



Rating Action

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PACRA UPDATES RATINGWATCH OF ARIF HABIB RUPALI BANK LIMITED

PACRA has recently assigned initial ratings to Arif Habib Rupali Bank Limited (Long-term: A, Short-term: A1). While assigning these ratings, PACRA had recognized the positive impact of the proposed merger of Arif Habib Securities Limited (AHSL) with and into the bank. At the same time, these ratings were placed on the RatingWatch pending completion of the merger process.

However, following certain proposed amendments in the finance bill, 2007, the shareholders of AHSL in the EOGM held on 16th June 2007 have referred the merger proposal back to the Board of Directors for further deliberations. In case it is decided to revoke the proposed merger, implications for the ratings would be negative. PACRA would continue to closely monitor all related developments, while keeping the ratings of the bank on the RatingWatch.

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