए सो असर

कोभिड-१९ का कारण सामान आपूर्तिमा भएको समस्याको कारण सेवा विस्तार, सेवा वितरण, मर्मत सम्भार तथा सेवा सञ्चालनमा चुनौती रहेको ।

प्रतिवेदन तयार भएको मितिसम्म चालू वर्षको उपलब्धी र भविष्यमा गर्नुपर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणा

यस सम्बन्धी विस्तृत विवरण सञ्चालक समितिको प्रतिवेदनमा उल्लेख गरिएको छ ।

कम्पनीको औद्योगिक वा व्यावसायिक सम्बन्ध

यस सम्बन्धी विस्तृत विवरण सञ्चालक समितिको प्रतिवेदनमा उल्लेख गरिएको छ ।

सञ्चालक समितिमा भएको हेरफेर र सोको कारण

यस सम्बन्धी विस्तृत विवरण सञ्चालक समितिको प्रतिवेदनमा उल्लेख गरिएको छ ।

कारोबारलाई असर पार्ने मुख्य तत्हरू

कम्पनीको समग्र कारोबार निम्न कारणहरूबाट प्रभावित भएको छ :

- तीव्र प्रतिस्पर्धा तथा प्रविधिमा आएको विकास (जस्तै OTT को प्रयोग) को कारणले कम्पनीको राजश्व वृद्धिमा असर परेको ।
- भौगोलिक विविधताको कारण दूरसञ्चार उपकरणहरू जडान तथा सञ्चालन गर्न समस्या भएको ।
- छोटो समयमा हुने प्रविधिको परिवर्तनको कारणले नवीन प्रविधिमा आधारित सेवा उपलब्ध गराउन चुनौती रहेको ।
- उच्च प्रतिस्पर्धाको कारण नयाँ ग्राहकहरू आकर्षित गर्न चुनौती रहेको ।
- विश्वव्यापी रूपमा फैलिएको कोभिड-१९ महामारीका आपूर्तिमा भएको समस्याका कारण सेवा विस्तार, मर्मत संभार, सेवा विक्री वितरण सञ्जाल व्यवस्थापन तथा जनशक्ति व्यवस्थापन जस्ता कार्यहरूमा चुनौती थपिएको ।

लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख गरिएको भए त्यस बारे सञ्चालक समितिको प्रतिक्रिया:

लेखापरीक्षण प्रतिवेदनमा नियमित कारोबारमा देखिएका सामान्य कैफियत, प्रतिक्रिया र सुझावहरूमा सञ्चालक समितिको ध्यानाकर्षण

भएको छ र सुधारका निम्ति आवश्यक कदम चालि सकिएको छ ।

लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम :

कम्पनी ऐन, २०६३ बमोजिम नेपाल सरकारको स्वीकृति लिई सञ्चालक समितिले आ.व.२०७८/७९ को मुनाफा रकम मध्येबाट चुक्ता पूँजीको ४० प्रतिशतका दरले नगद लाभांश वितरण गर्न सिफारिस गरेको छ ।

शेयर जफत भएको भए जफत भएको शेयर संख्या, त्यस्तो शेयरको अंकित मूल्य, त्यस्तो शेयर जफत हुनुभन्दा अगावै सो बापत कम्पनीले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भएपछि सो शेयर विक्री गरी कम्पनीले प्राप्त गरेको रकम तथा जफत भएको शेयर बापत रकम फिर्ता गरेको भए सोको विवरण :

समीक्षा अवधिमा कुनै पनि शेयर जफत गरिएको छैन ।

विगत आर्थिक वर्षमा कम्पनी र त्यसको सहायक कम्पनीको कारोबार प्रगति र सो आर्थिक वर्षको अन्त्यमा रहेको स्थितिको पुनरावलोकन :

कम्पनी तथा सहायक कम्पनीको कारोबार तथा यससँग सम्बन्धित अन्य परिवर्तन/प्रगति विवरण सम्बन्धमा सञ्चालक समितिको प्रतिवेदनमा विस्तृत विवरण उल्लेख गरिएको छ ।

कम्पनी तथा यसका सहायक कम्पनीले आर्थिक वर्षभरिमा गरेको प्रमुख कारोबार र त्यस अवधिमा कम्पनीको कारोबारमा आएको महत्वपूर्ण परिवर्तन :

कम्पनी तथा सहायक कम्पनीले आर्थिक वर्षभरिमा गरेको प्रमुख कारोबारको विवरण सञ्चालक समितिको प्रतिवेदनमा उल्लेख गरिएको छ ।

विगत आर्थिक वर्षमा कम्पनीको आधारभूत शेयरधनीहरूले कम्पनीलाई उपलब्ध गराएको जानकारी

कुनै जानकारी प्राप्त हुन नआएको ।

विगत आर्थिक वर्षमा कम्पनीका सञ्चालक तथा पदाधिकारीले लिएको शेयर स्वामित्वको विवरण र कम्पनीको शेयर कारोबारमा निजहरू संलग्न रहेको भए सो सम्बन्धमा निजहरूबाट कम्पनीले प्राप्त गरेको जानकारी:

विगत आर्थिक वर्षमा सञ्चालकहरू बाट कुनै शेयर खरीद नगरेको र कम्पनीको शेयर कारोबारमा संलग्न रहेको सम्बन्धमा निजहरूबाट कुनै जानकारी प्राप्त नभएको ।

विगत आर्थिक वर्षमा कम्पनीसँग सम्बन्धित सम्झौताहरूमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा :

कुनै जानकारी प्राप्त नभएको ।

कम्पनीले आफ्नो शेयर आफैले खरिद गरेको भए त्यसरी आफ्नो शेयर खरिद गर्नुको कारण, त्यस्तो शेयरको संख्या र अंकित मूल्य तथा त्यसरी खरिद गरे बापत कम्पनीले भुक्तानी गरेको रकम:

कम्पनीले हालसम्म आफ्नो शेयर आफैले खरिद गरेको छैन ।

आन्तरिक नियन्त्रण प्रणाली भए वा नभएको र भएको भए त्यसको विस्तृत विवरण

यस सम्बन्धी विस्तृत विवरण सञ्चालक समितिको प्रतिवेदनमा उल्लेख गरिएको छ ।

विगत आर्थिक वर्षको कूल व्यवस्थापन खर्चको विवरण:

यस सम्बन्धी विस्तृत विवरण कम्पनीको आर्थिक विवरणमा समावेश गरेको छ ।

लेखापरीक्षण समितिका सदस्यहरूको नामावली, निजहरूले प्राप्त गरेको एकमुष्ट पारिश्रमिक, भत्ता तथा सुविधा, सो समितिले गरेको काम कारबाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सो को विवरण :

यस सम्बन्धी विस्तृत विवरण सञ्चालक समितिको प्रतिवेदनमा उल्लेख गरिएको छ ।

सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, कम्पनीका आधारभूत शेयरधनी वा निजको नजिकको नातेदार वा निज संलग्न गरेको फर्म, कम्पनी वा सुगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी भए सो कुरा:

कुनै रकम बुझाउन बाँकी नभएको ।

प्रबन्ध सञ्चालक तथा पदाधिकारिहरूलाई भुक्तानी गरिएको पारिश्रमिक तथा सुविधा रकमको विवरण

आर्थिक वर्ष २०७८/७९ मा तह १० र सो भन्दा माथिका पदाधिकारिहरूलाई पारिश्रमिक तथा अन्य सुविधाबापत रु. ९,६८,२१,०५४।२२ भुक्तानी गरिएको छ ।

सेयरधनीहरूले बुझिलिन बाँकी रहेको लाभांशको रकम :

आर्थिक वर्ष २०७८/७९ को अन्त्य सम्म सेयरधनीहरूले रु. ३१,३६,५७,०५०।२३ लाभांश रकम बुझिलिन बाँकी रहेको छ ।

दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको कुराको विवरण :

आर्थिक वर्ष २०७८/७९ मा कम्पनी ऐन, २०६३ को दफा १४१ बमोजिमको सम्पत्ति खरिद वा बिक्री गरेको छैन ।

दफा १७५ बमोजिम सम्बद्ध कम्पनी वीच भएको कारोबारको विवरण

यसै प्रतिवेदन अन्तर्गत उचित स्थानमा खुलाइएको छ ।

कम्पनी ऐन तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुराहरू:

यसै प्रतिवेदन अन्तर्गत उचित स्थानमा खुलाइएको छ ।

धन्यवाद ज्ञापन

कम्पनीको उन्नति तथा प्रगतिका लागि कम्पनीको शेयरधनी र शुभचिन्तकहरूको तर्फबाट प्राप्त अटुट समर्थन, सहयोग र हौसलाको लागि सञ्चालक समितिको तर्फबाट म हार्दिक कृतज्ञता व्यक्त गर्दछु । कम्पनीको विकास तथा सेवा विस्तारका लागि निरन्तर सहयोग र निर्देशनको लागि नेपाल सरकार, सञ्चार तथा सूचना प्रविधि मन्त्रालय, नेपाल दूरसञ्चार प्राधिकरण, नेपाल धितोपत्र बोर्ड, सेवा प्रदायकहरू, आपूर्तिकर्ताहरू र सञ्चारकर्मीहरूलाई समेत धन्यवाद ज्ञापन गर्न चाहन्छु । कम्पनीको उन्नति र प्रगतिमा निरन्तर लगनशील भई साथ दिने कम्पनी व्यवस्थापन तथा कर्मचारीहरूलाई विशेष धन्यवाद दिन चाहन्छु ।

कम्पनीको प्रगतिका लागि कर्मचारीहरूको काम प्रतिको प्रतिबद्धता, लगनशीलता र इमानदारीतलको उच्च प्रशंसा गर्दै सञ्चालक समिति आउँदो वर्षहरूमा सबै बाट सहयोगको अपेक्षा गर्दछ । आगामी दिनमा समेत हामीले ग्राहकको चाहना अनुसार नवीनतम प्रविधिमा आधारित थप गुणस्तरीय सेवा दिने प्रतिबद्धता व्यक्त गर्दछु ।

अन्त्यमा, सेवा प्रदान गर्ने अवसर प्रदान गर्ने हाम्रा सबै आदरणीय ग्राहकवर्गप्रति हार्दिक कृतज्ञता ज्ञापन गर्दै, आगामी दिनमा समेत यहाँहरूको सहयोग तथा सद्भावको अपेक्षा गर्दछु ।

धन्यवाद ।

सञ्चालक समितिको तर्फबाट

बैकुण्ठ अर्याल

अध्यक्ष

२०७९।०९।२८

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
NEPAL DOORSANCHAR COMPANY LIMITED (NEPAL TELECOM)**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

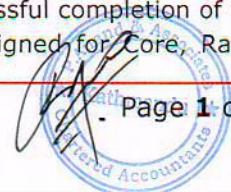
QUALIFIED OPINION

We have audited the Consolidated Financial Statements of Nepal Doorsanchar Company Limited ("Nepal Telecom"/"the Company") and its subsidiary (the company and its subsidiary together referred as "the Group") which comprise the Consolidated Statement of Financial Position as at Ashadh 32, 2079 (July 16, 2022), and Consolidated Statement of Profit or Loss, Consolidated Statement of Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and Notes to the Consolidated Financial Statements, including a Summary of Significant Accounting Policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying Consolidated Financial Statements read with the significant accounting policies and explanatory notes present fairly, in all material respects, the consolidated financial position of the Group as at 32 Ashadh, 2079 (16 July 2022), and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Nepal Financial Reporting Standards.

BASIS FOR QUALIFIED OPINION

- a. In case of 4G/LTE projects, additional 527 sites were "on air" - available for use during the financial year ended 32 Ashad 2079. Based on this, the company has capitalized 4G/LTE equipment amounting to NPR 4,024,136,692 during the year, of which 376 sites amounting to NPR 3,296,688,811 based on provisional acceptance certificates and 151 sites amounting to NPR 727,447,880 without obtaining provisional acceptance certificate. Additional costs incurred till final acceptance certificate will have impact on the cost of each asset capitalized and depreciation charged.
- b. The company has policy of de-recognizing property plant and equipment, on disposal or when no future economic benefits are expected from its use or disposal. However, assets disposed of during the year amounting to NPR 196,455,403 (Previous Year NPR 469,515,020) has not been derecognized. Cost and accumulated depreciation on these assets could not be ascertained.
- c. Capital Work in Progress (CWIP) includes capital equipment/inventories balance on financial year end date amounting to NPR 2,218,541,470 (Previous year NPR 4,685,724,887) imported in the name of company as per terms of contract with vendors based on turnkey project. Risk on these inventories lies with the vendor until it is installed who have full control and in their custody for the purpose of getting used in installation or construction. The liability for these inventories are to be recognized only when services are performed, installation is complete and assets are available for use (on-air). These capital inventories have also not been confirmed from vendor to ensure their existence, status and value. As such, CWIP and current liabilities have been overstated to that extent.
- d. The Company has not provided impairment for inventory as per the Accounting Policy 2073 that provides for impairment on the basis of inventories lying idle for specified period of time amounting to Rs. 288.22 million (Net of Impairment) costing Rs. 427.3 million. Inventories rather being classified on the basis of purchase date and its characteristics, are classified only on the basis its characteristic due to which any movement seen on any item within the group affects the impairment of the whole group.
- e. The Company has made significant investment to bring into operation nationwide 4G/LTE network, to strengthen and expand its business that is entirely dependent on successful completion of the project within the agreed time and quality. Separate contracts have been signed for Core, Radio Access



Network (RAN) I and II totaling NPR 19.68 billion (NPR equivalent) excluding duties and taxes, for which purchase orders as per contract have been issued on different dates. The project was initially scheduled to be completed in 12 months (February 2020), which has not been completed yet. Although time extension of the various lots was made upto Chaitra 2078, the time period has already expired and no decision has been taken thereafter. Although committee has been formed for calculation of liquidated damages, decision has not been taken on the same which can be maximum ten percent of total contract price of the respective phase as per the contract terms. The company has capitalised Rs. 14.47 Billion related to RAN I and II as on Asadh End 2079.

Further, the Company has faced opportunity revenue loss and has affected its quality of services due to delay in regular maintenance of its 4G sites. Based on our sampling, 265 sites were found in-operative for more than 30 days even upto 270 days out of total 3926 sites.

Delay in project completion and maintenance of the sites has significant impact on the business and revenue generation of the company. Further, income is understated by the amount liquidated damage of 4G/LTE Project as per the accounting policy of the company.

We have conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our Report. We are independent of the Company in accordance with the ICAN's Handbook of Code of Ethics for Professional Accountants together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities and ICAN's Handbook of Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

OTHER MATTERS

- a. We did not audit the financial statement of subsidiary namely Nepal Digital Payments Company Ltd. The financial statements and other financial information have been audited by other auditor whose report has been furnished to us by the management. Our opinion on the financial statements so far as it relates to the accounts and disclosures included in respect of the subsidiary is based solely on the report of other auditor.
- b. The Company has book value of Property Plant and Equipment excluding land and motor vehicles at balance date of NPR. 28.337 Billion, of which assets worth NPR 12.76 billion only have been insured where risks like strike, riot, terrorism etc. are not covered. All inventories of the Company are not insured at all. The risk management system including the data and system security are inadequate.
- c. The Company has not complied with the provisions of Labor Act, 2074 and Labor Regulation, 2075 relating to contractual employees, Labor audit and requirements of Social Security Act 2075; Bonus Act and Regulations relating to maintenance and operation of Employees Welfare Fund and Interconnection Guidelines 2076 relating to international and domestic usage charges.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in audit of the consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. In addition to the matters described in the Basis for Qualified Opinion Section, we have determined the matters described below to be the key audit matters to be communicated in our report.



Key Audit Matter	How our audit addressed the matter
<p>Revenue Recognition</p> <p>We considered accuracy of revenues relating to the voice and data services provided as a key audit matter due to the complexity of the IT systems, significance of volumes of data processed by the IT systems and the impact of changing pricing models (tariff structures, incentive arrangements and discounts, etc.). The amount of revenue involved in the financial statement is material to the financial statements and due to complexity of the system, processes and product /services used to record revenue having multiple software used, reliance on automated processes and controls.</p> <p>The Company has used billing system which capture, values and records the revenue data generated from various software, which are heavily reliant on IT systems with processes and controls over the transactions.</p> <p>Disclosures relating to revenue recognition can be found at note 15.</p>	<p>We evaluated the design and operating effectiveness of key controls over the capture and measurement of revenue transactions across all significant revenue streams, including evaluating the relevant IT systems with supporting evidence such as service detail records and evidence of customer payment.</p> <p>We obtained understanding of nature of various services provided by the company comprising prepaid, postpaid, international and fixed line services.</p> <p>The accuracy and completeness of revenue amounts recorded is an inherent risk. Our audit procedures included amongst the following: System recorded transactions: real time test of recording of transactions in the system, subsequently recorded to accounting system. Information are processed in a separate directorate independent of accounting directorate resulting in additional control overbilled records and accounted records. Manual control over transactions: testing the design and implementation of various operating effectiveness of manual control over initiation, authorization, and testing of revenue transactions. These included testing of tariff rates, packages, treatment related to discounts and recording to ERP including major contracts Performing substantive testing including analytical procedures over major streams of revenue generation Testing of manual journal entries and end to end reconciliation from data records to billing systems and accounting ledgers. Testing the delivery of goods and service rendered for recording of revenue from advance/deposits received.</p> <p>Based on the result of the sample testing and mix use of manual and automated controls that are in place, we have relied on the information generated by the system and process followed by the Company for revenue recognition.</p>
<p>Information Technology (IT) System and Controls</p> <p>The Company uses several IT/ software systems with or without integrating with ERP system for management of its business operations. A significant part of the company's financial process heavily reliant on IT systems with automated processes and controls over the capturing, valuing and recording of transactions and manual interventions on the same as well while recording the data into ERP. This is a key part of our audit because of the complex IT environment supporting the business processes; mix of manual and automated controls; multiple internal and outsourced support arrangements; and complexity of the billing systems which result in revenue being recognized</p>	<p>We assessed the manual and automated controls relating to IT systems relevant to financial reporting, including the recognition of revenue.</p> <p>While separate IS audit is yet to be carried out, we tested a sample of automated controls that are designed to enforce appropriate segregation of duties, roles and controls. This included assessing the design of relevant automated processes and controls.</p> <p>We reviewed a sample of the financial information produced by various systems, recording in ERP and reporting.</p> <p>We evaluated the effectiveness of the controls in the systems.</p>
<p>Impairment</p>	



The assets owned by the company include property plant and equipment and other assets. Given the dynamic nature of the industry in which the company operates, there is a risk that there could be material impairment to intangible asset, investments and other assets. Determination as to whether or not there is an impairment relating to an asset or Cash Generating Unit (CGU) involves significant judgment about the future cash flows and plans for these assets and CGUs.

We reviewed the policies and process of impairment of each class of assets.
 We assessed the determination of cash generating units (CGU) used for their impairment assessment and for WIMAX and CDMA in particular to assess the impairment models and evaluate the reasonableness of key assumptions including discount rate, growth rates and forecast growth assumptions. We also performed sensitivity analysis around the key drivers of the cash flow projections, including any potential impact of the COVID-19 pandemic.
 We reviewed the impairment matrix prepared for expected losses mainly for accounts receivable and inventories as per the policies.
 We tested the adequacy of impairment on investments, receivables and other assets including PPE of the company. We reviewed the impairment of all significant class of assets, basis and adequacy including reversals.

Fair Value Measurement

The Company has investment in shares and debentures which are measured on fair value. Similarly, property plant and equipment mainly land and buildings and other assets have been reassessed by the management technical experts of the company which was independently valued in FY 2078/79. The company categorizes assets or liabilities carried on the reporting date at fair value using a three level hierarchy. Determination of fair value is based on a high degree of judgment and input from data that is not directly observable in the market. Further, the fair value is significantly influenced by the expected pattern of future benefits of the tangible assets.

We reviewed the basis and categorization of assets or liabilities carried on the reporting date at fair value using a three level hierarchy including key assumptions around discounted cash flow to estimate fair value.

We reviewed land and building reassessment reports obtained by the management by involvement of committee and experts. We assessed the methodology and the assumptions applied in determining the fair value. We have assessed the objectivity, independence and competence of the specialists involved in the process.

We assessed the adequacy of disclosure in Note 11 and Note 9 to the financial statements.

Provisions and contingencies tax, legal and other regulatory matters

The Company has recognized provisions for probable outflows relating to legal, tax and other regulatory matters and have disclosed contingencies for legal, tax and other regulatory matters where the obligations are considered possible. The Company assesses a likelihood that a pending matter relating to tax, legal or regulatory will succeed. In performing this assessment, the Company applies judgement and has recognized provisions based on whether additional amounts will be payable and has disclosed contingent liabilities where economic outflows are considered possible.

We have considered the provisions recorded and the contingencies relating to tax, legal and other regulatory matters as a key audit matter as there is significant judgement to determine the possible outcome of matters under dispute and determining the amounts involved, which may vary depending on the outcome of the matters.

We obtained an understanding, evaluated the design, and tested the operating effectiveness of internal controls relating to:

- Identification evaluation, recognition of provisions, disclosure of contingencies for matters under review or appeal with relevant adjudicating authorities by considering the assumptions and information used by management in performing this assessment.
- Completeness and accuracy of the underlying data / information used in the assessment.

For tax matters, we evaluated the reasonableness of the management's positions by considering tax regulations and past decisions from tax authorities. For regulatory fee and other matters, we evaluated the reasonableness of the management's positions by considering relevant past assessment orders, commitments and payments made. We also evaluated the disclosures provided in the notes to the financial statements concerning these matters.



INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Management is responsible for the preparation of the other information. The other information comprises the information included in the Management report, Report of the Board of Directors and Chairman's statement but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. As the other information documents are in the process of completion, the management has provided written representation that final version of the documents will be provided when available.

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Nepal Financial Reporting Standards and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

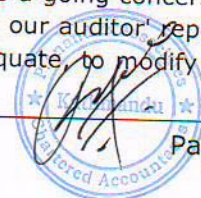
Those charged with Governance are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but it is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with NSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting polices used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our



conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We have communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit. Management Letter outlining such findings and



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we have determine those matters that were of most significance in the audit of the financial statements of the current period, therefore are described in our Auditor's Report.

REPORT ON THE OTHER LEGAL AND REGULATORY REQUIREMENTS


- a. We have obtained satisfactory information and explanations asked for, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. The consolidated financial statements including the consolidated Statement of Financial Position, consolidated Statement of Profit or Loss, consolidated Statement of Other Comprehensive Income, consolidated Statement of Changes in Equity, consolidated Statement of Cash Flows including a Summary of Significant Accounting Policies and other explanatory notes have been prepared in all material respect in accordance with the provisions of the Companies Act, 2063, and they are in agreement with the books of accounts of the Company; and the accounts and records of the Company are properly maintained in accordance with the prevailing laws.
- c. To the best of our information and according to the explanations given to us, in the course of our audit, we observed that the business of the Company was conducted satisfactorily, and the Company's transactions were found to be within the scope of its authority.

We did not come across cases of accounting related fraud and the cases where the board of directors or any director or any office bearer of the Company has acted contrary to the provisions of law except reported in this report or caused loss or damage to the Company or committed any misappropriation of the funds of the Company.

