



BOARD OF DIRECTORS



Mr. Tolaram Dugar
Chairman



Mr. Motilal Dugar
Director



Dr. Bhogendra Guragain
Director



Mr. Shrawan Goyal
Director



Er. Bachh Raj Tater
Director



Mr. Srinivas Sarda
Director

Company Secretary
Bidya Kanta Adhikari

Auditor
Shashi Satyal & Co.
Chartered Accountants



CHAIRMAN'S STATEMENT



Dear Shareholders,

On behalf of the Board of Directors of Sunrise Bank limited, it gives me immense pleasure to welcome you all to this Second Annual General Meeting (AGM) of our bank.

It gives me great pleasure to inform you that your bank has successfully completed its one year and nine months of banking operation during the Fiscal Year (FY) 2065/66. Despite of unstable Country's political situation, challenging environment in Nepalese economy and cutthroat competition in the banking industry, our Bank's pace towards aggressive plan to penetrate the market has borne good results.

During this FY 2065-66, Sunrise Bank Limited has been able to achieve significant growth in terms of branch expansion, soliciting deposit and lending business. The focus on loans from corporate to Small Medium Enterprises (SME of various kinds) during FY 2065-66 in various sectors was noteworthy. Sunrise Sajilo Karja, Sunrise Overnight Deposit Account, Sunrise Bal Bachat Kosh, Sunrise Lakhpati, Sunrise Overdaft Saving accounts and Navabarsha Muddhati (for short time) were some of the banking products introduced during the year. Loan products such as Sunrise Ghar Karja, Sunrise Sajilo Karja, and Loan against Shares, Vehicle Loan, and Sunrise Gold Loan etc. have been designed with flexibility and convenience of the customer in mind.

Capital Adequacy:

Our tier 1 and Tier 2 Capital Adequacy Ratios at Ashad end 2066 were and 11.88 % and 0.78% respectively, with overall ratio at 12.66 % our capital position comfortably exceeds Nepal Rastra Bank's capital adequacy requirement of 10% for FY 2065/066.



Board of Directors:

Currently, Mr. Motilal Dugar, Mr. Srinivas Sarada, Dr. Bhogendra K. Guragain, Er. Bachh Raj Tater, Mr. Shrawan K. Goyal and I, Tolaram Dugar, represent the Group "Ka" on the Board of the Bank. This Second AGM will elect two Directors of Group "Kha" representing public shareholders for the next term of four years, as Directors of Group Ka representing promoters had been elected in the first AGM of the Bank held in 2065. Professional Director will also be appointed in due course of time from among the list of professional directors published by the Nepal Rastra Bank. There will be total nine members in the Board after completion of all legal formalities.

I would like to thank all the Board Members for their valuable contribution in the successful operation of the Bank right from the establishment up to this time. I expect their continued support in future for the Bank's prosperity and progress.

Acknowledgement:

The Board sincerely appreciates and thanks all stakeholders for their valuable support provided from the beginning of banking operations. Without their support, our Bank would not have achieved this position.

The Board thanks the management and the staff of the Bank for the commitment, dedication and the prudent management of business. Our staff is a major factor in the continued success of the Bank and deserve hearty accolade.

The Board also thanks Nepal Rastra Bank and other concerned Regulators, without whose positive cooperation, our emerging position in the financial market today would not have been possible.

Thank you.

Tolaram Dugar
Chairman



MESSAGE FROM THE GENERAL MANAGER



I am pleased to announce that our bank has completed a highly successful second year of operation. The bank has witnessed a great surge in terms of the expansion of business volume, branch and ATM net works, share holder's net worth and the franchise value.

Banking business has been growing in an accelerating pace, degree of which has been swifter than that of the development of the general economy. Increment in the banking base has created intense competition. Nevertheless, the number of banks are increasing, the appetite of serving customers are increasing, branching out is at tremendous speed. At this point, learning from the past experiences and innovating new products, serving dynamism and customization to the clientele bases has been really challenging and worth taking. Service orientation, business price relationship, attitude for serving customers has been on the top priority of the bank. Pace is prompt yet cautious; addressing the customer needs in one go, creating the values for the bank and assuring proper branding enabling the clientele bases for the recursive use of the products and services of the bank.

Key Success Factors and Critical Factors, at this juncture, have to be analyzed well. Human Resources has always been an assets for the bank, likely, the development of the human assets has been investments. There have been some managerial changes in the recent past. It is a process as changes are inevitable and the systems are created to address the continuous momentum. Hence, the system should be developed, and we all are here to create a system that generates



the zeal, that generates the enthusiasm ultimately achieving the profitability and the objectives of the bank.

From the standpoint of financial performance, the bank has been able to achieve the growth of 182% in terms of loan, 186% in terms of deposits, and 412% in terms of profitability. We believe that the trust of the stakeholders is one of the reasons of the overwhelming response of the shareholders during our IPO. Words of acknowledgement for the response and assurance accompanied by vow that we shall maintain the beliefs shown to us.

Sunrise Bank has always endeavored to be a technology driven bank. In this process we are going to upgrade our current Core Banking System to an internationally acclaimed banking software, which will create a high tech platform from where we can deliver the most sophisticated banking products through very simple methods. We will continue to strive in to our aim of being a technology driven provider of financial services with unmatched delivery capacity of high tech banking products.

Our goal is to be the most preferred provider of financial services for all our stake holders viz: Shareholders, Customers, Employees and Society at large. Employee satisfactions and good human relations is our focus; as we wish to be the most preferred employer in the industry.

