Early Warning System

IFC-46329

Rupshi Foods

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Quick Facts

Countries	Bangladesh
Specific Location	Rupshi
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2022-06-30
Borrower	RUPSHI FOODS LTD.
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	$ 20.00 million
Loan Amount (USD)	$ 20.00 million
Project Cost (USD)	$ 122.40 million

Project Description

IFC is proposing a senior secured A loan of up to $20 million in Rupshi Food Limited (“RFL”), a newly established subsidiary of the City Group, for processed food operations in the snacks category, producing candy, cakes, biscuits and bakery items, condensed milk and powdered milk by setting up a greenfield food processing plant at City Economic Zone (CEZ), an economic zone established by the Group in Rupshi, 30 kilometers south of Dhaka (the “Project”) in the same economic zone as Rupshi Flour Mills.The project facility is for food production processing such as, mixing of ingredient, molding, baking, cooling, packaging, etc. The project is currently in the construction stage and is expected to start commercial operation in a phased manner and be fully functional by January 2023.

The Group is an existing IFC client whereby IFC made one direct investment in the Group's subsidiary, namely Rupshi Flour Mills Limited (RFML), in August 2021 and the E&S performance at the appraisal was satisfactory.

Investment Description

- International Finance Corporation (IFC)

Aggregate total Project cost is estimated at ~US$122.4 million and is proposed to be financed with long-term debt totalling US$83.3 million with the balance US$39.1 million through equity.

Proposed IFC investment is an A Loan of up to US$20 million with a tenor of eight years including a two-year grace period.

Private Actors Description

Established in 1972, City Group (the “Group” - https://www.citygroup.com.bd/) initially started with the production of mustard oil for the local market. The Group has currently more than 40 subsidiaries, incorporating fast moving consumer goods (FMCG), feed products, polyethylene terephthalate (PET) bottle, printing and packaging, ship building, media, hospital.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
City Group	Parent Company	Agriculture and Forestry	owns	Rupshi Flour Mills Limited	Subsidiary	Agriculture and Forestry
City Group	Parent Company	Agriculture and Forestry	owns	Rupshi Foods Limited	Subsidiary	Agriculture and Forestry

Contact Information

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www.citygroup.com.bd ACCESS TO INFORMATION

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Other Related Projects

- IFC-43149 City: Rupshi