Kathmandu, Nepal
Date: 2079 Poush 6th



CA. Mahesh Kumar Gofadain
Partner
MGS & Associates
Chartered Accountants
UDIN No. 221222CA00125hP2
NT



CA. Peeyush Anand
Proprietor
P. Anand & Associates
Chartered Accountants
UDIN No. 221222CA003772VyYh



Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu

Consolidated Statement of Financial Position

As at Ashadh 32, 2079 (16 July, 2022)

Figures in NPR

Particulars	Group	Company	
		Current Year	Previous Year
		Ashadh 32, 2079	Ashadh 31, 2078
Assets			
Non-Current Assets	Notes		
Intangible Assets			
Property, Plant and Equipment	1	2,013,555,725	2,567,267,291
Right of Use(ROU) Assets	3	51,652,526,202	48,279,735,633
Capital Work-in-Progress	8	2,350,871,626	-
Long Term Loan and Advances	4	5,993,833,411	8,341,410,540
Investment in Associates	10.1.3.1	1,183,671,038	1,969,718,704
Investment in Subsidiary	5	1,549,166,381	1,738,672,392
Financial Assets	6		
Equity Investments	10		
Term Deposits and Investments in Debenture	10.1.1	130,000,000	130,000,000
Loan Investments	10.1.5	2,854,212,000	2,115,161,000
Employee Loan	10.1.6	13,934,401,507	13,319,131,583
Deferred Tax Asset	10.1.2	3,563,575,599	3,968,567,816
Contract Cost Assets	26.3	8,319,735,525	7,497,074,396
Total Non-Current Assets	2	413,762,897	374,510,707
Current Assets		93,959,311,911	90,301,250,061
Inventory	7	171,442,125	558,458,955
Prepayments & Non-Financial Assets	9.1	2,164,844,859	1,738,405,730
Current Tax Assets (Net)	26.1	1,666,626,024	2,280,003,201
Financial Assets			
Employee Loan	10.1.2	48,929,431	74,738,647
Accruals, Advance & Others Receivables	10.1.3	312,302,999	281,475,233
Trade & Other Receivable	10.1.4	2,321,071,949	2,304,314,233
Term Deposits and Investments in Debenture	10.1.5	52,609,700,000	40,263,360,000
Cash & Cash Equivalents	10.1.7	5,679,805,614	10,730,927,453
Total Current Assets		64,974,723,000	58,231,683,453
Total Assets		158,934,034,912	148,532,933,514
Equity and Liabilities		158,664,273,147	148,232,487,416
Equity			
Share Capital	14	18,000,000,000	15,000,000,000
Reserve and Surplus	15	77,247,217,400	74,853,347,468
Total Equity attributable to Equityholders		95,247,217,400	89,853,347,468
Non Controlling Interest		138,467,562	151,031,527
Total Equity		95,385,684,962	90,004,378,995
Non-Current Liabilities			
Post Employment Benefits	13.2	19,873,844,972	17,502,774,984
Deferred Government Grant	27	861,019,990	484,685,100
Financial Liabilities			
Subscriber Deposits	10.2.1	62,588,773	2,149,292,261
Lease Liability	8	2,228,248,150	2,228,248,150
GSM License Renewal Fee Liability	10.2.2	0	3,103,451,578
Total Non-Current Liabilities		23,025,701,885	23,240,203,923
Current Liabilities and Provisions			
Current Tax Liabilities (Net)			
Financial Liabilities			
Lease Liability	8	260,613,435	260,613,435
Current Liabilities	10.2.4	14,396,576,453	13,361,493,173
Trade Payable	10.2.3	1,957,828,024	1,601,557,820
GSM License Renewal Fee Liability	10.2.2	3,668,703,704	3,962,200,000
Provisions	11	12,723,287,671	8,723,287,671
Non-Financial Liabilities	9.2	7,515,638,779	7,639,811,933
Total Current Liabilities and Provisions		40,522,648,065	35,288,350,597
Total Equity and Liabilities		158,934,034,912	148,532,933,514

Significant Accounting Policies and Explanatory Notes are integral part of this financial statements.

Balkuntha Aryal
Chairman

Sunil Paudel
Managing Director

CA. Mahesh Kumar Guragain
M.G.S. & Associates
Chartered Accountants

CA. Preetish Anand
P. Anand & Associates
Chartered Accountants

Bhupar Baral
Director

Usha Kumar Khatri
Director

Sushil Koirala
Director

Ambika Prasad Paudel
Director

Shankar Lamichhane
Director

Rajendra Shrestha
Chief Financial Officer

CA. Nirjal Shrestha
Acting Manager

Date : 28 Mangsir, 2079
Place : Kathmandu



Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu

Consolidated Statement of Profit or Loss

For the Year ended Ashadh 32, 2079 (16 July, 2022)

Figures in NPR

Particulars	Notes	Group		Company	
		Current Year	Previous Year (Restated)	Current Year	Previous Year (Restated)
		FY 2078-79	FY 2077-78 (Restated)	FY 2078-79	FY 2077-78 (Restated)
Revenue from contract with customers					
Finance Income	16	37,926,236,876	35,691,347,872	37,919,789,343	35,691,381,522
Other Income	17	5,934,745,468	5,152,572,388	5,907,401,115	5,132,053,267
Total Income	18	44,403,704,543	41,988,295,420	44,374,656,895	41,968,576,071
Employee Benefit Expenses					
Service Operation and Maintenance Costs	13.1	(7,379,235,131)	(6,953,488,997)	(7,369,713,268)	(6,948,134,467)
Sales Channel, Marketing and Promotion Costs	19	(7,065,378,470)	(7,843,109,017)	(7,058,328,493)	(7,841,953,813)
Office Operation Expenses	20	(269,815,063)	(190,566,815)	(260,691,197)	(190,409,265)
Regulatory Fees, Charges and Renewals	21	(1,131,021,094)	(978,006,797)	(1,121,695,385)	(970,934,871)
Foreign Exchange (Loss)/Gain	22	(7,905,244,772)	(7,862,881,000)	(7,905,244,772)	(7,862,881,000)
Shares of results of Associates	25	337,314,071	55,254,230	345,940,922	55,684,108
Earning Before Interest, Tax, Depreciation, Amortisation (EBITDA)	5	(180,894,309)	7,727,419	(180,894,309)	7,727,419
Finance Cost					
Depreciation	23	(770,938,324)	(838,895,090)	(770,938,324)	(838,895,090)
Amortisation	3	(5,627,236,751)	(5,847,152,186)	(5,614,593,104)	(5,840,540,450)
Impairments - net of reversals	2	(1,166,893,001)	(150,414,130)	(1,151,449,373)	(150,404,352)
Profit Before Tax	24	(223,422,359)	(470,162,641)	(223,422,359)	(470,162,641)
Income Tax Expenses					
Current Income Tax		13,020,939,341	10,918,600,396	13,063,627,232	10,919,671,649
Deferred Taxes	26.2	(5,380,142,722)	(4,295,753,360)	(5,380,142,722)	(4,295,753,360)
Profit For the Period	26.3	796,679,736	169,672,280	787,249,402	170,301,278
Earnings Per Share (Basic)		8,437,476,354	6,792,519,316	8,470,733,912	6,794,219,567
Earnings Per Share (Diluted)				47.06	37.75
Net Profit attributable to:					
Equity holders of the company				47.06	37.75
Non-controlling interest		8,450,040,319	6,793,161,633	8,470,733,912	6,794,219,567
Profit For the Period		(12,563,965.50)	(642,316.88)		
		8,437,476,354	6,792,519,316	8,470,733,912	6,794,219,567

Significant Accounting Policies and Explanatory Notes are integral part of this financial statements.

Balkuntha Aryal
Chairman

Sunil Paudel
Managing Director

CA. Mahesh Kumar Guragain
M.G.S. & Associates
Chartered Accountants

CA. Peeyush Anand
P. Anand & Associates
Chartered Accountants

Anupal Baral
Director

Uttar Kumar Khatri
Director

Sushil Koirala
Director

Ambika Prasad Paudel
Director

Shankar Lamichhane
Director

Rajendra Shrestha
Chief Financial Officer

CA. Nirjal Shrestha
Acting Manager

Date : 28 Mangsir, 2079
Place : Kathmandu



Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu

Consolidated Statement of Other Comprehensive Income

For the Year ended Ashadh 32, 2079 (16 July, 2022)

Particulars	Notes	Group		Company	
		Current Year FY 2078-79	Previous Year (Restated) Y 2077-78 (Restated)	Current Year FY 2078-79	Previous Year (Restated) Y 2077-78 (Restated)
Profit for the Period		8,437,476,354	6,792,519,316	8,470,733,912	6,794,219,567
Other comprehensive income/(expense)					
Items that may be reclassified subsequently to profit or loss					
Exchange difference of translation of foreign operation					
Cash Flow Hedges					
Income Taxes relating to items that may be reclassified					
Items that will not be reclassified subsequently to profit or loss					
Gains on Property Revaluation				2,332,373,532	-
Investments in Equity Instruments (FV changes)	3	2,332,373,532			
Remeasurements of defined retirement benefit plans of employees	13.2	(2,410,366,473)	(2,085,941,662)	(2,410,366,473)	(2,085,941,662)
Shares of Other Comprehensive Income of Associates		(8,611,702)	-	(8,611,702)	-
Income Taxes relating to items that will not be reclassified	26.3	25,981,393	625,782,499	25,981,393	625,782,499
Total Comprehensive Income for the Period		8,376,853,105	5,332,360,153	8,410,110,662	5,334,060,404
Total Comprehensive Income attributable to:					
Equity holders of the company					
Non-controlling interest		8,389,417,070	5,333,002,470	8,410,110,662	5,334,060,404
Total Comprehensive Income for the Period		8,376,853,105	5,332,360,153	8,410,110,662	5,334,060,404

Significant accounting policies and explanatory notes are integral part of this financial statements

Baikuntha Aryal
Chairman

Sushil Paudel
Managing Director

CA. Mahesh Kumar Guragain
M.G.S. & Associates
Chartered Accountants

As per our report of even date

CA. Peeyush Anand
P. Anand & Associates
Chartered Accountants

Bhupal Baral
Director

Uttara Kumar Khatri
Director

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Director

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Director

Rajendra Shrestha
Chief Financial Officer

CA. Nirjal Shrestha
Acting Manager

Date : 28 Mangsir, 2079
Place : Kathmandu



Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu
Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu

Statement of Changes in Equity
For the Year ended Ashadh 32, 2079 (16 July, 2022)

Particulars (FY 2077-78)	Company					Total
	Share Capital	Retained Earning	Deferred Tax Reserve	FVOCI Reserve	Revaluation Reserve	
Balance as on Shrawan 1, 2077	15,000,000,000	47,116,827,369	3,638,327,512	-	21,279,548,434	87,034,703,315
Prior Period Adjustment		506,550,268				506,550,268
Prior Period Income		802,375				802,375
Prior Period Expenses		(96,302,856)				(96,302,856)
Adjustment of Stock		10,372,917				10,372,917
GSM license fee Deferred Tax Assets Adjustment		3,063,292,105				3,063,292,105
GSM license fee Deferred Tax Assets Adjustment		(3,063,292,105)				-
Restated Opening Balance	15,000,000,000	47,538,250,073	6,701,619,617		21,279,548,434	90,519,418,124
Profit for the year		47,538,250,073	6,701,619,617			53,239,869,690
Dividend for FY 2076-77		5,334,060,404				5,334,060,404
Transfer to / from Revaluation Reserve		(6,000,000,000)				(6,000,000,000)
Transfer to / from Revaluation Reserve		26,744,347			(26,744,347)	-
Transfer To Deferred Tax Reserve		-	796,083,777			796,083,777
Balance as on Ashadh 31, 2078	15,000,000,000	46,102,971,047	7,497,703,394		21,252,804,087	89,853,478,528
Particulars (FY 2078-79)	Company					Total
Balance as on Shrawan 1, 2078	15,000,000,000	46,102,971,047	7,497,703,394		21,252,804,087	89,853,478,528
Prior Period Adjustment						
Prior Period Income		329,989				329,989
Prior Period Expenses		(743,347)				(743,347)
Adjustment of Stock						
Restated Opening Balance	15,000,000,000	46,107,423,909	7,497,703,394		21,252,804,087	89,857,931,390
Profit for the year		46,107,423,909	7,497,703,394			53,605,127,303
Dividend to equity shareholder		8,410,110,662				8,410,110,662
Bonus Share Issued						
Cash Dividend paid	3,000,000,000	(3,000,000,000)				
Transfer from Revaluation Reserve		(3,000,000,000)				(3,000,000,000)
Transfer to Revaluation Reserve		26,223,485				26,223,485
Transfer To Deferred Tax Reserve		(2,332,373,532)				(2,332,373,532)
Balance as on Ashadh 32, 2079	18,000,000,000	45,388,163,730	8,310,934,189		23,558,954,134	95,268,042,053

Significant Accounting Policies and Explanatory Notes are integral part of this financial statements.

Baluntha Aryal
Chairman

Sushil Koirala
Director

Ambik Prasad Paudel
Director

Sunil Paudel
Managing Director

Bhupal Baral
Director

Uttar Kumar Khatri
Director

Shankar Lamichhane
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Rajendra Shrestha
Chief Financial Officer

CA. Peeyush Anand
P. Anand & Associates
Chartered Accountants

As per our report of even dates

Date : 28 Mangsir, 2079
Place : Kathmandu



Nepal Doorsanchar Company Limited
Bhadrakali Plaza, Kathmandu

Consolidated Statement of Cash Flows

For the Year ended Ashadh 32, 2079 (16 July, 2022)

Particulars	Group		Company	
	Current Year FY 2078-79	Previous Year (Restated) FY 2077-78 (Restated)	Current Year FY 2078-79	Previous Year (Restated) FY 2077-78 (Restated)
Cash Flow from Operating Activities				
Net Profit for the Year				
Adjustments	8,437,476,354	6,792,519,316	8,470,733,912	6,794,219,567
Income Tax expense recognised in profit or loss	5,380,142,722	4,295,753,360	5,380,142,722	4,295,753,360
Deferred Tax expense recognised in profit or loss	(796,679,736)	(169,672,280)	(787,249,402)	(170,301,278)
Depreciation	5,627,236,751	5,847,152,186	5,614,593,104	5,840,540,450
Finance Income	(5,741,496,607)	(4,958,313,212)	(5,714,152,254)	(4,937,794,091)
Impairment Loss/(Reversal of Impairment Loss)	223,422,359	470,162,641	223,422,359	470,162,641
Finance Costs	953,240,316	816,877,895	953,240,316	816,877,895
Actuarial (Gain)/Loss	(2,410,366,473)	(2,085,941,662)	(2,410,366,473)	(2,085,941,662)
Amortization	1,166,893,001	150,414,130	1,151,449,373	150,404,352
Equity loss on Associates	180,894,309	(7,727,419)	180,894,309	(7,727,419)
Unrealised (Gain)/Loss on Cash and Cash equivalents	-	165,655,411	-	165,655,411
Movements in Working Capital				
Decrease/(Increase) in Inventory	387,016,830	(300,597,215)	387,595,458	(300,597,215)
(Increase)/Decrease in Prepayments & Other Non-Financial Assets	(423,948,225)	546,975,492	(424,017,358)	547,697,636
(Increase)/Decrease in Employee Loan	430,801,433	(537,047,619)	430,801,433	(537,047,619)
(Increase)/Decrease in Accruals, Advance & Others Receivables	97,921,467	(72,478,070)	100,629,428	(68,416,070)
(Increase) /Decrease in Trade Receivables	(16,618,847)	(49,104,371)	(16,618,847)	(49,104,371)
(Increase) /Decrease in Deferred Taxes	-	(3,063,292,105)	-	(3,063,292,105)
(Increase) /Decrease in Contract cost assets	(203,399,427)	(219,255,760)	(203,399,427)	(219,255,760)
Increase /(Decrease) in Non-Current Liability	(2,442,750,189)	(746,259,598)	(2,442,750,189)	(746,259,598)
Increase /(Decrease) in Provisions	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000
Increase /(Decrease) in Current Liability	(220,230,916.92)	(1,486,406,599)	(214,273,110.32)	(1,628,745,977)
Increase /(Decrease) in Trade Payable	358,611,892.79	868,168,280	356,270,204.45	868,168,280
Increase /(Decrease) in Lease Liability	2,488,861,585.38	-	2,488,861,585.38	-
Increase /(Decrease) in Other Non-Financial Liabilities	(124,577,706)	1,072,185,777	(124,577,706)	1,072,185,777
NFRS Adjustments	(8,611,702)	-	(8,611,702)	-
Previous Year Adjustments	4,452,862	2,978,164,541	4,452,862	2,978,164,541
Income Taxes Paid	(4,766,765,541)	(5,178,303,271)	(4,762,661,673)	(5,175,225,403)
Total Adjustments	4,144,050,159	2,337,110,531	4,163,675,012	2,215,901,774
Net Cash flow from Operating Activities (A)	12,581,526,513	9,129,629,847	12,634,408,924	9,010,121,341
Cash Flow from Investing Activities				
Internet License Fee Renewal	-	(134,415,000)	-	(134,415,000)
Acquisition of Intangible Assets	(86,429,440)	(632,232,884)	(86,429,440)	(632,232,884)
Acquisition of Property, Plant and Equipment	(6,952,090,825)	(7,544,098,656)	(6,945,543,048)	(7,360,535,814)
Decrease/ (Increase) in ROU Assets	(2,713,476,384)	-	(2,713,476,383.84)	-
Decrease/ (Increase) in Capital Work in Progress	2,306,791,808	1,122,278,565	2,307,632,516	1,122,278,565
Decrease/ (Increase) in long term loan and Advances	786,047,666	-	786,047,666	-
Decrease/ (Increase) in Investment	(13,724,431,850)	(2,078,070,622)	(13,740,431,850)	(1,738,070,622)
Income from Investment & Bank Deposit	5,741,496,607	4,958,313,212	5,714,152,254.49	4,937,794,091
Investment in Subsidiary company	-	-	-	(248,888,900)
Net Cash Flow from Investing Activities (B)	(14,642,092,418)	(4,308,225,385)	(14,678,048,285)	(4,054,070,564)
Cash Flow from Financing Activities				
Proceeds from issuance of shares from non-controlling interest	-	151,111,100	-	-
Increase in Capital	-	-	-	-
Dividend Paid	(2,999,548,898)	(5,988,315,428)	(2,999,548,898)	(5,988,315,428)
Net Cash Flow from Financing Activities (C)	(2,999,548,898)	(5,837,204,328)	(2,999,548,898)	(5,988,315,428)
Net Increase in Cash & Cash Equivalents (A+B+C)	(5,060,114,803)	(1,015,799,866)	(5,043,188,259)	(1,032,264,651)
Effect of exchange rate fluctuations on Cash and Cash equivalents	8,992,964	(165,655,409)	-	(165,655,409)
Cash & Cash Equivalents at Beginning of the Period	10,730,927,453	11,912,382,728	10,714,462,668	11,912,382,728
Cash & Cash Equivalents at the End of the Period	5,679,805,614	10,730,927,453	5,671,274,409	10,714,462,668

Significant accounting policies and explanatory notes are integral part of this financial statements.

Baikuntha Aryal
Chairman

Sunil Paudel
Managing Director

CA. Mahesh Kumar Subrain
M.G.S. & Associates
Chartered Accountants

CA. Peeyush Anand
P. Anand & Associates
As per our report of even date

Bhupal Baral
Director

Uttar Kumar Khatri
Director

Sushil Koirala
Director

Ambika Prasad Paudel
Director

Shankar Lamichhane
Director

Rajendra Shrestha
Chief Financial Officer

CA. Nirjal Shrestha
Acting Manager

Date : 28 Mangsir, 2079
Place : Kathmandu



i. Reporting Entity

Nepal Doorsanchar Company Limited with its brand name as 'Nepal Telecom' is Nepal's leading telecommunication service provider, which provides voice, data and value added services, using State of the Art Technologies. It is registered under the erstwhile Companies Act 2053, being incorporated on Magh, 2060 (February, 2004).

Nepal Telecom (also referred as "The Company" hereinafter) is the continuation of the erstwhile Nepal Telecommunication Corporation, a 100% Government of Nepal (GoN) undertaking, where all assets and liabilities of the corporation were transferred to the incorporated company with equity being transferred to the Government in lieu of the Government ownership.

The Government of Nepal and Citizen Investment Trust are the principal promoters of the company. The Government of Nepal, who substantially owns the company, divested certain portions of its holdings in favour of the company employees and general public. The current shareholding structure is as per note 14.

The shares of the company are listed and traded on the Nepal Stock Exchange Limited (NEPSE) and its stock symbol is "NTC".

The company has its registered office at Bhadrakali Plaza, Kathmandu with its branches spread throughout the country. It has made all efforts for nationwide reach, from urban to the most remote locations in providing its valued customer a quality telecommunication service that has assisted in the socio-economic development and digital transformation of the urban as well as rural areas of the country.

The company has been providing a wide range of telecommunication services. The company endeavours to continue providing up to date telecommunication and related services in line with technological advances.

Annual financial statements of the company are released for general public and are also published on the company's website www.ntc.net.np

Subsidiaries:

The Company has a subsidiary company named "Nepal Digital Payments Company Limited (NDPC)". The subsidiary has been established in collaboration with Rastriya Banijya Bank Limited to provide mobile financial services to the general public. The shareholding structure is set up with promoters group and public group with 90% and 10% respectively. The Company's current shareholding is 62.22 % having a majority of members in Board at the reporting date.

Nepal Digital Payments Company Limited (NDPC) was incorporated on Shrawan 13, 2077 as a public limited company as per the Companies Act, 2063 and licensed by Nepal Rastra Bank on Chaitra 03, 2077 under the Payment and Settlement Act, 2075 to act as Payment Service Provider through the use of communication network.

"The Group" represents the Company and its subsidiaries.

ii. Basis of Preparation

The financial statements have been prepared under the historical cost convention, as modified by revaluation of Land, Buildings and Physical Structure, fair value measurement of financial assets and liabilities.

The financial statements are prepared on an accrual basis.



Handwritten signatures and initials of various individuals, including the auditor and company representatives.





iii. **Compliance with NFRS**

The accompanying financial statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRS) issued by Accounting Standards Board Nepal (ASB) and pronounced by the Institute of Chartered Accountants of Nepal (ICAN).

iv. **Approval of Financial Statements**

The accompanying financial statements have been approved and authorised for issue by the Board of Directors (BoD) of the company in its meeting held on Mangsir 28, 2079 (14th December, 2022).

v. **Presentation of Financial Statements**

1. The statement of profit or loss has been prepared using the classification 'By Nature' method.
2. The cash flows from operation within the statement of cash flows have been derived using the 'Indirect' method.
3. For presentation of Statement of Financial Position, Assets and Liabilities, wherever applicable, are bifurcated in current and non-current based on their respective maturity, as well as the company's normal operating cycle. Such information has been disclosed in respective notes as applicable.

vi. **Presentation of Currency**

The financial statements have been presented in the nearest Nepalese Rupees (NPR). Nepalese Rupees (NPR) is the functional and presentation currency as well.

vii. **Discounting**

When realisation of assets and settlement of obligations is for more than one year, the company considers the discounting of such assets and liabilities where the impact is material. Various internal and external factors have been considered for determining the appropriate discount rate to be applied to the cash flows of the company. Appropriate discount rate is also used to determine the value in use for assessment of asset impairment as well.

Weighted Average Cost of Capital (WACC), with risk adjustment, is basically used in determining discount rates. For this purpose, Capital Asset Pricing Model (CAPM) is generally used to determine the cost of equity. As the company does not have any debt, weighted average cost of capital for the company would in fact mean cost of equity only. Besides utilization of CAPM model for expected rate of return would in turn require beta to be determined. Since the company is the only listed company, in Nepalese telecom industry, market beta may not give an appropriate picture of movement of the market and the company's rate of return.

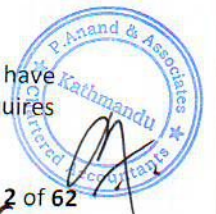
Therefore, the risk adjusted dividend growth model has been used in determining the appropriate discount rate to be applied for preparation of the financial statements. The rate thus derived for discounting the assets and liabilities is 8%.

viii. **Accounting Policies, Critical Accounting Estimates and Judgements**

Accounting Policies

NFRS requires the company to adopt accounting policies that are most appropriate to the company's circumstances. In determining and applying accounting policies, management is required to make judgements in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the company's reported financial position, results or cash flows.