Core values: Transparency, Professionalism, Team Work, High Ethical Standards and Good Governance are our pillars on which our actions are based. Team spirit within the organization is something we are proud of. Identity is formed by an organization's history, its belief and philosophy, the nature of its technology, its people, ethics, culture and strategies. We believe that within a very short span of time, we have successfully established ourselves as a leading commercial bank of the country. Future will witness even stiffer competitive environment than we had in the past. I am confident that we will sail ahead through the storms of competition as we have highly motivated team of professionals that has mastered the skill of charting through the waters of stiff competitions.

Catering the needs of the existing clientele bases of banks and financial system is the ultimate goal, but Sunrise Bank has strong beliefs in creating new pockets- a mechanism to serve the virgin clientele bases. This is one of the reasons that Sunrise Bank is into various rural areas, the process shall still continue to be a modern bank with a rural touch. Adopting the changes in the environment, upgrading the bank accordingly, the vision is to acquaint and deliberate the bank with the international mechanism to serve the local market efficiently and effectively with the blend of modern practices and accept the practicalities in the local bases. Hence, the bank has implemented the VISION 2012; the vision of which is to be one of the BEST BANKS.

Although we are in the business of making money, charity runs in our blood. CSR has always been a major focus for our bank. We have been involved in the rehabilitation of victims of natural disasters; have been involved in promoting of soccer (football) and other activities. We have a dedicated service station for disabled people, first of its kind in the banking system in Nepal.

Eventually would like to express my deep gratitude to all the stake holders and society at large as we remain indebted to their support in past and we expect to continue to receive the same in the days ahead. The journey is eternal; we have miles to go before we sleep.

Suman Neupane
General Manager



The Board of Directors presents its report together with the Balance Sheet and Statement of Profit and Loss for the fiscal year ended 31st Ashad 2066. The report is prepared in accordance with the provisions of the Company Act, 2063 and provisions of the Nepal Rastra Bank Directives/Circulars.

After making the provision for Deferred Tax Assets (DTA) of NPR 16,632,325 under provision for Income Tax, transfer to Exchange Fluctuation Fund of NPR 98,914.00 total Retained Earning as at the end of the Fiscal Year is NPR 40,160,704.

Financial Results

Particulars	Amount (NPR)
Operating Profit (Before provisions and Tax)	164,193,753
Transfer to General Loan Loss Provision	57,496,502
Write back of provision & non-operating income	257,34,288
Provision for Tax (including Deferred Tax)	35,613,463
Net Profit After Provision and Tax	84,778,845
Transfer to statutory Reserves	16,955,769
Transfer to Exchange fluctuation fund	98,914
Proposed Dividend	NIL

Branches:

At the end of Fiscal Year 2065/066 the Bank has brought 21 branches into operation including the Main Branch, Gairidhara, Kathmandu. Our customers have been able to benefit from our 8 to 8 banking service in the Main Branch and extended banking hours in most of the branches. To be a major force in the industry, we plan to expand our branches in all major cities of Nepal and other potential virgin semi-urban market areas.

Domestic and International factors affecting business:

The Domestic Market: The real GDP growth at basic price stood at 3.80% in year 2008-09 which is lower than the 5.3% of the preceding FY. The annual average consumer inflation increased to 13.2 % in 2008/09 compared to an increase of 7.7% in 2007/08.



Exports went up by 13.50% in FY 2008-09 and Imports were up by 28.20% ; where as the BOP registered a surplus of Rs. 37.7 billion owing to the rise in net transfers being attributed by grants and worker's remittances.

FCY reserves of the central bank went up by 15.60% to USD 3.59 billion in mid July 2009. Higher remittance inflows and expansion in foreign assistances contributed to such a significant rise in FCY reserves. Worker's remittances increased by 47.00% during the FY 2008-09 as compared to the growth of 42.50% in the previous FY.

In the reviewed year, deposits of commercial banks increased by Rs. 128.3 billion (30.4%) to Rs. 549.80 billion as of mid July 2009, which was higher than that of previous year's Rs. 87.00 billion. Of the total deposits, savings and time deposits increased by 22.90% and 41.80 % respectively compared to a growth of 21.10% and 33.60 % a year ago. Additional capital of Rs. 8.9 billion has been mobilized by the commercial banks during the review period.

Growth of credit to private sector remained marginally lower in the review year as compared to that of the previous year. The credit to the private sector expanded by 31.60% during the period as compared to 32.50% a year ago; leading to the fall of CD ratio from 81.20 from the 82.6 % a of the preceding year.

The annual weighted average 91 day Treasury-Bill rate stood at 5.83%pa in 2008-09 compared to that of 4.21%pa a year ago. The annual weighted average inter bank rate stood at 5.07%pa similar to that of the previous FY.

The y-o-y NEPSE index fell by 22.24 % to 749.10 points in mid July 2009 which was at 963.36 a year ago.

A total of nine new banks and financial institutions were established in 2008-09. Total number of commercial banks increased 26 from 25 a year ago.

The International Market: Unlike domestic economic arena; international market was marked by one of the severe most financial crisis during the review period. The crisis that erupted in the mid 2008 as credit crisis intimately led to the global recession and economic crisis.

