

As at 13 April 2011 (3rd quarter of FY 2010/11)

Publication of Information as Required by Securities Registration and Issuance Regulation 2065 (Related to Sub Rule (2) of Rule 22)

1. a) Related Party Disclosure:

There is no any transaction with related party during the review period.

b) Major Financial Indicators

Earning Per Share (annualized)	20.46
Market Value Per Share	Rs. 268
Price Earnings Ratio (P/E Ratio)	13.10
Liquidity ratio	21.24%
Net Assets value per share	1,603.23
Net worth Per Share	134.12

2. Management Analysis

a) Despite of the tight liquidity situation in banking industry, the Bank has been able to retain and maintain a positive growth in deposits portfolio during the review period. The Bank has strategically contained its risk assets in previous quarter due to non-contusive business environment. There has been an increase in the Bank's income and reserves due to retention of the profit for the year.

b) The Bank is in the process of introducing various deposit products suitable for different customer segments. There is a continuation of business process reengineering for operational efficiency. The Bank is introducing various card related services and a project for attracting unbanked population into banking system is also targeted for implementation.

3. Details Regarding Legal Actions

a) Case filed by or to organized institution during the quarter- There is no other major case except those arising in normal course of banking business related to lending.

b) Case filed by or against the Promoter or Director of organized institution regarding disobedience of prevailing law or commission of criminal offence- None to our knowledge.

c) Case filed against any Promoter or Director of organized institution regarding commission of financial crime-None to our knowledge.

4. Analysis of share transaction and progress of organized institution

a) Management's view of share transactions of organized institution of securities market: Since various market forces, economic variables, government policies etc are the major influencing factors for movement in share price, the management holds a neutral view on share transaction and its movement.

b) Maximum, minimum and last share price of the organized institutions including total transaction and transacted days during the quarter. (Source: www.nepalstock.com)

Maximum Price	Rs. 277
Minimum Price	Rs. 228
Closing Price	Rs. 268
Total Transaction	44,350 Shares
Transacted Day	55 Days

5. Problems and Challenges

Internal

- a) Continuous improvement in business process to enhance operational efficiency,
- b) Increasing cost of operations,
- c) Difficulties in recruiting and retaining quality human resource.

External

- a) Unstable socio- political situation,
- b) Uncertainty on government plan and policy,
- c) Increasing cost of fund and maintaining the reasonable interest spread,
- d) Ongoing liquidity crunch in the market,
- e). Competitive environment,
- f) Uncertain business environment.

Strategy to Overcome Challenges

- a) Identification of new business avenues,
- b) Introduction of new products and services,
- c) Optimum utilization of resources,
- d) Enhancement of customer service,
- e) Focus on continuous process re-engineering so as to increase the operational efficiency,
- f) Implementation of better cost management practice

6. Corporate Governance

We believe in growth that is equally matched by uncompromising compliance to legal, statutory and regulatory requirements. Proper work ethics, integrity and transparency of our operation are paramount to our business philosophy. The entire business operations and working culture have been designed to meet the highest level of corporate governance. We are cautiously focused in streamlining policies, guidelines and operating manuals as per the dynamics of the business environment and ensuring compliance to these policies for smooth operations.

7. Declaration by CEO

To the best of my knowledge and belief, I, declare that the information disclosed in this report are true reflection of the Bank's position and performance and confirm no data that will have material impact to take the investment decision by any investor & depositor have been concealed willfully.