



सन्राइज बैंक लिमिटेड

SUNRISE BANK LIMITED

Annual Report

2010/11 A.D

2067/68 B.S

RISING TO SERVE

www.sunrisebank.com.np

Insertion pages with
BOD pic





Message from the Chairman

Dear Shareholders,

It is my great pleasure to welcome you all at the Fourth Annual General Meeting of our Bank — Sunrise Bank Ltd – in the capacity of its Chairman. At the outset, I would like to thank you for your continuous trust, support and patronage extended to the Bank, which is one of the main reasons for its recognition as an emerging brand in the Nepalese banking industry.

The Nepali Version of the Annual Report of the bank for the FY 2010-11 has already been in your hands for quite some time, which gives in detail the Directors' Report, Auditor's Report and Audited Accounts with the notes thereon. The Annual Report sent to you gives a detailed overview of your Bank's performance across various quantitative and qualitative parameters during the FY 2010-11. With your consent, I shall take them as already read and accepted.



As you all know, the bank has successfully completed three years and nine months of its operations. Given the age of the bank and despite unfavorable economic indicators, we have been successful in distributing dividend to our valued shareholders this year also. There has not been much progress towards political stability and law and order situation in the country and much is still to be done for a positive politico-economic portrayal of the country. Despite this, the bank has been able to increase its clientele and deposit base as well as the loan portfolio. As we are a growing bank and always want to show our presence in places where we are yet to reach, we shall soon open two more branches, one each in Nepalgunj and Bhairahawa, which are both strategic places from international trade business point of view. We will also look forward to going into new avenues of business and our focus in Small and Medium Entrepreneurs (SME) banking continued this year as well. Further, our lending and deposit products have been revisited and further customized to suit the customer's tastes.

National and International Business Environment

The previous year has seen several developments in the economic landscape globally. The United States and the West have shown signs of recovery, and global financial markets have been relatively stable. At the same time, however, crisis in the Eurozone, events in the Middle-East and North Africa, rising oil prices and emerging inflationary trends in many countries have emerged as challenges impacting the global growth outlook.

Back home, the ongoing political crisis has its adverse effect on the economic front.

Various sectors of the Nepalese economy witnessed varied problems such as recession in the real estate sector, labor problems, increased power-cut, increasing NPA of banks along with increase of defaulters, bearish capital market along with continuous plunging of Nepal Stock Exchange (NEPSE) index, slow growth rate of loan and advances to the productive sectors of economy, lack of credible customers etc. Such factors had an adverse effect on the economic growth of the country. Inflow of remittance, which has remained the backbone of the Nepalese economy past several years, was the only segment of economy that showed positive growth during the period. To tap this, the bank is continuously expanding its remittance network by adding more and more countries where there is present of Nepalese Diaspora and at the same time, investing time and toil in the enhancement of our own online Remittance product – Suryodaya Remit.

Board of Directors

The Board of Directors of the bank comprises of Mr. Srinivas Sarada, Dr. Bhogendra Guragain, Er. Bachha Raj Tater, Mr. Shrawan Kumar Goyal, Mr. Malchand Dugar, Mr. Suresh Kumar Basnet, Mr. Hikmat Bahadur Mali and I, Motilal Dugar. I would like to welcome the newly appointed director Mr. Malchand Dugar and thank all the board members for their support and trust shown on me by unanimously electing me the Chairman of the bank after the sudden demise of Mr. Tolaram Dugar, the Founder Chairman of the Bank. I would also like to pray to the Almighty that the soul of our late Chairman Mr. Tolaram Dugar may rest in peace.

Acknowledgement

I would like to take this opportunity to thank the Members of the Board for their valuable guidance, support and prudent counsel. I would also thank our customers and shareholders for their unstinted trust and support for the bank. As in the past, our performance during FY 2010-11 was driven by the dedication and commitment of our employees and on behalf of the Board of Directors, I acknowledge their performance in the FY 2010-11. Before I conclude, I, on behalf of the Board of Directors, also express my sincere thank and regard to our regulators for their support and guidance.

Thanking you.

Motilal Dugar
Chairman



From the desk of Chief Executive Officer

Moving ahead with the Participative Management Model accompanied by the team of contributors and go getters, the bank has drifted forward towards proving itself as one of the dominant players in catering the needs of almost all levels invariably in terms of ethnicity and affluence. At present, I believe that the bank has been able to nurture the culture of ascertaining the exemplary compliance of the prevailing prudential regulations financially stable and has also set forth an action towards establishing the good corporate governance with the focus of disseminating satisfaction to the stakeholders at large. We concentrated on the portfolio management and lowering the overall riskiness of the bank, though keeping our profitability levels almost the same. In the coming days, the focus shall be the market coverage, continuing the overall aforementioned activities.

The banking industry as a whole has experienced various hitches with multiple problems pertaining to the liquidity adequacy, slackness in the demand for credit and lower growth, concentrated lending on the real estates and an ambiguous situation wherein the prediction has been impaired by various unprecedented attributes cropped up by the market dynamism and additional policy induction. All these challenges were well triggered towards us as we had concentration with the real estates and the liquidity adequacy had been a challenging factor for sunrise and reviewing the same, the bank has been faced well by the team and Management of Sunrise and provided a wonderful justice to the market forces thereby displaying a long term management competency and proving a fact that the team of Sunrise is capable of facing any of the market dynamism and turbulence.

Furthermore, our focus on Small and Medium Enterprises Banking (SME Banking) shall still be focused from our outreach of 47 branches which is going to be increased to 49 branches located at different urban, semi-urban/peri-urban and rural areas of Nepal. The bank has also created good branding in the corporate sectors of Nepal thereto increasing the total non-funded liabilities of the bank. Catering the bank need of prevailing two hundred thousand customers approximately, the bank has strengthened itself towards increasing the overall clientele bases in the coming FY. Growth shall be our major focus in the coming FY. With the up-gradation of our software to T-24, the bank is now technically sound to adopt modern technologies which shall add value to the existing banking services.

Nevertheless, I would like to thank all the stakeholders for their continuous support and expect the same level of support and contributions in the coming days so as to materialize and accomplish the targeted dream.

Thanking You.

Surendra Man Pradhan
Chief Executive Officer

Directors Report



The Board of Director presents its report together with the Balance Sheet and Statement of Profit and Loss for the fiscal year ended 32nd Ashad 2068. The report is prepared in accordance with the provision of the Company Act, 2063 and provisions of the Nepal Rastra Bank Directive/ Circular.

After making the provision for the Deferred Tax Assets (DTA) of NRs. 1,428,749/- under the provision for Income Tax, transfer to Exchange Fluctuation Fund of NRs. 927,805/-, total Retained Earnings as at the end of Fiscal Year is NRs. 28,804,399/-.

Financial Results FY-2010/11

Particulars	Amount (NPR)
Operating Profit (Before provision and Tax)	446,887,149
Transfer to General Loan Loss Provision	372,358,109
Write back of provision & non-operating income	11,726,843
Provision for Tax (including Deferred Tax)	34,175,289
Net Profit After Provision and Tax	44,239,150
Transfer to statutory Reserves	8,847,830
Transfer to Exchange Fluctuation fund	927,805
Proposed Dividend	80,600,000



Particulars		
Earnings per share	Ratio	2.20
Net Assets per share	Ratio	771.11
Market Price per share	NRs.	163.00
Shareholders fund	NRs.	2,146,061,427.00
Return on Shareholders fund	%	2.06
Total Revenue	NRs.	839,562,495.00
Operating Profit	NRs.	74,529,040.00
Profit before Tax	NRs.	86,255,883.00
Profit after Tax	NRs.	44,239,150.00
Dividend Yield	%	4.00
Price Earnings Ratio		74.24
C/D Ratio		82.53



सन्राइज
pink
बचतखाता
विशेष खाता नारीहरूका लागि मात्र

Interest Rate 7.00% p.a.

यस खाताका विशेषताहरू:

- वीमा सुविधा: दुर्घटना / मृत्यु / स्थायी अपाङ्गता
- एबीवीएस, चेकबुक, ई-बैंकिङ तथा एसएमएस बैंकिङ/एकाउन्ट स्टेटमेन्ट
- लकर सुविधामा भारी छुट
- ओभरड्राफ्ट सुविधा / कर्जा प्रक्रिया शुल्कमा छुट

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Achievements of the current year

Particulars	FY-2010/11	2nd quarter end FY-2011/12
Total Assets	15,850,457,968	19,096,803,000
Total Deposits	13,391,713,786	16,446,028,000
Total Net Loan and Advances	11,910,058,832	13,126,762,000
Total Investment	1,103,343,446	1,444,238,000
Gross Operating Profit	446,887,149	76,694,000

Overall Business of the Bank during FY 2067-68 (2010-2011)

Particulars	F/Y 2010/11	F/Y 2009/10
Net Worth	2,146,061,428	1,385,014,554
Deposits	13,391,713,786	14,767,029,516
Gross Loans, Advances & Bills Purchases	12,434,383,152	12,225,213,582
Gross Investments including Money at call & short notice	1,427,240,816	2,591,428,864
Interest Income	1,918,744,600	1,546,891,052
interest Expenses	1,221,698,525	962,288,265
Net Interest Income	697,046,075	584,602,787
Commission and Discount	50,759,353	37,574,872
Other Operating Income	45,994,908	52,931,048
Exchange Fluctuation Income	34,035,316	42,783,505
Total Operating Income	827,835,652	717,892,212
Staff Expenses	140,681,616	124,094,639
Other Operating Expenses	240,266,887	199,803,409
Operating Profit/(Loss) Before Provision for Possible loss	446,887,149	393,994,164
Provision for Possible Losses	372,358,109	83,093,584
Operating Profit/ (Loss)	74,529,040	310,900,579
Non-Operating Income/Loss	11,494,205	74,780
Loan Loss Provision Written Back	232,638	1,181,955
Profit/(Loss) from Regular Activities	86,255,883	312,157,315
Provision for Staff Bonus	7,841,444	28,377,938
Provision for income Tax	34,175,289	79,428,290
Current Year	30,777,045	81,976,288
Previous Year	1,969,495	-
Deferred Tax	1,428,749	(2,547,998)
Net Profit/(Loss) After Staff Bonus & Tax	44,239,150	204,351,087
Capital Adequacy Ratio	13.28%	11.37%
Return on Equity	2.06%	12.42%
Return on Assets	0.28%	1.21%





The Board functions as a full Board and in form of various committees constituted to address specific areas.

Corporate Governance

Sunrise Bank with an objective of establishing a tradition of best practices in corporate governance has a policy directed not only towards the regulatory and legal requirements but also towards the framework of best business practices, transparency and disclosure to the stakeholders. The corporate governance framework in Sunrise Bank comprises of an effective independent Board, separation of the Board's supervisory role from the executive management and the constitution of Board Committees, comprising of independent directors to oversee critical areas.

Sunrise Bank has a Board of Directors, constituted as per the compliance of Banking and Financial Institution Act, Company Act and other agreements with

stock exchanges to meet the criteria of best practices in corporate governance. The Board functions as a full Board and in form of various committees constituted to address specific areas.

Sunrise Bank, within its relationships with its borrowers, depositors, agents, shareholders and other stakeholders has always maintained its fundamental principles of corporate governance – that of integrity, transparency and fairness. For Sunrise Bank, corporate governance is a continuous journey, seeking to provide an enabling environment to harmonize the goals of maximizing shareholder value and maintaining a customer centric focus. Sunrise Bank corporate governance encompasses its business practices, its values and personal beliefs, reflected in the actions of each of its employees.

The Board of Directors fully support and are committed to the corporate governance model adopted by the Bank, which among others, encompasses the principles of full disclosure and transparency, social responsibility and accountability, zero tolerance compliance culture, business and customer confidentiality, intolerance of conflict of interests and independent management.

Risk Management

Risk is an integral part of the banking business. Our aim is to maximize the shareholders' value by achieving an appropriate balance between risk and returns. A bank is exposed to various risks, e.g. credit risk, market risk, compliance risk, reputational risk and operational risk, among others. Our risk management strategy is based on a clear understanding of various risks measurement procedures and continuous monitoring. In line with necessary procedures that must be in place to carry out adequate risk management, the Operations Manuals, Operations circulars issued from time to time, policies and procedures established covering various products and services for mitigating various risks are continuously benchmarked with international best practices.

Market risk

Market risk is the risk of loss resulting from changes in interest rates, foreign currency exchange rates, and equity and commodity prices. Our exposure to market risk is a function of our trading and

The objective of market risk management is to minimize the impact of losses on earnings and equity capital due to market risk.

asset and liability management activities and our role as a financial intermediary in customer-related transactions. The objective of market risk management is to minimize the impact of losses on earnings and equity capital due to market risk.

The Bank has an ALCO (Asset Liability Management Committee), which meets regularly to review and assess the Market Risks and to adopt necessary measures to effectively manage any perceived risk.

For deposits and advances, maturity profiles of assets liabilities, articulating interest rate view of the Bank, funding policy, transfer pricing policy and balance sheet management of the Bank, Treasury ensures adequate liquidity at all times through systematic funds planning and maintenance of liquid investments as well as by focusing on more stable funding sources e.g. retail deposits. The structural liquidity and interest rate sensitivity gap reports are prepared in line with the central bank guidelines to monitor the liquidity and interest rate risk which are also reported to the central bank on a regular basis.

Operational Risk

The Basel Committee defines operational risk as: "The risk of loss resulting from inadequate or failed internal processes, people and systems or from external

events" Operational risk is a risk arising from execution of a company's business functions. It is the risk of unforeseen financial risk/loss that can result from a various factors, including failure to obtain proper internal authorizations, improperly documented transactions, failure of operational and information security procedures, computer systems, software or equipment, fraud, inadequate training and employee errors/lapses and external factors as well. Our approach to operational risk management is designed to mitigate operational risk by maintaining a comprehensive system of internal controls, establishing systems and procedures to monitor transactions, maintaining key back-up procedures and undertaking regular contingency planning.

Effective operational risk management system would ensure that Bank has sufficient information to make appropriate decisions about additional controls, adjustments to controls, or other risk responses. Bank's operational risk management policy aims at minimizing losses and customer dissatisfaction due to failure in processes, focusing on flaws in products and their design that can expose the Bank to losses due to fraud, analyzing the impact of failures in technology/systems, developing mitigants to





minimize the impact and developing plans to meet external shocks that can adversely impact continuity in the Bank's operations.

The Audit and Compliance unit of the Bank undertake a comprehensive audit of all business groups and other functions, in accordance with the approved audit plan. This plan allocates audit resources based on an assessment of the operational risks in the various businesses/ transactions.

The reports of internal audits are submitted to the Audit Committee for review on periodic basis. Necessary corrective and preventive measures are ensured on an ongoing basis to mitigate the operational risks.

Disaster Recovery and Business Continuity Plan

Sunrise Bank with an objective of providing a sense of security and confidence to its various stakeholders and give continuity to its business even after any unanticipated catastrophe has developed and implemented a comprehensive Disaster Recovery and Business Continuity Plan (DRBCP). We understand that the DRBCP is a comprehensive statement of consistent actions to be taken not only after a disaster, but also before and during the misfortune. The plan shall be tested to ensure the continuity of operations and availability of critical resources in the event

of a disaster. Further, a Disaster Recovery and Business Continuity Committee (DRBCC) has been formed which is chaired by the Chief Executive Officer and comprises of the senior executives of the bank. As technological advancement is one of the preventive approaches to disaster recovery, the bank is in the process of switching the banking software to T24 and the back-up server shall be installed at a different location than the main server in order to record data on real time basis and its recovery when needed.



Information Technology

Sunrise Bank Ltd. is one of the banks in Nepal having good branch networks across the country. The bank has established a very good networking and communication system among its branches. The bank has now set up 47 branches and installed 53 ATMs across the country in order to serve our valued customers from a wider area. Use of Advanced Technology has become a necessity for the bank like ours to remain competitive in the market. In line with this vision, our bank has been using world's number software - T24 Core Banking Software which has helped us to serve the customers in international standard.

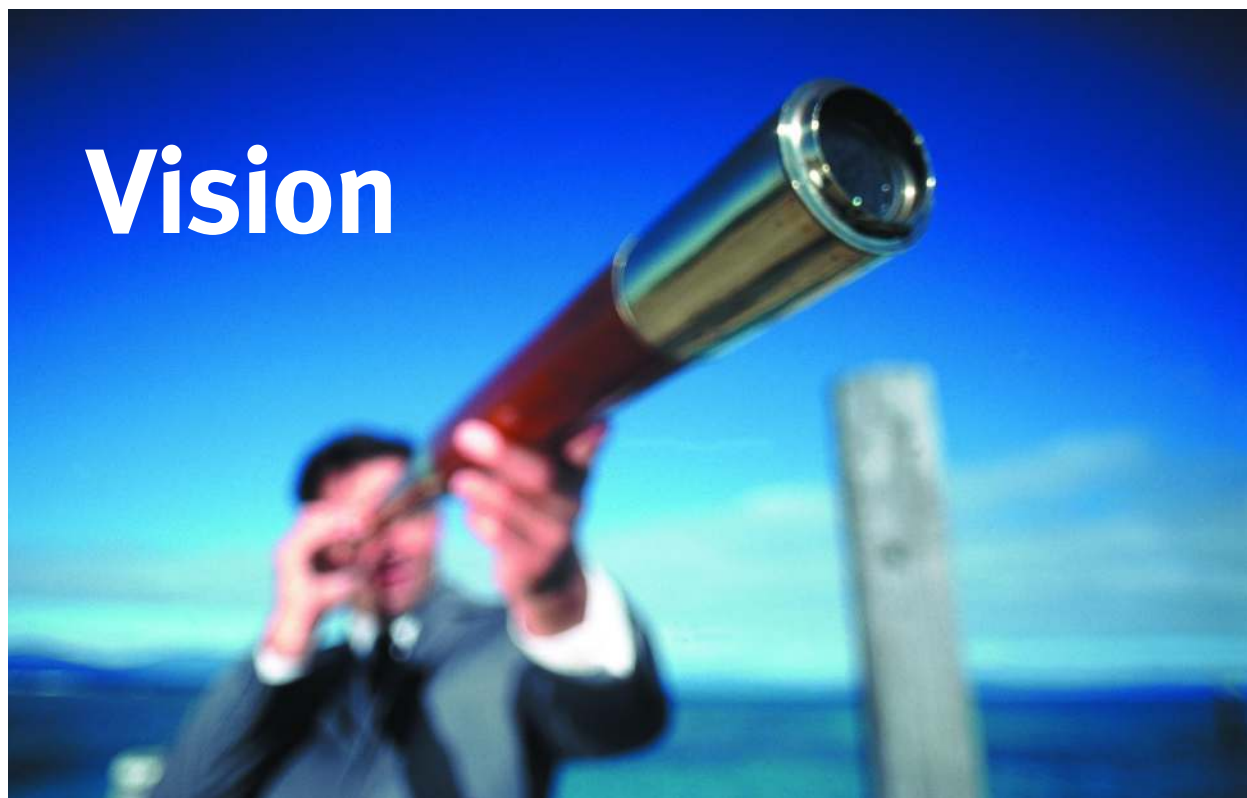
To provide the global environment to our valued customers, the bank

has already implemented standard Internet Banking service which will provide the user high class online banking facility for banking with us. Similarly, bank has already launched Mobile Banking Facility by which customers can have banking with us through their own mobile phone. Our valued customers can have access of their account information anytime and anywhere they wish to get it from.

Further, the bank has already upgraded the disaster recovery site as per the international standards which is located at a separate location from the data center in order to safeguard the customers' as well as the bank's interests. This ultimately reduces the downtime of banking services by recovering

the required information as and when required. The bank has adopted dual link policy in order to provide uninterrupted performance even during the adverse circumstance. The bank is committed to provide technology based services to its clientele and to simplify banking by bringing the same to their finger tips. To fulfill the business automation and to make the customers' life easier, the bank's IT is playing crucial role in line with modern and advanced technology.