Major landmarks in the history of Global Financial markets were wiped out for good by the crashing waves of this crisis. Lehman Brothers one of worlds' leading investment banks collapsed on 15 September 2008 that triggered "Credit **Crises**" deeper and brought the world inter bank credit markets almost to a halt thereby creating a severe liquidity crunch. Central banks had to jump into the arena with several billions dollar of funds through Repo. Central Banks had to show their leniency in "List of eligible security for Repo" which will remain as remarkable "evidence" in the history.

As the crisis deepened; mammoth international commercial banks that once were deemed invincible were now on the way of bankruptcy. Governments all over the world had to rush in both of their wallets and words to assure the public at large, these banks would not collapse and their desists were guaranteed by government itself.

Like never before US Government came out with a massive USD 700 billion bailout package, the suit was soon followed by the other governments around the world. A large number of banks and financial institutions that had stood the wind of financial markets for over a century had to give in to this crisis leading to their deletion from the world financial map for ever.



Throughout the period the global economy continued to shrink in the developed countries. Most of the asset classes had negative yields with equity markets, bond markets and commodity markets hitting the historical bottoms. Ironically it was the cash (Treasuries) that had the highest yield during the period in terms of the other assets price depreciation.

Central bankers all over the world first reduced the bank rate to near zero level with US FED target rate at 0-25 bps. Later on they also undertook quantitative easing that quenched the thirst of liquidity for the crises stricken markets. However, post Lehman bankruptcy era in the Global Market created a rift between the A+ rated banks and lower rated banks with global money market rates totally diverging from the LIBOR rates.

During the second half of year 2009, global equity indices made a recovery to some extent anticipating the end of recession soon. However, till date the economic data have yet to prove that recession is over.

Overall Business of the Bank during FY 2065-66 (2008-2009)

	Rs. in '000'	
Particulars	F/Y - 2008/09	F/Y - 2007/08
Net worth	1,307,570	672,791
Deposits	12,012,618	4,226,272
Gross loans, Advances & Bills Purchases	9,051,406	4,057,705
Gross Investments including Money at call & short notice	2,584,360	910,579
Interest Income	774,066	174,204
Interest Expenses	510,001	101,339
Net Interest Income	264,065	72,865
Commission and Discount	58,628	20,468
Other Operating Income	3,214	709
Exchange Fluctuation Income	35,583	10,909
Total Operating Income	361,490	104,952
Staff Expenses	75,474	31,130
Other Operating Expenses	121,822	51,847
Operating Profit/ (Loss) Before Provision for Possible loss	164,194	21,975
Provision for Possible Losses	57,497	62,100
Operating Profit/ (Loss)	106,697	(40,126)
Non - Operating Income/ Loss	4,211	-
Loan Loss Provision Written Back	21,523	-
Profit/ (Loss) from Regular Activities	132,432	(40,126)
13. Provision for Staff Bonus	12,039	-
14. Provision for Income Tax	35,613	(12,917)
- Current Year	18,981	-
- Deferred Tax	16,632	(12,917)
Net Profit /(Loss) After Staff Bonus & Tax	84,779	(27,209)
Capital Adequacy Ratio	12.66%	14.78%
Return on Equity	6.34%	-3.89%
Return on Assets	0.51%	-0.50%



word is missing
where is the word ?

Fiscal Year 2008-9 has completed with some of the landmark achievements at Sunrise Bank's history. Your bank completed the largest IPO of any commercial bank in Nepal successfully with its total equity base expanded now at NPR 1.41 billion on its way to achieve the statutory target of NPR 2.00 billion by the end of this FY through rights issue. The bank has already listed its scrip's in the in the Nepal Stock Exchange Ltd.

The bank has recorded a Net Profit figure of NPR 84 million as against loss of NPR 27.20 million a year ago marking a significant growth and a 180 degree turn from loss to profit. The bank's net worth has expanded by 194%. With regard to capital adequacy, the bank had a very comfortable position at 12.66% which is well above the Basel-II statutory requirement of 10% as well higher than of the industry level in general. The comfortable CAR position has provided an opportunity for the and to venture into other areas of operations that would ultimately reinforce the bottom line.

Among other notable achievements your bank has acquired a customer base of 71,000 accounts which is 11th among the 26 commercial banks in the country. We have achieved a branch network of 21 branches all over the nation which had helped us to solicit a total deposit of NPR 12.1 billion marking a 286% growth over last year.

The total loans and advances figures have expanded to NPR 8.96 billion as against the figure of NPR 3.99 billion a year ago. The bank has booked very quality loans that are well diversified into various productive sectors.

The bank has very focused and sophisticated Treasury and Whole sale market operations contributing a significant profit. The investment volume has expanded from NPR 895 million a year ago to NPR 1.91 billion this year. Yield on LCY investments have been quite above the market level @6.70 %pa and in case of FCY books the yields were around 5.5.% which was far beyond the market yields. The bank has registered a significant growth in foreign exchange income as well.

Human Resources

In line with its vision of becoming a dominant player by 2012, the bank has adopted a scientific human resources management policy. Recruitment of best talent in the industry, their orientation, training and succession plans are well in place. The bank's major focus is in development of good human relations among the management, board and staffs.

A participative management by objectives culture is in the process of grooming in the bank which is expected to produce quality human resource that can meet the expectations of our customers. Both monetary and non monetary factors of motivation are well in place and stand among one of the best in the industry.