The accounting policies adopted by the company are consistently applied. Specific accounting policies have been included in the specific section of the notes for each items of financial statements which requires



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disclosures of accounting policies or changes in accounting policies. Effect and nature of the changes, if any, have been disclosed at appropriate places.

Accounting Estimates and Judgements

The preparation of the financial statements in accordance with NFRS requires the management to make judgements, estimates and assumptions applying the accounting policies that affect the reported amounts of assets, liabilities, income and expenses, including contingencies and commitments. Due to the inherent uncertainty in making estimates, actual results reported in future periods may differ from those estimates. The estimates and the underlying assumptions are reviewed on on-going basis based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revision to accounting estimates are recognised in the period in which estimates are revised, if the revision affects only that period; they are recognised in the period of revision and future periods if the revision affects both current and future periods.

The significant judgments made by the management in applying the company's accounting policies and key sources of estimation uncertainty in these financial statements, which together are deemed critical to the company's results and financial position, are given in the respective sections of the notes wherever they have been applied.

COVID-19 pandemic

Financial impacts of COVID-19 pandemic identified and recognised during the financial year 2020-21 and 2021-22 have been reflected in our financial performance for the year and considered in our statement of financial position as at July 16, 2021 and July 16, 2022. To the extent that ongoing impacts have been estimated, we have considered the uncertainties arising from the COVID-19 pandemic in preparation of our financial statements and the relevant disclosures have been made on measurement of expected credits losses for our financial assets, impairment assessment of our investments in associates.

ix. Going Concern

The financial statements are prepared on a going concern basis, as the Board of Directors of the Company is satisfied that the Company has resources to continue the business for the foreseeable future. In making this assessment, the Board of Directors have considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. Furthermore, Board is not aware of any material uncertainties that may cast significant doubt upon Company's ability to continue as a going concern and they do not intend either to liquidate or to cease operations of it.

x. Investments in Subsidiaries, Associates and Joint Ventures

The company has a subsidiary for consolidation of financial statements. Investments in equity shares made by the company are financial investments and have been described under non-trading financial investments in note 10.1.1 and investment in associates in note 5.

xi. Lease

NFRS 16 'Leases' which supersedes NAS 17 Leases sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessee to recognise most leases on the Statement of Financial Position.

Lessor accounting under NFRS 16 is substantially unchanged from NAS 17. Lessor will continue to classify leases as either operating or finance using similar principles as in NAS 17. Therefore, NFRS 16 does not have an impact for leases where the Company is a lessor. As per NFRS 16, company as a lessee recognises a right to use of asset and liability for future payments arising from a lease contract. NFRS 16 is implemented from the Financial year 2078-79, therefore the date of initial application for this purpose is 1st Shrawan, 2078 (16 July 2021).



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xii. Reporting Dates

Particulars	Nepalese Calendar Date	Gregorian Calendar Date
	/ Period	/ Period
Comparative SoFP* Date	31 Ashadh 2078	15 July 2021
Comparative reporting period	1 Shrawan 2077 - 31 Ashadh 2078	16 July 2020 - 15 July 2021
NFRS SoFP* Date	32 Ashadh 2079	16 July 2022
NFRS reporting period	1 Shrawan 2078 - 32 Ashadh 2079	16 July 2021 - 16 July 2022

* SoFP = Statement of Financial Position

xiii. Materiality

The company, for the preparation of financial statements, determines materiality based on the nature or magnitude, or both. Materiality is a pervasive constraint in financial reporting because it is pertinent to all of the qualitative characteristics.

1. Intangible Assets

Accounting Policies

Identifiable intangible assets are recognised when the company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the company and the cost of the asset can be reliably measured.

Intangible assets with finite useful lives are stated at acquisition cost less accumulated Amortization and accumulated impairment losses. The useful lives and Amortization methods of the assets are reviewed at least annually. Changes in the estimated useful life or the expected pattern of consumption of future economic benefit embodied in the assets are accounted for by changing the Amortization period or method, as appropriate, and are treated as changes in accounting estimates in accordance with NAS 8. Amortization is charged to Statement of Profit or Loss on a straight-line basis over the useful life of intangible assets.

Intangible assets having indefinite useful life are assessed for impairment at each reporting date.

Explanatory Notes

Intangible Assets	Group		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Opening Balance	4,530,414,848	3,655,813,446	
Additions during the year	86,038,840	874,601,402	
Closing Balance As on 32 Ashadh, 2079	4,616,453,688	4,530,414,848	
Amortization Upto Last year	(1,963,147,557)	(2,069,706,433)	
Amortization During the Year	(640,141,006)	106,558,876	
Total Amortization	(2,603,288,563)	(1,963,147,557)	
Net Value	2,013,165,125	2,567,267,291	

Software

Software comprises software purchased from third parties, and also the cost of internally developed software. Software purchased from third parties are initially recorded at cost. Costs directly associated with the production of internally developed software, including direct and indirect labour costs of development where it is probable that the software will generate future economic benefits, the cost of the asset can be





Nepal Doorsanchar Company Limited
Financial Statements FY 2078-79 (2021-22)

reliably measured and technical feasibility can be demonstrated, in which case it is capitalised as an intangible asset. Costs which do not meet these criteria and research costs are expensed as incurred.

In case software were considered to be integral part to an item of equipment/system and were classified as property, plant and equipment and depreciated over the useful life of respective equipment/system.

Software are amortised over the period of useful life of software and Categorised as follows:

Particulars	Useful Life (years)
Software Related to Office Automation	5
Software Related to System	7

Software	Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Opening			
Additions during the year	4,273,352,363		3,641,119,479
Total Cost As on 32 Ashadh 2079	86,429,440		632,232,884
Amortization Upto Last year	4,359,781,803		4,273,352,363
Amortization During the Year	(1,932,453,589)		(2,065,959,243)
Total Amortization	(597,760,379)		133,505,654
Net Value	(2,530,213,968)		(1,932,453,589)
	1,829,567,835		2,340,898,774

Licence Fees

The net carrying amount of intangible assets pertain to the unamortised portion of various license fees paid to Nepal Telecommunications Authority (NTA). License fees are paid in accordance with regulatory requirement, in advance with the applicable portion being charged to the relevant reporting period. The uncharged portion is carried in the financial statements as intangible assets. The Amortization is done, on the time apportion basis, over the validity period of the license as specified by NTA as below:

	PSTN	Internet	Total
Valid from	2077.10.13	2077.01.15	
Valid to	2082.10.12	2082.01.16	
Life (in years)	5	5	
			NPR
Total Fee	134,415,000	270,000	134,955,000
Balance as Ashadh 31, 2078	121,967,803	204,164	122,171,967
Payment during 2078.79			
Amortization for 2078.79	(26,883,000)	(54,000)	(26,937,000)
Balance as Ashadh 32, 2079	95,084,803	150,164	95,234,967

2. Contract cost assets

Contract cost assets comprise the incremental costs of obtaining a contract (sales commission paid to dealers for sales of SIM/RUIM cards). These costs are capitalised if it can be assumed that the costs will be compensated by future revenue from the contract. Incremental costs of obtaining a contract are additional costs that would have not been incurred had the contract not been concluded.

The capitalised contract cost assets are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Such costs are thus recognized over the contract period with the customer.



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Explanatory notes:

The Company has estimated that the historical average customer life is longer than 12 months and believes that its churn rate provides the best indicator of anticipated average customer life and, hence, deferred such incremental costs of obtaining a contract.

Contract Cost Assets	Group		NPR	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Opening Balance	374,510,707	278,722,299	374,510,707	278,722,299
Additions during the year	203,399,427	219,255,760	203,399,427	219,255,760
Amortization during the year	(164,147,237)	(123,467,352)	(164,147,237)	(123,467,352)
Closing Balance	413,762,897	374,510,707	413,762,897	374,510,707

3. Property, Plant and Equipment (PPE)

Accounting Policies

Property, plant and equipment are stated in the statement of financial position at their cost and are inclusive of all expenses necessary to bring the assets to working condition for its intended use less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if applicable. Property, plant and equipment are recognised as an asset, if and only if it is probable that future economic benefits associated with the item will flow to the company; and the cost of the item can be measured reliably.

The depreciation period is based on the expected useful life of an asset. Items of property plant and equipment are depreciated on pro rata basis in the year of acquisition. The residual values, useful lives and the depreciation methods of assets are reviewed at least at each financial year end and, if expectations differ from previous estimates, they are accounted for as a change in accounting estimates in accordance with NAS 8.

In addition to the purchase price and cost directly attributable to bringing the asset to the location and conditions necessary for it to be capable of operating in the manner intended by the management if an item of property, plant and equipment consists of several components with different estimated useful lives, those components that are significant, are depreciated over their individual useful lives. Subsequent costs that do not qualify the recognition criteria under NAS 16 are expensed as and when incurred.

Plant and Machinery shall be capitalized as and when they are available for use i.e. after the equipment became capable to provide service to the customer.

NAS 16 and IFRIC 1 require cost of PPE to include the estimated cost for dismantling and removal of the assets, and restoring the site on which they are located. Management perceives that such costs are difficult to estimate and considering the past practice the amount of such costs are not material to affect the economic decision of the user as a result of such non-inclusion. Therefore, asset retirement obligation (ARO) has not been recognised.

Assets that have been decommissioned or has been identified as damaged beyond economic repair or rendered useless due to obsolescence and are derecognised whenever identified. On disposal of an item of property, plant and equipment or when no economic benefits are expected from its use or disposal, the carrying amount of an item is derecognised. The gain or loss arising from the disposal of an item of property, plant and equipment is the difference between net disposal proceeds, if any, and the carrying amount of that item is recognised in the statement of profit or loss.

The company has significant investment in network, equipment and infrastructure. The base stations and technology to operate network form majority of the company's tangible assets.



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Assets with the value up to NPR 5,000 are charged to Profit or Loss irrespective of their useful life in the year of purchase.

Depreciation

Depreciation is charged so as to expense off the cost of assets, other than land, using straight line method over their estimated useful lives. The depreciation is charged on revalued amount of building and physical structure over the remaining useful life. The additional depreciation if any on revalued amount of building and physical structure is transferred from revaluation reserve to equity. The residual values, useful life and depreciation methods are reviewed at least at each financial year end. If expectations differ from the previous estimates the changes are accounted for as changes in estimates in accordance with NAS 8.

Useful Life

Useful lives of material asset categories and their depreciation rate on the Straight-Line Method are disclosed below:

Classification	Sub-Classification	Useful life
Building	RCC Frame Structure	50
	Load bearing structure (brick/stone) -Official Purpose	25
	Load bearing structure (brick/stone) -Equipment Purpose	15
	Metal Structure	15
	Shelter	15
Plant & Machinery	Compound Wall	15
	Underground Network	15
	Overhead Network	10
	Earth Station	7
	Telephone set	5
	ADSL and Internet System	5
	Optical fiber	10
	Billing System (Billing, WIN, AAA Server, VoMS etc.)	7
	RAN Equipment (BSC, BTS, BTS VAN, NodeB, eNodeB, RRU, BBU etc.)	7
	Core Equipment (MSC, HLR, OMC, VLR, IN, RSN, MGW, SMSC, USSD, PS, CS, WG, IP Clock etc.)	7
	Transmission Equipment (Satellite, Microwave etc.)	7
	Power – Battery	4
	Power – Others	6
Other Items	Tools (Subscribers Equipment, Planning / Testing / Loose tools etc.)	5
	Others	5
	Heating, Lighting, Air-conditioning	5
	Furniture and Fixtures	5
	Office Equipment	5
	Vehicle- Motorcycle/car/jeep/truck	10
	Vehicle- Tricycle, cycle and others	5

If an item of property, plant and equipment consists of several components with different useful lives, those components that are significant are depreciated over their individual useful life. Any component asset's useful life is not considered more than its major assets.

De-recognition

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from the use of that asset. Gain or loss arising from the disposal of an item of property, plant and equipment is the difference between the net disposals proceed, if any and the carrying amount.



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Impairment

Property Plant and Equipment are subject to impairment assessment if there is any indication that the carrying value may exceed the recoverable value of the assets. Such impairment assessment of assets is done on the basis of cash generating unit or if not possible on individual asset basis.

Revaluation

Freehold land properties, building and physical structure held by the company is recognised and reported at fair value conducting periodic revaluation. If an asset's carrying amount is increased as a result of a revaluation, the increase shall be recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

If an asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

The accumulated depreciation on revalued building and physical structure is eliminated against the gross carrying amount of the assets and net amount is restated to the revalued amount of the assets.

The Company has conducted independent valuation of Land, Building and Physical structure as on Ashadh 32, 2079. The valuator has taken highest and best use (HABU) as valuation premises for the valuation and following valuation approaches has been taken into consideration by the valuator;

- I) Market Approach for real estate property i.e Land
- II) Depreciated Replacement Cost Approach for Building and Physical Structure

Explanatory Notes

Land

Land properties with ownership documents (i.e. in occupation and with valid documentation) have been recognised meeting the asset recognition criteria, also considering the principle of substance over form. Fair Value of each of these properties has been assessed by taking into account market consideration and the government rate. All land properties have been revalued to the approximation of fair value as on 32 Ashadh, 2079 by independent valuator. The fair value of land was determined using Level II information as required by NFRS 13, in absence of active real estate market but considering the recent transaction value of the similar land in the similar locality.

Considering the company's intention to hold the land for a foreseeable future, fair market value was considered taking into account weightage of 60% for prevalent market prices and 40% price determined for government's land revenue charges.

Substance over form

The company is in occupation and using land properties even in absence of ownership document in the company's name. Considering the perpetuity of the usage and no apparent restriction on economic benefit of such land being used by the company, those properties have been recognised as assets. The value and details of such land is as follows;





Details of Land being used by the company but not in its ownership

SN	Land or Building	No of location	Area (Square Meter)	Carrying Amount (NPR)
1	Land	238	482,549.61	
	a. Land under Forest for tower structure	97	132,295.36	
	b. Land under GoN ownership	103	219,018.38	
	c. Land registered in the name of other offices of Government of Nepal	19	65,240.62	
	d. Land under process of ownership transfer (Government decision for ownership transfer already made)	12	36,562.21	
2	Building & Physical Structure			157,102,631.32

Buildings and Physical Structure

All physical structures have been classified on the basis of their construction type (such as RCC pillar structure, load bearing, stone masonry, shed and other structures etc.). Historical cost of the physical structures reduced by accumulated depreciation computed on the basis of management's estimation of useful life, for each type, have been recognised as asset on the date of the opening NFRS Statement of Financial Position.

The company has adopted revaluation model to present the value of its building and physical structure. The accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

The amount of the adjustment arising on the restatement or elimination of accumulated depreciation forms part of the increase or decrease in carrying amount that is accounted for in accordance with accounting policies of the company.

Some of the buildings and physical structures have been constructed in the land property where the company does not have document of title. Substance over form has been taken as the basis for recognition of such buildings.

Further, there is a regulatory requirement that all physical structures should be supported by the approved design and construction completion certificate from concerned authorities. There are building that do not have either approved design or construction completion certificate. These entail risk from regulatory authority including fines and possible demolitions.

Revaluation Reserve

Depreciation is charged on revalued amount of building and physical structure over the remaining useful life. Additional depreciation amounting NPR 26,223,485 on revalued amount of building and physical structure has been transferred from revaluation reserve to equity. The effect of revaluation of Land, Building and Physical Structures conducted as on 32 Ashadh, 2079 are as below:

	Land	Building	Total
Balance as on Ashadh 31,2078	20,605,649,775	647,154,312	21,252,804,087
Upward Revaluation During the Period	4,534,729,479	662,363,212	5,197,092,691
Downward Revaluation During the Period	(2,706,733,198)	(157,985,960)	(2,864,719,158)
Transfer from Revaluation reserve to Retained Earning		(26,223,485)	(26,223,485)
Balance As on Ashadh 32, 2079	22,433,646,056	1,125,308,079	23,558,954,134



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Further, the decrease in carrying amount of Land and building/physical structures of NPR 284,437,036.71 has been charged to profit and loss as an impairment. The revaluation reserve as above is not available for distribution to the shareholders.

Plant and Equipment

Historical cost of Plant and Equipment reduced by the accumulated depreciation and accumulated impairment loss computed on the basis of the management's estimation of useful life, for each class of assets, have been recognised. Plant and equipment, that are either not in existence or in operation have been specifically identified and derecognised as required under NFRS.

Furniture, Fixtures and Other office equipment

Historical cost of Furniture Fixtures and Other office equipment reduced by the accumulated depreciation computed on the basis of the management's estimation of useful life, for each class of assets, have been recognised as assets.

Vehicles

Historical cost of the vehicles reduced by the accumulated depreciation computed on the basis of the management's estimation of useful life, for each type, have been recognised.

PPE with Nominal Value

The company has Property, Plant and Equipment of NPR 5,831,566,773 which is either depreciated or charge of impairment has been provided to full value of respective assets. However, in the books of accounts those assets are recorded at Re. 1 each. Accumulated depreciation related to those asset is NPR 5,772,660,332 which almost equals to original value resulting net book value to NPR 15,046 .

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Nepal Doorsanchar Company Limited
Financial Statements FY 2078-79 (2021-22)

NPR



Group

Description	LAND	BUILDINGS	PLANT & MACHINERY	HEATING, LIGHTING & AIR-CONDITION	FURNITURE & FIXTURE	OFFICE EQUIPMENTS	VEHICLES	Total
Original Cost (NPR)								
As at Ashadh 31, 2078	21,245,806,720	3,839,453,080	72,302,926,234	462,329,193	406,726,456	1,836,372,660	1,006,537,728	101,100,152,071
Adjustment of prior period Capitalization	-	-	(4,371,936,693)	-	-	-	-	(4,371,936,693)
Revaluation Adjustment	-	-	-	-	-	-	-	-
As at Ashadh 31, 2078 (Restated)	21,245,806,720	3,839,453,080	67,930,989,541	462,329,193	406,726,456	1,836,372,660	1,006,537,728	96,728,215,379
Additions During the Year	10,418,613	218,876,358	6,599,290,279	58,129,072	27,311,457	51,155,749	76,027,802	7,041,209,329
Disposal during the year	-	-	-	-	-	(2,284,838)	(102,764,450)	(105,049,288)
Transfer Adjustment	-	(2,565,850)	(86,429,440)	-	-	-	-	(88,995,289)
Revaluation Adjustment	1,823,877,668	224,058,827	-	-	-	-	-	2,047,936,496
As at Ashadh 32, 2079	23,080,103,001	4,279,822,415	74,443,850,380	520,458,265	434,037,913	1,885,243,571	979,801,080	105,623,316,626
Depreciation and Impairment (NPR)								
As at Ashadh 31, 2078								
Adjustment of depreciation up to previous year	-	627,673,768	46,535,989,488	338,080,356	350,521,905	1,629,634,071	883,373,466	50,365,273,055
Adjustment of prior period Capitalization	-	-	(2,658,972,421)	-	-	-	-	(2,658,972,421)
Adjustment of Impairment loss (write back) up to previous year	-	742,179,113	-	-	-	-	-	742,179,113
During the Year depreciation	-	139,409,065	5,305,952,869	49,742,826	24,423,071	68,100,428	39,608,492	5,627,236,751
During the Year Impairment loss/(write back)	-	-	-	-	-	-	-	-
Written back on disposals	-	-	-	-	-	(2,161,681)	(102,764,393)	(104,926,074)
Revaluation adjustment	-	-	-	-	-	-	-	-
As at Ashadh 32, 2079	-	1,509,261,946	49,182,969,935	387,823,182	374,944,976	1,695,572,819	820,217,565	53,970,790,423
Net Block								
As at Ashadh 32, 2079	23,080,103,001	2,770,560,469	25,260,880,445	132,635,083	59,092,937	189,670,752	159,583,515	51,652,526,202
As at Ashadh 31, 2078	21,245,806,720	3,211,779,311	23,311,793,362	124,248,837	56,204,551	206,738,589	123,164,262	48,279,735,633



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Nepal Doorsanchar Company Limited
Financial Statements FY 2078-79 (2021-22)



NPR

Description	Company								TOTAL
	LAND	BUILDINGS	PLANT & MACHINERY	HEATING, LIGHTING & AIR-CONDITION	FURNITURE & FIXTURE	OFFICE EQUIPMENTS	VEHICLES		
Original Cost (NPR.)									
As at Ashadh 31, 2078	21,245,806,720	3,838,876,949	72,126,692,074	461,557,501	403,594,386	1,833,903,552	1,006,537,728	100,916,968,910	(4,273,352,363)
Adjustment of prior period Capitalization	-	-	(4,273,352,363)	-	-	-	-	-	-
Revaluation Adjustment									
As at Ashadh 31, 2078 (Restated)	21,245,806,720	3,838,876,949	67,853,339,711	461,557,501	403,594,386	1,833,903,552	1,006,537,728	96,643,616,547	7,034,661,552
Additions During the Year	10,418,613	218,282,775	6,598,803,553	57,781,072	23,793,511	49,554,226	76,027,802	(105,049,288)	(88,995,289)
Disposal during the year									2,047,936,496
Transfer Adjustment			(2,565,850)						
Revaluation Adjustment	1,823,877,668	224,058,827	(86,429,440)	-	-	-	-	105,532,170,017	1,881,172,939
As at Ashadh 32, 2079	23,080,103,001	4,278,652,701	74,365,713,824	519,338,573	427,387,897	1,881,172,939	979,801,080	50,358,661,319	(2,655,538,369)
Depreciation and Impairment (NPR)									
As at Ashadh 31, 2078	-	627,627,556	46,529,844,711	337,999,653	350,307,215	1,629,508,718	883,373,466	742,179,113	742,179,113
Adjustment of depreciation up to previous year			(2,655,538,369)						
Adjustment of prior period Capitalization			742,179,113						
Adjustment of Impairment loss (write back) up to previous year									
During the Year depreciation	-	139,293,190	5,294,851,297	49,552,737	23,920,073	67,367,315	39,608,492	5,614,593,104	(104,926,074)
During the Year Impairment loss/ (write back)									
Written back on disposals									
Revaluation adjustment									
As at Ashadh 32, 2079	-	1,509,099,859	49,169,157,639	387,552,390	374,227,288	1,694,714,352	820,217,565	53,954,969,093	51,577,200,923
Net Block									
As at Ashadh 32, 2079	23,080,103,001	2,769,552,842	25,196,556,185	131,786,183	53,160,609	186,458,587	159,583,515	48,198,314,484	48,198,314,484
As at Ashadh 31, 2078	21,245,806,720	3,211,249,393	23,236,854,256	123,557,848	53,287,171	204,394,834	123,164,262	48,198,314,484	48,198,314,484



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4. Capital Work in Progress (CWIP)

Accounting Policies

Assets in the course of construction are carried at cost, less any accumulated impairment loss. Depreciation on these assets commence when these assets are ready for their intended use.

The expenditure incurred in acquisition and installation of new systems and equipment till the date of commissioning or civil works under construction till the date of completion is recognised as Capital work in progress. The value of capital work in progress includes stock of equipment lying in store or in transit or in custody/warehouse of vendors in case of turnkey project imported in the name of Company as per contract for the purpose of getting used in such installation or construction. The value also includes balances with contractors and suppliers of the systems and equipment for the value to be received. Equipment are capitalised upon commissioning and civil works are capitalised upon handing over after being capable of use.

Capital Inventory under installation are presented net of allowance for obsolete items. The allowances for obsolescence is estimated to approximate the net realisable value of such items. Allowance adjustments are made for those Capital inventories identified by the management as obsolete, non-moving and slow-moving on the basis of last usage of the Capital inventories items lapsing more than five years old, 2-5 years and 1-2 years respectively. For turnkey project (4G/LTE), the management has identified them as regular though their last usage is more than 1 year amounting to NPR 556,334,104.