Vision



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

Sunrise Bank places great importance on the challenge of bringing satisfaction and excitement to its customers. The Bank listens more intently to the costumers at all times and seek new ways to enhance the quality of its product and services. Sunrise also believes that it is a “RELATIONSHIP BANK” and that the customers would be provided with “Personalized Services” through dedicated staffmembers to properly address their concerns.

Mission

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

Objectives

- To continuously expand Banks operation in systematic manner
- To become a major innovative Bank and provide top of the line service
- 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

Our Capital Structure

The Bank has a paid up capital of NRs. 2.015 billion and the structure is as follows:

- Individual Promoters: 70 Per cent
- General Public: 30 per cent

The authorized capital of the Bank is NRs. 5 billion



Branch Network

Sunrise Bank envisions outreaching the major cities and remote areas across the country with the view to provide banking solutions to the vast 70 % population of the country who are deprived even from the basic banking facilities.

At the end of Fiscal Year 2067/68 B.S. (i.e.2010/11) the Bank has established 47 Branches across the country. In continuance to the same vision; the Bank is soon to expand the branching network in the Far western region at Nepalgunj and Bhairawaha.

These strategically located branches through out the country provide from basic banking facilities to providing specific banking solutions to varied group of customers. The thirst for reaching every nooks and corners with our facilities still pushes to us for the expansion of branches in days to come.





Product and Services

Sunrise Bank launched fixed deposit products such as Utsav Muddati Khata with competitive interest rates which have been highly appreciated by the customers and services such as Mobile Banking, Internet Banking and Utility Payments.

In the banking sector having cutthroat competition, there is utmost need to be innovative to sustain in the industry. With the existence of numerous commercial banks, it is imperative for any financial institutions to provide best of services to customers through effective utilization of its network spread across the country and continue to be innovative in the Products and Services Development.

As customers generally have capricious tastes, understanding their banking flavor is not only difficult but is also critical when it comes to developing new products and services. Yet, with competition intensifying, Banks feel pressurized to release products more quickly

than ever, often having to make trade-offs and take greater risks because they lack sufficient customer insight.

However, Sunrise Bank believes that satisfying and delighting its customers is the key to its success and it also feels that customer's insight can decisively influence the development of New Products and Services.

During this year's operation, Sunrise Bank launched fixed deposit products such as Utsav Muddati Khata with competitive interest rates which have been highly appreciated by the customers and services such as Mobile Banking, Internet Banking and Utility Payments.

Our Products

Sunrise Normal Savings:

Normal savings facility is designed to cater to day to day saving practice of individuals and households. Savings is encouraged, be it in small amount or large, and a banking awareness/ habit is thus created. Normal savings with Sunrise Bank Limited is flexible in terms of withdrawal and deposit and emphasizes on personalized services provided by the competent staff is the priority.

Sunrise Super Savings Deposit:

Sunrise Super savings is tailor-made to cater to needs of the segment of customers with a high account turnover. The product offers highly competitive interest rate with various other facilities.

Sunrise Bal Bachat Khata:

Sunrise Bal Bachat Khata is targeted to the customers who want to deposit seed money in their children's account, which in course of time could grow to a sizeable amount. As children grow older and become major, the deposit in the account will be of valuable financial support to his/her higher education.

Sunrise Pink Bachat Khata:

Sunrise Pink Bachat Khata caters to unique Banking needs of women. This exclusive product provides innovative, transparent and customized solutions for today's women in the country.

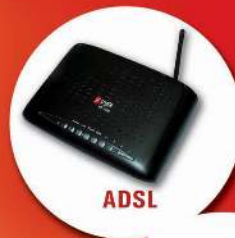
Sunrise Fat Savings Deposit:

Sunrise Fat Savings Deposit offers highest interest rates. The product targets interest sensitive customers who also give priority to attractive features that come along with the product.

Sunrise Disability Account:

The product is targeted to such a group of customers who are physically impaired and or handicapped. The product is newest of its kind in the entire Banking industry.

नेपाल टेलिकमको पोस्टपेड मोवाइल,
Land line तथा ADSL सेवाको महशुल
सन्स्राइज बैंकबाट विर्नुहोस् ।



ADSL



Land line

हाम्रा
४७ वटै
शाखाहरूमा यो सेवा
उपलब्ध छ ।

तपाईंको टेलिफोनको महशुल
सन्स्राइज बैंक मार्फत मुक्तानी भयो ।

8.25%
p.a.
Sunrise FAT
Savings Account

Sunrise Share Lagani Khata:

Sunrise Bank's Share lagani Khata is targeted to the section of general public that seek to invest in shares of Sunrise Bank Limited or any other Banks licensed by Nepal Rastra Bank.

Sunrise Share Dhani Khata:

The product is developed for shareholders of Sunrise Bank Limited targeting the share applicants of the bank who have been allotted shares in the Initial Public Offering of the Bank. This product also covers those shareholders who purchase shares from secondary market and become shareholder of the Bank.

Bishesh Muddati Fixed Deposit:

Bishesh Muddati Fixed Deposit offers high interest rates in quarterly, semi – annually and annually basis as per the personal requirements of the customers.

Utsav Muddati Khata:

Utsav Muddati Khata is targeted to the customers who want prepaid interest payment; this product provides dual gain for the customers who prefer to reinvest the accrued amount prior to the expiry of fixed deposit.

Mobile Banking:

Sunrise Bank has initiated Mobile Banking services to the customers whereby the payments and banking transactions shall be availed with tip of the finger. The service can be availed by the Nepal Telecom and Ncell subscribers. The partnership with Ncell is first of its kind in the Banking sector providing facilities to the varied mobile users.

The payment of Nepal Telecom's landline, post paid mobile and ADSL has been hassle free with the service provided by the Bank. The services can be utilized from 47 branches of the bank depending on convenience and locality of the customers.

Internet Banking:

Internet Banking furnishes banking services promptly anywhere and anytime; the electronic transaction can be very handy and fulfills the modern need.

Mobile Van Banking:

Mobile Van Banking has a unique feature offering Banking facilities to the door steps where the reach is limited. Currently Pharping Branch has been routed in the nooks and corners and stands popular in the remote vicinity.

Business Loans:

Both Retail and Corporate clients are prime focus of Sunrise Bank. The Bank possesses various loan products that effectively cater to their needs.

Project and Infrastructure Financing:

One of the leaders in project lending and infrastructure financing, the Bank is currently heading various projects in the market.

Import and Export Financing:

Equipped with good international network, Sunrise Bank has been effectively addressing the international trade related needs of importers and exporters.



Our Services

Personalized Services:

- Sunrise believes that it is a Relationship Bank and that customers would be provided with “Personalized Services” through dedicated Relationship Managers
- Customers who get personalized services, account transactions will be handled by the competent staffs which are dedicated to offer customized services to organization and their staff members on a priority basis.

Free Internet Banking/SMS Banking Services:

Locker Facility

- Sunrise Bank also provides safe deposit Locker facility at reasonable cost from its different branches in order to keep safe deposit of their valuables. The Branches that are currently offering Locker Facilities are namely, Main Branch, Tinkune, Gabahal, Kalimati, Dhangadhi, New Road, Chabahil, Bhaktapur, Thamel, Budhanilkantha, Biratnagar, Pokhara, Harisiddhi, Rajbiraj and Gothatar. The number of branches providing Locker facilities will gradually increased.
- Following are the Locker Sizes Variation offered by the Bank:

Size	Dimension
A	(6.3”*8.4”*19.6”)
B	(5.0”*14.0”*19.6”)
C	(11.0”*14.0”*19.6”)
D	(7.5”*21.0”*19.6”)
E	(15.4”*21.2”*19.6”)

Sunrise M-Banking

Sunrise Bank being a technology driven organization has always strived to offer latest technological innovation. In this regard Sunrise bank has offered Mobile Banking service popularly known as M-Banking.

Sunrise M-Banking Services provides, on the go banking facility. This enables one to use many of the banking features through the mobile phone itself. Any person or organization having an account in Sunrise Bank can register their NTC or NCELL (Prepaid or Post-Paid numbers) to get optimum benefit of Sunrise M-Banking. A unique pin or the access code is provided to the registered client for added security.

Account Information

- Balance Enquiry
- Mini Statement
- Account Enquiry

Requests

- Cheque Book request
- Statement Request
- Banking Hour
- Exchange Rate
- Transaction Limit

Transactions

- Fund Transfer
- NTC Utility Payments (PSTN, Post-Paid, ADSL)
- NTC Recharge Cards (Prepaid, CDMA)



Account Information

By sending a text to 6556 or using Sunrise M-Banking app, information about current account balance, last transaction details, information of accounts linked to the mobile number is easily received as a text message.

Requests

Cheque book request, bank statements request etc is possible using Sunrise M-Banking .Current forex rates, current Banking hours can also be enquired at the ease of a text to 6556 or using the Sunrise M-Banking app.

Transactions

Different payments and funds related activities can be easily made with the help of Sunrise M-Banking service. Fund transfer to any or selected account holder having an account in Sunrise Bank is possible because of this service. Utility payments such as NTC PSTN, Post-Paid, NTC ADSL is made easy. One can easily make the payments using Sunrise M-Banking service. Beside this, one can electronically purchase NTC CDMA and Namaste recharge cards amounting NPR 100 to NPR 1000 through their mobile phones.

Sunrise Bank Limited aims to gradually diversify its lending portfolio by increasing the shares of SME and Consumer loans. With the presence of 47 branches network, the Bank intends to cater the diversified SME customers located across the country to ensure that the access to finance is made easy to these borrower segment.

In line with the strategy to be known as SME focused bank with SME banking approach, the Bank has developed various tailor-made lending products as well as deposit products for SMEs. With regards to deposits, the Bank has been facilitating the SME customers with an innovative product “SME account” which is an interest bearing account and cultivates banking habits of SMEs. The total SME customer base has exceeded seventeen hundred and fifty as of now which includes both lending and deposit customers.

Any Branch Banking Service:

- This is the core banking facility where deposits and withdrawals can be made from any branch in the country irrespective of the fact that the account is maintained at a different Branch.

Domestic Payment Solution:

- Through our correspondent banking arrangement with other commercial banks locally, Sunrise provides efficient “Funds Transfer Solution.”
- Sunrise has a special fund transfer arrangement with KRS Solution network with wider coverage for outside valley funds transfer via more than 250 agents.

Foreign Exchange Deposit and Withdrawal:

- Traveler’s Cheque/ Foreign Currency can be issued to the customers for foreign visit at “Competitive Exchange Rate”
- Traveler’s Cheque or Foreign Currency balance taken during the official visit can be “Deposited into official Account” at the exchange rate of the currency note published by the bank

Remittance:

Remittance has taken almost the centre stage in the economic development of our country. Emigration of Nepalese youth force to the Gulf region and other countries in search of Foreign Employment can be taken as the major source of remittance entering inside the country.

The financial flows generated by these migrants by way of remittances are very substantial. As per the official data, it is estimated that around 2.0 million Nepalese are working in 42 different countries, excluding India whereas it is estimated that there are equal number of Nepalese residing in this territory entering through various unofficial channels.

Financial Institutions and Money Transfer Cos. have not only helped the country to bring remittances through formal channel thereby discouraging the informal channels but has also helped in increasing the Foreign Exchange Reserves with the Central Bank of Nepal, thereby making a positive impact in the Balance of Payments. However, it

is estimated that only around 40 percent of Nepalese migrant workers use formal channel to send their earning back home.

As per the statistics from Nepal Government, Dept of Foreign Employment, during FY 2067/68 more than 354,716 people left Nepal in search of foreign employment compared to 294,094 during FY 2066/67 thereby making a growth of 21.0%. Similarly, statistics from Central Bank of Nepal shows that during FY 2067/68 the volume of inward remittances entering inside the country totaled to Rs 254 billion compared to 232 billion during the same period previous year, thereby making a growth of 9.0 percent.

Sunrise Bank Ltd. (SrBL) with the inception of carrying out remittance activities, have already launched its web-based online remittance product named “SURYODAYA REMIT” and has more than 500 payout agents and 47 of its own branches across the length and breadth of the country for disbursing the remittance payments received from across the globe. SrBL currently has its presence in USA, UK, Italy, Spain, Australia, Israel, Malaysia, Qatar, Bahrain, Oman, Kuwait and UAE for aligning remittance business from international market. Apart from this, we have also been serving people wanting to send domestic remittance from our branch networks. This helps customer to send and receive money from more than 550 locations nationwide, hence making domestic fund transfer really easy and hassle free.

Finally, we are looking forward to expanding our International as well as Domestic networks so as to become dominant player in this sector.



Small and Medium Enterprises (SME):

SMEs are considered as the backbone of the country's economy and engine for development. Recently it has been seen that most of the Banks and Financial Institutions have been focusing more towards catering the SMEs customers with varieties of SME friendly and flexible banking products

Sunrise Bank Limited aims to gradually diversify its lending portfolio by increasing the shares of SME and Consumer loans. With the presence of 47 branches network, the Bank intends to cater the diversified SME customers located across the country to ensure that the access to finance is made easy to these borrower segment.

In line with the strategy to be known as SME focused bank with SME banking approach, the Bank has

developed various tailor-made lending products as well as deposit products for SMEs. With regards to deposits, the Bank has been facilitating the SME customers with an innovative product "SME account" which is an interest bearing account and cultivates banking habits of SMEs. The total SME customer base has exceeded seventeen hundred and fifty as of now which includes both lending and deposit customers.



Corporate Social Responsibility

We Bankers are not only constrained to banking activities but as a responsible human being stand liable for social activities in the society. To accomplish the responsiveness the bank contributes to numerous social organizations. These acts enhance the social involvement and association with the society to conquest the trust of general people to show we care.

Following are some organizations where the bank has supported and contributed for their noble causes:

- Financial Contribution to Voice Of Children for the broadcast of tele-serial “Bhumika”.
- Provided support to orphan children of Bal Mandir by distribution of blankets and other items.
- Financial contribution to Manushi for Sustainable Development for publication of “ The Myth of Prosperity: Globalization and the South”
- Financial contribution to Tamakoshi Sewa Samiti, Manthali for Srimad Bhagawad Maha Yagna for construction of Tamakoshi Cooperative Hospital & Rehabilitation to support Conflict affected children
- Financial contribution to Godavari Samudayik Bikash Kendra for Srimad Bhagawad Maha yagna in order to construct of Samudayik Bikash Hospital
- Financial contribution to Nepal Children’s Organization for Srimad Bhagawad Maha yagna for construction of Disable Friendship Children’s Hospital



- Supported Ex-AVMs for a campaign for deprived children’s education, food and shelter etc
- Supported Fellowship Society Nepal for Musical program intended for Disable person
- Financial contribution to All Nepal National Free Students Union for a social program
- Contribution to Ladies Circle-1 for Dandiya Raas-Annual dance Extravaganza
- Support to Biratnagar Prime Round Table no.10 for Diwali Milan and Fellowship
- Financial support for Candle Light Service and rally in the memory of those who are expired of HIV & AIDS organized by Helping Society Nepal
- Contribution to Fellowship Society Nepal for Study Visit to Braille World.
- Supported Bhaktapur Police Office for CCTV surveillance system on Jagati Check Post
- Financial support for Buddha Subba Gold Cup, 2067
- Financial contribution to

- Kathmandu University High School for endorsement program for 3 governmental schools
- Support to Bird Conservation Nepal for publication of their quarterly newsletter “Munal”.
- Contribution to Sajha Prayas Nepal for free dental Health Camp
- Support to Autism Care Nepal for Walkathon program on World Autism Awareness day
- Contribution to Himani Trust for supply of rations to “The Matatirtha Oldage Home Committee”
- Financial contribution to Lazimpat Club for organizing Blood Donation Program
- Financial contribution to Differently Able Youth Organization Nepal
- Support to the charity premiere show organized by Autism Care Nepal
- Financial support to Nepal Women Environment Education & Health for Maha Shivaratri



VISA Debit Card

Sunrise bank has always initiated in providing innovative products and services to its customers. Customers can take services from Sunrise bank limited 54 ATM terminals which are located throughout the country.

After an agreement with VISA international, Sunrise bank has been offering VISA Debit Card to our valued customers. The VISA debit card allows the cardholder to withdraw cash, inquire account balance, mini statement; fund transfer and PIN change facilities. With sunrise banks domestic VISA debit card, card holders can make payments at merchant locations and withdraw cash in SCT, NPN and VISA network ATM across India and Nepal.

Sunrise bank VISA international debit card which can be issued for any convertible foreign currency account and Nepal Rastra Bank permit for foreign currency for travelling abroad can be used in any VISA network around the world. Customers who are frequent traveler can benefit from our International card as it prevents hassles of foreign exchange.

The major advantage is that you need not require carrying bulky cash minimizing the risk associated with that, as the small plastic is convenient to place in your wallet. VISA Debit Card is the simplest and most convenient way of making payment of goods and/or services purchased.

Internet Banking

Internet banking service connects you safely to your bank account from around the world. You can now perform banking transactions electronically without visiting the bank premises. Sunrise online banking inhabits many of the banking activities which previously could only be performed by visiting the bank. Currently Balance Enquiry and account statement can be obtained from internet banking services. Additional services such as utility payment, fund transfer and purchase of NTC's recharge card will soon be provided to our valued customers.

Human Resources

SrBL in its 5th year of operation is focused towards investing in the best human capital in the industry. Excellent HR practices are the major contributing factor which has provided the Bank competitive advantages in the industry. The Bank has finest team of human resources which is the strength of the organization and has become part and partial of the Bank's success year on year. The Bank believes in imparting knowledge through capacity building which is accomplished through training and development of the human capital.

New talents are given ample opportunity to grow with the organization. Human capital growth through employee engagement and empowerment has been the strategic decision of the Bank. Highly motivated staffs are the strength of the bank and have been contributing continuously towards achieving Organizational vision, values and goal.



M. Khanal & Co., Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

THE SHAREHOLDERS OF SUNRISE BANK LIMITED

We have audited the accompanying financial statements of Sunrise Bank Limited, which comprise the Balance Sheet as at Ashad 32, 2068 (July 16, 2011), Profit and Loss Account, Cash Flow Statement and Statement of Changes in Equity for the year then ended, and a Summary of Significant Accounting Policies and Other Explanatory Notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Nepal Accounting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our professional judgment, including the assessments of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider the internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bank's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, the financial position of Sunrise Bank Limited as at 32 Ashad, 2068 (16 July, 2011) and of the results of its financial performance and its cash flows for the year then ended in accordance with Nepal Accounting Standards so far as applicable in compliance with the prevailing Laws and comply with Company Act 2063, Banks and Financial Institutions Act, 2063 and Directives of Nepal Rastra Bank.



Report on Other Legal and Regulatory Requirements

On the basis of our audit, we further report that:

- a) We have obtained all the information and explanations, which were considered necessary for the purpose for our audit.
- b) The Balance Sheet, Profit and Loss Account, Cash Flow Statement, Statement of Changes in Equity and attached schedules dealt with by this report are prepared as per Directives of Nepal Rastra Bank and are in agreement with the books of account maintained by the Bank.
- c) In our opinion, proper books of account as required by the law have been kept by the Bank. The Bank has accounted for Interest Income on Loans & Advances on cash basis as per Nepal Rastra Bank's Directives except for interest accrued as on year end (16 July, 2011) and collected within 1 month of the Balance Sheet date as permitted by NRB.
- d) The returns received from branches of the Bank, though the statements are not audited independently, were adequate for the purpose of our audit.
- e) During our examination of the books of account of the Bank, we have not come across the cases where the Board of Directors or any member thereof or any representative or any office bearer or any employee of the Bank has acted contrary to the provisions of law or caused loss or damage to the Bank nor have we been informed of such cases by the management.
- f) In our opinion, so far as it appeared from our examination of the books, the Bank has maintained adequate capital funds and adequate provisions for possible impairment of assets in accordance with the directives of Nepal Rastra Bank.
- g) The operations of the Bank were within its jurisdiction.
- h) The Bank has been functioning as per the directives of Nepal Rastra Bank.
- i) The Bank has not acted in a manner to jeopardize the interest and security of the depositors and shareholders.
- j) We have not come across any fraudulence in the accounts, so far as it appeared from our examination of the book.