Information Technology

The bank has now set up 24 branches and 26 own ATMs throughout the nation. The bank has already set up E-banking suit that allows SMS banking and Internet banking options. The bank is in the process of upgrading its core banking platform from the existing Pumori to Temenous T-24 which is now being undertaken as a project at the war footing level and is expected to get completed by Mid June 2010. This will really lift the technical capabilities of the bank very high enabling it to deliver one of the most tech savvy suits of banking products to its customers.



Corporate Governance

The Board of Sunrise Bank Limited is responsible for maintaining corporate governance standards prescribed by the regulators and legal provisions. While maintaining such standards, the Board has adopted national and international level prudent norms and practices of good corporate governance. The Board of the bank confirms that it has complied with all regulatory requirements in terms of corporate governance.

Audit Committee:

The Audit Committee of the Bank has its own Charter duly approved by the Board. All Functions of the Audit Committee are governed by the provisions of the Charter, Companies Act, 2063 and NRB Directive no.6.

Four meetings of Audit Committee were conducted during the Fiscal year 2065/66 (2008/09), which analyzed in depth of the report of Internal Auditor along with findings/comments/suggestions and forwarded the same to the Management of the Bank for the implementation.

Audit committee members have been paid only meeting allowances. Total allowance paid to the Audit Committee during the Fiscal year 2065/66 (2008/09) was NPR 60,000.00 @ of NPR 3000.00 per member including applicable tax (allowance not paid to secretary).

The Audit Committee currently comprises four directors and an internal auditor and is chaired by Mr. Motilal Dugar. The details of the composition of the committee is set out in the following table.

Name	Position
Mr. Motilal Dugar	Chairman
Dr. Bhogendra Guragain	Member
Er. Bachh Raj Tater	Member
Mr. Shrawan K. Goyal	Member
CSC & Co., Chartered Accountants, Internal Auditor	Member
Mr. Bidya K. Adhikari	Secretary

Corporate Social Responsibility and Social Engagements

The Bank has committed itself of undertaking Corporate Social Responsibility. The Bank has participated in corporate games, supported various cultural programs as well as contributed handsomely to charitable organizations. During the fiscal year the Bank has extended financial assistance to the following social and charitable organizations.

1. YOCAP Nepal (Youth Campaign for progress).
2. Hidden Haven Documentary film made by The Himalayan Cultural Conservation Campaign Nepal.
3. Society for Blind and Disabled.
4. Helping Society Nepal.
5. Skill Development and Rehabilitation Center Disabled Nepal.
6. Nepal Women Education and Health.
7. National Association of Deaf and Hard of Hearing.
8. Fellowship Society Nepal.
9. Saptakoshi Flood Victims.
10. Gairidhara Club.



Future Plans:

The Bank has targeted to expand its business horizon during the next fiscal year by adding up six more branches. With this the Bank's total network will be of 32 branches. The Bank will add 10 more ATMs making the total ATM network of 36. The Bank is going to upgrade its core banking system from the existing Pumori Plus to one of the internationally acclaimed software. This will elevate the technological platform of the Bank enabling it to deliver high-tech banking products to its customers. The Bank also plans to solicit the associate membership either from Visa or Mastercard International during the upcoming fiscal year.

Auditor:

Shashi Satyal & Company, Chartered Accountants, appointed by the Board of the Bank will retire as our Statutory Auditor. They are eligible for reappointment in accordance with the Bank and Financial Institutions Act 2063 and Companies Act, 2063.

Additional Information under section 109 of the Companies Act, 2063:

(Only the portion left to cover under the Directors' Report)

Achievements of the current year:

(Rs. in '000)

Particulars	Ashad end 2066	Kartik end 2066**	Remarks
Total Assets	16,757,251	20,683,535	
Total Deposits	12,012,618	13,308,747	
Total Net Loan And Advance	8,953,332	11,306,356	
Total Investments	1,910,210	2,226,382	
Gross Operating Profit	164,194	113,853	
Loan Loss Provisions	57,497	134,844	
Net Profit/ Loss	84,779	49,053	

** The financial figures as of Kartik end, 2066 are un-audited.

Industrial or professional relations of the company:

The Bank has managed a good industrial and professional relationship with its valued customers, people and regulators. The bank has good relationship with the nation's' leading industrial and business houses. The bank has a good base of corporate customers which it intends to expand further and be the leading in the field of providing financial solutions to the leading businesses of the nations in the days ahead. The bank has also underscored immense significance to its relationship with NGOs and INGOs and government bodies which it aims to expand further in the years to come.

Alterations in the board of directors and the reasons there for: None.

Major things affecting the transactions: None.

If there are any remarks in the audit report, the comments of the board of directors on such remarks: No adverse comments/remarks in the Audit Report.

Amount recommended for payment by way of dividend: None.

Forfeiture of shares: None.



Transactions of the company and of its subsidiary company in the previous financial year and review of the situation existing at the end of that financial year: The Bank does not have a subsidiary company.

Disclosures made by the substantial shareholders of the company to the company in the previous financial year: No such disclosure was received in the fiscal year 2065/066.

Details of shareholding of the directors and officers of the company in the previous fiscal year: Details is attached as part of Schedule-1 of financial statements.

Details of disclosures made about the personal interest of any director and his close relative in any agreements related with the company during the previous financial year: Please refer Schedule-29 of financial statements and point no. 22 of notes to accounts.

In the event that the company has bought its own shares (buy-back), the reasons for such buy-back, number and face value of such shares, and amount paid by the company for such buy-back: None

Whether there is an internal control system in place or not; and details of such system, if it is in place: Risk management has always been at the top most priority. To manage three separate risks viz: Market, Credit and Operations Risk, the bank has set up well defined policies, procedure and prudential guidelines that would ensure the management of all risks at desired level.

