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HSBC ARRANGES LARGEST TERM FINANCING IN POULTRY SECTOR



The Hongkong and Shanghai Banking Corporation (HSBC) Ltd. in Bangladesh arranges the largest syndicated term financing in the poultry sector for Kazi Grand Parents Limited. Kazi Grand Parents is a concern of Kazi Farms Group.

A ceremony marking the financial closure was held recently at a local hotel. Chief Executives and senior officials of banks and Kazi Farms were present on the occasion. A syndicate of twenty banks will be providing BDT 1,250 Million term financing and BDT 600 Million working capital facilities for the expansion of poultry projects. The expansion projects will primarily establish backward linkage facilities for producing Day-Old-Chicks and Poultry Feed for the poultry farmers of the country. Day-Old-Chicks and poultry feed are the raw materials required by the poultry farmers to produce chicken and table eggs.

Apart from HSBC, the other banks in the syndicate are Bank Asia Limited, BRAC Bank Limited, The City Bank Limited, Commercial Bank of Ceylon Plc., Dhaka Bank Limited, Dutch Bangla Bank Limited, Eastern Bank Limited, ICB Islamic Bank Limited, IFIC Bank Limited, Mercantile Bank Limited, Mutual Trust Bank Limited, National Bank Limited, One Bank Limited, Prime Bank Limited, Pubali Bank Limited, Southeast Bank Limited, Trust Bank Limited, United Commercial Bank Limited, and Shahjalal Islami Bank Limited.

Today the poultry sector in Bangladesh is contributing significantly to national economy. Accordingly to an estimate, the poultry farmers are currently producing more than 400 million broilers and 6.6 billion eggs every year. At present, around 40% of country's meat requirement is met by poultry and the sector is growing at the rate of more than 10%. The sector is not only supplying animal protein at an affordable price, but also created more than 6.0 million employment in the country.

Kazi Farms is the pioneer of scientific and modern poultry industry in Bangladesh. The company is the first one to establish vital backward linkages to locally produce Day-Old-Chicks from Grand Parents. This backward integration has contributed significantly in the growth of local poultry industry.