Mahesh Khanal, FCA
For M. Khanal & Co.
Chartered Accountants



Date: 16 Kartik 2068 (2 Nov 2011)

Place: Kathmandu, Nepal



Sunrise Bank Limited

Balance Sheet as at 32 Ashad 2068 (16 July 2011)

Capital & Liabilities	Schedule	Current Year NPR	Previous year NPR
1. Share Capital	4.1	2,015,000,000	1,510,350,000
2. Reserves and Funds	4.2	131,061,427	135,014,554
3. Debentures & Bonds	4.3	-	-
4. Borrowings	4.4	-	150,000,000
5. Deposit Liabilities	4.5	13,391,713,786	14,767,029,516
6. Bills Payable	4.6	2,699,571	8,735,774
7. Proposed Dividend		80,600,000	125,000,000
8. Income Tax Liabilities		-	3,632,492
9. Other Liabilities	4.7	229,383,184	219,174,913
Total Capital & Liabilities		15,850,457,968	16,918,937,249

Assets	Schedule	Current Year NPR	Previous year NPR
1. Cash Balance	4.8	587,477,842	395,426,721
2. Balance with Nepal Rastra Bank	4.9	890,020,075	974,459,971
3. Balance with Banks/Financial Institutions	4.10	426,944,688	114,095,661
4. Money at Call and Short Notice	4.11	323,897,371	126,090,446
5. Investments	4.12	1,103,343,446	2,465,338,418
6. Loans, Advances and Bills Purchased	4.13	11,910,058,832	12,045,228,406
7. Fixed Assets	4.14	371,730,959	365,087,699
8. Non-banking Assets	4.15	-	-
9. Other Assets	4.16	236,984,755	433,209,927
Total Assets		15,850,457,968	16,918,937,249

Schedules 4.1 to 4.16 form integral part of Balance Sheet

Contingent Liabilities	Schedule 4.17
Directors' Declaration	Schedule 4.29
Statement of Capital Adequacy Table	Schedule 4.30 (A 1)
Statement of Risk Weighted Exposure for Credit Risk	Schedule 4.30 (B)
Statement of Eligible Credit Risk Mitigants	Schedule 4.30 (C)
Statement of Risk Weighted Exposure for Operational Risk	Schedule 4.30 (D)
Statement of Risk Weighted Exposure for Market Risk	Schedule 4.30 (E)
Principal Indicators	Schedule 4.31
Significant Accounting Policies	Schedule 4.32
Notes to Accounts	Schedule 4.33
Statement of loan to Promoters/ Group of Promoters	Schedule 4.34
Comparison of Unaudited and Audited Financial Statements	Schedule 4.35
Statement of Unaudited Financial Results (Quarterly)	Schedule 4.36

Motilal Dugar
CHAIRMAN

DIRECTORS

1. Srinivas Sarada
5. Malchand Dugar

2. Dr. Bhogendra Guragain
6. Suresh Kumar Basnet

3. Er. Bachh Raj Tater
7. Hikmat Bahadur Mali

4. Shrawan K. Goyal

Sweety Agrawal
HEAD-FINANCE PLANNING TEAM

Arun Parajuli
HEAD-TCMG & SP GROUP

Surendra Man Pradhan
CHIEF EXECUTIVE OFFICER

As per our attached report of even date

Place: Kathmandu
Date: 2nd November, 2011

.....
Mahesh Khanal, FCA
For M. Khanal & Co.
Chartered Accountants





Sunrise Bank Limited

Profit and Loss Account

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

Particulars	Schedule	Current Year NPR	Previous year NPR
1. Interest Income	4.18	1,918,744,600	1,546,891,052
2. Interest Expenses	4.19	1,221,698,525	962,288,265
Net Interest Income		697,046,075	584,602,787
3. Commission & Discount	4.20	50,759,353	37,574,872
4. Other Operating Income	v 1	45,994,908	52,931,048
5. Exchange Fluctuation Income	4.22	34,035,316	42,783,505
Total Operating Income		827,835,652	717,892,212
6. Staff Expenses	4.23	140,681,616	124,094,639
7. Other Operating Expenses	4.24	240,266,887	199,803,409
8. Exchange Fluctuation Loss	4.22	-	-
Operating Profit Before Provision for Possible Loss		446,887,149	393,994,164
9. Provision for Possible Losses	4.25	372,358,109	83,093,584
Operating Profit		74,529,040	310,900,580
10. Non - Operating Income/Expenses	4.26	11,494,205	74,780
11. Loan Loss Provision Written Back	4.27	232,638	1,181,955
Profit from Regular Activities		86,255,883	312,157,315
12. Income/Expense from Extra-Ordinary Activities	4.28	-	-
Profit from All Activities		86,255,883	312,157,315
13. Provision for Staff Bonus		7,841,444	28,377,938
14. Provision for Tax Expense		34,175,289	79,428,290
Current Year		30,777,045	81,976,288
Previous Year		1,969,495	-
Deferred Tax		1,428,749	(2,547,998)
Net Profit /(Loss)		44,239,150	204,351,087

Schedules 4.18 to 4.28, 4.32 and 4.33 form integral part of the Profit and Loss Account

Motilal Dugar
CHAIRMAN

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1. Srinivas Sarada
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Sweety Agrawal
HEAD-FINANCE PLANNING TEAM

Arun Parajuli
HEAD-TCMG & SP GROUP

Surendra Man Pradhan
CHIEF EXECUTIVE OFFICER

As per our attached report of even date

Place: Kathmandu
Date: 2nd November, 2011

.....
Mahesh Khanal, FCA
For M. Khanal & Co.
Chartered Accountants





Sunrise Bank Limited

Profit and Loss Appropriation Account

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

Particulars	Schedule	Current Year NPR	Previous year NPR
INCOME			
1. Accumulated Profit upto Previous Year		60,240,884	38,253,880
2. Current Year's Profit		44,239,150	204,351,087
3. Exchange Equilization Fund		-	-
4. Investment Adjustment Reserve of Previous Year		15,000,000	
Total		119,480,034	242,604,967
EXPENSES			
1. Accumulated Loss upto Previous Year		-	-
2. Current Year's Loss		-	-
3. General Reserve Fund		8,847,830	40,870,217
4. Contingent Reserve		-	-
5. Institution Development Fund		-	-
6. Dividend Equalization Fund		-	-
7. Employees' Related Fund		-	-
8. Proposed Dividend		80,600,000	125,000,000
9. Proposed Bonus Share		-	-
10. Special Reserve Fund		-	-
11. Exchange Fluctuation Fund		927,805	1,493,866
12. Capital Redemption Reserve Fund		-	-
13. Capital Adjustment Fund		-	-
14. Investment Adjustment Reserve		300,000	15,000,000
15. Deferred Tax Reserve		-	-
Total		90,675,635	182,364,083
16. Accumulated Profit/(Loss)		28,804,399	60,240,884

Motilal Dugar
CHAIRMAN

DIRECTORS

1. Srinivas Sarada
5. Malchand Dugar

2. Dr. Bhogendra Guragain
6. Suresh Kumar Basnet

3. Er. Bachh Raj Tater
7. Hikmat Bahadur Mali

4. Shrawan K. Goyal

Sweety Agrawal
HEAD-FINANCE PLANNING TEAM

Arun Parajuli
HEAD-TCMG & SP GROUP

Surendra Man Pradhan
CHIEF EXECUTIVE OFFICER

As per our attached report of even date

Place: Kathmandu
Date: 2nd November, 2011

.....
Mahesh Khanal, FCA
For M. Khanal & Co.
Chartered Accountants





Sunrise Bank Limited

Statement of Changes in Equity

Fiscal Year 2067/2068 (2010/2011)

Amount in '000'

Particulars	Share Capital	Accumulated Profit/Loss	General Reserve	Capital Reserve Fund	Share Premium	Exchange Fluctuation Fund	Deferred Tax Reserve	Other Reserves & Fund	Total Amount
Opening Balance as at 1st Shrawan 2067	1,250,000,000	60,240,884	57,825,986	-	-	1,947,684	-	15,000,000	1,385,014,554
Adjustment :- Deferred Tax	-	-	-	-	-	-	-	-	-
Restated Balance as at 1st Shrawan 2067	1,250,000,000	60,240,884	57,825,986	-	-	1,947,684	-	15,000,000	1,385,014,554
Adjustments For the year	765,000,000	(31,436,485)	8,847,830	-	32,407,723	927,805	-	(14,700,000)	(36,360,850)
Net Profit/(Loss) for the year		44,239,150							44,239,150
Transfer to General Reserve		(8,847,830)	8,847,830						-
Proposed Dividend		(80,600,000)							(80,600,000)
Exchange Fluctuation Fund		(927,805)				927,805			-
Investment Adjustment Reserve		14,700,000						(14,700,000)	-
Deferred Tax Reserve		-							-
Issue of right Shares	765,000,000								765,000,000
Share Premium					32,407,723				32,407,723
Closing Balance as at 31 Ashad 2068	2,015,000,000	28,804,399	66,673,816	-	32,407,723	2,875,489	-	300,000	2,146,061,428





Sunrise Bank Limited

Cash Flow Statement

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

Particulars	Current Year NPR	Previous year NPR
(A) Cash Flow from Operating Activities	407,770,481	358,317,637
1. Cash Receipts	2,044,346,528	1,669,237,545
1.1 Interest Income	1,912,111,380	1,539,887,483
1.2 Commission and Discount Income	44,421,940	83,613,024
1.3 Exchange Gain	30,324,095	36,808,042
1.4 Recovery of Loan Written off	-	-
1.5 Other Income	57,489,113	8,928,997
2. Cash Payments	(1,636,576,047)	(1,310,919,908)
2.1 Interest Expenses	(1,231,147,805)	(960,818,291)
2.2 Staff Expenses	(167,264,233)	(131,710,012)
2.3 Office Operating Expenses	(169,864,009)	(149,707,744)
2.4 Payment of Income Tax	(68,300,000)	(68,683,861)
2.5 Other Expenses	-	-
Cash Flow Before Working Capital Activities	(315,266,995)	(3,648,142,818)
Decrease/(Increase) in Current Asset from Operating Activities	1,194,995,682	(3,411,217,588)
1. Decrease/(Increase) in Money at Call and Short Notice	(197,806,924)	548,059,846
2. Decrease/(Increase) in Other Short Term Investments	1,361,994,972	(555,128,498)
3. Decrease/(Increase) in Loans, Advances and Bills Purchased	(209,169,570)	(3,173,807,715)
4. Decrease/(Increase) in Other Assets	239,977,204	(230,341,221)
Increase/(Decrease) in Current Liabilities from Operating Activities	(1,510,262,677)	(236,925,230)
1. Increase/(Decrease) in Deposit/Liabilities	(1,375,315,731)	2,754,411,743
2. Increase/(Decrease) in Certificate of Deposits	-	-
3. Increase/(Decrease) in Short Term Borrowings	(156,036,202)	(227,799,066)
4. Increase/(Decrease) in Other Liabilities	21,089,256	(2,763,537,907)
(B) Cash Flow from Investing Activities	(103,692,897)	(147,146,699)
1. Decrease/(Increase) in Long Term Investments	-	-
2. Decrease/(Increase) in Fixed Assets including Software/ NBA	(103,692,897)	(145,239,874)
3. Interest Income from Long Term Investments	-	-
4. Dividend Income	-	-
5. Others	-	(1,906,825)
(C) Cash Flow from Financial Activities	427,938,443	172,850,000
1. Increase/(Decrease) in Long Term Borrowings (Bond, Debentures)	-	-
2. Increase/(Decrease) in Paid up Share Capital	537,057,723	172,850,000
3. Increase/(Decrease) in Other Liabilities	(109,119,280)	-
4. Increase/(Decrease) in Refinance facilities from Nepal Rastra Bank	-	-
(D) Income/Loss from exchange rate fluctuations of Cash and Bank Balances	3,711,221	5,975,464
(E) Net Cash Flow from all activities of the Current Year	420,460,252	(3,258,146,416)
(F) Opening Cash and Bank Balances	1,483,982,353	4,742,128,770
(G) Closing Cash and Bank Balances	1,904,442,606	1,483,982,353





Sunrise Bank Limited

Share Capital and Ownership

As at 32 Asadh 2068 (16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
1. Share Capital		
1.1 Authorized Capital	5,000,000,000	5,000,000,000
a) 50,000,000 Ordinary Shares of Rs 100 each (Previous year 50,000,000 Ordinary shares of Rs 100 each)	5,000,000,000	5,000,000,000
b).... Non-Redeemable Preference Shares of Rs _ each	-	-
c)..... Redeemable Preference Shares of Rs _ each	-	-
1.2 Issued Capital	2,015,000,000	2,000,000,000
a) 20,150,000 Ordinary Shares of Rs 100 each (Previous year 20,000,000 Ordinary shares of Rs 100 each)	2,015,000,000	2,000,000,000
b).....Non-Redeemable Preference Shares of Rs _ each	-	-
c).....Redeemable Preference Shares of Rs _ each	-	-
1.3 Paid Up Capital	2,015,000,000	1,250,000,000
a) 20,150,000 Ordinary Shares of Rs 100 each (Previous year 1,250,000 Ordinary shares of Rs 100 each)	2,015,000,000	1,250,000,000
b).....Non-Redeemable Preference Shares of Rs _ each	-	-
c).....Redeemable Preference Shares of Rs _ each	-	-
1.4 Proposed Bonus Share	-	-
1.5 Call in Advance	-	260,350,000
Total(1.3+1.4+1.5)	2,015,000,000	1,510,350,000

Share Ownership

As at 32 Asadh 2068 (16 July 2011)

Particulars	Share Capital This Year		Share Capital Previous Year	
	%	NPR	NPR	%
A. Local Ownership	100	2,015,000,000	1,250,000,000	100
1.1 Government of Nepal	-	-	-	-
1.2 "A" Class Licensed Institutions	-	-	-	-
1.3 Other Licensed Institutions	-	-	-	-
1.4 Other Institutions	-	-	-	-
1.5 Individuals	100	2,015,000,000	1,250,000,000	100
1.6 Others	-	-	-	-
B. Foreign Ownership				
Total	100	2,015,000,000	1,250,000,000	100





Sunrise Bank Limited

Details of Shareholders holding 0.5 percent or more of Share Capital are mentioned below:

S.N.	Name	Current Year		Previous Year	
		% of holding	Amount in Rs.	% of holding	Amount in Rs.
1	Parneswor Lal Agrawal	0.50	10,075,000	0.50	6,250,000
2	Gyanendra Kumar Sharma	0.50	10,075,000	0.50	6,250,000
3	Bhushan Guragain	0.51	10,255,000	0.70	8,750,000
4	Saurabh Guragain	0.51	10,218,000		
5	Jyoti Kumar Begani	0.90	18,135,000	0.90	11,250,000
6	Tsering Chukie Sherpa	0.75	15,015,000	0.92	11,550,000
7	Norbu Tsering Lama	0.78	15,762,500	0.97	12,125,000
8	Lopsang Tenzing Nepali	0.78	15,762,500	0.97	12,125,000
9	Hari Prasad Agrawal	0.78	15,762,500	0.97	12,125,000
10	Jamuna Poudel	0.78	15,762,500	0.97	12,125,000
11	Sailendra Guragain	0.99	19,948,500	0.99	12,375,000
12	Sushila Sharma	1.00	20,150,000	1.00	12,500,000
13	Bhogendra Kumar Guragain	1.37	27,512,500	1.00	12,500,000
14	Niranjan Lal Khetan	1.00	20,150,000	1.00	12,500,000
15	Pramod Kumar Khetan	1.00	20,150,000	1.00	12,500,000
16	Chanda Kumari Begani	1.10	22,165,000	1.10	13,750,000
17	Uma Sharma	1.12	22,500,000	1.50	18,750,000
18	Surendra Dugar	3.15	63,456,000	1.60	20,000,000
19	Saroj Dugar	2.00	40,300,000	2.00	25,000,000
20	Shiv Ratan Sarda	1.43	28,750,000	2.00	25,000,000
21	Shreeniwas Sarda	2.00	40,300,000	2.00	25,000,000
22	Radheshyam Sarda	1.43	28,750,000	2.00	25,000,000
23	Pawan Kumar Sarda	1.43	28,750,000	2.00	25,000,000
24	Saurabh Tater	2.00	40,300,000	2.00	25,000,000
25	Bishal Tater	2.00	40,300,000	2.00	25,000,000
26	Bibek Tater	2.00	40,300,000	2.00	25,000,000
27	Bibek Dugar	3.71	74,766,600	2.70	33,750,000
28	Bachha Raj Tater	3.00	60,450,000	3.00	37,500,000
29	Tolaram Dugar	6.00	120,900,000	6.00	75,000,000
30	Mal Chand Dugar	5.46	110,050,000	5.00	62,500,000
31	Moti Lal Dugar	7.23	145,684,500	7.23	90,375,000
32	Shrawan Kumar Goyal	5.01	100,911,200	5.01	62,600,000
33	Kailash Chandra Goyal	5.01	100,911,200	5.01	62,600,000





Sunrise Bank Limited

Reserve and Funds

As at 32 Asadh 2068 (16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
1. General Reserve Fund	66,673,816	57,825,986
2. Capital Reserve Fund	-	-
a. Share Premium	32,407,723	-
3. Capital Redemption Reserve	-	-
4. Capital Adjustment Fund	-	-
5. Other Reserves & Funds	300,000	15,000,000
5.1. Contingent Reserve	-	-
5.2. Institution Development Fund	-	-
5.3. Dividend Equalisation Fund	-	-
5.4. Special Reserve Fund	-	-
5.5. Assets Revaluation Reserve	-	-
5.6. Deferred Tax Reserve	-	-
5.7. Other Free Reserves	-	-
5.8. Investment Adjustment Fund	300,000	15,000,000
6. Accumulated Profit/Loss	28,804,399	60,240,884
7. Exchange Fluctuation Fund	2,875,489	1,947,684
Total	131,061,427	135,014,554



Sunrise Bank Limited

Debentures & Bonds

As at 32 Asadh 2068 (16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
1. % Debentures of Rs.... each (Issued on.....with maturity on.....) (Outstanding balance of Redemption Reserve till date Rs.....)	-	-
2. % Bonds of Rs.... each (Issued on.....with maturity on.....) (Outstanding balance of Redemption Reserve till date Rs.....)	-	-
3.	-	-
Total (1+2+3)	-	-





Sunrise Bank Limited

Borrowings

Schedule 4.4

As at 32 Asadh 2068 (16 July 2011)

Particulars	Current Year NPR	Previous year NPR
A. Domestic		
1. Government of Nepal		-
2. Nepal Rastra Bank	-	-
3. Repo Obligations		-
4. Inter-bank and Financial Institutions		150,000,000
5. Other Financial Institutions		
6. Others	-	-
Total	-	150,000,000
B. Foreign		
1. Banks		-
2. Others	-	-
Total	-	-
Total (A+B)	-	150,000,000





Sunrise Bank Limited

Schedule 4.5

Deposit Liabilities

As at 32 Asadh 2068 (16 July 2011)