The bank has set up compliance department at management level and there is Internal Audit system to the Board's level that would ensure that the relevant policies and procedures and statutory norms have been strictly followed.

Please refer Point no. 3 of disclosure as per new capital adequacy framework –Basel II

Details of total management expenses during the previous financial year:

Particulars	Rs in '000'	Remarks
Staff Expenses	75,474	
Operating/ Management Expenses	121,822	

Amount, if any, outstanding and payable to the company by any director, managing director, chief executive, substantial shareholder or his close relative or by any firm, company, corporate body in which he is involved: None

Amount of remuneration, allowances and facilities paid to the director, managing director, chief executive and officer: Only meeting fees of Rs 230 thousands paid to Directors. The other details are:

Particulars	Rs in '000'	Remarks
Salary and Allowances to CEO	9,920	
Salary and allowances to Managers	22,999	
Total managerial personnel	19	



(Information Relating to Schedule 13; Rule 22 (1) of Securities Registration And Issuance Regulation-2065)

1. Report of the Board of Directors:

Mentioned under the concerned heading of the Annual Report.

2. Report of the Auditors:

Mentioned under the concerned heading of the Annual Report.

3. Audited Financial Statement:

Mentioned under the concerned heading of the Annual Report.

4. Details relating to legal actions against or on behalf of the Bank, its promoters and Directors:

a. Any case filed by body corporate against the Bank or filed on behalf of the Bank during the quarter: Total three cases had been filed against the Bank as of now, out of which two cases have been concluded and one case is still under consideration of Honorable Supreme Court.

b. Any case in terms of commission of disobedience or criminal offences filed against any promoters or directors or on behalf of Promoters/ Directors: No such information has been received.

c. Any case in terms of commissioning of Financial Crimes filed against the promoters or Directors of the Bank: No such information has been received.

5. Bank's shares transaction and progress analysis:

a. Management's view on Bank's share transactions in the stock market:

Management's view in this regard is neutral as the share price is determined by open share market through NEPSE.

b. Maximum and Minimum price of shares of previous year's every quarter, closing price and total shares to have transacted and transaction day: N/A as the Bank's share transaction in the stock market was started from 2nd Second quarter of this year only.

6. Problems and challenges: Major problems and challenges are (i) Unstable political and business environment (ii) Retention of experienced and Capable human resources are major challenges in a highly competitive and increasing banking market. and (iii) liquidity crisis.

7. Corporate Governance: Mentioned under the concerned heading of the Annual Report.



सुनराइज बैंक लिमिटेड
SUNRISE BANK LIMITED

Annual Report | 2008/2009



MANAGEMENT



सन्राइज बैंक लिमिटेड
SUNRISE BANK LIMITED

Annual Report | 2008/2009



TEAM



OVER VIEW OF SUNRISE BANK LTD:

Sunrise Bank Ltd has launched operations with effect from 12 October 2007. Incepted with the mission of being a preeminent commercial bank of the nation within a span of next three years, Sunrise Bank Ltd stands among one of the largest banks in Nepal in terms of its capital base.

The bank has paid up capital of Rs. 1.25 billion and total shareholders fund of NPR 1.42 billion. The bank completed its IPO which was one of the largest of its kind offered to the public in the financial history of Nepal; with record oversubscription volume in the local market. Issuance of Rights Shares in the ratio of 10:6 to the existing share holders will lift up the bank's total paid up capital to Rs. 2 billion by the end of the FY 2066-67.

IPO of the bank made it really participatory enterprises with its total share holder's base of around 90,000.00, largest of its kind in the history of financial markets in Nepal to the date.

The management team consists of competent professionals with decades of experience in the banking industry. We have one of the most stringent risk management frameworks to monitor and manage all types of risks viz. market risk, credit risk and legal risks. We have strictest AML/KYC policy and procedures in place that pervades through entire operation of the bank. We are duly compliant to USA patriotic act certification and have appointed Global Payments Advisory Group as our Process Agent for the US.

In a short span of time the bank has achieved some milestones in terms of its business and network expansion. As of this FY the bank has expanded its branch network to 21 branches spread across all over the country. With the total Assets size of NPR 16 billion, the bank is really heading towards its mission of being a leading player in the Nepalese banking sector by the year 2012.

There has been significant progress towards expanding both the retail and corporate client base. Within 24 months of its inception the bank has very large customer base of 71,000.00 which is quite impressive among the contemporary banks.

Today Sunrise Bank stands as one of the leading market maker in the local whole sale and treasury markets. The bank has very strong and effective network of international correspondents that has helped the bank to emerge as of one of most dominant and leading market maker in the whole sale and Treasury market operations.

The bank is swiftly moving ahead in its mission of becoming a leading player, with the current pace of growth the bank's vision of emerging as a dominant player in the market by the year 2012 is within the sight of farthest horizon.