Inventory	Usage	Allowance
Regular	Within 1 year	-
Slow Moving	1 to 2 years	25%
Non-Moving	2 to 5 years	50%
Obsolete	More than 5 years	100%

Explanatory Notes

Capital Work in Progress	Group		Total
	Capital Works	Capital Inventory under installation	
CWIP Balance as Ashadh end 2078	774,629,200	8,249,578,520	9,024,207,720
Net Addition / (Net Transfer) for 2078-79	(395,579,476)	(1,912,053,040)	(2,307,632,516)
CWIP Balance as at Ashadh 32, 2079	379,890,432	6,337,525,480	6,717,415,912
Accumulated Impairment as at Ashadh 31, 2078	54,587,061	628,210,119	682,797,180
Impairment for FY 2078-79		40,785,321	40,785,321
Accumulated Impairment as at Ashadh 32, 2079	54,587,061	668,995,440	723,582,501
Net Balance as at Ashadh 32, 2079	325,303,371	5,668,530,040	5,993,833,411
Net Balance as at Ashadh 31, 2078	720,042,139	7,621,368,401	8,341,410,540

Capital Work in Progress	Company		Total
	Capital Works	Capital Inventory under installation	
CWIP Balance as Ashadh end 2078	774,629,200	8,249,578,520	9,024,207,720
Prior Year Adjustment			
Net Addition / (Net Transfer) for 2078-79	(395,579,476)	(1,912,053,040)	(2,307,632,516)
CWIP Balance as at Ashadh 32, 2079	379,049,724	6,337,525,480	6,716,575,204

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Accumulated Impairment as at Ashadh 31, 2078	54,587,061	628,210,119	682,797,180
Impairment for FY 2078-79	-	40,785,321	40,785,321
Accumulated Impairment as at Ashadh 32, 2079	54,587,061	668,995,440	723,582,501
Net Balance as at Ashadh 32, 2079	324,462,663	5,668,530,040	5,992,992,703
Net Balance as at Ashadh 31, 2078	720,042,139	7,621,368,401	8,341,410,540

5. Investments in Associates

Accounting Policies

An associate is an entity over which the company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investor but do not have control or joint control over those policies.

At the date of acquisition, any excess of cost of acquisition over the company's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate is recognised as goodwill. The goodwill is included within the carrying amount of the investment.

The results, assets and liabilities of associates are incorporated in the financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the statement of financial position at cost as adjusted for post-acquisition changes in the company's share of net assets of the associate, less any impairment in the value of the investment. The company's share of post-tax profits or losses are recognised in the statement of profit or loss and company's share in changes in the Other Comprehensive Income has been adjusted other Comprehensive Income. Losses of an associate in excess of the company's interest in that associate are recognised only to the extent that the company has incurred legal or constructive obligations or made payments on behalf of the associate.

	Group		Company	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Investment in Trishuli Jal Vidhyut Company Ltd				
At cost	741,000,000	741,000,000	741,000,000	741,000,000
Equity adjustment	(78,725,533)	(67,758,395)	(78,725,533)	(67,758,395)
Investment in Upper Tamakoshi Hydropower Ltd.				
At cost	635,400,000	635,400,000	635,400,000	635,400,000
Equity adjustment	(164,832,323)	(50,453,690)	(164,832,323)	(50,453,690)
Investment in Nagarik Stock Dealer Company Ltd.				
At cost	450,000,000	450,000,000	450,000,000	450,000,000
Equity adjustment	(33,675,764)	30,484,476	(33,675,764)	30,484,476
TOTAL	1,549,166,381	1,738,672,392	1,549,166,381	1,738,672,392
Associates share Income/(Expense) to PL	(180,894,309)	7,727,419	(180,894,309)	7,727,419
Associates share Income/(Expense) to OCI	(8,611,702)	-	(8,611,702)	-

NPR

The Company has pledged its Equity Investment of Trishuli Jal Vidhyut Company Ltd. with Nabil Bank Ltd (Lead Bank of Trishuli 3B Hydro Project financing) on Shrawan 07, 2076 for consortium project financing.

The company's share in changes in the Other Comprehensive Income of Nagarik Stock Dealer amounting to NPR 8,611,702 has been adjusted in Other Comprehensive Income.


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Anand B. Shrestha
Chartered Accountant



Trishuli 3B Hydro Project Background:

Trishuli Jal Vidhyut Company Ltd. (TJVCL) is currently working on developing Upper Trishuli 3B Hydroelectric Project (UT3B HEP). It is a run-of-river type hydroelectric project located at Rasuwa and Nuwakot district of Nepal. The project is cascade of Upper Trishuli 3A Hydroelectric Project (60 MW) and has an installed capacity of 37 MW. The gross head of the project is 90 m, length of headrace tunnel is 3805.48 m and the average annual energy generation is estimated to be 292.58 GWh.

The power produced by the Project will be evacuated to the under construction Trishuli 3B Hub Sub-station through 3 km long 132kV transmission line.

Total Project financing structure is 30% Equity and 70% Debt.

Upper Tamakoshi Hydroelectric Project Background:

Upper Tamakoshi Hydropower limited is currently working on developing 456 MW Upper Tamakoshi Hydroelectric Project (UTKHEP).

Upper Tamakoshi Hydroelectric Project (UTKHEP) is the largest project so far in Nepal under implementation phase. It is national priority project and its early commissioning is very important in order to cope with ongoing electricity crisis in Nepal. It is located in lower region of the Higher Himalayas, in catchment of Tamakoshi River. Tamakoshi River is one of the major tributaries of Sunkoshi River in Koshi River Basin. The intake for hydropower plant is located at Lamabagar Village, which lies at direct distances of about 6 km south of the border with China (Tibet) and 32 km north to northeast of Dolakha District centre, Charikot.

It is a Peaking run-of-river (PRoR) type hydroelectric project. The project has an installed capacity of 456 MW. The gross head of the project is 822 m, design discharge is 66 m³/sec and the average annual energy generation is estimated to be 2280 GWh.

Nagarik Stock Dealer Company Limited:

The company has promoter shareholding of 9 % in Nagarik Stock Dealer Company Limited which has been established with the objective of dealing in securities in the capital market with the stipulated regulation and guidelines of Securities Board of Nepal (SEBON).

6. Investment in Subsidiary

Accounting Policies

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries and associates as at Ashadh 32, 2079. Subsidiaries are all entities over which the Company has control. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of controls listed above. The group considers all relevant facts and circumstances in assessing whether it has power over the investee, including:
 - The size of Group's holding of voting rights;
 - Potential voting rights held by the Group;
 - Rights arising from other contractual arrangements.



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Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on Ashadh 32.

Consolidation Procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Off set (eliminate) the carrying amount of the parent's investment in the subsidiary and the parent's portion of equity of the subsidiary.
- (c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group.

Non-controlling interest:

Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.

Explanatory Notes

The Company has established "Nepal Digital Payments Company Limited (NDPC)" as a subsidiary company in collaboration with Rastriya Banijya Bank Ltd to provide the mobile financial services to the public. The issued and paid up capital of the NDPC amounts to NPR 400 million. The shareholding structure is setup with promoters group and public group with 90% and 10% respectively. The Company's current shareholding is 62.22 % having majority of members in Board of Directors of Nepal Digital Payments Company Limited.

Investment in Subsidiaries	Company	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Investment in Nepal Digital Payments Company Ltd	248,888,900	248,888,900
	248,888,900	248,888,900

7. Inventory

Accounting Policies

Inventories are carried at the lower of net realisable value or cost.

Cost comprises of all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is measured using First in First out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the necessary estimated expenses.

Inventories are presented net of allowance for obsolete items. The saleable item are valued at lower of cost or net realisable value. The management estimate that cost of other inventories will be recovered during the provision of services, However, Allowance adjustments are made for those inventories identified by the management as obsolete, non-moving and slow-moving on the basis of the last usage of those inventory items lapsing more than five years old, 2-5 years and 1-2 years respectively.





Inventory	Usage	Allowance
Regular	Within 1 year	-
Slow Moving	1 to 2 years	25%
Non-Moving	2 to 5 years	50%
Obsolete	More than 5 years	100%

Explanatory Notes

Inventories primarily consist of cash cards, telephone sets (mobile or otherwise), drop wires, Customer Premises Equipment (CPE), fiber cables, accessories and spares that are not eligible for capitalisation.

Inventory	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Gross Inventory					
Telephone sets, Drop Wire & Accessories	179,276,526	301,913,236	179,276,526	301,913,236	
Cash Cards	72,363,490	129,086,253	71,784,862	129,086,253	
Spares and other Inventories	294,848,313	502,505,670	294,848,313	502,505,670	
	546,488,329	933,505,159	545,909,701	933,505,159	
Allowance Adjustments					
Telephone sets, Drop Wire & Accessories	92,762,150	69,346,524	92,762,150	69,346,524	
Cash Cards	25,330,868	22,839,940	25,330,868	22,839,940	
Spares and other Inventories	256,953,186	282,859,739	256,953,186	282,859,739	
	375,046,203	375,046,203	375,046,203	375,046,203	
Inventory net of allowances					
Telephone sets, Drop Wire & Accessories	86,514,376	232,566,711	86,514,376	232,566,711	
Cash Cards	47,032,622	106,246,313	46,453,994	106,246,313	
Spares and other Inventories	37,895,127	219,645,931	37,895,127	219,645,931	
Total	171,442,125	558,458,955	170,863,497	558,458,955	

8. Leases

Accounting Policies

Identification of lease

At inception of a contract, the company determines whether the contract is, or contains a lease. A lease exists if the contract conveys the right to control the use of an identified asset, for a period of time, in exchange for consideration. In making this assessment, the company considers whether:

- The contract involves the use of an identified asset, either explicitly or implicitly. The asset must be physically distinct or represent substantially all the capacity of a physically distinct asset. Assets that a supplier has a substantive right to substitute are not considered distinct.
- The lessee has the right to obtain substantially all the economic benefits from the use of the asset throughout the period of use; and
- The lessee has the right to direct the use of the asset, in other words, has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

The Company recognises a lease liability and right-of-use asset at the commencement of a lease. Lease liabilities are initially measured at the present value of lease payments that are due over the lease term, discounted using the incremental borrowing rate.

Lease Term

The lease term is the non-cancellable period of the lease adjusted for the impact of any extension options that the company is reasonably certain the lessee will exercise, or termination options that the company is reasonably certain the lessee will not exercise.



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Incremental Borrowing Rate (IBR)

The incremental borrowing rate is the rate that the company would have to pay for a loan of a similar term, and with similar security, to obtain an asset of similar value.

Lease payment

Lease payment includes fixed monthly payment mostly in advance for the period of six (6) months or in arrear for the same period.

Lease liabilities are subsequently measured at amortised cost using the effective interest method. They are re-measured if there is a change in future lease payments, or the amount the company expects to be payable under a residual value guarantee if any.

The Company also re-measures lease liabilities where the lease term changes. This occurs when the non-cancellable period of the lease changes, or on occurrence of a significant event or change in circumstances within the control of the lessee and which changes our initial assessment in regard to whether the lessee is reasonably certain to exercise extension options or not to exercise termination options. Where the lease term changes the company re-measures the lease liability using the incremental borrowing rate at the date of reassessment. Where a significant event or change in circumstances does not occur, the lease term remains unchanged and the carrying amounts of the lease liability and associated right-of-use asset will decline over time.

Right-of-use assets are initially measured at the initial amount of the corresponding lease liabilities, adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of any decommissioning costs that have been recognised as provisions, less any lease incentives received if any. They are subsequently depreciated using the straight-line method to the earlier of the end of the useful life of the asset or the end of the lease term.

The company has elected not to recognise lease liabilities and right-of-use assets for short-term leases that have a lease term of 12 months or less, and leases for which underlying assets is of low-value. Leases with the value of underlying assets below NPR 600,000 is considered as low value lease. The company recognises lease payments associated with these leases as an expense on a straight-line basis over the lease term or systematic basis deemed appropriate by the management.

Explanatory Notes

Initial application

The Company has adopted NFRS 16 (Leases) using the modified retrospective method with prospective effect of adoption as applicable from Shrawan 1, 2078. Under this method, the standard is applied prospectively as if the lease is started from the said Financial Year. Before the adoption of NFRS 16, the Company used to classify each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Incremental borrowing rate

The Company has determined the incremental borrowing rates of 8% for lease whose inception period is from the date of initial application and 10% for the lease that starts after the inception date based on considerations specific to the leases by taking into account the risk free borrowing rates as adjusted for country / company specific risk premiums.

Right of Use Assets	Group			NPR
	Land and Building	Network Infrastructure	Other	Total
As on Shrawan 1, 2078	2,514,025,441			2,514,025,441
Adjustments				
Addition during the period	199,450,943			199,450,943
Total Value of Assets	2,713,476,384			2,713,476,384
Amortization Charged for the year	362,604,758			362,604,758
Transfer to assets held for sale				



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Other Movement				
As at Ashadh 32, 2079	2,350,871,626	-	-	2,350,871,626

NPR

Right of Use Assets	Company			Total
	Land and Building	Network Infrastructure	Other	
As on Shrawan 1, 2078	2,514,025,441			2,514,025,441
Adjustments				-
Addition during the period	199,450,943			199,450,943
Total Value of Assets	2,713,476,384	-	-	2,713,476,384
Amortization Charged for the year	362,604,758			362,604,758
Transfer to assets held for sale				-
Other Movement				-
As at Ashadh 32, 2079	2,350,871,626	-	-	2,350,871,626

Lease Liability	Group		Company	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Current	260,613,435	-	260,613,435	-
Non-Current	2,228,248,150	-	2,228,248,150	-
As at 32 Ashadh 2079	2,488,861,585	-	2,488,861,585	-

9. Prepayments , Non-Financial Assets and Non-Financial Liabilities

9.1. Prepayments and Non-Financial Assets

Accounting Policies

Instances where the payments have been made and where expense pertains to the future period(s) are recognised as prepayments. These amounts are charged to profit or loss in the period to which they relate with. Other Non-Financial Assets include Advances for spare parts and to suppliers, employees, and other working advances on which the company receives the goods and services in the future during the normal course of business. The Prepaid expenses and Other Non-Financial Assets are stated net of allowances for bad and doubtful debt based on company's assessment of credit worthiness and overdue for more than 12 months.

Explanatory Notes

Prepayments, Non-Financial Assets	Group		Company	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Prepaid expenses	70,950,555	71,456,164	70,801,294	70,981,412
Less: Provision for possible losses	(1,355,994)	(1,355,994)	(1,355,994)	(1,355,994)
Other Non-Financial Assets	164,324,389	186,393,934	161,310,235	186,127,042
Less: Provision for possible losses	(38,837,876)	(38,837,876)	(38,837,876)	(38,837,876)
Deferred Employee Expenses	1,969,763,785	1,520,749,502	1,969,763,785	1,520,749,502
Total	2,164,844,859	1,738,405,730	2,161,681,444	1,737,664,086

9.2. Non-Financial Liabilities

Accounting Policies

Non-Financial Liabilities include the statutory liabilities which arise as a result of statutory obligation during the normal course of business of the company. It includes advance money received/ liabilities on part of the company to the customers for promised services. It also includes employee bonus and telecom allowances payable as per legal provisions and company's employees service bylaws.



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Explanatory Notes

Other Non-Financial Liabilities	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
VAT Payable	138,745,184	51,694,878	138,745,184	51,694,878	
TDS payable	6,483,651	929,602,608	6,252,055	929,602,608	
Other Fee Collection Payable	482,565,294	408,056,747	482,565,294	408,056,747	
Royalty and Contribution to RTDF Payable	2,249,791,180	2,129,447,179	2,249,791,180	2,129,447,179	
Advance from Subscribers	1,075,079,899	1,016,308,851	1,074,906,943	1,016,308,851	
Unearned Cash Card Sales	897,858,528	923,795,200	897,858,528	923,795,200	
Telecom Allowance Payable	1,264,028,657	867,980,656	1,264,028,657	867,980,656	
Employee Bonus Payable	1,401,086,386	1,312,925,814	1,401,086,386	1,312,925,814	
Total	7,515,638,779	7,639,811,933	7,515,234,227	7,639,811,933	

10. Financial Instruments

Accounting Policies

The company has elected to apply NFRS 9 *Financial Instruments* as per new accounting policies that provide more reliable and relevant information for users to assess the amounts, timing and uncertainty of future cash flows.

10.1 Financial Assets

(I) Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value
 1. through other comprehensive income, or
 2. through profit or loss
- those to be measured at amortised cost.

The classification depends upon the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The company reclassifies debt investments when and only when its business model for managing those assets changes

(II) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are charged in profit or loss.





Investments and other financial assets

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

a. Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

b. Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method.

c. Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit or loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in the finance income.

Equity instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

De-recognition of Financial Assets

A financial asset is derecognized only when the contractual rights to the cash flows from the financial asset expires, or it transfers the financial asset and the transfer qualifies for de-recognition. On de-recognition of a financial asset in it's entirely, the difference between the carrying amounts measured at the date of de-recognition and the consideration received is recognized in the Statement of Profit or Loss.

(III) Impairment of financial assets

The company assesses on a forward-looking basis, the expected credit losses associated with its assets carried at amortised cost and FVtOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets only, the company applies the simplified approach permitted by NFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.



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The company has three types of financial assets subject to NFRS 9's new expected credit loss model. The company was required to revise its impairment methodology under NFRS 9 for each of these classes of assets.

(i) **Trade & other receivables**

For trade & other receivables, the company applies the simplified approach to providing for expected credit losses as prescribed by NFRS 9, which requires the use of the lifetime expected loss provision for all trade & other receivables.

(ii) **Term Deposits & Investments in Debentures**

These are debt investments at amortised cost and are considered to be low risk, and thus the impairment is determined as 12 months expected credit losses.

(iii) **Loan Investments**

These are debt investments at amortised cost and are considered to be low risk, and thus the impairment is determined as 12 months expected credit losses.

Explanatory Notes:

Financial Assets (FY 2078-79)	FVtPL	FVtOCI		At Amortised cost	Total
		Debt	Equity		
Equity Investments			130,000,000		130,000,000
Employee Loan	3,612,505,030				3,612,505,030
Accruals, Advance & Others Receivables	310,966,431				310,966,431
Trade & Other Receivable				2,320,933,080	2,320,933,080
Term Deposits and Investments in Debenture				55,139,912,000	55,139,912,000
Loan Investments				13,934,401,507	13,934,401,507
Cash & Cash Equivalents	5,671,274,409				5,671,274,409
Total	9,594,745,870	-	130,000,000	71,395,246,587	81,119,992,457

Financial Assets (FY 2077-78)(Restated)	FVtPL	FVtOCI		At Amortised cost	Total
		Debt	Equity		
Equity Investments			130,000,000		130,000,000
Employee Loan	4,043,306,463				4,043,306,463
Accruals, Advance & Others Receivables	277,413,233				277,413,233
Trade & Other Receivable				2,304,314,233	2,304,314,233
Term Deposits and Investments in Debenture				42,038,521,000	42,038,521,000
Loan Investments				13,319,131,583	13,319,131,583
Cash & Cash Equivalents	10,714,462,668				10,714,462,668
Total	15,035,182,364	-	130,000,000	57,661,966,816	72,827,149,180

10.1.1 Equity Investments:

Accounting Policies

Equity investments are accounted for at fair value in accordance with NFRS 9 'Financial Instruments.' These investments are measured at fair value through other comprehensive income as the company does not intend to hold these instruments for trading purpose.



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Equity Investments	NPR			
	Group		Company	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Vidhyut Utpadan Company Ltd.	130,000,000	130,000,000	130,000,000	130,000,000
	130,000,000	130,000,000	130,000,000	130,000,000

The company has made this investment under long term investment strategy. The company has promoter shareholding in this company. This company is yet to be in full operation to generate revenue. So, the company believes, considering other similar investments in the market, that the long-term return from the investments and the future value will more than sufficiently cover the cost of the investment. The cost value currently represents the fair value of these investment.

10.1.2 Employee Loans

Accounting Policies

Employee loans are accounted for fair value through profit or loss. The effective interest and the change in fair value shall be charged/credited to profit and loss.

Explanatory Notes

Employee loans are benefits provided by the company to its employees. The Company's business model is to hold on to these assets until maturity for the purpose of collecting principal, interest and bonus amount. The company collects interest at the time of disbursement and principal is collected over the period in accordance with the repayment schedule. For Insured Loan, the employee will pay required premiums annually and final settlement will be done after maturity of Insurance plan. The Company collects the principal amount and agreed proportionate amount of bonus received from the insurance company.

The intrinsic effective interest and the net change in fair value is taken to profit or loss and the principal outstanding is reported at fair value. These loans have the recoverable period from 1 to 19 years. The discount rate that has been considered for computing fair value is the notional average interest rate used for determining the taxable benefit of employees during the year. These assets are considered to have nominal risk of recovery as the employee's current and retirement benefits and Insurance Plan adequately secures the receivables.

Employee Loan	NPR			
	Group		Company	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Gross Disbursement and Outstanding	5,559,989,995	5,569,902,153	5,559,989,995	5,569,902,153
Fair Value adjustment	(1,947,484,965)	(1,526,595,690)	(1,947,484,965)	(1,526,595,690)
Total Employee Loan at Fair Value	3,612,505,030	4,043,306,463	3,612,505,030	4,043,306,463
Employee Loan - Current Portion	48,929,431	74,738,647	48,929,431	74,738,647
Employee Loan - Non-Current Portion	3,563,575,599	3,968,567,816	3,563,575,599	3,968,567,816
Total Employee Loan at Fair Value	3,612,505,030	4,043,306,463	3,612,505,030	4,043,306,463

10.1.3 Accruals, Advances and Other Receivables

Accounting Policies

These comprise of interest accrued, claim against employees, claim against supplier and others. These are expected to be settled in normal course of operation within one-year period of such claims. These are recognised initially at cost and subsequently at fair value through profit or loss.



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Explanatory Notes

Interest Accrued:

Interest Accrued represents amount pertaining to the period for Debentures but with the payment timing beyond the reporting dates. The risk of non-recovery is considered to be nominal.

The Provision made for previous year Interest Accrued for loan investment to Upper Tamakoshi (UTK) has been written back as the UTK has started loan repayment from this FY as per Re-payment Schedule.

Claims against suppliers and others:

These comprises claims to be received from contractors, suppliers and others with no implicit finance charge. These are expected to be settled in normal course of operation within one-year period of such claims and are carried at costs, is considered to represent the fair value.

Claims against Employees:

These comprise the claims to be received from employees with no implicit finance charge. These are expected to be settled in normal course of operation within one-year period of such claims and are carried at costs, is considered to represent the fair value.

Accruals, Advances and Other Receivables	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
	Interest Accrued	210,574,697	226,133,534	210,574,191	
Less: Provision of possible losses	-	(134,182,626)	-	(134,182,626)	
Advance to and Claims Against Others	131,264,531	179,770,402	129,966,150	175,708,402	
Less: Provision for possible losses	(59,183,104)	(59,183,104)	(59,183,104)	(59,183,104)	
Advance to and Claims Against Employees	29,745,591	69,035,743	29,707,910	69,035,743	
Less: Provision for possible losses	(98,716)	(98,716)	(98,716)	(98,716)	
Total	312,302,999	281,475,233	310,966,431	277,413,233	

10.1.3.1 Long Term Loan and Advances

Accounting Policies

These comprise of long term advances provided to suppliers for equipment / Systems and other. These are expected to be settled in normal course of operation in period of more than one-year period of such claims. These are recognised initially at cost and subsequently at fair value through profit or loss.