Particulars	Current Year NPR	Previous year NPR
1. Non-Interest Bearing Accounts		
A. Current Deposits	371,186,965	402,403,760
1. Local Currency	339,157,260	337,365,613
1.1 Government of Nepal	-	-
1.2 "A" Class Licensed Institutions	749,808	5,000
1.3 Other Licensed Financial Institutions	4,179,473	13,555,288
1.4 Other Organized Institutions	303,734,949	295,992,239
1.5 Individuals	30,493,030	27,813,086
1.6 Others	-	-
2. Foreign Currency	32,029,705	65,038,147
2.1 Government of Nepal	-	-
2.2 "A" Class Licensed Institutions	-	-
2.3 Other Licensed Financial Institutions	-	-
2.4 Other Organized Institutions	19,217,845	65,038,147
2.5 Individuals	12,811,860	-
2.6 Others	-	-
B. Margin Deposits	204,554,388	193,178,313
1. Employees' Guarantee	-	-
2. Guarantee Margin	152,031,365	140,889,447
3. Margin on Letter of Credit	43,190,022	37,837,444
4. Others	9,333,001	14,451,422
C. Others	12,782,508	10,977,053
1. Local Currency	12,782,508	10,977,053
1.1 Financial Institutions	5,284	5,027
1.2 Other Organized Institutions	249,354	235,882
1.3 Individuals	12,527,870	10,736,144
2. Foreign Currency	-	-
2.1 Financial Institutions -	-	-
2.2 Other Organized Institutions	-	-
2.3 Individuals	-	-
Total of Non-Interest Bearing Accounts (A+B+C)	588,523,861	606,559,126





Sunrise Bank Limited

Deposit Liabilities (Continued)

Schedule 4.5

As at 32 Asadh 2068 (16 July 2011)

Particulars	Current Year NPR	Previous year NPR
2. Interest Bearing Accounts		
A. Savings Deposits	5,480,961,171	6,256,553,755
1. Local Currency	5,433,234,560	6,212,107,270
1.1 Organized Institutions	125,146,452	79,287,599
1.2 Individuals	5,308,088,108	6,132,819,671
1.3 Others	-	-
2. Foreign Currency	47,726,611	44,446,485
2.1 Institutions	10,662	11,192
2.2 Individuals	47,715,949	44,435,293
2.3 Others	-	-
B. Fixed Deposits	4,868,151,617	4,874,238,961
1. Local Currency	4,529,239,117	4,091,215,018
1.1 Organized Institutions	2,199,115,585	1,898,873,050
1.2 Individuals	2,330,123,532	2,192,341,968
1.3 Others	-	-
2. Foreign Currency	338,912,500	783,023,943
2.1 Organized Institutions	338,912,500	783,023,943
2.2 Individuals	-	-
2.3 Others	-	-
C. Call Deposits	2,454,077,137	3,029,677,674
1. Local Currency	2,420,468,424	2,981,695,934
1.1 "A" Class Licensed Institutions	-	15,954,806
1.2 Other Licensed Institutions	869,364,945	1,235,296,512
1.3 Other Organized Institutions	1,086,346,824	736,461,558
1.4 Individuals	464,756,655	993,983,058
1.5 Others	-	-
2. Foreign Currency	33,608,713	47,981,740
2.1 "A" Class Licensed Institutions	-	-
2.2 Other Licensed Institutions	-	-
2.3 Other Organized Institutions	31,068,790	47,404,817
2.4 Individuals	2,539,923	576,923
2.5 Others	-	-
D. Certificate of Deposits	-	-
1. Organized Institutions	-	-
2. Individuals	-	-
3. Others	-	-
Total of Interest Bearing Accounts (A+B+C+D)	12,803,189,925	14,160,470,390
Total Deposits (1+2)	13,391,713,786	14,767,029,516





Sunrise Bank Limited

Bills Payable

Schedule 4.6

As at 32 Asadh 2068 (16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
1. Local Currency	2,593,955	7,613,753
2. Foreign Currency	105,616	1,122,021
Total	2,699,571	8,735,774



Sunrise Bank Limited

Other Liabilities

Schedule 4.7

As at 32 Asadh 2068 (16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
1. Pension/Gratuity Fund	4,442,720	2,864,664
2. Employees' Provident Fund	217,264	-
3. Employees' Welfare Fund	-	-
4. Provision for Staff Bonus	7,841,444	28,377,938
5. Interest Payable on Deposits	19,525,994	26,587,603
6. Interest Payable on Borrowing	-	2,387,671
7. Unearned Discount and Commission	14,456,137	14,430,106
8. Sundry Creditors	1,989,495	4,882
9. Branch Adjustment Account	-	-
10. Deferred Tax Liability	2,596,125	1,167,376
11. Unpaid Dividend	15,880,720	-
12. Others	162,433,285	143,354,673
Total	229,383,184	219,174,913





Sunrise Bank Limited

Cash Balance

Schedule 4.8

As at 32 Asadh 2068 (16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
1. Local Currency (Including Coins)	578,912,109	388,961,038
2. Foreign Currency	8,565,733	6,465,683
Total	587,477,842	395,426,721



Sunrise Bank Limited

Balance at Nepal Rastra Bank

Schedule 4.9

As at 32 Asadh 2068 (16 July 2011)

Particulars	Local Currency	Foreign Currency in NPR			Current Year	Previous Year
	NPR	INR	others Convertible foreign Currency	Total	NPR	NPR
1. Nepal Rastra Bank	877,330,317	-	12,689,758	12,689,758	890,020,075	974,459,971
a. Current Account	877,330,317	-	12,689,758	12,689,758	890,020,075	974,459,971
b. Other Account	-	-	-	-	-	-

Note: Balance as per the confirmation statements received from respective banks is Rs. 894,993,096.91. Difference have been identified, reviewed and reconciled.



Sunrise Bank Limited

Balance with Banks/Financial Institutions

Schedule 4.10

As at 32 Asadh 2068 (16 July 2011)

Particulars	Local Currency	Foreign Currency in NPR			Current Year	Previous Year
	NPR	INR	Convertible foreign Currency	Total	NPR	NPR
1. Local Banks	209,483,963	-	1,258,867	1,258,867	210,742,830	66,285,109
a. Current Account	209,483,963	-	1,258,867	1,258,867	210,742,830	66,285,109
b. Other Account	-	-	-	-	-	-
2. Foreign Banks	-	16,950,413	199,251,445	216,201,858	216,201,858	47,810,552
a. Current Account	-	16,950,413	199,251,445	216,201,858	216,201,858	47,810,552
b. Other Account	-	-	-	-	-	-
Total	209,483,963	16,950,413	200,510,312	217,460,725	426,944,688	114,095,661

Note: Balance as per the confirmation statements received from respective banks is Rs. 346,169,106.36. Difference have been identified, reviewed and reconciled.





Sunrise Bank Limited

Money at Call and Short Notice

Schedule 4.11

As at 32 Asadh 2068 (16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
1. Local Currency	290,360,452	35,330,277
2. Foreign Currency	33,536,919	90,760,169
Total	323,897,371	126,090,446



Sunrise Bank Limited

Investments

Schedule 4.12

As at 32 Asadh 2068 (16 July 2011)

Particulars	Purpose		Current Year	Previous Year
	Trading NPR	Others NPR	NPR	NPR
1. Government of Nepal - Treasury bills		716,983,650	716,983,650	1,508,485,100
2. Government of Nepal - Saving Bonds			-	-
3. Government of Nepal - Development Bonds		20,600,000	20,600,000	20,600,000
4. Nepal Rastra Bank Bonds		-	-	-
5. Foreign Securities		-	-	-
6. Local Licenced Institutions		21,405,000	21,405,000	150,000,000
7. Foreign Banks		319,754,796	319,754,796	766,853,318
8. Shares of Organized Institutions		18,700,000	18,700,000	18,700,000
9. Corporate bond & Debentures		-	-	-
10. Other Investments	5,900,000	-	5,900,000	700,000
Total Investment	5,900,000	1,097,443,446	1,103,343,446	2,465,338,418
Less : Provision	-	-	-	-
Net Investment	5,900,000	1,097,443,446	1,103,343,446	2,465,338,418





Sunrise Bank Limited

Investments in Shares, Debentures and Bonds

Schedule 4.12 (A)

As at 32 Asadh 2068 (16 July 2011)

Particulars			Provision	Current Year NPR	Previous Year NPR
	Cost Price	Market Value			
1. Investment in Shares	18,700,000	34,800,000	-	18,700,000	18,700,000
1.1 Gurans Life Insurance Company Ltd 150,000 Ordinary Shares of Rs. 100 each at par	15,000,000	34,800,000	-	15,000,000	15,000,000
1.2 Nepal Clearing House Ltd 25,000 Ordinary Shares of Rs. 100 each at par	2,500,000	not listed	-	2,500,000	2,500,000
1.3 National Banking Training Institute 12,000 Ordinary Shares of Rs. 100 each at par	1,200,000	not listed	-	1,200,000	1,200,000
2. Investment in Debentures and Bonds	-	-	-	-	-
2.1					
2.2					
2.3					
Total Investment	18,700,000	34,800,000	-	18,700,000	18,700,000
3. Provision for Loss	-	-	-	-	-
3.1 Upto Previous Year	-	-	-	-	-
3.2 Adjustment This Year	-	-	-	-	-
Total Provision	-	-	-	-	-
	18,700,000			18,700,000	18,700,000

Note: None of the above listed companies have declared dividend during the last three years.



Sunrise Bank Limited

Investments (Held for Trading)

Schedule 4.12.1

As at 32 Asadh 2068 (16 July 2011)

Particulars	Cost	Previous	Current	Current s Year	Previous Year	Remarks
	Price (Rs)	Market Value (Rs) (A)	Market Value (Rs) (B)	Profit/ (Loss) (B-A)	Profit/(Loss)	
1. Government of Nepal - Treasury bills	-	-	-	-	-	
2. Government of Nepal - Savings Bonds	-	-	-	-	-	
3. Government of Nepal - Development Bonds	-	-	-	-	-	
4. Nepal Rastra Bank Bonds	-	-	-	-	-	
5. Foreign Securities	-	-	-	-	-	
6. Shares of Local Licensed Institutions	-	-	-	-	-	
7. Bonds & Debentures of Local Licensed Institutions	-	-	-	-	-	
8. Shares, Bonds & Debenture of Organized Institutions	-	-	-	-	-	
9. Placement	-	-	-	-	-	
10. Inter bank Lending	-	-	-	-	-	
11. Other Investment	5,900,000	-	-	-	-	
Total Investment	5,900,000	-	-	-	-	





Sunrise Bank Limited
Investments (Held till Maturity)

Schedule 4.12.2

As at 32 Asadh 2068 (16 July 2011)

Particulars	Cost Price (A)	Accumulated Loss till date (B)	Current Yr Loss (C)	Current s Year Profit/ (Loss) NPR (A-B-C)	Previous Year Profit/ (Loss) NPR	Remarks
1. Government of Nepal - Treasury bills	716,983,650	-	-	-	-	
2. Government of Nepal - Savings Bonds	-					
3. Government of Nepal - Development Bonds	20,600,000	-	-	-	-	
4. Nepal Rastra Bank Bonds						
5. Foreign Securities						
6. Shares of Local Licensed Institutions						
7. Bonds & Debentures of Local Licensed Institutions						
8. Shares, Bonds & Debenture of Organized Institutions						
9. Placement	341,159,796	-	-	-	-	
10. Other Investment						
Total Investment	1,078,743,446					



Sunrise Bank Limited
Investments (Available for Sale)

Schedule 4.12.3

As at 32 Asadh 2068 (16 July 2011)

Particulars	Cost Price (Rs)	Previous Market Value (Rs) (A)	Current Market Value (Rs) (B)	Current s Year Adjustment Fund (B-A) NPR	Previous Year Profit/(Loss)	Remarks
1. Government of Nepal - Treasury bills					-	
2. Government of Nepal - Savings Bonds						
3. Government of Nepal - Development Bonds					-	
4. Nepal Rastra Bank Bonds						
5. Foreign Securities						
6. Shares of Local Licensed Institutions						
7. Bonds & Debentures of Local Licensed Institutions						
8. Shares, Bonds & Debenture of Organized Institutions	18,700,000	-	-	300,000	-	
9. Placement						
10. Inter bank Lending						
11. Other Investment		-	-	-	-	
Total Investment	18,700,000	-	-	300,000	-	





Sunrise Bank Limited

Classification of Loans, Advances and Bills Purchase and Provisioning

Schedule 4.13
Amount in '000'

As at Ashad end 2068

Particulars	Loans and Advances						Total Loans & Advances	Bills Purchased & Discounted		Total	Current Year (Rs.)	Previous Year (Rs.)
	Domestic			Foreign				Local	Foreign			
	Priority	Uninsured	Others	Uninsured	Others	Advances						
1. Performing Loan	-	424,831,318	11,507,551,974	-	11,932,383,292	65,587,909	-	65,587,909	11,997,971,201	12,087,917,501		
A. Pass loans	-	424,831,318	11,507,551,974	-	11,932,383,292	65,587,909	-	65,587,909	11,997,971,201	12,087,917,501		
2. Non Performing Loan	-	9,983,733	426,428,218	-	436,411,951	-	-	-	436,411,951	137,296,081		
2.1 Restructured/ Re-scheduled	-	9,983,733	177,091,153	-	187,074,886	-	-	-	187,074,886	9,983,733		
2.1 Sub Standard	-	-	19,509,056	-	19,509,056	-	-	-	19,509,056	47,555,818		
2.2 Doubtful	-	-	34,871,102	-	34,871,102	-	-	-	34,871,102	70,070,833		
2.3 Loss	-	-	194,956,907	-	194,956,907	-	-	-	194,956,907	9,685,697		
Total Loans (A)	-	434,815,051	11,933,980,192	-	12,368,795,243	65,587,909	-	65,587,909	12,434,383,152	12,225,213,582		
3. Loan Loss Provision	-	-	-	-	-	-	-	-	-	-		
3.1 Pass Loans	-	4,248,313	115,075,520	-	119,323,833	655,879	-	655,879	119,979,712	120,879,175		
3.2. Restructured/ Re-scheduled Loan	-	9,983,733	177,091,153	-	187,074,886	-	-	-	187,074,886	2,495,933		
3.3 Sub Standard	-	-	4,877,264	-	4,877,264	-	-	-	4,877,264	11,888,955		
3.4 Doubtful	-	-	17,435,551	-	17,435,551	-	-	-	17,435,551	35,035,417		
3.5 Loss	-	-	194,956,907	-	194,956,907	-	-	-	194,956,907	9,685,697		
Total Provisions (B)	-	14,232,046	509,436,395	-	523,668,441	655,879	-	655,879	524,324,320	179,985,177		
4. Provision upto Previous year	-	-	-	-	-	-	-	-	-	90,373,928		
4.1 Pass Loans	-	3,160,392	116,830,266	-	119,990,658	888,517	-	888,517	120,879,175	90,373,928		
4.2 Restructured/ Re-scheduled Loans	-	-	2,495,933	-	2,495,933	-	-	-	2,495,933	-		
4.3 Sub Standard	-	-	11,888,955	-	11,888,955	-	-	-	11,888,955	342,432		
4.4 Doubtful	-	-	35,035,417	-	35,035,417	-	-	-	35,035,417	5,286,161		
4.5 Loss	-	-	9,685,697	-	9,685,697	-	-	-	9,685,697	2,071,026		
Total Provision upto Previous Year (C)	-	3,160,392	175,936,268	-	179,096,659	888,517	-	888,517	179,985,176	98,073,547		
Write back during the year	-	-	-	-	-	232,638	-	232,638	232,638	1,181,955		
Additional Provision during the year	-	11,071,654	333,500,127	-	344,571,782	-	-	-	344,571,782	81,911,629		
Net Change for this year	-	11,071,654	333,500,127	-	344,571,781	(232,638)	-	(232,638)	344,339,143	(83,093,584)		
Net Loan (A-B)	-	420,583,005	11,424,543,797	-	11,845,126,802	64,932,030	-	64,932,030	11,910,058,832	12,045,228,406		



Sunrise Bank Limited

Schedule 4.13 (A)

Securities for Loans, Advances and Bills Purchased

As at 32 Asadh 2068 (16 July 2011)

Particulars	Current Year NPR	Previous year NPR
(A) Secured	12,434,383,152	12,225,213,582
1. Collateral of Movable/Immovable Assets	11,549,428,086	11,350,324,014
2. Guarantee of Local Licensed Institutions	202,758,574	189,421,291
3. Guarantee of Government of Nepal		
4. Guarantee of Internationally Rated Banks		
5. Export Documents		
6. Fixed Deposit Receipts	82,885,328	174,489,478
(a) Own FDR	82,885,328	174,489,478
(b) FDR of other Banks		
7. Government Bonds		279,391
8. Counter Guarantees		
9. Personal Guarantee		
10. Other Securities	599,311,164	510,699,408
(B) Unsecured		-
Total	12,434,383,152	12,225,213,582





Sunrise Bank Limited

Schedule 4.14

Fixed Assets

As at 32 Asadh 2068 (16 July 2011)

Particulars	Assets					Current Yr NPR	Previous Yr NPR
	Building NPR	Vehicles NPR	Machinery NPR	Office Equipment NPR	Others NPR		
1. Cost Price							
a. Previous year's balance	-	67,366,541	-	209,441,623	27,632,113	304,440,277	206,066,607
b. Additions this year	-	24,747,440	-	38,047,701	5,802,124	68,597,265	110,890,850
c. Revaluation/Written back this year	-		-			-	-
d. Sold during the year	-	(8,000,000)	-	(657,024)	(913,860)	(9,570,884)	(12,517,180)
e. Written off during the year	-		-	(521,140)		(521,140)	
Total Cost (a+b+c+d+e)	-	84,113,981	-	246,311,160	32,520,377	362,945,518	304,440,277
2. Depreciation							
a. Upto previous year	-	13,222,652	-	40,181,502	4,683,330	58,087,484	22,008,294
b. For this year	-	11,571,094	-	36,704,852	4,684,926	52,960,872	38,496,408
c. Depreciation on revaluation/written back	-		-			-	-
d. Depreciation adjustment/Written off	-	(1,726,250)	-	(597,733)	(239,149)	(2,563,132)	(2,417,218)
Total Depreciation	-	23,067,496	-	76,288,621	9,129,107	108,485,224	58,087,484
3. Written Down Value (1-2)	-	61,046,485	-	170,022,539	23,391,270	254,460,294	246,352,793
4. Land	-		-			-	-
5. Capital Construction (Capital WIP)	-		-			-	-
6. Leasehold Assets (net of amortisation)	117,270,665		-			117,270,665	118,734,906
Total (3+4+5+6)	117,270,665	61,046,485	-	170,022,539	23,391,270	371,730,959	365,087,699





Sunrise Bank Limited

Schedule 4.15

Non Banking Assets

As at 32 Asadh 2068 (16 July 2011)

Name & Address of Borrower	Date of Assuming Non Banking Assets	Gross Non Banking Assets NPR	Less : Provisions		Net Non Banking Assets NPR	Previous Year NPR
			%	NPR		
Yuoui Freindship Business Company Pvt. Ltd. Address:House No. 143/23 Ward No. 29, Jyatha, Kathmandu, Nepal	15/07/2011	27,786,327	100%	27,786,327	-	-
Total		27,786,327		27,786,327	-	-



Sunrise Bank Limited

Schedule 4.16

Other Assets

As at 32 Asadh 2068 (16 July 2011)

Particulars	Current Year		Previous year	
	NPR		NPR	
1. Stock of Stationery		6,359,448		7,245,575
2. Income Receivable on Investments		19,103,768		29,055,170
3. Accrued Interest on Loans		16,584,621		-
Accrued Interest on Loans	96,640,648		31,951,918	
Less: Interest Suspense	80,056,027		31,951,918	
4. Commision Receivable		6,337,413		-
5. Sundry Debtors		23,654,594		19,332,680
6. Staff Loans and Advances		43,305,383		19,764,190
7. Prepayments		10,370,352		290,155,702
8. Cash-in-Transit				-
9. Other Transit Items (including cheques)		41,805,649		47,945,424
10. Drafts Paid Without Notice				-
11. Expenses to be Written off		8,584,837		9,724,405
12. Branch Adjustment Accounts				-
13. Deferred Tax Asset				-
14. Others		60,878,690		9,986,781
a. Advance Income Tax	31,920,968			
b. Others	28,957,722			
Total		236,984,755		433,209,927





Sunrise Bank Limited

Other Assets (Additional Statement)

Schedule 4.16 (A)

As at 32 Asadh 2068 (16 July 2011)

