Early Warning System

IFC-38881

Xiang Nian

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Quick Facts

Countries	China
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	HENAN XIANG NIAN FOODS CO LTD
Sectors	Agriculture and Forestry, Construction, Industry and Trade
Investment Type(s)	Equity
Investment Amount (USD)	$ 10.00 million
Project Cost (USD)	$ 47.00 million

Project Description

The proposed investment is a $10 million equity investment in Henan Xiang Nian Foods Co. Ltd (“XN”), a Chinese wheat based noodle manufacturer with a total production capacity of 100,000 tons of dry noodles per annum located in Nanyang City, Henan Province. XN produces wheat noodles by combining wheat flour, salt, water, heating, forming, air drying, sizing and packaging into 500, 750, 900 and 1000 gram packets intended for retail sale. Collection of wheat and distribution of end product is conducted by XN with its own vehicle fleet. The existing XN factory is located within a city authority-designated industrial park. In 2015 XN acquired a milling company, Henan Khong Guan Cereal and Oil Food Products Co. Ltd (HKG) that will supply 45% of wheat flour needs to the noodle factory, balance of wheat flour is sourced from other commercial mills in the province. The wheat supply base is 95% from Henan province with the balance of grain demands purchased through traders. The HKG mill is located within the suburban fringe of Nanyang.

The proposed investment is to support land purchase, XN noodle factory expansion 140 mu (or 9.5 hectares,) within the designated industrial zone, and working capital.

The scope of the appraisal is XN and HKG the (“group”.)

Investment Description

- International Finance Corporation (IFC)

Contact Information

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/

Other Related Projects

- IFC-42401 Xiang Nian II