Vision:

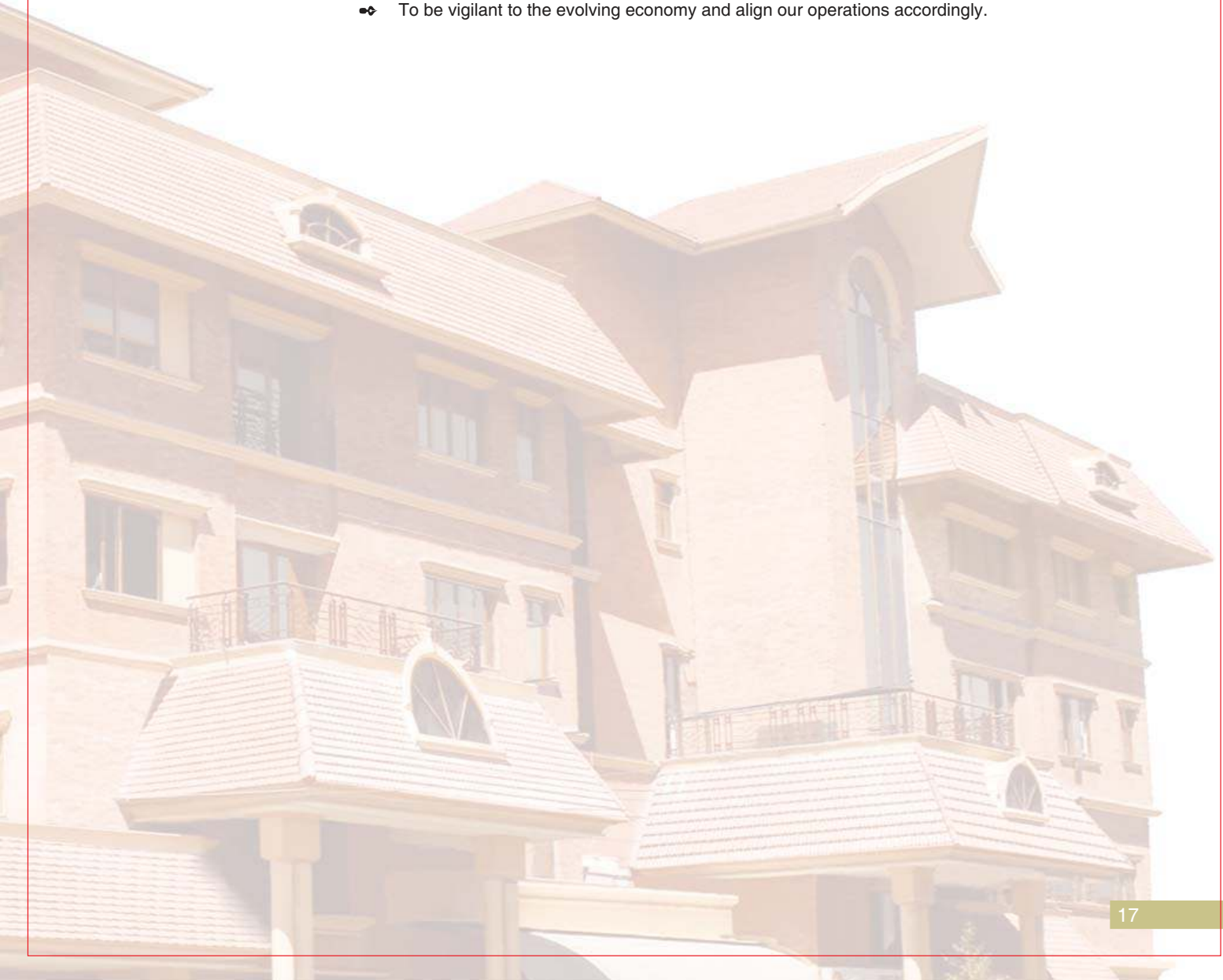
To become a dominant player in the Nepalese banking industry by the year 2012 A.D

Mission:

Continuous offering of tailor made banking services to all levels of society, with no constraint on time, location, size of transaction and all aspirations.

Objectives:

- ❖ To continuously expand Bank's operation in systematic manner.
- ❖ To become a major innovative Bank and provide top of the line services
- ❖ To build an HR team that continuously supplements the growth of the organization.
- ❖ To be vigilant to the evolving economy and align our operations accordingly.





सन्राइज बैंक लिमिटेड
SUNRISE BANK LIMITED

Annual Report | 2008/2009



TEAM SUNRISE:



सन्राइज बैंक लिमिटेड
SUNRISE BANK LIMITED

Annual Report | 2008/2009



RISE TO SERVE



Come, feel the warmth of SUNRISE

RISING T



**Sunrise
GharKarja**



**Sunrise
SME Loan**

**Sunrise Educational
Institute Loan**



**Sunrise
SajiloKarja**



**STOP EATING
YOUR PRINCIPAL**

**Sunrise Overdraft
Saving Account**



**सुनराइज
SUNRISE**



**Sunrise Sun
Karja**



**Sunrise Lakhpati
Bachat**



सन्राइज बैंक लिमिटेड
SUNRISE BANK LIMITED

Annual Report | 2008/2009

Good People, Good Bank



ISE...
TO SERVE



**Sunrise
Bal Bachat**

सन्राइज
शेयर धनी
खाता*

Designed for you

**Sunrise Share
Dhani Khata**



**Sunrise Overnight
Deposit Account**



Sunrise Debit Card



**Sunrise Safe
Deposit Locker**

**Sunrise
Normal Savings**

**Sunrise Normal
Saving Account**



Sunrise EasyBanking
SMS Banking 6070 | Internet Banking



**Sunrise Person
with Disability Account**



The Capital Structure:

The bank has a paid up capital of Rs. 1.32 billion and total shareholders fund of 1.42 billion as of the date with its authorized Capital at Rs. 5 billion. With the issue of rights shares the bank's total paid up capital will be Rs. 2 billion by the end of FY 2066/67.