Particulars	This Year NPR				Previous Year
	Upto 1 year	1 to 3 years	Above 3 years	Total	NPR
1. Accrued Interest on Loans	81,530,376	15,110,272	-	96,640,648	31,951,918
2. Draft Paid without Notice	-	-	-	-	-
3. Branch Adjustment Account	-	-	-	-	-
4. Local/Foreign Agency Account	-	-	-	-	-



**Sunrise Bank Limited
Contingent Liabilities**

Schedule 4.17

As at 32 Asadh 2068 (16 July 2011)

Particulars	Current Year NPR	Previous year NPR
1. Claims on Bank but not Accepted by the Bank	-	-
2. Letters of Credit (Full Amount)	562,868,533	326,709,315
a. Letter of Credit With Maturity Less than 6 Months	562,868,533	326,709,315
b. Letter of Credit With Maturity More than 6 Months	-	-
3. Rediscounted Bills	-	-
4. Unmatured Guarantees/Bonds	1,097,809,234	1,103,491,101
a. Bid Bonds	138,491,635	113,027,961
b. Performance Bonds	959,317,599	990,463,140
c. Other Guarantee/Bonds	-	-
5. Unpaid Shares in Investment	-	-
6. Forward Exchange Contract Liabilities	8,113,417	2,499,578
7. Bills under Collection	19,781,870	-
8. Acceptances and Endorsements	273,954,021	104,064,064
9. Underwriting Commitments	-	-
10. Irrevocable Loan Commitments	500,174,133	534,244,621
11. Guarantees issued against Counter Guarantee of Internationally Rated Foreign Banks	-	-
12. Advance Payment Guarantees	695,437,563	419,336,502
13. Financial Guarantees	-	-
14. Contingent Liabilities on Income Tax	-	-
Total	3,158,138,771	2,490,345,181





Sunrise Bank Limited

Interest Income

Schedule 4.18

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
A. On Loans, Advances and Overdrafts	1,763,404,372	1,392,816,682
1. Loans and Advances	1,090,052,825	796,239,390
2. Overdrafts	673,351,547	596,577,292
B. On Investment	153,821,835	140,386,850
1. Nepal Government Securities	118,185,383	84,543,945
a. Treasury Bills	116,350,006	82,426,342
b. Development Bonds	1,648,000	2,117,603
c. National Savings Certificates	187,377	-
2. Foreign Securities	-	-
a.	-	-
b.	-	-
3. Nepal Rastra Bank Bonds	-	-
4. Debentures and Bonds	-	-
5. Interest on Interbank Placements	35,636,452	55,842,905
a. Bank/ Financial Institutions	35,636,452	55,842,905
b. Other Institutions	-	-
C. On Agency Balances	57,497	12,807,505
1. Local Banks/Financial Institutions	44,440	12,803,247
2. Foreign Banks	13,057	4,258
D. On Money at Call and Short Notice	-	-
1. Local Banks/Financial Institutions	-	-
2. Foreign Banks	-	-
E. On Others	1,460,896	880,015
1. Certificates of Deposit	-	-
2. Local Banks/Financial Institutions Loan	-	-
3. Others	1,460,896	880,015
Total	1,918,744,600	1,546,891,052





Sunrise Bank Limited
Interest Expenses

Schedule 4.19

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

Particulars	Current Year NPR	Previous year NPR
A. On Deposit Liabilities	1,182,910,810	918,451,569
1. Fixed Deposits	532,448,514	390,905,069
1.1 Local Currency	515,600,637	372,675,256
1.2 Foreign Currency	16,847,877	18,229,813
2. Savings Deposits	431,380,314	415,002,710
2.1 Local Currency	431,249,845	414,971,554
2.2 Foreign Currency	130,469	31,156
3. Call Deposits	219,081,982	112,543,790
3.1 Local Currency	217,547,302	111,200,494
3.2 Foreign Currency	1,534,680	1,343,296
4. Certificate of Deposits	-	-
B. On Borrowings	38,191,197	43,354,274
1. Debentures & Bonds	-	-
2. Loan from Nepal Rastra Bank	24,624,380	-
3. Inter Bank/Financial Institutions Borrowings	13,566,817	43,354,274
4. Other Organized Institutions	-	-
5. Other Loans	-	-
C. On Others	596,518	482,422
1. Lockers	596,518	482,422
2	-	-
Total	1,221,698,525	962,288,265



Sunrise Bank Limited
Commission and Discount

Schedule 4.20

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

Particulars	Current Year NPR	Previous year NPR
A. Bills Purchased and Discounted	1,849,062	3,589,777
1. Local	1,734,133	3,353,886
2. Foreign	114,929	235,891
B. Commission	34,751,734	23,667,026
1. Letters of Credit	12,035,999	11,429,140
2. Guarantees	4,267,531	3,127,940
3. Collection Fees	1,087,727	868,530
4. Remittance Fees	804,315	792,576
5. Credit Cards	-	-
6. Share Underwriting /Issues	-	-
7. Government Transactions	7,208	7,529
8. Agency Commission	529,659	3,907
9. Exchange Fee	-	357
10. Bid Bonds/ Performance Bonds	16,019,295	7,437,047
C. Others	14,158,557	10,318,069
Total	50,759,353	37,574,872





Sunrise Bank Limited

Other Operating Income

Schedule 4.21

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
1. Rental on Safe Deposit Lockers	2,077,243	1,984,975
2. Issue and Renewal of Credit Cards	-	-
3. Issue and Renewal of ATM Cards	16,191,035	2,349,002
4. Telex/ T. T.	3,897,783	3,289,412
5. Service Charges	23,828,847	45,296,314
6. Renewal Fees	-	-
7. Others	-	11,345
Total	45,994,908	52,931,048



Sunrise Bank Limited

Exchange Fluctuation Gain/Loss

Schedule 4.22

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
A. Revaluation Gain	3,711,221	5,975,463
B. Trading Gain (Except exchange fees)	30,324,095	36,808,042
Total	34,035,316	42,783,505



Sunrise Bank Limited

Staff Expenses

Schedule 4.23

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
1. Salary	69,819,004	60,971,613
2. Allowances	53,369,540	45,609,501
3. Contribution to Provident Fund	5,161,996	4,572,093
4. Training Expenses	1,702,078	1,573,548
5. Uniform	2,699,800	2,073,880
6. Medical	-	-
7. Insurance	3,544,289	2,601,578
8. Pension and Gratuity Expenses	1,578,056	1,893,132
9. Others	2,806,853	4,799,294
Total	140,681,616	124,094,639



**Sunrise Bank Limited****Schedule 4.24****Other Operating Expenses**

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
1. Office Rent	39,649,397	36,012,513
2. Electricity and Water	7,044,836	6,338,911
3. Repairs and Maintenance	1,595,981	510,160
a. Building	653,995	
b. Vehicles	941,986	510,160
c. Others	-	
4. Insurance	6,305,369	7,287,397
5. Postage, Telex, Telephone, Fax	6,120,117	4,966,216
6. Office Equipment, Furniture & Repairs	4,776,696	1,875,085
7. Travelling Allowance and Expenses	3,669,683	3,565,497
8. Printing and Stationery	8,045,075	6,580,189
9. Books and Periodicals	259,000	279,293
10. Advertisements	6,695,724	12,897,208
11. Legal Fees		52,200
12. Donations	-	5,100
13. Expenses Relating to Board of Directors	1,462,239	1,121,614
a. Meeting Fees	1,386,000	1,048,000
b. Other Expenses	76,239	73,614
14. Annual General Meeting Expenses	722,688	736,887
15. Expenses Relating to Audit	827,362	777,148
a. Audit Fees	430,700	391,545
b. Other Expenses	396,662	385,603
16. Fund Transfer Commission		
17. Depreciation on Fixed Assets	52,954,711	38,496,408
18. Amortization of Preliminary Expenses		
19. Share Issue Expenses	3,055,626	6,824,255
20. Professional Fees	5,313,158	6,289,719
21. Entertainment	194,280	636,530
22. Written off Expenses	17,448,167	11,599,257
23. Security Expenses	25,080,445	16,490,600
24. Credit Guarantee Premium	104,367	
25. Commission and Discount	2,624,736	4,328,352
26. Others Expenses	46,317,230	32,132,872
a. Registration Fees	1,978,163	-
b. ATM and Card Related Expenses	9,712,457	-
c. Subscription Fees	2,146,718	-
d. others	32,479,892	-
Total	240,266,887	199,803,409





Sunrise Bank Limited

Provision for Possible Losses

Schedule 4.25

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
1. Increase in Loan Loss Provision	344,571,782	83,093,584
2. Increase in Provision for Loss on Investment	-	-
3. Provision for Non Banking Assets	27,786,327	-
4. Provision for Other Assets	-	-
Total	372,358,109	83,093,584



Sunrise Bank Limited

Non-operating Income/Loss

Schedule 4.26

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
1. Profit (Loss) on Sale of Investments	-	-
2. Profit (Loss) on Sale of Assets	(301,189)	-
3. Dividend	-	-
4. Subsidies Received from Nepal Rastra Bank	-	-
a. Reimbursement of Losses of Specified Branches	-	-
b. Interest Subsidy	-	-
c. Exchange Counter	-	-
d.	-	-
5. Others	11,795,394	74,780
Total	11,494,205	74,780



Sunrise Bank Limited

Loan Loss Provision Written Back

Schedule 4.27

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
1. Loan Loss Provision Written Back	232,638	1,181,955
2. Provision against Non Banking Assets Written Back	-	-
3. Provision against Investment Written Back	-	-
4. Provision against Other Assets Written Back	-	-
Total	232,638	1,181,955





Sunrise Bank Limited

Income/(Loss) from Extraordinary Items

Schedule 4.28

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

Particulars	Current Year	Previous year
	NPR	NPR
1. Recovery of Loan Written off	-	-
2. Voluntary Retirement Scheme Expenses	-	-
3. Loan Write Offs { Refer Schedule 4.28 (Ka)}	-	-
4. Other Expense/Income	-	-
5.	-	-
Total	-	-



Sunrise Bank Limited

Details of Write off Loan

Schedule 4.28 (Ka)

For the period from 1st Shrawan 2067 to 32 Ashad 2068 (17 July 2010 to 16 July 2011)

S. N	Loan Type	Amount Write off NPR	Type of Security	Basis of Valuation	Loan approved by Name/Designation authority	Initiations made for Recovery	Remark
1	Working Capital Loan						
2	Project Loan						
3	Fixed Capital Loan						
4	Personal Loan						
5	Other Loan						
	Total	-					





Sunrise Bank Limited

Schedule 4.29

**Statement of Loans & Advances Extended to Directors/Chief Executive/
Promoters/Employees and Shareholders holding more than 1 percent shares**

As at 32 Ashad 2068 (16 July 2011)

The Statement of amount include under total amount of Bills purchases & Discounted ,Loans, Advances and Overdraft, provided to Directors, Chief Executives,Promoters,Employees, Shareholders holding more than 1% shares and to the individual member of their undivided family or against the guarantee of such persons or to the Organisation or Companies in which such individuals are managing agent are as follows

Name of Promoter/Director/Chief Executive	Last Year's Balance		This Year's Recovery		This Year's Additions	Balance as at 32 Ashad 2068	
	Principal	Interest	Principal	Interest		Interest	Additions
	NPR	NPR	NPR	NPR	NPR	NPR	NPR
(A) Directors	-	-	-	-	-	-	-
1							
2							
3							
(B) Chief Executive	-	-	-	-	-	-	-
1							
2							
3							
(C) Promoters	-	-	-	-	-	-	-
1							
2							
3							
(D) Employees	-	-	-	-	-	-	-
1							
2							
3							
(E) Shareholders holding more than 1% Shares	-	-	-	-	-	-	-
1							
2							
3							
Total	-	-	-	-	-	-	-





Sunrise Bank Limited

Schedule 4.30 (A1)

“A” Class Licensed Institution by Nepal Rastra Bank

Ashad End 2068

CAPITAL ADEQUACY TABLE(After adjustment of 2% in Operational risk and 5% on Total RWE)

(Rs in '000')

Particulars	Current Year	Previous year
	NPR	NPR
1. 1 RISK WEIGHTED EXPOSURES	Current Year	Previous Year
a Risk Weighted Exposure for Credit Risk	14,685,105	14,901,828
b Risk Weighted Exposure for Operational Risk	1,244,986	442,403
c Risk Weighted Exposure for Market Risk	51,867	43,350
Adjustments under Pillar II	-	-
Add : % of the Total RWE due to non-compliance to Disclosure Requirement(6.4 a 10)	-	-
Add :% of the total deposits due to insufficient Liquid Assets (6.4 a 6)	-	-
2% adjustment and Capital Charge on Operational Risk	175,188	
5% adjustment on Total RWE	799,098	-
Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	16,956,244	15,387,581
1.2 CAPITAL	Current Year	Previous Year
Core Capital (Tier 1)	2,127,886	1,611,570
a Paid up Equity Share Capital	2,015,000	1,510,350
b Irredeemable Non-cumulative preference shares	-	-
c Share Premium	32,408	-
d Proposed Bonus Equity Shares	-	-
e Statutory General Reserves	66,674	57,826
f Retained Earnings	28,804	38,254
g Un-audited current year cumulative profit	-	21,987
h Capital Redemption Reserve	-	-
i Capital Adjustment Reserve	-	-
j Dividend Equalization Reserves	-	-
k Other Free Reserve	-	-
l Less: Goodwill	-	-
m Less: Miscellaneous Expenditure not written off	-	-
n Less: Investment in equity in licensed Financial Institutions	-	-
o Less: Investment in equity of institutions with financial interests	(15,000)	(15,000)
p Less: Investment in equity of institutions in excess of limits	-	-
q Less: Investments arising out of underwriting commitments	-	-
r Less: Reciprocal crossholdings	-	-
s Less: Other Deductions	-	-
Adjustments under Pillar II	-	-
Less: Shortfall in Provision (6.4 a 1)	-	-
Less: Loans & Facilities extended to Related Parties & Restricted lending (6.4 a 2)	-	(1,847)
Supplementary Capital (Tier 2)	123,155	137,827
a Cumulative and/or Redeemable Preference Share	-	-
b Subordinated Term Debt	-	-
c Hybrid Capital Instruments	-	-
d General loan loss provision	119,980	120,879
e Exchange Equalization Reserve	2,875	1,948
f Investment Adjustment Reserve	300	15,000
g Assets Revaluation Reserve	-	-
h Other Reserves	-	-
	2,251,041	1,749,397
1.3 CAPITAL ADEQUACY RATIOS	Current Year	Previous Year
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	12.55%	10.47%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	13.28%	11.37%





Sunrise Bank Limited

Schedule 4.30 (B)

"A" Class Licensed Institution by Nepal Rastra Bank

Ashad End 2068

RISK WEIGHTED EXPOSURE FOR CREDIT RISK

(Rs in '000')

Particulars	Current Year						Previous Year	
	Gross Book Value (a)	Specific Provision (b)	Eligible CRM (c)	Net Value (d=a-b-c)	Risk Weight (e)	Risk Weighted Exposures (f=d*e)	Net Value	Risk Weighted exposures
A. Balance Sheet Exposures								
Cash Balance	587,478	0	0	587,478	0%	0	395,427	-
Balance With Nepal Rastra Bank	890,028	0	0	890,028	0%	0	974,460	0
Gold	0	0	0	0	0%	0	-	0
Investment in Nepalese Government Securities	20,600	0	0	20,600	0%	0	21,300	0
All Claims on Government of Nepal	90,614	0	0	90,614	0%	0	90,614	0
Investment in Nepal Rastra Bank securities	716,984	0	0	716,984	0%	0	1,508,485	0
All claims on Nepal Rastra Bank	22,997	0	0	22,997	0%	0	-	0
Claims on Foreign Government and Central Bank (ECA 0-1)	0	0	0	0	0%	0	0	0
Claims on Foreign Government and Central Bank (ECA -2)	0	0	0	0	20%	0	0	0
Claims on Foreign Government and Central Bank(ECA -3)	0	0	0	0	50%	0	0	0
Claims on Foreign Government and Central Bank(ECA-4-6)	0	0	0	0	100%	0	0	0
Claims on Foreign Government and Central Bank(ECA -7)	0	0	0	0	150%	0	0	0
Claims On BIS, IMF, ECB, EC and on Multilateral Development Banks (MDB's) recognized by the framework	0	0	0	0	0%	0	0	0
Claims on Other Multilateral Development Banks	0	0	0	0	100%	0	0	0
Claims on Public Sector Entity (ECA 0-1)	0	0	0	0	20%	0	0	0
Claims on Public Sector Entity (ECA 2)	0	0	0	0	50%	0	0	0
Claims on Public Sector Entity (ECA 3-6)	0	0	0	0	100%	0	0	0
Claims on Public Sector Entity (ECA 7)	0	0	0	0	150%	0	0	0
Claims on domestic banks that meet capital adequacy requirements	401,202	0	0	401,202	20%	80,240	253,424	50,685
Claims on domestic banks that do not meet capital adequacy requirements	121,306	0	0	121,306	100%	121,306	0	0
Claims on foreign bank (ECA Rating 0-1)	510,504	0	0	510,504	20%	102,101	302,831	60,566
Claims on foreign bank (ECA Rating 2)	43,098	0	0	43,098	50%	21,549	11,400	5,700
Claims on foreign bank (ECA Rating 3-6)	0	0	0	0	100%	0	0	0
Claims on foreign bank (ECA Rating 7)	0	0	0	0	150%	0	0	0
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	15,900	0	0	15,900	20%	3,180	589,597	117,919
Claims on Domestic Corporates	6,816,033	0	5,232	6,810,801	100%	6,810,801	6,831,181	6,831,181
Claims on Foreign Corporates (ECA 0-1)	0	0	0	0	20%	0	0	0
Claims on Foreign Corporates (ECA 2)	0	0	0	0	50%	0	0	0
Claims on Foreign Corporates (ECA 3-6)	0	0	0	0	100%	0	0	0
Claims on Foreign Corporates (ECA 7)	0	0	0	0	150%	0	0	0
Regulatory Retail Portfolio (Not Overdue)	912,211	0	148,096	764,115	75%	573,086	454,475	340,856
Claims fulfilling all criterion of regulatory retail except granularity	126,331	0	40,610	85,721	100%	85,721	155,395	155,395
Claims secured by residential properties	304,083	0	0	304,083	60%	182,450	451,468	270,881
Claims not fully secured by residential properties	43,812	0	0	43,812	150%	65,718	16,551	24,826
Claims secured by residential properties (Overdue)	0	0	0	0	100%	0	0	0
Claims secured by Commercial real estate	1,633,482	0	0	1,633,482	100%	1,633,482	753,466	753,466
Past due claims (except for claim secured by residential properties)	519,229	157,423	0	361,806	150%	542,710	117,705	176,557
High Risk claims (Venture capital, private equity investments, personal loans and credit card receivables)	1,987,870	0	450,322	1,537,548	150%	2,306,322	2,969,120	4,453,680
Investments in equity and other capital instruments of institutions listed in the stock exchange	15,000	0	0	15,000	100%	15,000	0	0
Investments in equity and other capital instruments of institutions not listed in the stock exchange	3,700	0	0	3,700	150%	5,550	18,700	28,050
Other Assets	770,931	251,422	0	519,510	100%	519,510	482,450	482,450
TOTAL	16,553,394	408,845	644,259	15,500,290		13,068,727	16,398,048	13,752,213

सुनराइज बैंक लिमिटेड
SUNRISE BANK LIMITED



Sunrise Bank Limited

Schedule 4.30 (B)

“A” Class Licensed Institution by Nepal Rastra Bank

Ashad End 2068

RISK WEIGHTED EXPOSURE FOR CREDIT RISK

(Rs in '000')