Explanatory Notes

	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Opening Balance	2,063,103,388	3,117,054,215	2,063,103,388	3,117,054,215	
Prior Year Adjustment	-	(294,255,752)	-	(294,255,752)	
Net Addition / (Net Transfer) for 2078-79	(786,047,666)	(759,695,075)	(786,047,666)	(759,695,075)	
Closing Balance	1,277,055,722	2,063,103,388	1,277,055,722	2,063,103,388	
Opening Accumulated Impairment	93,384,684	93,384,684	93,384,684	93,384,684	
Impairment for FY 2078-79	-	-	-	-	
Closing Accumulated Impairment	93,384,684	93,384,684	93,384,684	93,384,684	
Net Balance	1,183,671,038	1,969,718,704	1,183,671,038	1,969,718,704	



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10.1.4 Trade & other Receivables

Accounting Policies

Trade receivables:

Trade receivables comprise of amounts owed to the company by the customers as per NFRS 15: Revenue from Contracts with customers. A fifteen days credit period is allowable to all the receivables from PSTN and VSAT services provided by the company. Trade receivables do not carry any interest and are measured at the carrying amount at which the items are initially recognised less any impairment losses, i.e. stated at their nominal value as reduced by appropriate allowances. Such allowances are affected by way of write-downs based on the estimated irrecoverable amount. The company estimates the Expected Credit Loss (ECL) on these instruments in the form of impairments.

Individual trade receivables are written off when management deems them not to be collectible. Write-offs of trade receivables are recognised in some cases using the allowance accounts.

Contract Asset:

A contract asset is defined in IFRS 15: Revenue from Contracts with Customers as an entity's right to receive consideration in exchange for goods or services that the entity has already provided to the customer, but payment is still conditional as per the business model of the Company.

Impairment:

Trade receivables and contract assets are exposed to customers' credit risk and are subject to impairment assessment. The company applies the simplified approach to providing for expected credit losses which requires the use of the lifetime expected loss provision for all trade receivables or contract assets that result from transactions that are within the scope of Revenue from Contracts with Customers and that do not contain a significant financing component.

In "Simplified approach", expected credit loss is calculated using a provision matrix. A provision matrix is applying the relevant estimated loss rates to the trade receivable balances outstanding (i.e. a trade receivable ageing analysis).

Explanatory Notes

The groupings have been based on type of customer such as Wireless, Fixed line, Interconnection services – International and Domestic along with appropriate sub groups based on their similar credit risk characteristics to apply the provision matrix. The Company uses portfolio approach based on historical credit loss experience to estimate the lifetime expected credit losses.

The company's trade receivables are stated after lifetime expected credit loss. In addition to the non-recoverable risk of trade receivables, which the company believes is adequately covered by the allowances made, these assets are subject to diminishing value due to time value of money and inflationary devaluation as no interest is charged on these accounts.

Impairment:

Due to the COVID-19 pandemic impacts, it is expected that an increase in unemployment rates and decline in gross domestic product will exceed the relevant thresholds. Therefore, when estimating the expected credit loss we have incorporated up to ten percent macro-economic adjustment in arriving expected loss rate in addition to historical loss rate derived from default from customers. As a result, we have increased the allowance for Expected Credit Loss to reflect risks and uncertainties brought by the COVID-19 pandemic. Should the macroeconomic assumptions change in the future, it could have a material impact on our allowance for Expected Credit Loss in the subsequent years.



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Trade Receivables	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Gross Trade & Other Receivable					
Wireless	905,086,160	892,002,471	904,947,291	892,002,471	
Fixed Line	1,606,456,673	1,692,211,038	1,606,456,673	1,692,211,038	
International Inter-connection	1,283,826,859	1,189,366,147	1,283,826,859	1,189,366,147	
Domestic Inter-connection	315,275,337	263,348,670	315,275,337	263,348,670	
Contract Assets	158,810,318	215,769,305	158,810,318	215,769,305	
	4,269,455,346	4,252,697,630	4,269,316,478	4,252,697,630	
Expected Credit Loss					
Wireless	473,373,991	435,079,722	473,373,991	435,079,722	
Fixed Line	891,452,232	1,027,831,455	891,452,232	1,027,831,455	
International Inter-connection	198,490,632	135,815,828	198,490,632	135,815,828	
Domestic Inter-connection	315,128,116	263,348,670	315,128,116	263,348,670	
Contract Assets	69,938,426	86,307,722	69,938,426	86,307,722	
Total	1,948,383,397	1,948,383,397	1,948,383,397	1,948,383,397	
Trade Receivables net of impairment					
Wireless	431,712,168	456,922,749	431,573,300	456,922,749	
Fixed Line	715,004,441	664,379,582	715,004,441	664,379,582	
International Inter-connection	1,085,336,227	1,053,550,319	1,085,336,227	1,053,550,319	
Domestic Inter-connection	147,221	-	147,221	-	
Contract Assets	88,871,892	129,461,583	88,871,892	129,461,583	
Total	2,321,071,949	2,304,314,233	2,320,933,080	2,304,314,233	

10.1.5 Term Deposits and Investments in Debenture:

Accounting Policies

The company recognises terms deposits and investments in Debenture initially at fair value and subsequently at amortised cost using effective interest rate. The company has capacity and intention to hold on these investments until maturity. It is company's business model to hold on these investments solely for the purpose of receiving principal and interest.

Term Deposits:

Terms deposits in Banks and Investments in Debenture are held with fixed coupon rate of interest and are to be recognised at amortised cost using effective interest rate. Since, under the company's business model, the company intends to receive only contractual cash flows from these financial assets with no other costs or premium / discounts being involved. Therefore, the intrinsic coupon rate is taken as effective interest rate for all the term deposits and Investments in Debenture. Considering the maturity period of the deposits these are classified as current assets.

Explanatory Notes

The company only invests in Debentures of the government and class 'A' commercial banks and in term deposit of class 'A' commercial banks and Class 'B' National Level Development bank in Nepal. The Banks are regulated and are under strict monitoring of the Central Bank of Nepal. Therefore, the risk of non-recovery on these instruments are considered nominal. Further, in absence of any other incremental costs, the interest rate inherent in these instruments are the effective interest rate and adjust for the credit risk and time value of money.



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Term Deposits and Investments in Debenture:	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Government and Corporate Debenture					
Investment in Debentures of class 'A' Bank	3,178,212,000	2,115,161,000	2,854,212,000	2,115,161,000	
Term Deposits with Banks					
in Foreign Currency (US\$)	8,925,700,000	7,023,360,000	8,925,700,000	7,023,360,000	
in Nepalese Currency	43,360,000,000	32,900,000,000	43,360,000,000	32,900,000,000	
	55,463,912,000	42,378,521,000	55,139,912,000	42,038,521,000	
Current	52,609,700,000	40,263,360,000	52,285,700,000	39,923,360,000	
Non-Current	2,854,212,000	2,115,161,000	2,854,212,000	2,115,161,000	
Total	55,463,912,000	42,378,521,000	55,139,912,000	42,038,521,000	

10.1.6 Loan Investments

The company recognises loan investments initially at fair value and subsequently at amortised cost using effective interest rate. The company has capacity and intention to hold on these investments until maturity. It is the company's business model to hold on these investments solely for the purpose of receiving principal and interest.

Explanatory Notes

Interest accrued and service charge on Loan Investment provided to M/s Upper Tamakoshi Hydropower Limited has been capitalised as per the loan agreement. Total outstanding, including opening balance, additional loan investment during the year and capitalised interest and service charges as at the year-end

Expected Credit Losses (ECL) on UTK Loan Investment:

Impairment

These are debt investments at amortised cost and are considered to be low risk, and thus the impairment is determined as 12 months expected credit losses.

Explanatory Notes

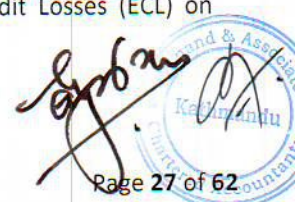
The Loan investment has been made in Upper Tamakoshi Hydropower Limited to develop 456 MW Upper Tamakoshi Hydroelectric Project (UTKHEP) as a consortium Loan with corporate guarantee of Nepal Electricity Authority. The land, property, plant and equipment owned by the Upper Tamakoshi Hydropower Limited itself at present and to be owned in future has been mortgaged in the name of Nepal Doorsanchar Company Limited, Citizen Investment Trust and Rastriya Beema Sansthan as security against the loan obtained from these institutions. Further the recoverability of Loan investment is secured by the cash flows to be received from the selling of energy to Nepal Electricity Authority under Power Purchase Agreement (PPA) concluded at project inception. The project started its commercial operation fully from Bhadra 25, 2078 and had positive operating cash flows during the interim financial report of first quarter of Fiscal Year of 2078-79.

Therefore from the reasonable and supportable information that is available without undue cost or effort in above paragraph, the credit risk on such Loan Investment has not been increased significantly since initial recognition.

Thus, impairment has been provided as 12 months expected credit losses. As a practical expedient in measuring the expected credit losses, the company has provided 5% Expected Credit Losses (ECL) on amortised cost of the debt investment.



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Loan Investments	Group		Company	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Loan Investments in Upper Tamakoshi Hydropower Ltd.	14,667,791,060	14,020,138,508	14,667,791,060	14,020,138,508
Less: Expected Credit Loss	(733,389,553)	(701,006,925)	(733,389,553)	(701,006,925)
Net Investment	13,934,401,507	13,319,131,583	13,934,401,507	13,319,131,583

10.1.7 Cash and Cash Equivalents

Accounting Policies

Cash and cash equivalents are recognised initially at fair value and subsequently at fair value through profit or loss. They are reported at their carrying value. The carrying amount of cash and cash equivalents approximate their fair value.

Cash and Cash Equivalents	Group		Company	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Bank Balances				
Interest Bearing	5,679,723,784	10,886,334,205	5,671,192,579	10,869,869,420
Non Interest Bearing	-	10,235,618	-	10,235,618
Cash Balance	81,830	13,041	81,830	13,041
	5,679,805,614	10,896,582,864	5,671,274,409	10,880,118,079
Effect of Exchange rate changes	-	(165,655,411)	-	(165,655,411)
Total	5,679,805,614	10,730,927,453	5,671,274,409	10,714,462,668

Cash and cash equivalents have original maturity of less than three months. These enable the company to meet its short-term liquidity requirements. The majority of the company's cash and cash equivalents comprise of interest bearing call deposits with commercial banks which are subject to insignificant risk of change in value. These also include cash-in-hand and cheques.

Foreign currency balances with banks falling under the cash and cash equivalents classification, are converted into reporting currency using the closing exchange rates and resulting Foreign exchange gain loss is recognised in profit or loss.

Risk of holding cash and bank balance is the time value of money and the inflationary devaluation which is not fully off-set by interest earned by those bank deposits.

10.2 Financial Liabilities

(I) Classification

- The Company shall classify all financial liabilities as subsequently measured at amortised cost, except for:
- Financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.
 - Financial guarantee contracts.

The financial liability is accounted for at amortised cost using effective interest rate. The company has considered the discount rate for the future payments and computation of amortised cost. The effective interest is recognised in the statement of profit or loss.

(II) Measurement

On initial recognition all financial liabilities are recognised at their fair value. The subsequent measurement depends on the classification of the financial liabilities.



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(III) De-recognition of Financial Liability

A financial liability is derecognised 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 the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Explanatory Notes

Financial liabilities of the company are reported at amortised cost using effective interest rate.

NPR			
Financial Liabilities (FY 2078-79)	FVtPL	Amortised cost	Total
Subscriber Deposits		62,588,773	62,588,773
GSM License Renewal Fee Liability		3,668,703,704	3,668,703,704
Current Liabilities		14,244,862,146	14,244,862,146
Trade Payable		1,957,828,024	1,957,828,024
Total	-	19,933,982,647	19,933,982,647

NPR			
Financial Liabilities (FY 2077-78) (Restated)	FVtPL	Amortised cost	Total
Subscriber Deposits		2,149,292,261	2,149,292,261
GSM License Renewal Fee Liability		7,065,651,578	7,065,651,578
Current Liabilities		13,211,947,541	13,211,947,541
Trade Payable		1,601,557,820	1,601,557,820
Total	-	24,028,449,200	24,028,449,200

10.2.1. Subscriber Deposits

Explanatory Notes

Subscribers' deposits are deposits from customers for services they have subscribed in accordance with the company's service policies. It consists of credit limit and deposit from customers for services they have subscribed. The company pays nominal interest of 3% on deposits portion. The interest incurred as per approved criteria on such deposits is charged to statement of profit or loss as finance costs.

	NPR			
	Group		Company	
Subscriber Deposits	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Deposit and Credit Limit from Subscriber	62,588,773	2,149,292,261	62,588,773	2,149,292,261
Total	62,588,773	2,149,292,261	62,588,773	2,149,292,261

Only nominal value of subscriber deposit is reversed, normally as the result of discontinuance by the subscribers and it is not possible to estimate probable future payments. Therefore, entire subscriber deposit is classified as non-current.

NPR 1,987,129,670 has been adjusted in subscribers deposit to advances and other payables in the first quarter of FY 2079/80. The company has considered this adjustment as adjusting event after reporting date giving impact in FY 2078/79 (refer point no. 36.2).



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10.2.2. GSM License Fee Renewal Liability

Explanatory Notes

GSM License Second Renewal Liability

The company was obligated to pay NPR 20 billion (less already paid amount of NPR 192 million) as the Second renewal for its GSM License. However, the Government of Nepal rescheduled the payment of the remaining second renewal fee to be paid over the next five years by equal annual instalments of NPR 3,962,200 thousand. The liability is accounted for at amortised cost using effective interest rate. The company has considered 8% as the discount rate for the future payments and computation of amortised cost. The effective interest is recognised in the statement of profit or loss.

GSM License Fee Renewal Liability	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Gross Amount	3,962,200,000	7,924,400,000	3,962,200,000	7,924,400,000	
Discount	(293,496,296)	(858,748,422)	(293,496,296)	(858,748,422)	
	3,668,703,704	7,065,651,578	3,668,703,704	7,065,651,578	
Current Portion	3,668,703,704	3,962,200,000	3,668,703,704	3,962,200,000	
Non-Current Portion	-	3,103,451,578	-	3,103,451,578	
Total GSM License Fee Renewal Liability	3,668,703,704	7,065,651,578	3,668,703,704	7,065,651,578	

10.2.3. Trade Payable

Trade payables represent liabilities for services received from interconnection telecom operator prior to the end of financial year which are unpaid. Trade payables are classified as current liabilities unless payment is not due within twelve (12) months after the reporting period. Otherwise, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Explanatory Notes

Trade Payable	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Payable for Bandwidth Service	1,540,452,838	1,174,565,276	1,540,452,838	1,174,565,276	
Payable for Interconnection Service	417,375,186	426,992,544	417,375,186	426,992,544	
Total	1,957,828,024	1,601,557,820	1,957,828,024	1,601,557,820	

10.2.4. Current Liabilities

Current liabilities and other payables are recorded at cost. They are expected to be settled within 12 months of normal course of business. The carrying amounts represents the amortised cost.

Explanatory Notes

Current Liabilities	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Sundry Creditors - Suppliers	10,753,300,564	12,115,855,242	10,753,762,494	11,966,470,242	
Advances Work/Income related	3,387,777,310	982,014,734	3,387,777,310	982,014,734	
Others Liabilities	255,498,579	263,623,197	103,322,342	263,462,565	
Total	14,396,576,453	13,361,493,173	14,244,862,146	13,211,947,541	



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10.3. Off-setting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

10.4. Financial Guarantee Contract:

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value. The fair value of a financial guarantee contract is the present value of the difference between the net contractual cash flows required under a debt instrument, and the net contractual cash flows that would have been required without the guarantee. The present value is calculated using a risk free rate of interest.

At the end of each subsequent reporting period financial guarantees are measured at the higher of:

- The amount of the loss allowance; and
- The amount initially recognized less cumulative Amortization, where appropriate.

The amount of the loss allowance at each subsequent reporting period initially equals to 12-month expected credit losses. However, where there has been a significant increase in the risk that the specified debtor will default on the contract, the calculation is for lifetime expected credit losses.

Expected credit losses for a financial guarantee contract are the cash shortfall adjusted by the risks that are specific to the cash flows.

Cash shortfalls are the difference between:

- The expected payments to reimburse the holder for a credit loss that it incurs; and
- Any amount that an entity expects to receive from the holder, the debtor or any other party

Explanatory Notes

The Company has given financial guarantee and pledged its equity share investment of its associate M/s Trishuli Jalavidhyut Company Limited to Nabil Bank Ltd for Trishuli 3B Hydro Project financing.

10.5. Financial Risk Management

The company's business activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (Foreign currency risk, interest risk) which may adversely impact the fair value of its financial instruments. Risk management focuses on the unpredictable financial loss and seeks to minimize potential adverse effect on company's performance.

The company's Board and senior management has overall responsibility for the establishment and oversight of the company's risk management. The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Risk management policies/practices and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The risk management is done by the company's management that provides assurance that the company's financial risk activities are governed by appropriate practices & procedures and that financial risks are identified, measured and managed in accordance with company's risk objectives.

Credit Risk:

Credit risk is the risk of financial loss arising from counterparty to a financial instruments if the party fails to repay or service debt according to the contractual terms or obligation. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.



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Financial instruments that are subject to concentrations of credit risk, principally consist of investments in debt instruments, trade receivables, terms deposits, accruals, advances and other receivables and loan given to employees. Terms deposits in banks result in material concentrations of credit risks.

The company's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty to a financial instrument. For the purpose of risk control of Trade Receivables, Credit limits and deposits are established for each customer, whereby the credit limit represents the maximum open amount for one bill cycle. For loan Investment, Property Plant and Equipment at present and to be owned in future has been mortgaged and corporate guarantee has been taken.

Liquidity Risk:

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due without incurring unacceptable losses. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The company's manages the liquidity to ensure sufficient liquidity to meet all liabilities when due, without facing unacceptable losses. Any short term surplus cash generated by the company, over and above working capital requirements and other operational requirements including loan and capital commitment, are retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits to maximize its returns on investment.

Market Risk:

Market risk is the risk related to changes in market prices, such as interest rates, foreign exchange rates and market economics conditions. The objective of market risk management is to manage and control market risk exposure within acceptable parameters.

i. Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The company's Revenue Department manages the interest rate risk in order to reduce the financial impact as a consequence of the interest rate fluctuation. The company has established a policy and procedures to monitor investments and facilitate its investment diversification efforts.

The Company is subject to variable interest rates on interest bearing assets such as cash and cash equivalent, Term Deposits, Loan Investments and Investment in Debentures. The Company's interest rate exposure is mainly related to financial assets.

ii. Foreign Currency Risk:

The company is exposed to foreign currency risks on sales and purchases denominated in a currency other than its functional currency (NPR). The two major currencies giving rise to currency risks are US Dollar (USD) and Euro (EURO). However, the company has not entered into any forward contracts to mitigate such risks. The company is subject to the risk that changes in foreign currency values impact the company's transactions/events relating to settlement of interconnection transactions, USD Term Investment and import of inventories, property plant & equipment and services.

The company closely monitors market economic activity and currency fluctuations in the market so as to respond effectively to the changes in exchange rate.



11 Provisions

Accounting Policies

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Explanatory Notes

The provisions have been computed based on the legal provisions and past practices. The timing and actual payment is subject to further approvals. The company estimates that these obligations will be settled within the next 12 months, therefore no discounting has been applied. The carrying amount represents the amortised cost.

The amount of provision recognised is the management's best estimate of expenditure required to settle the present obligation at the reporting date. Management reviews provisions at each balance sheet date and is adjusted to reflect the best current estimate. If it is no longer probable that a transfer of economic benefits will be required to settle the obligation, the provision is reversed.

Provisions	Group		Company	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Provision for GSM License Renewal Fee	12,723,287,671	8,723,287,671	12,723,287,671	8,723,287,671
Total	12,723,287,671	8,723,287,671	12,723,287,671	8,723,287,671

The third renewal of GSM license that fell due on 2076/01/28 is still uncertain and yet to be confirmed. As per the Government of Nepal's decision dated 2076/02/10, the company renewed its license by paying NPR 189 million during the FY 2075-76. Provision has been made up to the current year end based on past obligation.

12 Fair Value Measurements of Assets and Liabilities

In accordance with NFRS 13 'Fair Value Measurement', the company categorises assets or liabilities carried on the reporting date at fair value using a three level hierarchy. Assets or liabilities categorised as Level 1 are valued using quoted market prices and therefore there is minimal judgement applied in determining fair value. However, the fair value of Assets or liabilities categorised as Level 2 and, in particular, Level 3 is determined using valuation techniques including discounted cash flow analysis and other valuation models. In addition, in line with market practice, the company applies credit, debit and funding valuation adjustments in determining the fair value of its uncollateralised assets. A description of these adjustments is set out as under.

These valuation techniques involve management judgement and estimates to the extent of which depends on the complexity of the assets or liabilities and the availability of market observable information. Valuation techniques for Level 2 financial instruments use inputs that are based on observable market data. Level 3 input for assets or liabilities are those where at least one input, which could have a significant effect on the valuation, is not based on observable market data. Determining the appropriate assumptions to be used for Level 3 assets or liabilities require significant management judgement. Further details of the company's Level 3 assets or liabilities and the sensitivity of their valuation including the effect of applying reasonably possible alternative assumptions in determining their fair value are set out wherever required.

Valuation of financial assets and liabilities

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the quality and reliability of information used to determine the fair values.



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Level 1

Level 1 fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities. Products classified as level 1 predominantly comprise equity shares, treasury bills and other government securities.

Level 2

Level 2 valuations are those where quoted market prices are not available, for example where the assets or liabilities is traded in a market that is not considered to be active or valuation techniques are used to determine fair value and where these techniques use inputs that are based significantly on observable market data. Examples of such assets or liabilities include most over-the-counter derivatives, financial institution issued securities, certificates of deposit and certain asset-backed securities.

Level 3

Level 3 portfolios are those where at least one input, which could have a significant effect on the valuation, is not based on observable market data. These are valued using various valuation techniques that require significant management judgement in determining appropriate assumptions, including earnings multiples and estimated future cash flows.

12.1 Assets and Liabilities Carried at Fair Value

<i>NPR</i>				
Assets and Liabilities FY 2078-79	Carrying Amount (Fair Value)	Quoted Market Prices (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Land	23,080,103,001		21,255,525,331	
Building	2,769,552,842		2,769,552,842	
Cash and Cash Equivalent	5,671,192,579	81,830	5,671,110,749	
Total	31,520,848,422	81,830	29,696,188,922	-
<i>NPR</i>				
Assets and Liabilities FY 2077-78 (Restated)	Carrying Amount (Fair Value)	Quoted Market Prices (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Land	21,245,806,720		21,245,806,720	
Building	3,211,249,393		3,211,249,393	
Cash and Cash Equivalent	10,714,462,668	13,041	10,880,105,038	
Total	35,171,518,781	13,041	35,337,161,151	-

Land revaluation has been periodically done to report the value of the land at fair value. Value of similar land in similar locality is considered for fair value determination. (also refer note 3)

Building and physical structure has been periodically revalued to report at the fair value. The Depreciated Replacement Cost (DRC) approach has been used for fair value determination of building and physical structures.

Cash and cash equivalent is also presented at the fair value. The cash balance is the quoted price of the denominated currency. Further, the company considers the short-term deposits maintained with the commercial banks to represent the fair value of the balances.