Sunrise Bank' Branch Network:

At the end of Fiscal Year 2065/066 the Bank has brought 21 branches into operation including the Main Branch, Gairidhara, Kathmandu. Our customers have been able to benefit from our 8 to 8 banking service in the Main Branch and extended banking hours in most of the branches. To be a major force in the industry, we plan to expand our branches in all major cities of Nepal and other potential virgin semi-urban market areas. As of date the bank has 25 branches in operation and six more branches will be added up during this FY making the total branch network at 31.





OUR PRODUCTS AND SERVICES

◆ **Deposits and Loans:**

Sunrise Bank has been innovating deposit and Loan products catered to its diversified customers considering their banking needs and comfort. Customers of the bank have been enjoying highly competitive interest rates in addition to wide array of services and benefits designed for these deposit products.

◆ **New Products and Services:**

During this year's operations, various new deposit products have been introduced such as Share Lagani Khata, Share Dhani Khata, and Lakhapati Bachat with the competitive interest rate which has been appreciated by our valued customers. Sunrise Bank has been able to increase its customer base to 71000 (approx) during this year of service. There has been significant growth in the saving deposit portfolio for the Bank i.e. of 61% of total deposit.

Sunrise Bank Ltd thrives on innovation and develops and modifies deposit products as per demand of the customers.

◆ **Sunrise Normal Savings Deposit:**

The bank was a leader in offering good rates in normal savings account. Our proactive 6.50%pa interest rate on savings account really moved the market and the banks that were offering as low as 1.00%pa on savings were forced to hike their rates up. The most attractive feature of Sunrise Normal Savings account is its flexibility, high yield, accessibility and extended service hours that permits the office holders to bank on off hours.

◆ **Sunrise Super Savings Deposit:**

This is a premium savings deposit product with added benefits over the normal savings deposits. With a higher threshold balance and ladder structure that automatically tracks the higher the balance higher the yield. This has been most favored deposit product for High Network Individuals.

◆ **Balbachat Khata:**

Sunrise Bank was one of the pioneer banks in launching of Piggy Bank in the local market. Balbachat offers highly flexible savings scheme to the kids. This product has been highly preferred by the market and growing at a very steady rate.

◆ **Sunrise Super Time Deposit:**

This is a bulk deposit product targeted to high net worth individuals and corporate. Innovated to meet the growing demand of high yield deposit by the market, Sunrise Super Time Deposit has been an attractive product in the market.

◆ **Sunrise Share Dhani Khata:**

Sunrise Bank has largest shareholder base in Nepal among the banks and FIs. To utilize the synergy of this shareholders base, we have launched a premium savings deposit product that pays 6.75%pa interest on daily balance to the banks shareholders.

◆ **Sunrise Lakhapati Bachat:**

This is a product based on principal of recurring deposit and has been targeted for people with limited fixed income. This provides the depositor with an unique opportunity of building capital through small amount of regular savings.



◆ **Sajilo Karja:**

Highly flexible mortgage backed loan, Sajilo Karja helps the property owners to extract liquidity out of their landed property.

◆ **SME Loan:**

SME banking has been our focus since the inception. SME loan is devised to meet the needs to SME sector which ultimately is the growth engine for any national economy. We have been offering highly customized and tailor made financial solutions to SME sector.

◆ **Business Loans:**

Sunrise Bank has been catering to the needs of the both retail and corporate businesses through its various tailor made loan products. The bank as of date has a very good base of Corporate and Retail borrowers enabling the bank to take high quality credit exposure.

◆ **Project and Infrastructure Financing:**

Sunrise Bank has been a leader in the field of Project lending and Infrastructure financing. The bank is acting as lead bank in various such project related loans.

◆ **Import Export Financing:**

Sunrise Bank has a very good network of international correspondents that allows it to out serve the needs of importers and exporters in the field of international trade. The bank is a leading player in the field of import and export financing in the country.

◆ **SMS and Internet Banking:**

The bank has introduced internet banking product to serve its tech savvy customers that would allow them to do banking from homes and offices at their own leisure time. SMS banking allows the customers to browse their account activities through their mobile phones. Additionally the bank has offered free wi-fi zone in the main banking hall of its head office which gradually will be extended to other branches over the period of time.

◆ **Special Service Counter for Person with Disability:**

To give due respect to the rights of people with disabilities and to facilitate their banking requirements with ease, Sunrise Bank has initiated a special service counter as an inclusive program under its corporate social responsibility. The main objective of Sunrise Bank to initiate this program is to facilitate person with disabilities to carry out their banking transaction **independently**. Basic infrastructure like ramp for wheelchair holders, special toilet provision and exclusive counter has been initiated from Gairidhara branch.

◆ **Lockers facility:**

Locker facility of various size are also offered to general public from most of our branches with adequate numbers.

◆ **Credit/Debit Cards:**

On December 15, 2008, Sunrise Bank started its ATM service with 6 units of ATMs on the same day. In just over the span of 12 months from its initial operation of ATMs, the number has reached to 29 and is in process of installing more in the coming days. The Bank plans to deploy 60 units of ATMs across the country by the end of this fiscal year 2066/67. The bank has already issued more than 33,000 SCT Debit Cards to its customers.



The bank has already processed for Visa Associate Membership through Nepal Investment Bank. Hopefully by the end January 2010, the membership will be granted by Visa International. With this membership, SrBL will be able to issue world class Visa brands Debit and Credit Cards to its customers. The customers with this card can use it in India and other parts of the world.