Particulars	Current Year						Previous Year	
	Gross Book Value (a)	Specific Provision (b)	Eligible CRM (c)	Net Value (d=a-b-c)	Risk Weight (e)	Risk Weighted Exposures (f=d*e)	Net Value	Risk Weighted Exposures
B. Off Balance Sheet Exposures								
Revocable Commitments		0	0	0	0%	0	-	-
Bills Under Collection	19,782	0	0	19,782	0%	0	-	-
Forward Exchange Contract Liabilities	8,113	0	0	8,113	10%	811	2,500	250
LC Commitments With Original Maturity Up to 6 months (domestic counterparty)	562,869	0	29,588	533,281	20%	106,656	293,035	58,607
foreign counterparty ECA Rating 0-1	0	0	0	0	20%	0	-	-
foreign counterparty ECA Rating 2	0	0	0	0	50%	0	-	-
foreign counterparty ECA Rating 3-6	0	0	0	0	100%	0	-	-
foreign counterparty ECA Rating 7	0	0	0	0	150%	0	-	-
LC Commitments With Original Maturity Over 6 months (domestic counterparty)	0	0	0	0	50%	0	-	-
foreign counterparty ECA Rating 0-1	0	0	0	0	20%	0	-	-
foreign counterparty ECA Rating 2	0	0	0	0	50%	0	-	-
foreign counterparty ECA Rating 3-6	0	0	0	0	100%	0	-	-
foreign counterparty ECA Rating 7	0	0	0	0	150%	0	-	-
“ Bid Bond, Performance Bond and Counter guarantee (domestic counter party) “	1,097,809	0	135,542	962,267	50%	481,134	980,089	490,045
foreign counterparty ECA Rating 0-1	0	0	0	0	20%	0	-	-
foreign counterparty ECA Rating 2	0	0	0	0	50%	0	-	-
foreign counterparty ECA Rating 3-6	0	0	0	0	100%	0	-	-
foreign counterparty ECA Rating 7	0	0	0	0	150%	0	-	-
Underwriting commitments	0	0	0	0	50%	0	-	-
Lending of Bank's Securities or Posting of Securities as collateral	0	0	0	0	100%	0	-	-
Repurchase Agreements, Assets sale with recourse (including repo/ reverse repo)	0	0	0	0	100%	0	-	-
Advance Payment Guarantee	695,438	0	28,172	667,266	100%	667,266	393,964	393,964
Financial Guarantee	0	0	0	0	100%	0	-	-
Acceptances and Endorsements	273,954	0	13,602	260,352	100%	260,352	99,901	99,901
Unpaid portion of Partly paid shares and Securities	0	0	0	0	100%	0	-	-
Irrevocable Credit commitments (Short term)	499,759	0	0	499,759	20%	99,952	534,245	106,849
Irrevocable Credit commitments (long term)	416	0	0	416	50%	208	-	-
Other Contingent Liabilities	0	0	0	0	100%	0	-	-
Unpaid Guarantee Claims	0	0	0	0			-	-
TOTAL	3,158,139	0	206,904	2,951,235		1,616,378	2,303,733	1,149,615
Total RWE for credit Risk (A) +(B)	19,711,533	408,845	851,163	18,451,525		14,685,105	18,701,781	14,901,828
Add: 10% of the loan and facilities in excess of Single Obligor Limits(6.4 a 3)	-	-	-	-		0	-	-
Add: 1% of the contract(sale) value in case of the sale of credit with recourse (6.4 a 4)	-	-	-	-			-	-
Total RWE for credit Risk (After Bank's adjustments of Pillar II)	19,711,533	408,845	851,163	18,451,525		14,685,105	18,701,781	14,901,828





Sunrise Bank Limited

Schedule 4.30 (C)

“A” Class Licensed Institution by Nepal Rastra Bank

Ashad End 2068

ELIGIBLE CREDIT RISK MITIGANTS

(RS in '000')

Credit exposures	Deposits with Bank (a)	Deposits with other banks/FI (b)	Gold (c)	Govt. & NRB Securities (d)	Govt. of Nepal (e)	Sec/ Govt. Other Sovereigns (f)	Govt. of domestic banks (g)	Govt. of MDBs (h)	Sec/ Govt. of Foreign Banks (i)	Total
Balance Sheet Exposures										-
Claims on Foreign Government Securities (ECA -2)										-
Claims on Foreign Government Securities (ECA -3)										-
Claims on Foreign Government Securities (ECA-4-6)										-
Claims on Foreign Government Securities (ECA -7)										-
Claims on Other Multilateral Development Banks										-
Claims on Public Sector Entity (ECA 0-1)										-
Claims on Public Sector Entity (ECA 2)										-
Claims on Public Sector Entity (ECA 3-6)										-
Claims on Public Sector Entity (ECA 7)										-
Claims on domestic banks that meet capital adequacy requirements										-
Claims on domestic banks that do not meet capital adequacy requirements										-
Claims on foreign bank (ECA Rating 0-1)										-
Claims on foreign bank (ECA Rating 2)										-
Claims on foreign bank (ECA Rating 3-6)										-
Claims on foreign bank (ECA Rating 7)										-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement										-
Claims on Domestic Corporates	5,232	-								5,232
Claims on Foreign Corporates (ECA 0-1)										-
Claims on Foreign Corporates (ECA 2)										-
Claims on Foreign Corporates (ECA 3-6)										-
Claims on Foreign Corporates (ECA 7)										-
Regulatory Retail Portfolio (Not Overdue)	60,971		87,124							148096





Sunrise Bank Limited
“A” Class Licensed Institution by Nepal Rastra Bank

Schedule 4.30 (C)

Ashad End 2068

ELIGIBLE CREDIT RISK MITTIGANTS

...contd

(Rs in '000')

Credit exposures	Deposits with Bank (a)	Deposits with other banks/FI (b)	Gold (c)	Govt. & NRB Securities (d)	G'tee of Govt. of Nepal (e)	Sec/ G'tee of Other Sovereigns (f)	G'tee of domestic banks (g)	G'tee of MDBs (h)	Sec/G'tee of Foreign Banks (i)	Total
Claims fulfilling all criterion of regulatory retail except granularity	40,610									40,610
Claims secured by residential properties										-
Claims no fully secured by residential properties										-
Claims secured by residential properties (Overdue)										-
Claims secured by Commercial real estate										-
Past due claims (except for claim secured by residential properties)										-
High Risk claims (Venture capital, private equity investments,										-
personal loans and credit card receivables)	202,759	16,851	230,713	-						450,322
Investments in equity and other capital instruments of institutions not listed in the stock exchange										-
Investments in equity and other capital instruments of institutions listed in the stock exchange										-
Other Assets (as per attachment)										-
Total (A)	309,572	16,851	317,837							644,260





Sunrise Bank Limited

Schedule 4.30 (C)

“A” Class Licensed Institution by Nepal Rastra Bank

Ashad End 2068

(Rs in '000')

...contd

ELIGIBLE CREDIT RISK MITIGANTS

Credit exposures	Deposits with Bank (a)	Deposits with other banks/FI (b)	Gold (c)	Govt. & NRB Securities (d)	Govt. of Nepal (e)	Sec/ Govt. of Other Sovereigns (f)	G'tee of domestic banks (g)	G'tee of MDBs (h)	Sec/G'tee of Foreign Banks (i)	Total
Off Balance Sheet Exposures										-
Forward Exchange Contract										-
LC Commitments With Original Maturity Up to 6 months (domestic counterparty)	29,588									29,588
foreign counterparty ECA Rating 0-1										-
foreign counterparty ECA Rating 2										-
foreign counterparty ECA Rating 3-6										-
foreign counterparty ECA Rating 7										-
LC Commitments With Original Maturity Over 6 months (domestic counterparty)	-									-
foreign counterparty ECA Rating 0-1										-
foreign counterparty ECA Rating 2										-
foreign counterparty ECA Rating 3-6										-
foreign counterparty ECA Rating 7										-
"Bid Bond, Performance Bond and Counter guarantee (domestic counter party) "	132,654						2,888			135,542
foreign counterparty ECA Rating 0-1										-
foreign counterparty ECA Rating 2										-
foreign counterparty ECA Rating 3-6										-
foreign counterparty ECA Rating 7										-
Underwriting commitments										-
Lending of Bank's Securities or Posting of Securities as collateral Repurchase Agreements, Assets sale with recourse (including repo/ reverse repo)										-
Advance Payment Guarantee	28,172									28,172
Financial Guarantee										-
Acceptances and Endorsements	13,602									13,602
Unpaid portion of Partly paid shares and Securities										-
Irrevocable Credit commitments										-
Other Contingent Liabilities										-
TOTAL (B)	204016	16851		317837			2888			206904
TOTAL (A+B)	513588						2888			851164





Sunrise Bank Limited

Schedule 4.30 (D)

“A” Class Licensed Institution by Nepal Rastra Bank

Ashad End 2068

RISK WEIGHTED EXPOSURE FOR OPERATIONAL RISK

Particulars	FY 2065/66	FY 2066/67	FY 2067/68
Net Interest Income	264,065	584,603	697,046
Commission and Discount Income	58,628	81,652	50,759
Other Operating Income	3,214	8,854	45,995
Exchange Fluctuation Income	35,583	42,784	34,035
Additional/Deduction in Interest Suspense during the period	4,704	31,952	48,104
Gross income (a)	366,194	749,844	875,940
Alfa (b)	15%	15%	15%
Fixed Percentage of Gross Income [c=(a×b)]	54,929	112,477	131,391
Capital Requirement for operational risk (d) (average of c)	35,392	61,087	99,599
Risk Weight (reciprocal of capital requirement of 10%) in times (e)	10	10	10
Equivalent Risk Weight Exposure [f=(d×e)]	353,922	610,870	995,989
PILLAR-II ADJUSTMENTS			
If Gross Income for all the last three years is negative(6.4 a 8)	-	-	-
Total Credit and Investment (net of Specific Provision)	-	-	-
Capital Requirement for operational risk (5%)	-	-	-
Risk Weight (reciprocal of capital requirement of 10%) in times	-	-	-
Equivalent Risk Weight Exposure [g]	-	-	-
Equivalent Risk Weight Exposure [(h=f+g)*1.25]	442,403	763,588	1,244,986





Sunrise Bank Limited

Schedule 4.30 (E)

“A” Class Licensed Institution by Nepal Rastra Bank

Ashad End 2068

RISK WEIGHTED EXPOSURE FOR MARKET RISK

Currency	Ashad end 2068			Previous Year
	Open Position (FCY)	Open Position (LCY)	Relevant Open Position	Relevant Open Position
Pound Sterling	-454	-53,915	53,915	427
Hongkong Dollar	0	0	0	22
Indian Rupees	-9,625	-15,407	15,407	21,240
Japanese Yen	-1,043	-939	939	2,308
Malaysian Ringgit	-1	-24	24	4
Thai bhat	0	0	-	14
Swish Frank	-6	0	-	1,841
Chinese Yuan	0	-2	2	2
Quatar Rial	-5	-85	85	131
Australian Dollar	-4	-285	285	931
Canadian Dollar	0	-1	1	86
Arab Emirates Dhiram	-3	-54	54	60
Denish Croner	-44	-606	606	666
US Dollar	-280	-19,980	19,980	52,906
EURO	-116	-12,194	12,194	5,797
Saudi Arab Rial	-12	-229	229	171
Singapore Dollar	0	-11	11	96
Swedish Croner	0	0	-	-
Total Open position (a)			103,734	86702
Fixed Percentage (b)			5%	5%
Capital Charge for Market Risk [c=(axb)]			5,187	4,335
Risk weight (reciprocal of capital requirement of 10%) in times (d)			10	10
Equivalent Risk Weight Exposure[e=(cxd)]			51,867	43,351



**Sunrise Bank Limited**

Schedule 4.31

Principal Indicators for this financial year

For the period from 1 Shrawan 2067 to 32 Ashad 2068 (16 July 2010 to 16 July 2011)

Indicators	Unit	F/ Y -2007/ 08 (2064/065)	F/ Y - 2008/09 (2065/ 066)	F/ Y - 2009/ 10 (2066/ 067)	F/ Y - 2010/ 11 (2067/068)
1. Net Profit/ Gross Income	Percent	(15.30)	13.55	12.16	2.16
2. Earnings Per Share	Rs.	(3.89)	6.78	16.35	2.20
3. Market Value Per Share	Rs.			265.00	163
4. Average Price	Rs.				175.4
5. Price Earning Ratio	Ratio			16.21	74.24
6. Dividend (including bonus) on Share Capital	Percent			10.00	4.00
7. Cash Dividend on Share Capital	Percent			10.00	4.00
8. Interest Income/ Loans and Advances	Percent	4.36	2.95	4.85	15.43
9. Staff Expenses/ Total Operating Expenses	Percent	60.04	61.95	38.31	36.93
10. Interest Expenses/ Total Deposits and Borrowings	Percent	2.15	4.12	6.45	9.12
11. Exchange Gain/ Total Income	Percent	36.30	4.08	2.55	1.66
12. Staff Bonus/ Total Staff Expenses	Percent	-	15.95	22.87	5.57
13. Net Profit/Total Loans and advances	Percent	-	0.95	1.70	0.36
14. Net Profit/ Total Assets	Ratio	(0.50)	0.0051	0.01	0.0028
15. Total Loans & Advances/ Total Deposits	Percent	94.54	74.53	81.57	92.86
16. Total Operating Expenses/ Total Assets	Percent	1.52	1.18	1.91	2.40
16. Capital Adequacy (On Risk Weighted Assets)					
a. Core Capital	Percent	13.91%	11.88%	10.47%	12.55%
b. Supplementary Capital	Percent	0.87%	0.78%	0.90%	0.73%
c. Total Capital Fund	Percent	14.78%	12.66%	11.37%	13.28%
17. Liquidity	Percent	5.37%	37.07%	24.25%	24.32%
18. Non-Performing Loan/ Total Loans & advances	Ratio	-	0.07	0.0104	0.0351
19. Weighted Average Interest Rate Spread	Percent	2.88	3.65	4.92	3.83
20. Book Net Worth	Rs.'000'	672,791	1,307,570	1,385,015	2,146,061
21. Number of Shares	Nos.	7,000,000	12,500,000	12,500,000	20,150,000
22. Number of Staff	Nos.	126	311	376	471
23. others					



Significant Accounting Policies

Schedule- 4.32

1. General Information

Sunrise Bank Limited (“The Bank”) is a limited liability company domiciled in Nepal. The address of its registered office is at Gairidhara Crossing, Kathmandu, Nepal.

The bank is licensed by Nepal Rastra Bank, the Central Bank of Nepal, to carry out the commercial banking business in Nepal as “A” class licensed financial institution. The bank is listed in Nepal Stock Exchange Limited. The financial statements contained in this report have been approved for publication by the Board of Directors and Central Bank of Nepal (Nepal Rastra Bank-‘NRB’).

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation and presentation of these financial statements are stated herein below. The said policies have been consistently applied throughout the period of presentation, unless otherwise stated.

3. Statement of Compliance

The financial statements have been prepared in accordance with Nepal Accounting Standards (“NAS”) issued by the Nepal Accounting Standard Board except otherwise stated, Generally Accepted Accounting Principles (“GAAP”), Bank and Financial Institutions Act 2063 (“BAFIA”) and other requirements of NRB Directives and in conformity with the Companies Act 2063.

4. Basis of Preparation

The financial statements are presented in Nepalese Rupees (NPR), rounded off to the nearest Rupee. Financial Statements are prepared on the historical cost convention. The preparation of financial statements in conformity with NAS and GAAP requires the use of certain critical accounting estimates. It also requires management to exercise judgement and discretion in the process of applying the bank’s accounting policies.

The Bank follows accrual system of accounting for the preparation of financial statements except where otherwise stated. All the formats of the financial statements are in accordance with the NRB Directives.

5. Interest Income

Interest income on loans and advances is recognised on cash basis as per the Nepal Rastra Bank Directives except for interest accrued as on the year end (July 16, 2011) and collected within 1 month of the Balance sheet date as permitted by NRB although this practice is not in accordance with NAS 7 (Revenue), which prescribes that the revenue should be recognised on accrual basis. The practice followed by the bank (as per NRB Directives) is more conservative.

Interest income on Investments and placements are accounted for on accrual basis.

6. Commission Income

All the commission incomes are accounted for on cash basis. However, commission receivable on Letter of credit and guarantees exceeding NPR 50,000.00 with a maturity exceeding one year from the date of transactions is accounted for on accrual basis and pro-rated over the tenure of transactions.

7. Dividend Income

Dividend income on equity shares is recognised when the right to receive dividend is established.

8. Foreign Exchange Transactions

Foreign currency assets and liabilities are translated into NPR at the mid rate between buying and selling rates of the Bank on the Balance Sheet date.

Income realised from the differences between buying and selling rates of foreign exchange is accounted for on a daily basis and shown as “Trading Gain”.

Gains/Losses arising due to fluctuation in exchange rates of different foreign currencies is accounted for on a daily basis and shown as “Revaluation Gain/(Loss)”. As required by the directives of Nepal Rastra Bank, 25% of such revaluation gain during the accounting year is transferred to “Exchange Fluctuation Reserve” through Profit and Loss Appropriation Account.

Interest Expense

Interest expenses on deposit liabilities and borrowings from other banks/financial institution are accounted for on accrual basis.

9. Loans and Advances including Bills Purchased

Loans and advances, overdrafts and bills purchased includes overdrafts, term loans, working capital loans, consumer loans, loans disbursed as deprived sector lending and other loans extended to the customers as per the Bank's policy. All credit exposures are subject to regular review and are graded according to the level of credit risk and are classified as per NRB Directives. Loans and advances, overdrafts and bills purchased are shown net of provisions.

10. Staff Loans and Advances

Loans and Advances granted to the staffs as per the approved policy and Staff service rules have been shown under Other Assets.

11. Loan Loss Provision

The provision for possible losses on loans and advances and bills purchased are provided at the rates from 1 percent to 100 percent according to the classification of such risk assets as per Nepal Rastra Bank Directives.

12. Loans & Advances Write Off

Unrecoverable loans and advances are written off in accordance with the write off By-laws approved by the Board of Directors and NRB, without prejudice to bank's right to recovery. During this period, the bank has not written off any amount of loans and advances.

Amounts recovered against loans written off in earlier years are recognised as income in the profit and loss account in the year of recovery.

All credit exposures are subject to regular review and are graded according to the level of credit risk and are classified as per NRB Directives. Loans and advances, overdrafts and bills purchased are shown net of provisions.

13. Investments

Investments are classified as held for trading, held to maturity and available for sale.

a. Held for Trading: Investments that are made for the purpose of generating profit from short term fluctuations in price are classified under this category. These investments are marked to market and differences reflected in the profit and loss account.

b. Held to Maturity: The investments made with positive intent and ability of the bank to hold till maturity is classified as held to maturity investments. The held to maturity investments are valued at amortized cost i.e. the cost price less any impairments (if applicable). The impairments are included in the profit and loss accounts for the period.

c. Available for Sale: All other investments that are neither "held for trading" nor "held to maturity" are classified under this category. These investments are marked to market on a regular basis and the difference adjusted through provision for investments.

Investment Adjustment Reserve of 2% is also created in addition which qualifies for Supplementary Capital.

All Investments are subject to regular review as required by Nepal Rastra Bank Directives.

14. Fixed Assets and Depreciation

a. Fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that are directly attributable to the acquisition of the assets.

b. Assets with a value less than Rs. 5,000 are charged off as a revenue expense irrespective of its useful life in the year of purchase.

c. Depreciation on fixed assets is computed over the estimated useful life of fixed assets and is charged to Profit & Loss Account on Straight Line method. The rates of depreciation and estimated useful lives of the assets are presented below:

Particulars	Rate of depreciation	Useful Life
Furniture and fixtures -Metal	10 %	10 years
Furniture and fixtures -Wood	15 %	7 years
Computers & Accessories	20 %	5 years
Office Equipments	15 %	7 years
Vehicles	15 %	7 years

- d. Lease hold improvements are capitalised at cost and amortised over the lease period on a straight line basis. The amount of amortisation is charged to Profit and Loss Account.
- e. Depreciation on the assets acquired during the 1st 15 days of the month is provided from the same month and depreciation on fixed assets acquired after 15th of any month is provided from the subsequent month. Depreciation on the assets disposed off during the year is charged up to the day prior to disposal.
- f. Depreciation for Income Tax purpose is calculated at the rates and in the manner prescribed by the Income Tax Act, 2058.

