



RATING ACTION

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**PACRA PLACES ENTITY RATINGS OF HALMORE POWER GENERATION COMPANY LIMITED UNDER RATING WATCH
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The Pakistan Credit Rating Agency (PACRA) has placed the entity ratings (Long-term rating: **A+**; Short-term rating: **A1**) of Halmore Power Generation Company Limited (HPGCL) under *Rating Watch*. HPGCL was required to achieve commercial operations by 15th Dec, 2010. However, it has been delayed. The company expects to achieve commercial operations within quarter ending Mar-11.

The ratings will continue to remain under rating watch till the COD is achieved. A negative rating action may be warranted incase the project delay is extended significantly.

The company: Halmore Power Generation Company Limited is incorporated as an Independent Power Producer under the Power Policy 2002. The project envisages the erection of a 225 MW power plant, based on the Build Operate and Own (BOO) model. The Project is a dual-fuel, gas-fired, thermal IPP, using pipeline quality natural gas as primary fuel and high-speed diesel (HSD) as backup fuel. The combined cycle power plant is located at Bhikki, in Sheikupura District.

The principal sponsors of the company are two individuals – Mr. Mian M. Sharif and his son, Mian Karimuddin. Together, they hold the entire equity stake in the project company. They are also on the five member Board of Directors. Mr. Mian M. Sharif is a UK based businessman and a real estate investor.

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