SrBL will also be able to launch Mobile Commerce within this year. Under this service, customers will be able to use their handheld mobile device for different banking and non-banking activities. Customers will be able to pay their mobile phone bills, recharge their prepaid phones, make funds transfer, make deposits and withdrawals through bank agents, etc.

◆ **Suryodaya Remit:**

The Bank has launched its proprietary Remittance Product called "Suryodaya Remit". It's a high tech remittance product aimed at soliciting the ever rising volume of remittance to Nepal from the Nepalese people working abroad. It also has its domestic operation to facilitate the fund transfers from one place to another place within the country. With its huge network of agents and subagents domestic funds transfer facility is available to almost every nook and corner of the country. So far as sourcing in of the foreign remittances is concerned the bank strategic tie ups in countries like: Australia, Israel, Malaysia, Oman, Qatar, Dubai and many other middle east locations where the concentration of Nepalese working abroad is very high. The bank has been able to establish its "Suryodaya Remit" as one of the most reliable means of communication between the Nepalese working abroad and their loves ones back home.

◆ **Extended Banking Services:**

In order to out serve its customers the bank has launched its extended banking service from its various branches. In most of the branches this service is available from 8 AM in the morning to 8 PM in the evening. Extended Banking Service helps the retail businesses and office going people to do banking at a time convenient to their need. The bank is soon going to launch 365 days banking services from its select service outlets.

◆ **International Net work of Correspondents and SSI:**

The bank has developed a very wide network of correspondents covering all the major financial centers of the world. As of date the bank SWIFT RMA with more than 50 major international banks around the world.

Standard Settlement Instructions: Sunrise Bank Ltd; Kathmandu, Nepal, Head Office

For settlement through SRBL NP KA (CP, FX, MM)

CP = Commercial Payments FX = Foreign Exchange MM = Money Markets

Curr	Bank	Swift/BIC	Account No.	CP	FX	MM	Others
AUD	National Australia Bank Ltd., Melbourne	NATA AU 33	1803107409500	CP	FX	MM	
CHF	Commerzbank, Frankfurt	COBA DE FF	400 8787814 00 CHF	CP	FX	MM	
DKK	Danske Bank A/S, Copenhagen	DABA DK KK	3996079619	CP	FX	MM	
EUR	Commerzbank, Frankfurt	COBA DE FF	400 8787814 00 EUR	CP	FX	MM	
INR	Standard Chartered Bank, Mumbai	SCBL IN BB	22205358523	CP	FX	MM	
JPY	Standard Chartered Bank, Tokyo	SCBL JP JT	02211431110	CP	FX	MM	
USD	Standard Chartered Bank, New York	SCBL US 33	3582-021242-001	CP	FX	MM	



Risk Management— The Future of Quality

An illustration of three white dice on a dark surface. A hand is shown rolling one of the dice. The background is a blurred interior scene with a black leather sofa.



RISK MANAGEMENT:

The Bank has been following prudent risk management practices for management of Credit, Operational and Market risks. Each of these risks is managed by independent divisions within the bank.

Credit risk is managed by Credit Risk Management Division. In order to have robust credit risk management system, the Credit division within the bank is subdivided into three independent divisions: Viz. Business, Credit Risk Assessment and Credit Administration. Business division solicits the Risk Assets and the Credit Risk Assessment which is independent from the business division analyses the credit risk as per the bank's Credit Policy Guideline and Credit Manual. Provided the Risk exposure is within the bank's Risk Appetite then the Credit Risk Division recommends the same for approval to the competent lending authority. Credit Admin which is independent from both the Business and Risk Assessment is entrusted with the function of documentation and implementation of Risk Assets. This has made our Credit Risk management very robust and the Risk Asset quality as very good.

Market risk has been looked after by Treasury and Capital Markets Group (TCMG). TCMG has three independent wings: Viz: Front Office, Back Office and Research Center. Front office takes decisions after through analysis of market risks and makes investment as per bank's approved ALM and Investment Policy guidelines. In order to quantify the market risk and prognose the same well in advance, the bank employs various ALM tools viz: GAP analysis, Duration, Simulation and VaR techniques. The Research Center carries out both fundamental and technical research that enables the bank to take advantage of smart market moves. The back office which is independent from the other functions implements the deals with strict compliance of Treasury Manual.

So far as operational risk management is concerned, the bank has well versed standard instruction manuals for functioning of each and every operational unit. Most of the back office functions are centralized are looked after at Head Office level which ensures the "Zero Tolerance" with respect to compliance of rules and policies.



Chairman inaugurating Thamel branch



Mr. Srinivas Sarda inaugurating Biratnagar Branch



Chairman launching musical album Sunrise an instrumental conference



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Chairman delivering congratulation speech on the occasion of 2nd anniversary of SrBL



BOD and management team with ANFA official during Inauguration ceremony of AFC U19



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SrBL Staff on candle lighting program on World Aids Day



GM explaining the services offered by the bank during launching special service to person with disability



Bank's management team at press conference of AFC U19



GM Mr. Suman Neupane handing over cheque to president of Fellowship Society Nepal



AGM with President ANFA on MOU signing for sporting AFC U19 by the bank



GM awarding Dharan branch as best branch outside valley



SrBL volleyball team



Branch manager's meet at Nagarkot



SrBL staffs enjoying dancing