15. Non-Banking Assets

Non-Banking assets are the assets obtained as a security for loans and advances that are subsequently taken over by the Bank in the course of loan recovery. Non-Banking Assets are valued at lower of total receivable from loan amount (principal and interest) or fair market value of the assets acquired. Provisions for NBA are made in accordance with the Nepal Rastra Bank Directives.

16. Software Expenses

Acquired computer software licences are capitalised on the basis of cost incurred to acquire and bring to use the specific software. The costs are amortised over their estimated useful lives (i.e. estimated useful life of software is considered 5 years) on a straight line basis.

Employee Benefits

- a. **Provident Fund:** Periodic contribution of the bank to Employees Provident Fund is

recognised as expenses and deposited into the approved retirement fund (NABIL Bank Limited Retirement Fund).

- b. **Accumulated Leave:** Provisions for accumulated leave payable to staff is recognised on accrual basis and accounted accordingly in the books of accounts.
- c. **Gratuity:** Gratuity liability of staff accrues after completion of a fixed period of a full time employment of the Bank in accordance with HR policy guideline.
- d. **Staff Bonus:** Staff Bonus is provided for in accordance with the provision of the Bonus Act 10% of the net profit of the bank.

17. Stationery

Stationery purchased are stated at cost and charged to revenue at the time of consumption. Certain stationeries are specific to the bank.

18. Taxes

- a. **Income Tax:** Provision for taxation has been made on the basis of the Income Tax Act 2058 and amendments thereon.

- b. **Deferred Tax:** Deferred taxes are accounted using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities, and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be

recovered or settled based on the laws that have been enacted or subsequently enacted by the reporting date.

Deferred tax assets arising from temporary difference and unused tax losses are recognised to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

19. Provisions, Contingent liabilities and Contingent Assets

The bank creates a provision when there is a present obligation arising as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

20. Previous Period's Figures

Previous period's figures are re-grouped or re-arranged wherever necessary to facilitate comparison with current year's figures.

Notes to Accounts

Schedule- 4.33

1. Interest Income and Interest Suspense

The interest receivable on loans and advances as at Balance Sheet date has been transferred to interest suspense account as per NRB Directives.

2. Provision for Staff Bonus

Provision for staff bonus has been made as per prevailing Bonus Act and the Directives of Nepal Rastra Bank. It has been calculated at 10% of the net profit before tax but including provision for staff bonus.

3. Staff Housing Fund

As per the service terms, the Bank has a provision of extending housing loans to eligible staffs but no separate Housing Fund has been created by the bank.

4. General Reserve

20 percent of the current year's net profit amounting to Rs.8,847,830/- has been transferred to General Reserve as per the requirement of NRB directives.

5. Exchange Fluctuation Reserve

25% of Revaluation gain amounting to Rs. 927,805/- has been transferred to Exchange Fluctuation Reserve through the Profit and Loss appropriation account as per NRB directives.

6. Borrowing against own assets

There is no outstanding borrowing as at Balance Sheet date.

7. Calls in Arrears

There are no Calls in Arrears at the year end.

8. Calls in Advances

There are no Calls in Advance at the year end.

9. Investment in Share Capital of other Corporate

The bank has made an investment of Rs 15,000,000/-, Rs.2,500,000/- and Rs. 1,200,000/- in Gurans Life Insurance Company Limited, Nepal Clearing House Limited, and Nepal Banking Training Institute respectively which has been valued at cost.

10. Provision for Gratuity

During the year, the bank has provided Rs.1,578,056/- (Previous Year Rs.1,893,132/-) on account of gratuity payable to the eligible staffs.

11. Provision for Leave

During the year, the bank has provided Rs. 709,566/- lakhs (Previous year Rs. 2,530,726/-) on account of leave payable to the eligible staffs.

12. Advance Income Tax

Advance income tax paid by the bank has been net-off with current income tax liability and presented accordingly.

13. Lease Commitment Finance Lease

The bank has not entered into any finance lease and does not have any obligation in respect of finance lease.

Operating Lease

The bank has entered into a lease arrangement for office premises and ATM space outside of the branch for different periods, which can be terminated by either party giving prior notice as stipulated in the contract / agreement. The future minimum lease payment under non-cancellable operating leases, where the bank is lessee is NIL. There is no rental expense under non-cancellable operating leases.

14. Reconciliation Status

The bank carries out the reconciliation between branches and other agency accounts regularly. The difference has been identified, reviewed and reconciled and same has been or will be adjusted in due course of business.

(Rs in '000')

Reconciliation Status	Total Amount	< 3 months	>3<9 months	>9 months
Branch Reconciliation	Nil	Nil	Nil	Nil
Agency Accounts	42,745	40,895	1,831	19



15. Summary of Loans and Advances Disbursed, Recovered and Principal & Interest Written-off:

(Rs in '000')

Particulars	
Outstanding Loans and Advances as of Ashad end 2068	12,434,383
Outstanding Loans and Advances as of Ashad end 2067	12,225,214
Changes during the year	209,170
% change during the year	1.71%
Loans and advances written off	NIL

16. Summary Status of the Deposit Liabilities

(Rs in '000')

Particulars	Current Period (32/03/2068)	Previous Period (31/03/2067)	Changes
Call Deposits	2,454,077	3,029,677	(575,600)
Current Deposits	371,187	402,404	(31,217)
Fixed Deposits	4,868,151	4,874,239	(6,088)
Margin Deposits	204,554	193,178	11376
Saving Deposits	5,480,962	6,256,554	(7,75,592)
Others	12,782	10,977	1805

17. Weighted Average Interest Rate Spread

(Rs in '000')

Particulars	Rate (%)
Average Rate of return from loans and advances	13.02
Average Rate of interest on deposits & borrowings	9.19
Net Spread	3.83

18. Particulars of Expenses yet to be Expensed-off

There are no deferred revenue expenditure/ fictitious assets to be written off.

19. Summary of Concentration of Exposure

(Rs in '000')

Particulars	Loans , Advances and Bills Purchased	Deposits and Borrowings	Contingents
Total Amount as on 16 July 2011	12,434,383	13,391,713	3,158,139
Highest exposure to a single unit	284,330	213,052	252,753
Percentage of exposure to/ from single unit (%)	2.29	1.59	8.00

20. Classification of Assets and Liabilities based on Maturity

(Rs. In Lakhs)

Particulars	Remaining Terms to Maturity					Total
	1-90 Days	91-180 Days	181-270 Days	271-365 Days	Over 1 Year	
Assets						
Cash Balance	5,857	-	-	-	18	5,875
Balance with Licensed Institutions	13,170	-	-	-	-	13,170
Investment in Foreign Banks	2,127	-	-	-	1,070	3,198
Call Money	3,239	-	-	-	-	3,239
Govt. Securities	-	-	-	-	206	206
Nepal Rastra Bank Bonds	1,570	2,449	183	731	2,295	7,229
Inter Bank/Fin. Institution Lending	214	-	-	-	-	214
Loans & Advances	38,733	17,997	12,254	1,663	37,696	124,344
Interest Receivable	-	-	-	-	-	-
Reverse Repo	-	-	-	-	-	-
Received from other organizations against commitment	-	-	-	-	-	-
Payment facility for S.N. 20,21 & 22	-	-	-	-	-	-
Others	6,274	-	-	-	-	6,274
Total Assets (A)	71,184	20,447	12,437	18,395	41,285	163,748
Liabilities						
Current Deposit/call/margin	13,284	-	-	-	17,015	30,298
Saving Deposits	9,097	-	-	-	45,840	54,937
Fixed Deposits	9,283	11,680	10,268	16,492	959	48,682
Debentures	-	-	-	-	-	-
Borrowings:	-	-	-	-	-	-
Money at Call/Short Notice	-	-	-	-	-	-
Inter Bank/Fin Institutions	-	-	-	-	-	-
Re-finance	-	-	-	-	-	-
Others	-	-	-	-	-	-
Other Liabilities and provisions:	7,564	-	-	-	-	7,564
Sundry Creditors	20	-	-	-	-	20
Bills Payable	27	-	-	-	-	27
Interest Payable	-	-	-	-	-	-
Provisions	5,243	-	-	-	-	5,243
Others	2,274	-	-	-	-	2,274
Payment to other organizations against commitment	-	-	-	-	-	-
Loan approved but not implemented	-	-	-	-	-	-
Letter of Credit/ Guarantee	-	-	-	-	-	-
Repo	-	-	-	-	-	-
Payment facility under S.No. 11	-	-	-	-	-	-
Others	1,008	-	-	-	21,259	22,267
Total Liabilities (B)	40,336	11,680	10,268	16,492	84,972	163,748
Net Financial Assets (A-B)	30,949	8,767	2,170	1,903	(43,789)	-
Cumulative Net Financial Assets	30,949	39,716	41,885	43,789	0	



21. Details of Non Banking Assets

Particulars	Balance upto Last FY	Addition during this FY	Sold during this FY	Outstanding Balance as on Ashad end 2068
Non Banking Assets	-	27,786,327	-	27,786,327

22. Details of Lease-hold Assets Amortisation

Leasehold assets up to last year	Leasehold assets addition during this year	Amortisation during the year	Net Balance at the end of this year (As at 16 July 2011)
118,734	12,991	14,454	117,271

23. Deferred Tax Assets/ (Liabilities)

Carrying amount of Assets & Liabilities where temporary differences arise as on 32 Ashad 2068 (16.07. 2011) are as follows:

Particulars	Tax Base	Carrying Amount	Temporary Differences
Fixed Assets	236,467,862	254,460,295	17,992,434
Provision for gratuity	-	4,442,720	(4,442,720)
Provision for accumulated Leave	-	3,954,025	(3,954,025)
Leasehold Assets	116,371,880	117,270,665	898,785
Deferred Software	8,584,837	8,584,837	-
Loans & Advances	11,920,729,690	11,920,729,690	-
Expenses for capital items	1,840,723	-	(1,840,723)
Net Temporary Differences			8,653,751
Net closing DTL @ 30%			2,596,125
Closing DTL at the end of FY 2066/67			1,167,376
DTL to be charged to P/L in the current FY			1,428,749

Deferred tax liabilities as of Ashad end 2068 (16 July 2011) is Rs. 2,596,125/- . Rs. 1,428,749/- have been recognized as deferred tax expense in Profit and Loss Account in the current year.

24. Related Parties

24.1 Transactions with related companies: The bank has entered into financial transactions with the following related parties where directors have financial interest.

(Rs in '000')

Particulars	Nature of transaction	Amount
Gurans Life Insurance Co Ltd,	Investment in Ordinary Shares	15,000
where a director has financial interest	Deposits	NIL

24.2 Details of Compensation paid to key management personnel during the year: Key management personnel (which includes CEO, General Manager, Assistant General Manager, Chief Manager and Senior Manager) compensation for the period comprised:

Particulars	Amount (Rs in '000')
Short term employee benefits	509,97
Post employment benefits	26,51
Other long term benefits	12,23
Termination benefits	Nil
Share based payments	Nil

The names of key management personnel include:

1. Mr Surendra Man Pradhan
2. Mr Balaram Bista
3. Mrs Asha Adhikary
4. Mr Kamal Gautam
5. Mr Robin Nepal
6. Mr Arun Parajuli

Key management personnel are also provided with the benefits of vehicle (under Own Your Vehicle Scheme), advances and loan for shares (IPO) at a slightly lower interest rate than that those provided to the customer of the bank. There is no post employment, other long term or share based payments to the employees. Employees are entitled to gratuity (as termination benefits) as per the Human Resource Policy of the bank.

The Board meeting fees of Rs 1,232,000/- has been expensed off and provided to Directors, the bank has not provided any other non cash benefit to directors except board meeting fees.

25. Bonus and Dividend

The BOD has proposed cash dividend @ 4% for the financial year.



Schedule 4.34

Sunrise Bank Limited

Statement of Loans and Advances Extended to Promotor/Group of promoters against Promoters shares

As at 32 Ashad 2067 (16 July 2010)

S.NO.	Promoter/ Group of Promoter shareholders name	Share ownership		Name of Bank/Fin. Instn	Loan Details		Remarks
		No. of Shares	Net Paidup Capital (%)		Loan amount	No. of shares	
1					-		
2					-		
3					-		
4					-		
5					-		
6					-		
	Total				-		





Sunrise Bank Limited

Schedule 4.35

Comparison of Unaudited and Audited Financial Statements

As of FY - 2067/068 (2010/2011)

(Rs in '000')

S.N. Particulars	As per Unaudited Financial Statement	As per Audited Financial Statement	Variance		Reasons for Variance
			In Amount	In %	
1 Total Capital and Liabilities (1.1 to 1.7)	16,116,128	15,850,458	(265,671)	-1.68%	
1.1 Paid up Capital	2,015,000	2,015,000	-	-	
1.2 Reserve and Surplus	303,507	131,061	(172,445)	-131.58%	Increase in Loan Loss Provision and proposal of dividend
1.3 Debenture and Bonds			-		
1.4 Borrowings			-		
1.5 Deposits (a+b)	13,394,992	13,391,714	(3,278)	-0.02%	
a. Domestic Currency	12,942,716	12,939,436	(3,280)		Reclassification of certain clearing cheques under other Assets
b. Foreign Currency	452,276	452,278	1		
1.6 Income Tax Liability	59,166	-	(59,166)	-	Set off with Advance Income Tax paid
1.7 Other Liabilities	343,464	312,683	(30,781)	-9.84%	Adjustment of Income tax provision against advance tax and proposal of dividend
2 Total Assets (2.1 to 2.7)	16,116,128	15,850,458	(265,670)	-1.68%	
2.1 Cash and Bank Balance	1,904,453	1,904,443	(11)	0.00%	Adjustment of missed out items related to FY 2067-68
2.2 Money at Call and Short Notice	323,897	323,897	-	0.00%	
2.3 Investments	1,103,343	1,103,343	-	0.00%	
2.4 Net Loan and Advances	12,022,253	11,910,059	(112,194)	-0.94%	Increase in Loan Loss Provision
2.5 Fixed Assets	371,732	371,731	(1)	0.00%	
2.6 Non Banking Assets	27,786	-	(27,786)	-	
2.7 Other Assets	362,663	236,985	(125,678)	-53.03%	Reclassification of other assets and effect of Point 1.2, 2.3 and 2.4





Sunrise Bank Limited

Schedule 4.35

Comparison of Unaudited and Audited Financial Statements

As of FY - 2067/068 (2010/2011)

...contd

(Rs in '000')

S.N. Particulars	As per Unaudited Financial Statement	As per Audited Financial Statement	Variance		Reasons for Variance
			In Amount	In %	
3 Profit and Loss Account					
3.1 Interest Income	1,909,150	1,918,745	9,595	0.50%	Impact of recovery of Interest income during the month of Shrawan end 2068.
3.2 Interest Expenses	1,221,569	1,221,699	130	0.01%	Due to the reconciliation of inter branch Interest Expenses
A. Net Interest Income (3.1-3.2)	687,581	697,046	9,465	1.36%	
3.3 Fees, Commission and Discount	62,555	50,759	(11,795)	-23.24%	Reclassification of certain income under extra ordinary items
3.4 Other Operating Income	45,995	45,995	-	0.00%	
3.5 Foreign Exchange Gain/Loss (Net)	34,035	34,035	-	-	
B. Total Operating Income (A + 3.3+3.4+3.5)	830,166	827,836	(2,330)	-0.28%	
3.6 Staff Expenses	140,650	140,682	32	0.02%	Adjustment of missed out items related to FY 2067-68
3.7 Other Operating Expenses	240,430	240,267	(164)	-0.07%	Booking of certain missed out expenses
C. Operating Profit Before Provision (B - 3.6- 3.7)	449,086	446,887	(2,199)	-0.49%	
3.8 Provision for Possible Losses	232,144	372,358	140,214	37.66%	Increase in Loan Loss Provision
D. Operating Profit/(Loss) (C - 3.8)	216,942	74,529	(142,413)	-191.08%	
3.9 Non Operating Income/Expenses (Net)	-	11,494	11,494	100.00%	Income related to issue of shares
3.10 Write Back to Provision for Possible Loss	-	233	233	100.00%	Write back of provisions is disclosed separately
E. Profit/(Loss) from Regular Activities (D + 3.9+ 3.10)	216,942	86,256	(130,686)	-151.51%	Loan written off disclosed separately
3.11 Extraordinary Income/Expenses	-	-	-	-	
F. Profit/(Loss) before Bonus and Taxes (E + 3.11)	216,942	86,256	(130,686)	-151.51%	Impact of adjustment in income and expenses
3.12 Provision for Staff Bonus	19,722	7,841	(11,881)	-151.51%	Impact of adjustment in income and expenses and origination of deferred tax liability
3.13 Provision for Tax	61,135	34,175	(26,960)	-78.89%	
G. Net Profit/Loss (F - 3.12-3.13)	136,084	44,239	(91,845)	-207.61%	





Sunrise Bank Limited
Class "A" Institution licensed by Nepal Rastra Bank

Gairidhara Crossing, Kathmandu, Nepal

Tel: 4004560/62, Fax: 4422475 SWIFT: SRBLNPKA URL:www.sunrisebank.com.np

Schedule 4.36

UNAUDITED FINANCIAL RESULTS (QUARTERLY)
As at Fourth Quarter Ended of the Fiscal Year 2067/068

(Rs in '000')

S.No.Particulars	This Quarter Ending (30 Chaitra 2067)	Previous Quarter Ending (32 Ashad 2067)	Corresponding Previous Quarter Ending (32 Ashad 2068)
1 Total Capital and Liabilities (1.1 to 1.7)	16,116,128	17,145,347	16,918,937
1.1 Paid up Capital	2,015,000	1,855,442	1,510,350
1.2 Reserve and Surplus	303,507	228,745	135,015
1.3 Debenture and Bonds	-	-	-
1.4 Borrowings	-	598,940	150,000
1.5 Deposits (a+b)	13,394,992	14,189,740	14,767,029
a. Domestic Currency	12,942,716	13,535,374	13,826,539
b. Foreign Currency	452,276	654,367	940,490
1.6 Income Tax Liability	59,166	33,177	3,632
1.7 Other Liabilities	343,464	239,302	352,911
2 Total Assets (2.1 to 2.7)	16,116,128	17,145,347	16,918,937
2.1 Cash and Bank Balance	1,904,453	1,382,541	1,483,982
2.2 Money at Call and Short Notice	323,897	478,302	126,090
2.3 Investments	1,103,343	2,080,897	2,465,338
2.4 Net Loan and Advances(a+b+c+d+e+f)	12,022,253	12,311,843	12,045,228
a. Real Estate Loan	2,885,756	3,146,609	3,577,256
1 Residential Real Estate Loan (Except Personal Home Loan upto Rs. 80 Lacs)	216,870	283,849	197,474
2 Business Complex & Residential Apartment Construction Loan	1,292,777	1,392,955	1,238,275
3 Income generating Commercial Complex Loan	-	-	-
4 Other Real Estate Loan (Including land purchase and plotting)	1,376,109	1,469,805	2,141,507
b. Personal Home Loan of Rs. 80 Lacs or Less	372,665	239,515	291,165
c. Margin Type Loan	74,586	82,990	85,433
d. Term Loan	1,750,852	1,764,420	1,724,658
e. OverdraftLoan/TR Loan/WC Loan	5,060,327	5,408,987	4,896,295
f. Others	1,878,067	1,669,323	1,470,421
2.5 Fixed Assets	371,732	381,168	365,088
2.6 Non Banking Assets	27,786	-	-
2.7 Other Assets	362,663	510,596	433,210
3 Profit and Loss Account			
3.1 Interest Income	1,909,150	1,400,082	1,546,891
3.2 Interest Expenses	1,221,569	906,937	962,288
A. Net Interest Income (3.1-3.2)	687,581	493,545	584,603
3.3 Fees, Commission and Discount	62,555	46,147	81,652
3.4 Other Operating Income	45,995	32,457	8,854
3.5 Foreign Exchange Gain/Loss (Net)	34,035	24,768	42,784
B. Total Operating Income (A+3.3+3.4+3.5)	830,166	596,917	717,892
3.6 Staff Expenses	140,650	100,862	124,095
3.7 Other Operating Expenses	240,430	171,647	199,803
C. Operating Profit Before Provision (B-3.6-3.7)	449,086	324,409	393,994
3.8 Provision for Possible Losses	232,144	203,188	83,094
D. Operating Profit/(Loss) (C - 3.8)	216,942	121,221	310,900
3.9 Non Operating Income/Expenses (Net)	-	-	75
3.10 Write Back to Provision for Possible Loss	-	429	1,182
E. Profit/(Loss) from Regular Activities (D+3.9+3.10)	216,942	121,650	312,157
3.11 Extraordinary Income/Expenses	-	-	-
F. Profit/(Loss)before Bonus and Taxes (E + 3.11)	216,942	121,650	312,157
3.12 Provision for Staff Bonus	19,722	11,059	28,378
3.13 Provision for Tax	61,135	33,177	79,428
G. Net Profit/Loss (F - 3.12-3.13)	136,084	77,413	204,351
4 Ratios			
4.1 Capital Fund to RWA **	14.84%	12.99%	11.37%
4.2 Non Performing Loan (NPL) To Total Loan	3.289%	3.343%	1.041%
4.3 Total Loan Loss Provision to Total NPL	100.78%	90.18%	141.37%
4.4 Cost of Funds (B)	9.19%	9.13%	7.31%
4.5 Credit to Deposit Ratio	81.60%	81.36%	79.19%
A Average Yield (A)	13.02%	12.88%	12.23%
B Net Interest Spread (A-B)	3.83%	3.75%	4.92%
C Return on Equity (ROE)	5.87%	4.95%	12.42%
D Return on Assets (ROA)	0.84%	0.60%	1.21%



