Early Warning System

IFC-47376

Habiganj Agro Limited

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Quick Facts

Countries	Bangladesh
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-03-22
Borrower	Pran Dairy Limited (PDL), Habiganj Agro Limited (HAL) - PRAN Group
Sectors	Agriculture and Forestry, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 30.00 million
Loan Amount (USD)	$ 30.00 million

Project Description

As stated on the project disclosure page, the IFC will provide long-term US Dollar working capital financing to be utilized across the two group companies, Pran Dairy Limited (PDL) and Habiganj Agro Limited (HAL).

The use of proceeds will be limited to HAL and PDL for purchase of imported raw material (flour, sugar, milk powder, vegetable fat, resin, packaging material, etc.), and operational expenditures (OPEX, spare parts, maintenance, etc.). HAL was incorporated in 2010 and contributes significantly to PRAN diverse product portfolio, specializing in confectionary, biscuits and bakery, beverages, snacks, feed meal, and flexible packaging. PDL started its operations in 2004 and its product portfolio includes dairy products (milk and milk derivatives), confectionary, bakery, carbonated soft drinks and juices.

No expansion of HAL and PDL operational footprint is considered for this project-financed loan.

Moreover, as part of an associated advisory engagement:

1.IFC will help build capacity of second-tier suppliers and franchisees of Pran on food safety, including working with smallholders to improve adoption of Good Agriculture Practices in 3-4 commodities (cassava, dairy, rice etc.); and
2. IFC will work with Pran on decarbonization initiatives – focusing on alternative fuel for electricity generation, improving efficiency of delivery of utilities, reducing demand for water, energy in processing and packaging, reducing volume of effluent and improving efficiency of Effluent Treatment Plant and potentially, converting waste to resource.

Investment Description

- International Finance Corporation (IFC)

Accoding to the IFC, the proposed A Loan has a tenor of up to 6 years with a 2-year grace period, and will be guaranteed by two other group companies, Pran Agro Limited and Mymensingh Agro Limited.

Private Actors Description

As stated by the IFC, the group of companies known as PRAN Group was established in 1981. The Group is a leading branded food and beverage group and the largest agro-processer in Bangladesh. PRAN is a well-known household brand in Bangladesh and produces more than four hundred food products across multiple categories including juices and drinks, snacks, dairy, spices, grains, and frozen foods. PRAN exports to 145 countries around the world.

The Project sponsors and shareholders of the Project companies consist of the children of the late Pran Group founder Major General Amjad Khan Chowdhury, Mr. Ahsan Khan Chowdhury and Ms. Uzma Chowdhury.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
PRAN Group	Parent Company	Industry and Trade	owns	Pran Dairy Limited	Client	Agriculture and Forestry

Contact Information

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ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

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

Bank Documents

- Environmental and Social Review Summary

Other Related Projects

- IFC-31829 Pran Natore Agro
- IFC-30568 PRAN Dairy
- IFC-40929 PRAN Agro Business Ltd
- IFC-43681 MAL - PRAN
- IFC-51813 PRAN VII