12.2 Fair Value of Financial Assets and Liabilities Carried at Amortised Cost

The financial assets and financial liabilities carried at amortized cost have been assessed for their fair values. Since these assets and liabilities are not quoted in the active market and observable inputs for those assets and liabilities are not available, the management has used discounted cash flow to estimate their fair value, applying level 3 assumption under NFRS 13. Details of company are disclosed as under:

<i>NPR</i>					
Assets and Liabilities (FY 2078-79)	Carrying amount	Fair Value	Quoted prices (Level 1)	Observable Inputs (Level 2)	Unobservable inputs (Level 3)
Assets					
Trade & Other Receivable	2,320,933,080	2,320,933,080			2,320,933,080



NPR



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Nepal Doorsanchar Company Limited
Financial Statements FY 2078-79 (2021-22)

Term Deposits	52,285,700,000	52,285,700,000	-	-	52,285,700,000
Investments in Debenture	2,854,212,000	2,843,301,140	-	-	2,843,301,140
Loan Investments	13,934,401,507	13,934,401,507	-	-	13,934,401,507
Liabilities					
Subscriber Deposits	62,588,773	62,588,773	-	-	62,588,773
GSM License Renewal Fee Liability	3,668,703,704	3,668,703,704	-	-	3,668,703,704
Current Liabilities	14,244,862,146	14,244,862,146	-	-	14,244,862,146
Trade Payable	1,957,828,024	1,957,828,024	-	-	1,957,828,024

Assets and Liabilities (FY 2077-78) (Restated)	Carrying amount	Fair Value	NPR		
			Quoted prices (Level 1)	Observable Inputs (Level 2)	Unobservable inputs (Level 3)
Assets					
Trade & Other Receivable	2,304,314,233	2,304,314,233	-	-	2,304,314,233
Term Deposits	39,923,360,000	39,923,360,000	-	-	39,923,360,000
Investments in Debenture	2,115,161,000	2,164,975,788	558,231,788	-	1,606,744,000
Loan Investments	13,319,131,583	13,319,131,583	-	-	13,319,131,583
Liabilities					
Subscriber Deposits	2,149,292,261	2,149,292,261	-	-	2,149,292,261
GSM License Renewal Fee Liability	7,065,651,578	7,065,651,578	-	-	7,065,651,578
Current Liabilities	13,211,947,541	13,211,947,541	-	-	13,211,947,541
Trade Payable	1,601,557,820	1,601,557,820	-	-	1,601,557,820

13 Employee Benefits

Accounting Policies

Short-term employee benefits, such as salaries, paid leave, performance-based awards and social security costs are recognised over the period in which the employees provide the related services.

The company operates a number of post-retirement benefit schemes for its employees including both defined benefit and defined contribution plans.

1. A defined benefit scheme is a plan that defines an amount of pension, gratuity or leave compensation benefit that an employee will receive on retirement, dependent on one or more factors such as age, years of service and salary.
2. A defined contribution plan is a plan into which the company pays fixed contributions; there is no legal or constructive obligation to pay further contributions.

Full actuarial valuations of the company's defined benefit schemes are carried out periodically with interim reviews in the intervening years; these valuations are updated by qualified independent actuaries. For the purposes of these annual updates, scheme assets are included at their fair value and scheme liabilities are measured on an actuarial basis using actuarial assumptions. The defined benefit scheme liabilities are discounted using rates equivalent to the market yields at the reporting date. The company's profit or loss charge includes the current service cost, past service costs, net interest expense (income), and plan administration costs that are not deducted from the return on plan assets. Re-measurements, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest expense (income) and net of the cost of managing the plan assets), and the effect of changes to the asset ceiling (if applicable) are reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurements recognised in other comprehensive income are reflected immediately in retained profits and will not subsequently be reclassified to profit or loss.



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The company's Statement of Financial Position includes the net surplus or deficit, being the difference between the fair value of scheme assets and the discounted value of scheme liabilities at the reporting date. Surpluses are only recognised to the extent that they are recoverable through reduced contributions in the future or through refunds from the schemes. In assessing whether a surplus is recoverable, the company considers its current right to obtain a refund or a reduction in future contributions and does not anticipate any future acts by other parties that could change the amount of the surplus that may ultimately be recovered.

The company provides various loans and advances to its employees as per the employee service by-laws of the company. The various loans and advances provided are Insured, Uninsured with different maturity period. Employee loan is measured at Fair value. Unamortized employees cost is the difference between the value of loan at carrying amount and present value of employee loan discounted at market rate. Deferred benefits is calculated each year on the closing outstanding balance so that it will consider the prepayment of loan and loan settlement of retired/resigned staff. Deferred benefit is taken from current year calculation as difference between closing value of loan and present value of outstanding loan discounted at market rate less Amortization of such benefit during the year. The discount rate that has been considered for computing fair value is the interest rate used for determining the taxable benefit of employees during the year.

Explanatory Notes

13.1. Employee Benefits

Employee Benefit Expenses	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Short term employee benefits					
Salaries & Wages	1,907,327,393	1,862,974,273	1,900,242,671	1,857,962,727	
Allowances	1,264,004,419	1,254,396,868	1,264,004,419	1,254,396,868	
Uniform Allowances	41,066,000	41,939,000	41,066,000	41,939,000	
Overtime Allowances	29,630,202	22,544,849	29,381,307	22,544,503	
Medical Expenses	460,594,804	432,845,014	460,594,804	432,845,014	
Telecom Allowances	396,093,001	334,359,397	396,048,001	334,359,397	
Employee Statutory Bonus	687,559,328	563,587,787	687,559,328	563,587,787	
Other monetary Benefits	26,715,841	29,377,890	25,995,206	29,035,252	
Leave Encashment	109,936,868	93,737,775	109,936,868	93,737,775	
Finance cost under NFRS	161,582,660	121,118,634	161,582,660	121,118,634	
Defined Contribution Plan					
Contribution to Provident Fund	184,846,055	181,135,042	184,846,055	181,135,042	
Contributory Pension Fund	27,567,930	24,236,868	26,330,522	24,236,868	
Life Insurance	80,371,497	81,361,435	80,371,497	81,361,435	
Defined Benefit Plan					
Leave Encashment	97,550,515	110,825,375	97,365,312	110,825,375	
Pension and Gratuity	1,893,523,090	1,790,393,650	1,893,523,090	1,790,393,650	
Other Long term employee benefits	10,865,528	8,655,139	10,865,528	8,655,139	
Total	7,379,235,131	6,953,488,997	7,369,713,268	6,948,134,467	

13.2. Post-Employment Benefits

The company has both defined contribution plans and defined benefit plans as post-employment benefits.

i. Defined Contribution Plan

The company operates three defined contribution plans.

1. The provident fund contribution, where fixed percentage of ten percent of the salary (basic plus grade) is paid into the fund as and when the salaries become due.
2. Contributory pension fund, which is in lieu of pension and gratuity whereby company pays fixed amount to the individual pension fund account that will be available to the employees on retirement



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3. The company contributes ninety percentage of insurance premium of the employee's life insurance policies. The amount of policy is different as per the level of employees. The insured amount and the bonus accrued thereon shall be available to the employees on retirement.

ii. Defined Benefit Plan

The company provides pension for employees completing 20 years of service with the company and gratuity for employees who have not completed 20 years of service at the time of retirement/ severance. The employees are also entitled for compensatory leave payments at the time of retirement.

The company has been conducting actuarial assessment of defined benefit plans periodically. The discounted value of liabilities net of benefit plan investments is presented as noncurrent liabilities. The current service cost, past service cost and net interest (net of unwinding interest and return on plan assets) are charged to statement of profit or loss. The net actuarial re-measurements are charged or credited to the statement of other comprehensive income. The company pays retirement benefits partly from the plan assets and partly directly from the company. The company also pays the retirement benefits in advance as prepayments up to maximum of 7 years pension. Such prepayments have been deducted from the closing actuarial liabilities.

The defined benefit plans expose the company to actuarial risks such as longer than expected longevity of members, lower than expected returns on investments and higher than expected inflation, which may increase the liabilities or reduce the value of assets of the plans.

Defined Benefit Plan Obligation	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Opening DBP Obligations	22,765,942,346	19,054,293,036	22,765,942,346	19,054,293,036	
Current Service Costs	779,862,200	668,986,350	779,862,200	668,986,350	
Finance Cost	1,694,926,310	1,610,680,580	1,694,926,310	1,610,680,580	
Benefits Paid	(775,429,328)	(617,731,572)	(775,429,328)	(617,731,572)	
Actuarial Remeasurements	2,468,418,220	2,049,713,952	2,468,418,220	2,049,713,952	
Closing DBP Obligation	26,933,719,748	22,765,942,346	26,933,719,748	22,765,942,346	

Defined Benefit Plan Assets	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Fair Value of Plan Assets at beginning	5,263,167,363	3,606,280,453	5,263,167,363	3,606,280,453	
Employers Contribution	1,507,854,000	1,500,000,000	1,507,854,000	1,500,000,000	
Return on Plan assets	373,963,240	284,710,130	373,963,240	284,710,130	
(-) Benefits Paid	(143,161,574)	(91,595,511)	(143,161,574)	(91,595,511)	
(-) Actuarial Remeasurements	58,051,747	(36,227,710)	58,051,747	(36,227,710)	
Closing DBP Assets	7,059,874,776	5,263,167,363	7,059,874,776	5,263,167,363	
Net Defined Benefit Plan Obligation	19,873,844,972	17,502,774,984	19,873,844,972	17,502,774,984	
Charged / (credited) to P&L	2,100,825,270	1,994,956,800	2,100,825,270	1,994,956,800	
Charged / (credited) to OCI	2,410,366,473	2,085,941,662	2,410,366,473	2,085,941,662	

Defined Benefit Plan Obligation – Pension and Gratuity	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Opening DBP Obligation	21,191,614,654	17,645,869,883	21,191,614,654	17,645,869,883	
Current Service Costs	688,472,490	581,728,990	688,472,490	581,728,990	
Finance Cost	1,579,013,840	1,493,374,790	1,579,013,840	1,493,374,790	
Benefits Paid from Plan Assets	(143,161,574)	(92,419,822)	(143,161,574)	(92,419,822)	
Benefits Paid directly by employers	(444,481,270)	(382,733,299)	(444,481,270)	(382,733,298)	
Actuarial Remeasurements	2,336,168,450	1,945,794,112	2,336,168,450	1,945,794,112	
Closing DBP Obligation	25,207,626,590	21,191,614,653	25,207,626,590	21,191,614,654	



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Defined Benefit Plan Obligation – Leave

NPR

	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Opening DBP Obligation	1,574,327,692	1,408,423,153	1,574,327,692	1,408,423,153
Current Service Costs	91,389,710	87,257,360	91,389,710	87,257,360
Finance Cost	115,912,470	117,305,790	115,912,470	117,305,790
Benefits Paid by the company	(187,786,484)	(142,578,451)	(187,786,484)	(142,578,451)
Actuarial Remeasurements	132,249,770	103,919,840	132,249,770	103,919,840
Closing DBP Obligation	1,726,093,158	1,574,327,692	1,726,093,158	1,574,327,692

Actuarial Assumptions

Actuarial valuation of defined benefit plan obligation is done on the basis of the following assumptions.

	FY 2078-79	FY 2077-78
Discount Rate	7.5%	7.5%
Salary Escalation Rate	7%	7%
Pension Inflation Rate	4%	4%
Expected Return on Assets	7.5%	7.5%
Mortality Rate	Nepal Assured Mortality 2009	Nepal Assured Mortality 2009
Spouse age difference	5 years	5 years
Withdrawal Rate 20-58		
20-58 years Age<45	5%	5%
20-58 years Age>45	0%	0%

Sensitivity Analysis (Pension & Gratuity)

	FY 2078-79	FY 2077-78
Discount Rate		
Effect on DBO – increase of discount rate by 1%	-13.5%	-13.1%
Effect on DBO – decrease of discount rate by 1%	17.1%	16.4%
Salary Escalation Rate		
Effect on DBO – increase of salary rate by 1%	4.6%	4.9%
Effect on DBO – decrease of salary rate by 1%	-4.2%	-4.5%
Pension Inflation Rate		
Effect on DBO – increase of pension inflation rate by 1%	11.9%	10.9%
Effect on DBO – decrease of pension inflation rate by 1%	-9.9%	-9.1%

Sensitivity Analysis (Leave Obligation)

	FY 2078-79	FY 2077-78
Discount Rate		
Effect on DBO – increase of discount rate by 1%	-7.0%	-7.3%
Effect on DBO – decrease of discount rate by 1%	7.9%	8.3%
Salary Escalation Rate		
Effect on DBO – increase of salary rate by 1%	7.8%	8.3%
Effect on DBO – decrease of salary rate by 1%	-7.1%	-7.4%

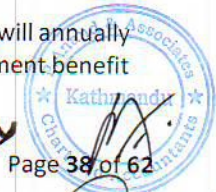
13.3 Plan Assets:

The company has invested in Gratuity Fund Scheme (deposit scheme) of Citizen Investment Trust as plan assets. The company has made discretionary contribution of NPR 1.5 billion in July 16, 2022. The principal investment objectives are to ensure the availability of funds to pay Gratuity and Lumpsum pension from the plan assets.

The company has done the actuarial funding valuation and as per the current practice, the company will annually make the discretionary contribution in Plan Assets with in five years to meet 100% funding of retirement benefit obligations (Gratuity and Lumpsum pension) based on estimated future payment.



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13.4 Estimated Future Benefit Payments:

Expected Future Benefit Payments are estimated using the same actuarial assumptions used in determining the benefit obligation as at July 16, 2022, because benefit payments will depend on future employment and compensation levels, average service period, and payment election. The following table provides the expected benefit payments under the post-employment obligations on best estimate basis.

Pension and Gratuity Benefits	
Amount in '000	
2023	674,962
2024	1,049,613
2025	1,183,427
2026	1,252,451
2027	1,379,730
Year 2028 to 2031	8,627,379

14 Share Capital

Accounting Policies

The company applies NAS 32 'Financial Instruments: Presentation' to determine whether funding is either a financial liability (debt) or equity. Issued financial instruments or their components are classified as liabilities if the contractual arrangement results in the company having a present obligation to either deliver cash or another financial asset, or a variable number of equity shares, to the holder of the instrument. If this is not the case, the instrument is generally an equity instrument.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, from the proceeds.

Dividends and other returns to equity holders are recognised when paid or declared by the members at the AGM and treated as a deduction from equity.

20% Bonus share has been approved by Annual General Meeting of the company on Chaitra 24, 2078 resulting increase in Share Capital to NPR 18,000,000,000.

Explanatory Notes

The company's registered capital structure is as follows:

Share Capital	NPR	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
No of Shares		
Authorised	250,000,000	250,000,000
Issued	180,000,000	150,000,000
Paid Up	180,000,000	150,000,000
Face Value	100	100
Share Capital		
Authorised	25,000,000,000	25,000,000,000
Issued	18,000,000,000	15,000,000,000
Paid Up	18,000,000,000	15,000,000,000

The shareholding pattern on the company is as follows:

Shareholding Pattern	NPR	
	Ashadh 32, 2079	Ashadh 31, 2078
The Government of Nepal	91.50%	91.50%
Citizen Investment Trust	0.03%	0.03%
General Public	8.47%	8.47%





100.00%

100.00%

15 Reserve and Surplus

Accounting Policies

Deferred Tax Reserve

It is company's policy to appropriate the equivalent portion of the deferred tax assets when a net deferred tax asset arises. In event where, deferred tax liability arises such amounts are reclassified within the equity to retained earnings.

Revaluation Reserve

Land

The company has adopted revaluation model to present the value of its freehold land properties. The upward movement in the value of the land is adjusted by creating an equivalent amount of revaluation reserve. In the cases where there is decrease in the value of the land such decrease is first charged to the revaluation reserve to the extent reserve is available and remaining is charged to profit or loss as impairment loss.

Building and Physical Structure

The upward movement in the value of building and physical structure is adjusted by creating an equivalent amount of revaluation reserve. The additional depreciation on revalued amount due to such revaluation in current fiscal year is transferred to equity.

Explanatory Notes

Reserve and Surplus	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078(Restated)	Ashadh 32, 2079	Ashadh 31, 2078(Restated)	
Retained Earning	45,377,329,077	46,102,839,987	45,398,153,730	46,102,971,047	
Revaluation Reserve	23,558,954,134	21,252,804,087	23,558,954,134	21,252,804,087	
Deferred Tax Reserve	8,310,934,189	7,497,703,394	8,310,934,189	7,497,703,394	
Fair Value through OCI Reserve	-	-	-	-	
	77,247,217,400	74,853,347,468	77,268,042,053	74,853,478,528	

Movements in the reserves are given in detail in Statement of Changes in Equity.

16 Revenue from contract with customers

Accounting Policies

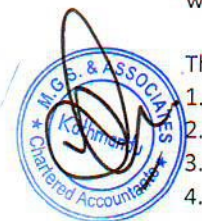
Revenue is recognised upon transfer of control of promised products or services to the customer at the consideration which the Company has received or expects to receive in exchange of those products or services, net of any taxes / duties, discounts.

When determining the consideration to which the Company is entitled for providing promised products or services via intermediaries, the Company assesses whether it is primarily responsible for fulfilling the performance obligation and whether it controls the promised service before transfer to customers. Revenue is recognised when, or as, each distinct performance obligation is satisfied.

Revenue from content services rendered to customers are recognised based on gross amount billed to customers when the Company acts as a principal or recognised after netting off costs paid to content providers when the Company acts as an agent in the transaction.

The company follows the following 5 stage process in recognition of revenue from contracts with customers.

1. Identify contracts with the customer.
2. Identify the performance obligation within the contract.
3. Determine the transaction price.
4. Allocate the transaction price to each of the performance obligations.





5. Recognise revenue when (or as) the performance obligations are satisfied.

Portfolio Approach:

This above 5 stage process applies to the accounting for an individual contract with a customer. However, as a practical expedient, the company shall apply this to a portfolio of contracts (or performance obligations) with similar characteristics as the company reasonably expects that the effects on the financial statements of applying this process to the portfolio would not differ materially from applying this process to the individual contracts (or performance obligations) within that portfolio.

When accounting for a portfolio, the company shall use estimates and assumptions that reflects the size and composition of the portfolio.

Contract Modification:

A contract modification is the change in the scope or price or both of a contract that is approved by the parties to the contract.

Contract modification shall account as separate contract if the following conditions are present:

- The scope of the contract increases because of the additional promised goods or services that are distinct.
- The price of the contract increases by an amount of consideration that reflects the stand alone selling price of the additional promised goods and service.

Non-refundable upfront fees:

Non-refundable, registration, upfront service activation and setup fees associated with service arrangements are deferred and recognized over the associated service contract period or customer life. The receipt of those activation fees does not result in separate performance obligations. Instead, upfront fees are an advance payment for future services and, therefore, are recognised as contract liabilities and are recognised as revenue over the contract period/customer life where services are transferred to customers.

Revenue is recognised when, or as, each distinct performance obligation is satisfied. The main categories of revenue and the basis of recognition are as follows:

- a. Service Revenues
- b. Multiples Deliverables:
- c. Equipment sales:

Service Revenues

Service revenues mainly pertain to usage, subscription charges for voice, data, messaging and value added services. Telecommunication services (comprising voice, data and SMS) are considered to represent a single performance obligation as all are provided over the company's network and transmitted as data representing a digital signal on the network.

The transmission consumes network bandwidth and therefore, irrespective of the nature of the communication, the customer ultimately receives access to the network and the right to consume network bandwidth. The Company recognises revenue from these services as they are provided. The collection from customer in excess of revenue are classified as deferred revenue / advance from customers/subscribers as the case may be.

Service revenue includes revenue from international services which is revenue from interconnection, roaming charges for usage of the company's network by other operators for voice, data and messaging. It also includes the enterprise lease services. These are recognised upon transfer of control of services over time.

The company collects Ownership Fee, Telecom Service Charge and Value Added Tax on behalf of the Government and therefore, it is not an economic benefit flowing to the company, hence it is excluded from revenue.



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Multiples Deliverables:

The Company has entered into certain multiple element revenue arrangements which involve the delivery or performance of multiple products, services or rights to use assets. At the inception of the arrangement, all the deliverables therein are evaluated to determine whether they represent distinct performance obligations, and if so, they are accounted for separately.

Total consideration related to the multiple element arrangements is allocated to each performance obligation based on their standalone selling prices. The stand-alone selling prices are determined based on the list prices at which the Company sells equipment and network services separately.

Equipment Sales

Equipment sales mainly pertain to sale of telecommunication equipment and related accessories for which revenue is recognised when the control of equipment is transferred to the customer, i.e. transferred at a point in time.

Explanatory Notes

	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078(Restated)	
Revenue from contract with customers					
Revenue from rendering services					
Voice	25,262,989,709	24,530,319,287	25,264,179,117	24,530,352,937	
Data	10,623,954,600	9,217,752,467	10,624,838,436	9,217,752,467	
SMS	1,426,784,408	1,251,221,982	1,426,784,408	1,251,221,982	
Others	245,726,961	247,157,018	237,206,185	247,157,018	
	37,559,455,679	35,246,450,754	37,553,008,146	35,246,484,404	
Equipment sales	366,781,197	444,897,118	366,781,197	444,897,118	
Total	37,926,236,876	35,691,347,872	37,919,789,343	35,691,381,522	

	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078(Restated)	Ashadh 32, 2079	Ashadh 31, 2078(Restated)	
Fixed Line					
Local/ Domestic	1,016,449,891	1,550,862,630	1,017,639,299	1,550,896,280	
International Trunk	9,012,645	11,406,081	9,012,645	11,406,081	
Leased Circuits	347,067,660	331,237,447	347,067,660	331,237,447	
IN Service	-	1,985,842	-	1,985,842	
ADSL	433,656,390	680,564,002	433,656,390	680,564,002	
SIP	34,970	1,219	34,970	1,219	
FTTH - Voice	895,253,935	271,890,426	895,253,935	271,890,426	
FTTH - Data	263,066,580	125,455,486	263,066,580	125,455,486	
IPTV	33,159,606	5,516,250	33,159,606	5,516,250	
Others	72,179,079	102,084,387	72,179,079	102,084,387	
Fixed Line Total	3,069,880,755	3,081,003,770	3,071,070,163	3,081,037,420	
CDMA					
Local/ Domestic	69,977,326	182,789,562	69,977,326	182,789,562	
International Trunk	5,264,681	87,268	5,264,681	87,268	
Data	1,638,579	11,169,924	1,638,579	11,169,924	
SMS	575,219	1,607,004	575,219	1,607,004	
Others	3,900,491	8,536,818	3,900,491	8,536,818	
CDMA Total	81,356,296	204,190,576	81,356,296	204,190,576	
GSM					



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Voice	18,144,388,156	17,130,705,986	18,144,771,992	17,130,705,986
Data	9,308,517,766	7,831,334,101	9,308,517,766	7,831,334,101
SMS	478,264,339	523,395,583	478,264,339	523,395,583
International Trunk	618,765,279	38,891,906	618,765,279	38,891,906
Roaming	8,222,667	1,438,440	8,222,667	1,438,440
Others	161,222,684	127,367,313	152,701,908	127,367,313
GSM Total	28,719,380,890	25,653,133,329	28,711,243,950	25,653,133,329
Interconnection Services				
Inter-connection - International	3,865,890,400	4,496,211,548	3,865,890,400	4,496,211,548
Inter-connection - Domestic	537,808,625	802,898,937	537,808,625	802,898,937
International Roaming (Sharing)	91,537,298	41,149,442	91,537,298	41,149,442
SMS	607,596,446	447,984,687	607,596,446	447,984,687
Others	8,424,707	9,168,501	8,424,707	9,168,501
Interconnection Services Total	5,111,257,477	5,797,413,115	5,111,257,477	5,797,413,115
Value Added Services (VAS)	574,277,280	500,265,960	574,777,280	500,265,960
Wimax Revenue	3,302,979	10,444,005	3,302,979	10,444,005
Total - Revenue from rendering services	37,559,455,679	35,246,450,754	37,553,008,146	35,246,484,404

Multiples Deliverables:

Product including multiples deliverables (Handset, Customer Premises Equipment, Fibre Cable, Network Services etc.) is allocated to standalone deliverables and recognized based on the same criteria of the individual deliverable. The Revenue of Package subscribed prevailing for more than one year has been recognised on accrual basis and deferred and unused resources has been adjusted to subscriber's liability.