**DISCLOSURE UNDER CAPITAL ADEQUACY FRAMEWORK - BASEL II
AS OF ASHAD END, 2068 (F/Y -2067/068)**

CAPITAL STRUCTURE AND CAPITAL ADEQUACY TABLE

(Rs. In Lakhs)

S. N	Tier 1 capital and a breakdown of its components	Amount
a.	Paid up capital	2,015,000
b.	Calls in Advance	0.00
c.	Share Premium	32,408
d.	Proposed Bonus Equity Shares	0.00
e.	Statutory General Reserve	66,674
f.	Retained Earnings	28,804
g.	Un-audited Current Year Cumulative Profit	0.00
h.	Less: Fictitious Assets	0.00
i.	Less: investment in equity of institutions with vested interest	(15,000)
	Less: Shortfall in Provision (6.4 a 1)	0.00
	Less: Loans and Facilities extended to Related Parties and Restricted lending (6.4 a 2)	0.00
	Total Core Capital (Tier I)	2,127,886
	Tier 2 capital and a breakdown of its components	Amount
a.	General Loan Loss Provision	119,980
b.	Exchange Equalization Reserve	2,875
c.	Investment Adjustment Reserve	300
	Total Supplementary Capital (Tier II)	123,155
	Total Capital Fund (Tier I +Tier II)	2,251,041
	Capital Adequacy Ratios	Percentage
a.	Tier 1 Capital to Total Risk Weighted Exposures	12.55%
b.	Total Capital Fund (Tier 1 and Tier 2) to Total Risk Weighted Exposures	13.28%

Summary of the bank's internal approach to assess the adequacy of its capital to support current and future activities, if applicable:

Bank's current paid up capital has reached to NPR 2.015Billion, after issuance of shares of NPR 604.50 Million to general public. The Bank has increased its paid up capital to Rs. 2.015 Billion in order to comply with the licensing condition of NRB which has also helped the Bank to have a steady and strong capital position. The overall strategy of the bank has been formulated with the

special consideration to the capital adequacy requirement according to BASEL II. The Bank increased its capital base to Rs. 2.015 billion from Rs. 1.25 Billion after issuance of right shares in two lots. The 1st lot of right share was issued in the ratio of 10:3 and 2nd lot of right share was successfully issued in the ratio of 10:2.4.

Summary of the terms, conditions and main features of all capital instruments, especially in case of subordinated term debts including

hybrid capital instruments.

Bank does not have any other capital instruments except fully paid equity shares as qualifying capital.

1. Detailed information about the Subordinated Term Debts with information on the outstanding amount, maturity, amount raised during the year and amount eligible to be reckoned as capital funds:

Till date we have no such type of capital instruments.

2. Segregation of investment portfolio into Held for trading, Held to maturity and Available for sale category:

Investment Portfolio	Amount in '000'
Held for Trading	5,900
Held to Maturity	1,078,743
Available for Sale	18,700

Investments are made for held for trading and held to maturity.

3. Summary of the terms, conditions and main features of all capital instruments, especially in case of subordinated term debts including hybrid capital instruments:

Till date we have no such type of capital instruments.

4. Deduction from Capital:

No amount is deductible from the capital except investment of Rs 15 Millions.

5. Risk Weighted Exposures after incorporation of additional risk of 2% in operational risk and 5% in Total risk weighted exposures:

S.N.	Particulars	Amount in 000'
a.	Risk weighted exposure for Credit Risk	15,419,360
b.	Risk weighted exposure for Operational Risk	1,482,424
c.	Risk weighted exposure for Market Risk	54,460
	Total Risk Weighted Exposures (a+b+c)	16,956,244

6. Risk weighted exposure under each of 11 categories of Credit Risks:

Amount in '000'

S.No.	Particulars	Risk Weighted Exposures
a.	Claims on Govt. and Central Bank	-
b.	Claims on other Financial Entities	-
c.	Claims on Banks	328,376.73
d.	Claims on Corporate and Securities Firm	6,810,801.29
e.	Claims on Regulatory Retail Portfolio	658,807.58
f.	Claims secured by Residential Properties	248,167.71
g.	Claims secured by Commercial Real State	1,633,482.04
h.	Past due Claims	542,709.65
i.	High Risk Claims	2,311,872.25
j.	Other Assets	534,509.59
k.	Off balance sheet items	1,616,377.90
	Total Risk Weighted Exposures	14,685,104.75

7. Details of Non Performing Assets (NPAs):

Amount in '000'

S.N.	Non Performing Assets	Gross NPAs	Net NPAs
a.	Restructured or Rescheduled Loan	187,075	-
b.	Sub standard Loan	19,509	14,632
c.	Doubtful Loan	34,871	17,436
d.	Loss loan	194,957	-
	Total NPAs	436,412	32,068

8. Ratios of Non-performing Assets:

S.N.	Particulars	Percentage
a.	Gross Non- Performing Assets/ Gross Loans	3.51%
b.	Net Non- Performing Assets/ Net Loans	0.27%

9. Write off Loans and Interest Suspense: NIL

10. Movement of Loan Loss Provision and Interest Suspense:

S.N.	Particulars	Amount in '000'
a.	Movement of Loan Loss Provisions	344,339
b.	Movement of Interest Suspense	48,104

11. Details of Additional Loan Loss Provisions:

The bank has not made any additional provision as at the Balance Sheet date .

12. Policy of Risk Weighted Exposures/ Risk Management Functions:

The bank management has decided to control and mitigates the credit risk, market risk and operational risk by adopting the following strategy:

12.1. Credit Risk

The Bank's Credit Policy Guidelines has adopted a Credit Risk Management philosophy that involves a continual measurement of probability of default/loss ; identification of possible risk and mitigation

12.2. Market Risk

The Bank has Assets Liability Management (ALM) Policy, and Assets Liability Management Committee (ALCO) , which monitors

risks arising from changes in exchange rates in foreign currencies; liquidity profile of assets and liabilities, investment activities of the bank etc.

12.3. Operational Risk

The Bank has developed and implemented various manuals, operating procedures and guidelines for monitoring and controlling Operational Risks in the Bank; a number of procedure guidelines and manuals are in process of development.

Most significant steps adopted by the Bank for handling Operational Risks are as follows:

Independent reconciliation department accustomed to conducting daily reconciliation of all agency accounts and Inter-Branch accounts. Transaction Stack System is in place on amount limit basis. Exception and MIS reports are generated by

the system on a 'Live" basis, where account activity can be monitored as and when they occur. General Authority schedule is in place to delegate authority to staff across all levels. Independent Internal Audit has been appointed to carry out review of internal controls and compliance. Transactions in all levels are handled under dual supervision and control. Output in all transactions is checked by a higher authority level. Disaster Recovery Server is in place to ensure full restoration of Bank's data.

13. Types of eligible Credit Risk Mitigation used and the benefits availed under CRM.

As per the provisions of the Capital Adequacy Framework – Basel II, the bank has claimed all the eligible credit risk mitigants for balance sheet and off balance sheet exposures and availed benefit thereof.



नेपाल राष्ट्र बैंक

बैंक सुपरिवेक्षण विभाग

गैर-स्थलगत सुपरिवेक्षण महाशाखा

केन्द्रीय कार्यालय

बालुवाटार, काठमाडौं

पोष्ट बक्स नं. : ७३

फोन नं. : ४४१७४९७

आन्तरिक: २०४,२०५ र २०६

फ्याक्स नं.: ४४१२३०६

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Web Site: www.nrb.org.np

पत्रसंख्या:- बै.सु.वि./अफसाइट/एजिएम/२१/२०६८-६९

मिति २०६८/८/१९

सन्त्राइज बैंक लिमिटेड

गैरिधारा, काठमाडौं ।

विषय: वित्तीय विवरण प्रकाशनको स्वीकृति तथा लाभांश वितरण सम्बन्धमा ।

महाशय,

तहाँको २०६८।०८।०८ को पत्रको सन्दर्भमा लेखिँदैछु ।

त्यस बैंकको आर्थिक वर्ष २०६७/६८ को वासलात, नाफा नोक्सान हिसाव र सोसँग सम्बन्धित अनुसूचीहरू सहितको वित्तीय विवरणहरू प्रकाशित गर्न तथा तहाँबाट प्रस्ताव गरे बमोजिम चुक्ता पूँजीको ४ प्रतिशत (रु. ८,०६,००,०००/-) नगद लाभांश वार्षिक साधारण सभाबाट स्वीकृति भएको आधारमा वितरण गर्न देहाय बमोजिम हुनेगरी सहमति प्रदान गर्ने निर्णय भएको व्यहोरा अनुरोध गर्दछु ।

१. देहायको निर्देशन वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित गर्ने गरी आ.व. २०६७/६८ को वित्तीय विवरण प्रकाशनार्थ सहमति प्रदान गर्ने ।

(क) लेखापरीक्षकले औल्याएका देहायका कैफियतहरू सहित अन्य कैफियतहरू सुधार गर्न तथा त्यस्ता कैफियतहरू पुनः दोहोरिन नदिने व्यवस्था मिलाउनु हुन ।

➤ आर्थिक वर्षको अन्तमा चेक खरिद गरी कर्जाको सांदा तथा व्याज असुल गर्ने गरेको ।

➤ कतिपय ऋणीहरूले बहु बैंकिंग स्वघोषणा सम्बन्धी ने.रा. बैंकबाट जारी आफ्नो ग्राहक पहिचान (KYC) निर्देशन नं. १९ को अनुसूची २ भर्ने नगरेको ।

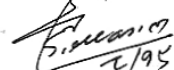
➤ बैंकको आफ्नो ग्राहक पहिचान नीति (KYC Policy) मा भएका व्यवस्था बमोजिम कतिपय काराजातहरू लिने नगरेको ।

➤ कतिपय कर्जाहरू पर्याप्त वित्तीय विश्लेषण नगरी प्रवाह गरिएको ।

२. नगद लाभांशको सम्बन्धमा उक्त बैंकका ऋणीहरूमध्ये यस बैंकबाट कारवाहीमा परेका वित्तीय संस्थाका संचालक, संस्थापक र सम्बद्ध व्यक्तिहरूमध्ये प्रविण नौलखाको शत प्रतिशत शेयर स्वामित्व रहेको कृषि प्रेमुरा प्रपर्टिज प्रा.लि. र निर्मल गुरुङ्ग र निजकी श्रीमतीको शतप्रतिशत शेयर स्वामित्व रहेको सगरमाथा टेलिभिजनको कर्जालाई खराब वर्गमा वर्गीकरण गरी शत प्रतिशत कर्जा नोक्सानी व्यवस्था गरेपछिमात्र चुक्ता पूँजीको ४ प्रतिशत (अर्थात रु.८,०६,००,०००/-) नगद लाभांश वितरण गर्ने गरी स्वीकृती प्रदान गर्ने ।

३. नेपाल शेयर मार्केट्स एण्ड फाइनान्स लि. र क्यापिटल मर्चेण्ट बैकिङ्ग एण्ड फाइनान्स लि. मा रहेको अन्तरबैंक लगानी आ.व.२०६८/६९ भित्र समानुपातिक रूपमा चाँकी प्रत्येक त्रयमास (२०६८ पौष, चैत्र र २०६९ आषाढ) मा शतप्रतिशत नोक्सानी व्यवस्था कायम गर्नहुन ।

भवदीय,



(विमलराज खनाल)

उप-निर्देशक

बोधार्थ :

१. नेपाल राष्ट्र बैंक बैंक तथा वित्तीय संस्था नियमन विभाग ।
२. सन्त्राइज बैंक लिमिटेड डेस्क ।



INSIDE KATHMANDU VALLEY

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Bhaktapur Branch

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Baniyatar Branch

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Bhainsepati Branch

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Budhanilkantha Branch

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Kalanki Branch

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Kalimati Branch

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Maharajgunj Branch

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New Road Branch

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Pharping Branch

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Thamel Branch

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OUTSIDE KATHMANDU VALLEY

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Birgunj Branch

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Birgunj Sub Metropolitan City Ward no 7,
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Narayanghat Branch

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Narayanghat
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Bhadrapur Branch

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Duhabi Branch

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Ilam Branch

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Jhumka Branch

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Rajbiraj Branch

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MANAGEMENT TEAM



MR. SURENDRA MAN PRADHAN
CHIEF EXECUTIVE OFFICER



MR. BALARAM BISTA
DEPUTY GENERAL MANAGER



MS. ASHA ADHIKARY
DEPUTY GENERAL MANAGER



MR. ROBIN K NEPAL
CHIEF MANAGER



MR. KAMAL GAUTAM
CHIEF MANAGER



MR. ARUN PARAJULI
SENIOR MANAGER



Department Head

Mr. Sanjaya Kumar Siddhi
Manager

Mr. Manoj Neupane
Deputy Manager

Mr. Anish Tamrakar
Deputy Manager

Mr. Ritesh Aryal
Deputy Manager

Mr. Ishwar Kumar Pathak
Deputy Manager

Mr. Vivek Kumar Niraula
Deputy Manager

Mr. Narayan Prasad Ghimire
Assistant Manager

Mr. Anup Koirala
Assistant Manager

Mr. Nabin Sharma
Assistant Manager

Ms. Neema Pradhan
Assistant Manager

Mr. Tika Bhattarai
Assistant Manager

Ms. Sweety Agrawal
Assistant Manager

Ms. Prabhavati Bista
Senior Officer

Branch Managers

Positions

Branch

MR. SUDHIR AGRAWAL	Manager	BIRATNAGAR BRANCH	
MR. ALOK SHARMA	Deputy Manager	MAIN BRANCH	
MR. DEEPAK RAJ JOSHI	Assistant Manager	DHANGADI BRANCH	
MR. DEV CHANDRA BHATTA	Assistant Manager	BIRGUNJ BRANCH	
MR. EKA RAJ SIGDEL	Assistant Manager	UDAYPUR BRANCH	
MS. RABINA ACHARYA	Assistant Manager	MAHARAJGUNJ BRANCH	
MR. GANESH REGMI	Assistant Manager	KALIMATI BRANCH	
MR. RAM KUMAR GIRI	Assistant Manager	THAMEL BRANCH	
MRS. NIKKY BASNET	Senior Officer	CHABAHIL BRANCH	
MR. RAJENDRA PRASAD TIMSINA	Senior Officer	TINKUNE BRANCH	
MR. GAUTAM DONGOL	Senior Officer	BOUDHA BRANCH	
MR. PESHAL DAHAL	Senior Officer	NARAYANGHAT BRANCH	
MR. NEERAJ C AMATYA	Officer	BHAKTAPUR BRANCH	
MR. DEEPAK RAJ ADHIKARI	Officer	GABAHAL BRANCH	
MR. BHIM NARAYAN SHRESTHA	Officer	DAMAULI BRANCH	
MR. SURYA BAHADUR BALAMPAKI	Officer	BARDIBAS BRANCH	
MR. KHAGENDRA BANSKOTA	Officer	NEW ROAD BRANCH	BRANCH INCHARGE
MR. YOGESH KUMAR BHATT	Junior Officer	DADELDHURA BRANCH	
MR. AVINASH ACHARYA	Junior Officer	BIRTAMOD BRANCH	
MR. SUDHIR REGMI	Junior Officer	DHALKO BRANCH	



Branch Managers**Positions****Branch**

MR. NITESH KOIRALA	Junior Officer	GOTHATAR BRANCH	
MR. BRAJ MOHAN JHA	Junior Officer	RAJBIRAJ BRANCH	
MS. PANNA WAGLE	Junior Officer	HARISIDDHI BRANCH	
MR. KRISHNA PRASAD TIMSINA	Junior Officer	JHUMKA BRANCH	
MS. MALA GHIMIRE	Junior Officer	DHARAN BRANCH	
MR. SUJIT KUMAR KARNA	Supervisor	KALANKI BRANCH	
MR. KRISHNA PD. NEPAL	Supervisor	ILAM BRANCH	
MR. BISHESHWAR NAYAK	Supervisor	GAUR BRANCH	
MR. BIPAT CHAUDHARY	Supervisor	SUNDAR BAZAR BRANCH	
MR. AMOD SHRESTHA	Supervisor	BANIYATAR BRANCH	
MS. RADHA SINGH	Supervisor	MAHENDRANAGAR BRANCH	
MR. HEMANT AWASTHI	Supervisor	SUKHAD BRANCH	BRANCH INCHARGE
MR. SANTA KUMAR KARKI	Supervisor	KAKARVITTA BRANCH	
MR. CHOODAMANI CHAPAGAIN	Supervisor	SURUNGA BRANCH	
MR. TULSI KUMARI THAPA	Supervisor	SUNWAL BRANCH	BRANCH INCHARGE
MS. NABINA REGMI	Supervisor	LUVU BRANCH	BRANCH INCHARGE
MR. NITESH GORKHALI	Supervisor	BESISAHAR BRANCH	
MR. KULDIP BIMOLI	Supervisor	BHADRAPUR BRANCH	
MS. UMA SHRESTHA	Supervisor	BUDHANILKANTHA BRANCH	
MS. SOMI MALLA	Supervisor	GAURIGHAT BRANCH	
MR. PRABIN MAHARJAN	Supervisor	TAUKHEL BRANCH	
MR. SUBARNA REGMI	Supervisor	SANKHAMUL BRANCH	
MR. PRAMESH DAHAL	Supervisor	BHAISEPATI BRANCH	
MR. RUDRA JUNG GURUNG	Supervisor	POKHARA BRANCH	BRANCH INCHARGE
MR. DASHRATH SHAH	Jr. Management Trainee	BIRATCHOWK BRANCH	
MR. SUDARSHAN KHATIWADA	Junior Officer	PHARPING BRANCH	
MR. PUKAR JUNG KARKI	Assistant	DUHABI BRANCH	BRANCH INCHARGE



Event Photos



4th Annual General Meeting



Felicitation to CEO



Football Tournament



Signing for SME with FNCCI



CEO's Birthday



Press Conference



Mehandi Week



Singing Competition on picnic