Non-Refundable Upfront Fees

The Company has estimated that the historical average customer life is longer than 12 months and believes that its churn rate provides the best indicator of anticipated average customer life. Thus, the Company service revenue that includes revenue from upfront service activation fees associated with service arrangements are deferred and recognized over the associated service contract period or customer life since the date of activation of service.

17 Finance Income

Accounting Policies

The finance income from the financial instruments are recognised as per effective interest method in accordance with NFRS 9.

Explanatory Notes

Finance Income	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Interest Income on Loan					
Investment	1,414,665,290	1,010,975,481	1,414,665,290	1,010,975,481	
Interest on Debentures	215,185,825	112,026,386	215,185,825	112,026,386	
Interest on Term Deposits	4,111,645,491	3,835,311,345	4,084,301,139	3,814,792,224	
Interest on Employee Loan	193,248,861	194,259,176	193,248,861	194,259,176	
Total	5,934,745,468	5,152,572,388	5,907,401,115	5,132,053,267	



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18 Other Income

Accounting Policies

Dividend income is recognised when right to receive payment is established. Other incomes are recognised when the amounts can be reliably measured and the amount is probable to be received. Government grants income shall be recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received (refer Government Grant note 27).

Explanatory Notes

Other Income	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
	LQD and other income	490,193,328	1,138,120,704	494,937,565	
Government Grant Income	52,528,872	6,254,456	52,528,872	6,254,456	
Total	542,722,200	1,144,375,160	547,466,437	1,145,141,282	

19 Service Operation and Maintenance Costs

Explanatory Notes

These expenses include expenses incurred with fixed and mobile communications services arising from the operation and maintenance of such telecommunication networks.

Service Operation and Maintenance Costs	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
	Maintenance - Office Equipment	74,298,562	49,059,608	74,008,043	
Maintenance - Buildings	128,012,654	122,872,879	128,012,654	122,872,879	
Maintenance - Plants/ Machinery	1,784,867,268	1,767,556,825	1,784,867,268	1,767,556,825	
Power, Heating & Lighting	1,422,899,213	1,351,957,924	1,422,899,213	1,351,916,334	
Fuel for Vehicles	91,674,091	71,372,737	91,674,091	71,372,737	
Maintenance vehicles	68,715,452	57,937,434	68,715,452	57,937,434	
Freight & Carriages	15,428,784	17,357,329	15,428,784	17,357,329	
International IP Lease & Transit Cost	1,752,994,602	1,913,699,343	1,752,994,602	1,913,699,343	
Cost of Telephone Sets and Other Materials	300,996,912	310,543,621	300,996,912	310,543,621	
Cost of Cash Card	231,622,591	215,945,896	223,525,368	215,945,896	
Inquiry Service Expenses	39,677,845	31,854,807	39,677,845	31,854,807	
Value Added Services Expenses	115,319,486	118,065,809	115,319,486	118,065,809	
Data Entry Expenses	2,189,857	614,055	2,189,857	614,055	
Interconnection Expenses- Domestic	572,064,783	916,082,129	572,064,783	916,082,129	
Interconnection Expenses- Foreign	425,104,993	490,109,254	425,104,993	490,109,254	
Training Expenditure (Contract)	25,023,992	2,184,062	25,023,992	2,184,062	
Rent Expense (For Service Operation)	14,487,385	405,895,305	15,825,150	405,895,305	
Total	7,065,378,470	7,843,109,017	7,058,328,493	7,841,953,813	

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20 Sales Channel, Marketing and Promotion Costs

Explanatory Notes

Sales Channel, Marketing and Promotion Costs				NPR
	Group		Company	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Commission on Sales	107,024,021	93,254,983	106,564,800	93,254,983
Advertisement and Trade Promotion	162,791,042	97,311,833	154,126,397	97,154,283
Total	269,815,063	190,566,816	260,691,197	190,409,265

21 Office Operation Expenses

Explanatory Notes

Office Operation Expenses					NPR
	Group		Company		
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Travelling Expenses	125,313,435	127,912,697	125,046,845	127,871,208	
Rates and Local Taxes	105,586,918	127,110,618	105,585,538	126,775,618	
Rent and Leasehold Cost of Land and Buildings	203,002,686	121,191,666	201,885,656	121,225,316	
Board Meeting Allowance	1,606,900	1,610,800	1,372,900	1,610,800	
Other Meeting Allowances and Expenses	45,130,401	41,118,357	44,995,769	40,759,182	
Printing and Stationery	37,131,679	33,354,243	36,943,732	32,798,042	
Bank Charges	19,651,489	22,058,662	18,942,789	21,414,969	
Training Expenses	50,138,902	4,993,125	50,138,902	4,993,125	
Hospitality Expenses	20,928,672	16,776,328	20,558,617	16,679,367	
Office Furnishing	12,735,952	9,989,913	12,439,146	9,450,841	
Insurance	30,138,584	18,686,271	30,087,183	18,682,492	
Statutory Audit Fee	2,406,239	2,100,000	2,200,000	2,000,000	
Tax Audit Fee	700,000	700,000	700,000	700,000	
Audit Expenses	3,341,764	2,604,763	3,340,760	2,435,263	
Postage	948,812	768,759	948,462	764,439	
Books and Periodicals	2,535,571	3,007,610	2,535,571	3,007,610	
Professional fees	5,628,907	5,350,917	5,378,907	3,234,268	
Security Expenses	219,328,259	198,523,714	219,328,259	198,523,714	
Outsourcing Service expenses	13,382,129	11,576,197	11,845,565	11,118,090	
Membership Fee	12,102,475	11,125,946	12,102,475	11,125,946	
Business support Expense	67,542,789	-	67,449,217	-	
Communication Expenses	20,987,120	98,935,508	22,676,528	98,921,008	
Anniversary Expenses	7,506,196	2,758,698	7,372,079	2,758,698	
Annual General Meeting Expenses	1,563,033	1,558,002	1,553,633	1,558,002	
Miscellaneous Expenses	121,682,182	114,194,004	116,266,853	112,526,873	
Donation	-	-	-	-	
Total	1,131,021,094	978,006,797	1,121,695,385	970,934,871	

22 Regulatory Fees, Charges and Renewals

Explanatory Notes

Regulatory Fees, Charges and Renewals					NPR
	Group		Company		
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Royalty	1,502,120,326	1,419,631,452	1,502,120,326	1,419,631,452	
Rural Telecommunication Development Fund Contribution	751,060,163	709,815,726	751,060,163	709,815,726	
Frequency Fee	1,652,064,283	1,733,433,821	1,652,064,283	1,733,433,821	
License Fee Expenses	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000	
Total	7,905,244,772	7,862,881,000	7,905,244,772	7,862,881,000	



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The liabilities on account of Royalty at the rate of 4% of service revenue have been provided for as per Telecommunication Rules, 2054 and contribution to Rural Telecommunication Development Fund (RTDF) at the rate of 2% of the service revenue as per conditions laid down by the Nepal Telecommunications Authority (refer Revenue from contract with customers Note 16).

The company pays annual frequency fee to Nepal Telecommunications Authority for using various frequency Band. The company also pays the variable Frequency fee in relation to GSM License i.e. 0.4% of the GSM Income which also includes the GSM portion on Interconnection revenue and Value added services.

23 Finance Costs

Explanatory Notes

These are finance costs calculated using effective interest rate on the GSM license renewal fee payable.

Finance Costs	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Unwinding Interest of GSM License Renewal Fee Liability	565,252,126	816,877,895	565,252,126	816,877,895	
Interest of Subscriber deposits	11,692,103	20,017,195	11,692,103	20,017,195	
Finance Costs on lease Liability	193,994,095	-	193,994,095	-	
Total	770,938,324	836,895,090	770,938,324	836,895,090	

24 Impairment costs and reversals

Accounting Policies

Impairment of non-financial assets

Impairment of an item of property plant and equipment is identified by comparing the carrying amount with the recoverable amount. If an individual asset does not generate future cash flows independently of other assets, recoverability is assessed on the basis of cash generating unit (CGU) to which the asset can be allocated.

At each reporting date the company assesses whether there is any indication that an asset may have been impaired.

Factors that are considered important and which could trigger an impairment review include the following:

- a) Obsolescence or physical damage;
- b) Significant changes in technology and regulatory environments;
- c) Significant changes under performance relative to expected historical or projected future operating results;
- d) Significant changes in the use of its assets or the strategy for its overall business.

The identification of impairment indicators, the estimation of future cash flows and determination of recoverable amount for assets and cash generating units require significant judgement. If such indication exists, the recoverable amount is determined. The recoverable amount of a CGU is determined at the higher of fair value less cost to sell on disposal and value-in-use. Generally recoverable amount is determined by means of discounted cash flows unless it can be determined on the basis of a market price. Cash flow calculations are supported by past trend and external sources of information and discount rate is used to reflect the risk specific to the asset or CGU.

Impairment of Financial Assets

NFRS 9 establishes a three-stage impairment model, based on whether there has been a significant increase in the credit risk of a financial asset since its initial recognition. These three stages then determine the amount of impairment to be recognised as expected credit losses (ECL) (as well as the amount of interest revenue to be recorded) at each reporting date:



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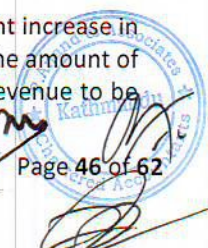
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- Stage 1:** Credit risk has not increased significantly since initial recognition – recognise 12 months ECL, and recognise interest on a gross basis.
- Stage 2:** Credit risk has increased significantly since initial recognition – recognise lifetime ECL, and recognise interest on a gross basis.
- Stage 3:** Financial asset is credit impaired (using the criteria currently included in NAS 39 *Financial Instruments: Recognition and Measurement*) – recognise lifetime ECL, and present interest on a net basis (i.e. on the gross carrying amount less credit allowance).

Explanatory Notes

	Impairments/(Reversal of Impairments)			
	Group		Company	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Property Plant and Equipment	-	44,862,236	-	44,862,236
Buildings	284,437,037	-	284,437,037	-
Capital Work In Progress	40,785,321	154,335,395	40,785,321	154,335,395
Prepaid Expenses	-	-	-	-
Non-Financial Assets	-	-	-	-
Financial Instruments	-	-	-	-
Trade Receivables	-	-	-	-
Inventory	-	-	-	-
Accruals, Advances and Other Receivables	(134,182,626)	142,477,129	(134,182,626)	142,477,129
Loan Investment	32,382,628	128,487,881	32,382,628	128,487,881
Total	223,422,359	470,162,641	223,422,359	470,162,641

25 Effects of Changes in Foreign Currency Exchange Rates

Accounting Policies

Foreign currency transactions are converted into functional currency using the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currency are translated in to the reporting currency of the company using the rates prevailing on the reporting date. The resulting gain or loss due to translation is taken to statement of profit or loss. Non-monetary assets are recorded using the rate of exchange prevalent as on the date of initial recognition and are not subsequently restated.

Explanatory Notes

	Effects of Changes in Foreign Currency Exchange Rates			
	Group		Company	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Transaction Gain / (Loss)	508,811,245	(175,442,026)	508,445,132	(175,359,955)
Translation Gain / (Loss)	(171,497,174)	230,696,256	(162,504,210)	231,044,063
Total	337,314,071	55,254,230	345,940,922	55,684,108

26 Income Tax

Accounting Policies

The company applies NAS 12 for accounting and reporting income taxes. Income tax on the profit for the year comprises current and deferred tax. Income tax is recognized directly in the statement of profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.



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Current tax:

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment made to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax :

Deferred tax is the tax expected to be payable or recoverable in future arising from temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profit.

It is computed using statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets recognised to the extent that it is probable that the temporary differences or taxable profit will be available against which deductive temporary differences can be utilised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized, based on the level of future taxable profit forecasts and tax planning strategies.

Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis or to realise the asset and settle the liability simultaneously.

26.1. Net Tax Asset / (Liability)

The company's final income tax assessment has been completed for the Income Year 2073/74 (2016-17). For the remaining financial years, the assets and liabilities have been recognised and carried as under:

Group				
Fiscal Year	Tax Liability	Advance Tax Paid	Net Tax Asset/(Liability)	Cumulative NPR
2075/76	5,660,634,683	4,804,513,428	(856,121,255)	706,497,276
2076/77	6,271,148,664	6,962,104,678	690,956,014	1,397,453,290
2077/78	4,295,753,360	5,175,225,403	879,472,043	2,276,925,333
2078/79	5,380,142,722	4,769,843,413	(610,299,309)	1,666,626,024

Company				
Fiscal Year	Tax Liability	Advance Tax Paid	Net Tax Asset/(Liability)	Cumulative NPR
2075/76	5,660,634,683	4,804,513,428	(856,121,255)	706,497,276
2076/77	6,271,148,664	6,962,104,678	690,956,014	1,397,453,290
2077/78	4,295,753,360	5,175,225,403	879,472,043	2,276,925,333
2078/79	5,380,142,722	4,762,661,677	(617,481,045)	1,659,444,288

26.2. Current Taxes

Current tax payable (or recoverable) is based on the taxable profit for the year and any adjustment made to tax payable in respect of previous years. Taxable profit differs from the profit reported in the statement of profit or loss, because some item of income or expense are taxable or deductible in different years or may never be

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taxable or deductible. The company's current tax liabilities are calculated using provisions of the Income Tax Act, 2058 (2002 A.D.), Income Tax Rules, Directives and circulars relating thereto as currently applicable in Nepal.

	Group		Company	
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)
Income Taxes expense				NPR
Provision for Tax				
For current year	5,046,471,559	4,259,405,534	5,046,471,559	4,259,405,534
For prior years	333,671,163	36,347,826	333,671,163	36,347,826
Deferred Tax	(796,679,736)	(169,672,279)	(787,249,402)	(170,301,278)
Total	4,583,462,986	4,126,081,080	4,592,893,320	4,125,452,081

The provision has been made for the third renewal fees of GSM License (period from 2076.01.29 to 2081.01.28) amounting NPR 4 Billion as per the past obligation. The amount and timing of payment is yet to be confirmed. As per the provision of Income Tax Act, 2058 u/s 24(2)(Kha), the expenses deduction shall be claimed as and when the license fee liability will be confirmed and the payment will be made. Deferred Tax effect has been given for the timing difference arises thereon.

26.3. Deferred Taxes

	Group		
	Carrying Amount	Tax Base	Temporary Diff
Assets			
Property, Plant & Equipment	28,572,423,201	35,695,945,876	(7,123,522,675)
Land	23,080,103,001	586,900,300	22,493,202,701
Intangible Assets	1,918,320,758	1,741,413,270	176,907,488
Carry Forward of Deductible losses	-	(37,294,882.18)	(37,294,882)
Liability and Provisions			
Provision for License Fee	12,723,287,671	-	(12,723,287,671)
Defined Benefit Plan Provision	19,873,844,972	-	(19,873,844,972)
Provision for Telecom Allowance	1,264,028,657	-	(1,264,028,657)
Provision for Staff Bonus	1,401,086,386	-	(1,401,086,386)
Loan Investment	13,934,401,507	14,667,791,060	(733,389,553)
Trade Receivable	2,320,933,080	4,269,316,478	(1,948,383,397)
Accruals, Advances and Other Receivables	310,966,431	370,248,251	(59,281,820)
Inventory	170,863,497	545,909,701	(375,046,203)
Capital WIP	5,992,992,703	6,716,575,204	(723,582,501)
Translation gain/(loss)	-	-	(162,504,210)
Prepayments and Other Non-Financial Assets	191,917,659	232,111,529	(40,193,870)
Investment in Associates	1,645,505,691	1,826,400,000	(180,894,309)
Long Term Loan and Advances	1,183,671,038	1,277,055,722	(93,384,684)
GSM license fee renewal liability	3,668,703,704	-	(3,668,703,704)
Total			(27,738,319,305)
		Tax Rate @ 25% & 30%	(8,319,735,525)
		Deferred Tax Liability / (Asset) - FY 2077-78	(7,497,074,396)
		GSM license fee DTA Adjustment	
		Deferred Tax Expense / (Income) -Normal FY 2078-79	(822,661,129)



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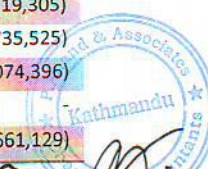
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Nepal Doorsanchar Company Limited
Financial Statements FY 2078-79 (2021-22)

Deferred Tax liability / (Asset) Ashadh 32, 2079	(8,319,735,525)
Deferred Tax Expense / (Income) - FY 2078-79 P&L	(796,679,736)
Deferred Tax Expense / (Income) - FY 2078-79 OCI	(25,981,393)

Particulars (FY 2078-79)	Company		
	Carrying Amount	Tax Base	Temporary Diff
Assets			
Property, Plant & Equipment	28,497,097,922	35,624,830,132	(7,127,732,210)
Land	23,080,103,001	586,900,300	22,493,202,701
Intangible assets	1,829,567,835	1,650,540,351	179,027,484
Liability and Provisions			
Provision for License Fee	12,723,287,671	-	(12,723,287,671)
Defined Benefit Plan Provision	19,873,844,972	-	(19,873,844,972)
Provision for Telecom Allowance	1,264,028,657	-	(1,264,028,657)
Provision for Staff Bonus	1,401,086,386	-	(1,401,086,386)
Loan Investment	13,934,401,507	14,667,791,060	(733,389,553)
Trade Receivable	2,320,933,080	4,269,316,478	(1,948,383,397)
Accruals, Advances and Other Receivables	310,966,431	370,248,251	(59,281,820)
Inventory	170,863,497	545,909,701	(375,046,203)
Capital WIP	5,992,992,703	6,716,575,204	(723,582,501)
Translation gain/(loss)	-	-	(162,504,210)
Prepayments and Other Non-Financial Assets	191,917,659	232,111,529	(40,193,870)
Provision for expenses	-	-	-
GSM license fee renewal liability	3,668,703,704	-	(3,668,703,704)
Investment in Associates	1,645,505,691	1,826,400,000	(180,894,309)
Long Term Loan and Advances	1,183,671,038	1,277,055,722	(93,384,684)
Total			(27,703,113,962)
	Tax Rate @	30%	(8,310,934,189)
	Deferred Tax Liability / (Asset) - FY 2077-78		(7,497,703,394)
	GSM license fee DTA Adjustment		-
	Deferred Tax Expense / (Income) -Normal FY 2078-79		(813,230,795)
	Deferred Tax liability / (Asset) Ashadh 32, 2079		(8,310,934,189)

Particulars (FY 2077-78)	Company		
	Carrying Amount	Tax Base	Temporary Diff
Assets			
Property, Plant & Equipment	26,952,507,763	33,981,406,537	(7,028,898,774)
Land	21,245,806,720	576,481,688	20,669,325,032
Intangible assets	2,340,898,774	2,244,517,044	96,381,730
Liability and Provisions			
Provision for License Fee	8,723,287,671	-	(8,723,287,671)
Defined Benefit Plan Provision	17,502,774,984	-	(17,502,774,984)
Provision for Telecom Allowance	867,980,656	-	(867,980,656)
Provision for Staff Bonus	1,312,925,814	-	(1,312,925,814)
GSM license fee renewal liability	7,065,651,578	-	(7,065,651,578)
Loan Investment	13,319,131,583	14,020,138,508	(701,006,925)
Trade Receivable	2,304,314,233	3,713,520,699	(1,409,206,466)



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Nepal Doorsanchar Company Limited
Financial Statements FY 2078-79 (2021-22)

Accruals, Advances and Other Receivables	277,413,233	470,877,679	(193,464,446)
Inventory	558,458,955	933,505,159	(375,046,203)
Capital WIP	10,311,129,244	11,087,311,108	(776,181,864)
Translation gain/(loss)			231,044,063
Prepayments and Other Non-Financial Assets	216,914,584	257,108,454	(40,193,870)
Provision for expenses	7,523,780		7,523,780
		Total	(24,992,344,646)
		Tax Rate @30%	(7,497,703,394)
		Deferred Tax Liability / (Asset) - FY 2076-77	(3,638,327,512)
		GSM license fee DTA Adjustment	(3,063,292,105)
		Deferred Tax Expense / (Income) - FY 2077-78	(796,083,777)
		Deferred Tax liability / (Asset) - Ashadh 31, 2078	(7,497,703,394)
		Deferred Tax Expense / (Income) - FY 2077-78 P&L	(170,301,278)
		Deferred Tax Expense / (Income) - FY 2077-78 OCI	(625,782,499)

26.4. Reconciliation of Profit Reported in The Financial Statements and as Reported to the Tax Return

Particulars	Group		Company	
	FY 2078-79	FY 2077-78 (Restated)	FY 2078-79	FY 2077-78 (Restated)
Profit before tax as per Financial Statement	13,020,939,340	10,918,600,397	13,063,627,232	10,919,671,649
Net Adjustments under Income Tax Act	3,763,337,641	3,277,717,799	3,757,944,631	3,278,346,798
Profit for Tax Purpose	16,784,276,981	14,196,318,196	16,821,571,863	14,198,018,447
Income Tax rate			30%	30%
Total	5,046,471,559	4,259,405,534	5,046,471,559	4,259,405,534

27 Government Grant:

Accounting Policies

Government Grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. Government grants, including non-monetary grants at fair value, shall not be recognised until there is reasonable assurance that:

- the entity will comply with the conditions attaching to them; and
- the grants will be received.

Government Grant related to assets, including non-monetary grants at fair value, shall be recognised as deferred income which is recognised in profit or loss on a systematic basis over the useful life of the asset. Grants related to depreciable assets are recognised in profit or loss over the periods and in the proportions in which depreciation expense on those assets is recognised.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable.

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Explanatory Notes

Deferred Government Grant

NPR

	Group		Company	
	Ashadh 32, 2079	Ashadh 31, 2078(Restated)	Ashadh 32, 2079	Ashadh 31, 2078(Restated)
Opening Balances	484,685,100	28,163,755	484,685,100	28,163,755
Addition during the year	428,863,762	462,775,801	428,863,762	462,775,801
Transfer to Equity during the year	(52,528,872)	(6,254,456)	(52,528,872)	(6,254,456)
Closing Balances	861,019,990	484,685,100	861,019,990	484,685,100

28 Assets Held for Sale

Explanatory Notes

Company holds dismantled assets, mainly in the nature of maintenance returns and scraps that are in the process to be sold. In addition to the scraps and dismantled assets there are some assets that are already notified for auction sale. These assets have been retired from the books and are represented at zero or NPR 1 carrying amount. As per the requirement of NFRS 5 'Non-Current Assets Held for Sale and Discontinued Operation', these are to be valued at fair value less cost of sale.

Considering the significance of such assets, which management feels are low in terms of materiality these have not been recognised in the financial statements. Furthermore, there are practical difficulties in determining the value of such assets. Management assumes that the impact of such assets in terms of company's financial position and performance will be negligible.

There is no discontinued operation of the company.

29 Interest in Other Entities

Accounting Policies

The company follows NFRS 12 'Disclosure of Interest in Other Entities' for disclosing the extent of the investment, control and influence.

Explanatory Notes

Interest in Other Entities - Percentage of shareholding

	FY 2078-79	FY 2077-78
Nepal Digital Payments Company Limited	62.22%	62.22%
Trishuli Jalvidhyut Company Limited	48.78%	48.78%
Upper Tamakoshi Hydropower Limited	6.00%	6.00%
Vidhyut Utpadan Company Limited	3.21%	3.21%
Nagarik Stock Dealer Company Limited	12.86%	12.86%
	Treatment	Treatment
Nepal Digital Payments Company Limited	Subsidiary	Subsidiary
Trishuli Jalvidhyut Company Limited	Associate	Associate
Upper Tamakoshi Hydropower Limited	Associate	Associate
Nagarik Stock Dealer Company Limited	Associate	Associate
Vidhyut Utpadan Company Limited	Equity Investment	Equity Investment

The company holds 48.78% of equity investment as at reporting date in Trishuli Jalvidhyut Company Limited. However, the company does not hold control of Trishuli Jalvidhyut Company Limited, therefore Trishuli



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Jalvidhyut Company Limited is continued to be recognized as an associates. The Capital structure of Trishuli Jalvidhyut Company Limited is structured in such a way that the company will ultimately hold 30% and the current equity holding is just a temporary effect.

30 Earnings Per Share

Accounting Policies

Basic earnings per share are calculated by dividing the net profit attributable to equity shareholders by the weighted average number of ordinary shares in issue during the year.

Explanatory Notes

NAS 33 'Earnings per Share' requires that earnings per share (EPS) information be presented in the financial statements. The company's ordinary shares or potential ordinary shares are traded in a listed stock exchanges and the company files its financial statements with the respective regulatory bodies.

Earnings Per Share	Group		Company		NPR
	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	Ashadh 32, 2079	Ashadh 31, 2078 (Restated)	
Profit Attributable to shareholders	8,437,476,354	6,792,519,316	8,470,733,912	6,794,219,567	
Number of Shares (weighted average)	180,000,000	180,000,000	180,000,000	180,000,000	
EPS (Basic)			47.06	37.75	
EPS (Diluted)			47.06	37.75	

There are no instruments of the company, current or prospective that will have any bearing on dilution of Earnings per Share. Therefore, the company has same basic and diluted EPS. The EPS for previous year has been restated due to issuance of 20% bonus share resulting change of EPS to 37.75 from 47.53.

31 Contingencies and Capital Commitments

31.1 Contingent Liabilities

Contingent liabilities are potential future cash out flows, where the likelihood of payment is considered more than remote, but is not considered probable or cannot be measured reliably.

31.1.1 Tax related dispute

31.1.1.1 Appeal for Administrative Review:

The company's final tax assessment has been completed for the Income Year 2071/72, 2072/73, 2073/74 and 2074/75 and the final assessment order was duly received and for Income Year 2075/76, the assessment is in process. The Company opted to appeal against the Reassessment order regarding Tax Deduction at Source (TDS) and Income Tax and consequently applied for an Administrative Review with the Director General, Inland Revenue Department by depositing NPR 155,613,124, NPR 35,610,870 and NPR 15,462,584 for Income Year 2072/73, 2073/74 and 2074/75 respectively and for which the decision was pending.

The contingent liability of NPR 622,452,493 and NPR 142,443,479 for Tax Deduction at Source (TDS) and Income Tax and the fine amount up to the date of settlement would have existed against the company for Income Year 2072/73, 2073/74 and 2074/75 respectively, if the appeal goes against the company.

31.1.1.2 Appeal to Revenue Tribunal:

The company's final tax assessment has been completed for the Income Year 2071/72, 2072/73, 2073/74 and 2074/75 and the final assessment order was duly received. The Company opted to appeal against the Reassessment order regarding Tax Deduction at Source (TDS) and Income Tax and consequently applied for an Administrative Review with the Director General, Inland Revenue Department depositing NPR 83,662,881 of



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Income Year 2071/72 but not decided by the Director General. The Company opted to Appeal to Revenue Tribunal on Poush 08, 2077 by depositing additional NPR 143,097,864.

The contingent liability of NPR 361,206,462 for Tax Deduction at Source (TDS) and Income Tax and the fine amount up to the date of settlement would have existed against the company for the income year 2071-72, if the appeal goes against the company.

31.1.2 Legal cases

There were 50 numbers major legal cases against the company pending in the court of law during the year. Liability, if those are decided against the company, could not be assessed reliably; management feels that such liability would not be significant requiring quantified disclosure except the matter provided in above note 31.1.1.2 about Tax related dispute.

31.1.3 Dispute with Nepal Telecommunication Authority (NTA)

There is a dispute with NTA regarding the payment of frequency fee from fiscal Year 2063/64 in Frequency Band 2100MHz and 2300MHz. The issues is under discussion in Ministry of Communication and information technology after the company file appeal for review of the same.

The contingent liability of NPR 986 million for frequency fee and the fine amount up to the date of settlement, if any, would have existed against the company, if the appeal goes against the company.

31.2 Commitments

A commitment is a contractual obligation to make a payment in the future, mainly in relation to leases and agreements to buy assets such as network infrastructure and IT systems. These amounts are not recorded in the statement of financial position since the company has not yet received the goods or services from the supplier. The amounts below are the minimum amounts that the company is committed to pay:

Capital Commitments	Ashadh 32, 2079	Ashadh 31, 2078
Commitment for Civil Works	241,098,158	266,588,797
Commitment for Procurement of Plant & Equipment	12,591,721,616	11,143,535,490
	12,350,623,458	11,410,124,286

32 Related Party Disclosures

Accounting Policies

The Company follows requirements of NAS 24 *Related Parties* and other legal requirements for disclosures of related party transactions and balances.

Explanatory Notes

32.1 Identification of Related Party Disclosures

Following has been identified as related parties of the company:

1. The Government of Nepal - which is the principal owner of the company (please refer Share Capital note 14)
2. Directors of the company
3. Key Management Personnel of the company - all personnel level 11 and above are considered to influence management decision of the company.
4. Relatives of directors and key management personnel
5. Nepal Telecom employee retirement Fund maintained with Citizen Investment Trust (CIT)
6. Trishuli Jal Vidhyut Company Limited
7. Upper Tamakoshi Hydropower Limited.
8. Nagarik Stock Dealer Company Limited.





9. Nepal Digital Payments Company Limited.

32.2 Transactions with Related Parties

32.2.1. Transaction with Government of Nepal

The company has contributed NPR 23,667,503,920 on account of tax and non-tax revenue to government treasury. It also paid NPR 2,744,886,000 dividend on equity share investment.

	NPR	
	Ashadh 32, 2079	Ashadh 31, 2078
Advance Tax including withholding tax	4,684,365,146	4,829,440,698
Value Added Tax-Collection Deposited	3,811,684,541	3,202,981,953
Telecom Service Charge- Collection Deposited	4,426,162,742	4,112,716,578
Ownership Fee- Collection Deposited	700,949,431	643,981,004
Custom duty –Paid on import	465,079,693	373,070,646
Royalty and RTDF –Liability Paid	2,132,836,487	2,084,000,076
Frequency Fee	1,640,772,140	1,717,165,835
Dividend	2,744,886,000	5,489,772,000
Property Tax	60,720,025	50,273,704
License Fee	3,962,200,000	4,096,615,000
Tax Deducted at Source (TDS)	1,782,733,714	1,127,881,836
Total	26,412,389,920	27,727,899,330

Service charges collection for providing telecommunication services to the Government of Nepal has been charged on commercial terms.

Regulatory charges provided to the Nepal Telecommunication Authority (an autonomous regulatory body established by GoN) has been made as per the legal and regulatory requirements.

32.2.2 Directors and Key Management Personnel

During the year ended 32 Ashadh, 2079, neither any directors nor any key management personnel or any associate or family member (relative) of the directors and key management personnel was indebted to the company.

There has been no material transactions or proposed transactions with directors and key management personnel or their relatives and associates except for the compensations and/or remuneration paid under the company's regulations.

Compensation Paid

a. Board of Directors (BoD)

The members of Board of Directors have been paid board meeting fees of NPR 13,25,000 during this financial year. There were 43 numbers of Board meeting conducted during this financial year. The Chairperson and other members of the Board are paid NPR 7,500 with effect from 2078/12/24 per meeting for Board and Board Level Committees which was previously NPR 4,000 per meeting.

The Composition of Board of Directors during the year is as below:

S.N.	Name	Board Meetings FY 2078-79	
		Designation	Number of Meetings Attended
1	Mr. Baikuntha Aryal	Chairperson	40
2	Mr. Hari Prasad Basyal	Chairperson	3
3	Mr. Sunil Paudel	Member	8
4	Mr. Dilliram Adhikari	Member	20
5	Ms. Pratibha Vaidhya	Member	15
6	Mr. Uttar Kumar Khatri	Member	27
7	Mr. Dilli Ram Sharma	Member	3
8	Mr. Phanindra Gautam	Member	41
9	Mr. Bhupal Baral	Member	12





10	Mr. Rameshwor Dangal	Member	27
11	Mr. Ambika Prasad Paudel	Member	42
12	Mr. Shankar Lamichhane	Member	3

Travelling Expenses paid to Board of Directors (BoD) members

S.N	Name	Amount(NPR)
1	Mr. Sunil Paudel	575,463.13
2	Mr. Uttar Khatri	40,750.00
3	Mr. Dilliram Adhikari	83,631.06
	Total	699,844.19

b. Audit Committee

The member of Audit Committee have been paid meeting fees of NPR 315,000 during this financial year. There were 15 numbers of meeting conducted during this financial year. The composition of Audit Committee during the year is as below :

S.N.	Name	Designation	Audit Committee Meetings FY 2078-79
			Number of Meetings Attended
1	Mr Bhupal Baral	Chairperson	4
2	Mr. Rameshwor Dangal	Chairperson	11
3	Mr. Uttar Kumar Khatri	Member	10
4	Mr. Dilliram Sharma	Member	2
5	Mr. Phanindra Gautam	Member	14
6	Mr. Ambika Prasad Paudel	Member	14
7	Mr. Prem Gurung	Member Secretary	4
8	Mr. Rajendra Shrestha	Member Secretary	11

The Chairperson and the members of Board of Directors are provided with monthly Telephone (Landline/Mobile) facility with maximum limit of 1200 STD minutes, 700 ISD minutes and internet facilities of 1 MBPS ADSL/FTTH.

c. Key Management Personnel

Key management personnel include level 11 and above officials, are paid salary and compensation in accordance with the company's regulations. The compensation paid to Key Management Personnel including Managing Director are presented below:

Key Managerial Personnel Compensation	NPR	
	Ashadh 32, 2079	Ashadh 31, 2078
Short term Employee Benefits	22,732,974.18	9,039,100
Post-Employment Benefits		
Defined Contribution Plan	884,524.42	189,430
Other Long term Benefits		
Termination benefits		
Total	23,617,499	9,228,530

Total Post-Employment Benefits (refer Employee Benefit note 13) includes the Key Managerial Personnel's defined benefits plan as well.

Key Management personnel are also provided with the following benefits and disclosed under short term employee benefits.

- Benefits as per employees regulation.
- Bonus as per Bonus Act/ regulation.

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32.3 Transaction with Nepal Digital Payments Company Limited :

The following transactions has been carried out during the current year between the Company and subsidiary on arm's length principle.

Nature of transactions	Transaction amount	NPR Outstanding balance
House Rent Expenses	1,858,652.76	(94,396.94)
Reimbursement of salary	2,885,584.40	2,885,584.40
Telephone Expenses	1,689,408	12,431.06
Reimbursement of Expenses	383,836.12	
Total	6,817,481	2,803,619

32.4 Balances with / by related parties:

- Balances with Nepal Telecom employment retirement fund maintained with Citizen Investment Trust(CIT) is disclosed under Defined benefit plan in Note 13.2.
- The equity investment in Trishuli Jal Vidhyut Company Limited/ Upper Tamakoshi Hydropower Ltd/ Nagarik Stock Dealer Company Ltd. and share of profit/(loss) has been disclosed under Investments in Associates in Note 5.
- The equity investment in Trishuli Jal Vidhyut Company Limited has been pledged to Nabil Bank Ltd under consortium project financing. In addition, the company has given corporate guarantee amounting to NPR 2.30 Billion as well.
- The Loan Investment in Upper Tamakoshi Hydropower Ltd has been disclosed under Loan Investments in Note 10.1.6

33 Disclosure on reclassification and restatement :

Material prior period errors shall be corrected retrospectively either by restating the comparative amounts for the prior period(s) in which the error occurred; or when the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for that period so that the financial statements are presented as if the error had never occurred.

In this respect, the prior period errors are restated retrospectively by restating the opening balances of assets, liabilities and equity with following effects:

i. Classification error:

- a) In previous year, Intangible Software were classified as Property, Plant and Equipment. However, as per the nature of the assets, the identifiable software (Substantial and Identifiable components) which meets classification and recognition criteria are reclassified with retrospective effect as intangible assets and amortised accordingly.

During the year FY 2077/78 NPR 4,273,352,362.96 has been transferred to Intangible assets from Property plant and equipment

In previous year, Intangible Software amounting to NPR 4,273,352,362.96 were classified as Property, Plant and Equipment. However, as per the nature of the assets, the identifiable software (Substantial and Identifiable components) which meets classification and recognition criteria are reclassified with retrospective effect as intangible assets and amortised accordingly resulting net book value of Intangible assets to NPR 2,340,898,774 and NPR 506,550,268.28 has been adjusted in opening Retained Earning.

b) Subsidiary :

In previous year, the Mobile Financial Solution (MFS) System was classified as Property, Plant and Equipment. However, as per the nature of the assets, the MFS System comprises two separable assets (Substantial and Identifiable components) which meets classification and recognition criteria of Property, Plant and Equipment and Intangible Assets respectively.





II. Recognition error:

- a) Revenue related to unused resources of packages amounting to NPR 244,301,904 has been corrected in subscriber's Liability as on 31st Ashadh, 2078.
- b) **Subsidiary:**
Cost of the MFS was not fully recognized which resulted under recognition of cost of the MFS and account payable. This further caused different amount of depreciation, amortization, and exchange gain/loss.

The Restatement in comparative year in consolidated Financial Statement has been made accordingly in group Financial Statement.

34 Segmental Reporting

Accounting Policies

The company reports on operating segments, based on its service streams. The company's organization is structured based on the service lines and products.

The reporting segments of the company are :

Wireless Services

Wireless services segment includes the GSM and CDMA segments. These services cover voice and data telecom services provided through wireless technology (GSM /CDMA). This includes the value added services provided through the intermediary on revenue sharing basis. This also includes WiMAX services.

Fixed Line Services

These services cover voice and data communications through fixed-line network and broadband technology for individuals as well as corporate customers. This includes Land Line (PSTN), ADSL, FTTH and Lease line data connectivity services.

Treasury

This includes the management of investment, cash and cash equivalent other than directly related with reported segment. This includes foreign currency denominated investment as well. The surplus funds of the company as a whole is professionally managed to generate maximum return.

Unallocated

It includes expenses / results, assets and liabilities of corporate office of the Company, current taxes, deferred taxes, and certain financial assets and liabilities, not allocated to the operating segments.

Explanatory Notes









Nepal Doorsanchar Company Limited
Financial Statements FY 2078-79 (2021-22)

Segmental Analysis
(Note 34)

Particulars	Company						NPR	
	Fixed Network		Wireless (GSM)		Treasury			Unallocated
	FY 2078-79	FY 2077-78 (Restated)	FY 2078-79	FY 2077-78 (Restated)	FY 2078-79	FY 2077-78 (Restated)	FY 2077-78 (Restated)	
Revenue								
External Sales	3,888,179,633	4,060,595,332	34,031,609,710	31,630,786,190	5,714,152,254	4,937,794,091	740,715,298	44,374,656,895
Inter-Segment Sales								
Total revenue	3,888,179,633	4,060,595,332	34,031,609,710	31,630,786,190	5,714,152,254	4,937,794,091	740,715,298	44,374,656,895
Result								
Segment Result	(715,615,922)	(320,454,865)	9,643,497,092	7,883,849,380	5,577,804,974	4,952,035,542	(1,528,663,554)	-
Operating Profit	(715,615,922)	(320,454,865)	9,643,497,092	8,974,516,697	5,577,804,974	6,427,611,417	(1,528,663,554)	12,977,022,590
Corporate Income Tax (Current+Deferred)								
Net profit								8,833,729,987
Other Information								
Depreciation and Amortisation	As at FY 2078-79	FY 2077-78	As at FY 2078-79	FY 2077-78	As at FY 2078-79	FY 2077-78	As at FY 2078-79	FY 2077-78
	1,721,833,146	1,665,779,711	4,046,803,622	3,464,416,792	634,800,952	860,748,297	6,403,437,720	5,990,944,801
Segment Assets	12,840,383,159	11,966,623,488	28,223,273,414	25,782,471,868	76,884,217,388	68,415,810,077	117,947,873,961	106,164,905,433
Deferred tax assets (Net)								
Unallocated Corporate Assets								
Total assets	12,840,383,159	11,966,623,488	28,223,273,414	25,782,471,868	76,884,217,388	68,415,810,077	32,405,464,997	34,569,878,589
Segment Liabilities	3,081,724,728	4,232,650,998	39,834,594,649	35,984,415,809	-	-	42,916,319,377	40,217,066,807
Unallocated Corporate Liabilities								
Total Liabilities	3,081,724,728	4,232,650,998	39,834,594,649	35,984,415,809	-	-	20,479,911,716	18,161,942,080
Net Profit	8,833,729,987	8,833,729,987	8,833,729,987	8,833,729,987	8,833,729,987	8,833,729,987	8,833,729,987	8,833,729,987
Other Information								
Depreciation and Amortisation	As at FY 2078-79	FY 2077-78	As at FY 2078-79	FY 2077-78	As at FY 2078-79	FY 2077-78	As at FY 2078-79	FY 2077-78
	1,721,833,146	1,665,779,711	4,046,803,622	3,464,416,792	634,800,952	860,748,297	6,403,437,720	5,990,944,801
Segment Assets	12,840,383,159	11,966,623,488	28,223,273,414	25,782,471,868	76,884,217,388	68,415,810,077	117,947,873,961	106,164,905,433
Deferred tax assets (Net)								
Unallocated Corporate Assets								
Total assets	12,840,383,159	11,966,623,488	28,223,273,414	25,782,471,868	76,884,217,388	68,415,810,077	32,405,464,997	34,569,878,589
Segment Liabilities	3,081,724,728	4,232,650,998	39,834,594,649	35,984,415,809	-	-	42,916,319,377	40,217,066,807
Unallocated Corporate Liabilities								
Total Liabilities	3,081,724,728	4,232,650,998	39,834,594,649	35,984,415,809	-	-	20,479,911,716	18,161,942,080
Net Profit	8,833,729,987	8,833,729,987	8,833,729,987	8,833,729,987	8,833,729,987	8,833,729,987	8,833,729,987	8,833,729,987





34.1 Assumptions for segmental reporting

1. Revenue, expenses, assets and liabilities that relate to the Company as a whole which are not allocable to a particular segment on direct and/or reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities".
2. Revenue is taken on the basis of product line for each services.
3. International services is being provided through the network/infrastructure of Fixed line and mobile services segments. Inter connection revenue is allocated to Fixed line and Mobile services on estimated basis before considering inter-connection revenue.
4. Depreciation and Operation and Maintenance expenses are allocated on the basis of Property, Plant and Equipment for each service.

34.2 Geographical segments

The company operates from seven provincial directorates located in seven different provinces of the country. However, the services delivered from those provincial offices are also managed by centrally located service directorates (Business Units). Therefore, information on provincial segments for the purpose of NFRS 8 'Operating Segments' cannot be segregated and the management feels that the costs to develop such information would be excessive than the benefit that it would derive.

Further, the geographical operation is within the single legal jurisdiction and operational environment. Therefore, the company assumes to operate in a single geographical segment.

35 Interim Financial Reporting

The company follows NAS 34 'Interim' Financial Reporting' for publishing condensed interim financial statements in the print media. The company also complies the requirements of Securities Board of Nepal (SEBON), Nepal Stock Exchange (NEPSE), Companies Act, 2063 by disclosing information in addition to condensed interim financial statements. The company also published detailed condensed interim financial statements as per NAS 34 in the company's website www.ntc.net.np.

36 Event occurring after reporting period

Except for the under stated post reporting period event there are no material events that has occurred subsequent to Ashadh 32, 2079 till the signing of this financial statements on Mangsir 28, 2079.

36.1 Subscribers Deposit Adjustment

During the current year subscriber Deposits Amounting to NPR 1,987,129,670 has been transferred to Advances- Income Related NPR 1,973,054,750 and other payables NPR 14,074,921.







36.2 Changes in the composition of Board of Directors (BoD)

There has been following changes in the representation to the Board of Directors (BoD) for the year 2078-79 and within the date of signing this financial statement.

SN	Name	Designation	Representative Office (Designation therein)	Appointment Date	Person Replaced	Reason
1	Mr. Baikuntha Aiyal	Chairperson	Ministry of Communications & Information Technology	2078/04/28	Mr. Hari Prasad Basyal	Retirement from Service
2	Mr. Bhupal Baral	Member	Ministry of Finance	2078/11/03	Mr. Rameshwor Dangal	Decision of Transfer from the GoN
3	Mr. Uttar Kumar Khatri	Member	Ministry of Communications & Information Technology	2078/07/30	Mr. Dilli Ram Sharma	Decision of Promotion from the GoN
4	Mr. Shankar Lamichhane	Member	Employee Representative	2079/03/10		Elected from Board Member
5	Mr. Sushil Koirala	Member	Ministry of Law, Justice and Parliamentary Affairs	2079/07/14	Mr. Phanindra Gautam	Decision of Transfer from the GoN
6	Mr. Sumil Paudel	Member	Nepal Telecom	2078/12/24	Mr. Dilli Ram Adhikari	Decision of Nepal Government

Handwritten signatures and official stamps are present below the table. The stamps include the Nepal Telecom logo and a circular stamp for 'M.G.S. & ASSOCIATES Chartered Accountants Kathmandu'.



36.3 Bonus share of Nagarik Stock Dealer Company Limited

Nagarik Stock Dealer Company Limited has declared Bonus Share for the FY 2078-79 @ 6.85% through Annual General Meeting and no impact has been considered in the financial Statements for the year ended 2078-79.

37 Prior Period Adjustments and exceptional items

Previously reported financial statements and financial statements for the current financial year as reported has been restated in compliance with the requirements of NFRS.

The following adjustments are made for the identified omissions and misstatements for the financial year 2078-79 as per the provision of NAS 8. Net prior period amount of NPR 413,358 has been adjusted to the identified financial year. In case where such identification could not be made, adjustment has been made in the opening equity.

			NPR
S.N.	Particulars	Expenditure	Income
1	Operating Income		329,989
2	Operating Expenses	743,347	
	Total	743,347	329,989
	Net Effect		413,358

Exceptional items wherever they occur are disclosed separately.

38 Other Disclosures

38.1 Exchange rates used

Exchange Rates	Ashadh 32, 2079	Ashadh 31, 2078
USD: NPR	127.51	119.04
EURO: NPR	128.19	140.39
GBP: NPR	150.86	164.83

38.2 During the reporting period, stock amounting to NPR 4,866,220 was found and listed as inventory which was previously adjusted after the physical verification of inventory in FY 2071/72. Thus, NPR 4,866,220 has been adjusted in Statement of Changes in Equity.

38.3 The figures for the previous period have been regrouped/rearranged wherever necessary to make them comparable with the current period's figures.

As Per Our Report of Even Date

 Baikuntha Aryal Chairperson	 Sunil Paudel Managing Director	 CA. Mahesh Kumar Guragain M.G.S. & Associates Chartered Accountants	 CA. Peeyush Anand P. Anand & Associates Chartered Accountants
 Bhupal Baral Director	 Uttam Kumar Khatri Director	 Sushil Koirala Director	 Ambika Prasad Paudel Director
 Shankar Lamichhane Director	 Rajendra Shrestha Chief Financial Officer	 CA. Nirjal Shrestha Acting Manager	

Date: Mangsir 28, 2079
Place: Kathmandu