

## Water purifiers

### *Project Introduction*

1. Project title: a variety of **water purifiers**

2. Sector :Is construction of non-categorized machinery and equipment in some where else(29) and subgroup of construction of other machinery with general application (2919).

3. Products/Services: **Manufacturing of a variety of water purifiers**

4. Location: Free zone  Economic special zone  Industrial Estate  Main Land

5. Project description:

The main goal of this plan is establishing a factory for manufacturing a variety of water purifiers.

6. Annual capacity: 10000 system per year

### *Project Status*

7. Local / internal raw material access: They are supplied in or out of the country .

8. Sale:

Anticipated internal market: 100%

Anticipated export market: 0%

9. Construction Period (from beginning of activity to commercial activity): 24 months

#### **Schedule**

Beginning of activity:

In-site beginning of activity:

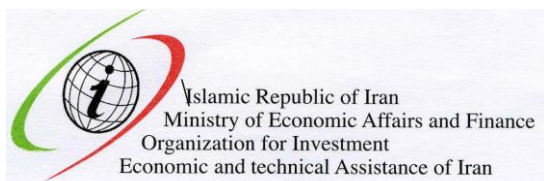
End of project:

Commercial activity beginning:

**10. Project Status:**

- Feasibility study available? Yes  No
- Required land provided? Yes  No
- Legal permissions (establishment license, environment, etc) taken? Yes  No
- Partnership agreement concluded with local/foreign investor? Yes  No
- Financing agreement concluded? Yes  No
- Agreement with local / foreign contractor(s) concluded? Yes  No
- Infrastructural utilities (electricity, water supply, telecommunication, fuel, road, etc) procured? Yes  No
- List of know-how, machinery, equipment, as well as seller / builder companies defined? Yes  No
- Purchase agreement for machinery, equipment and technology concluded? Yes  No

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**Financial Structure****11. Finance**

Description	Local Currency Required			Required Foreign Currency (Thousand Dollar)	Total in Thousand Dollar
	Million Rials	Rate	Equivalent in Thousand Dollar		
Fix Capital	22,027	87000 Rials for each Dollar	253	0	253
Working Capital	2,656		31	0	31
Total Investment	24,683		284	0	284

- Value of local equipment/machinery: 31,39 thousand dollars
- Value of foreign equipment/machinery: .... thousand dollars
- Value of foreign technology: .... thousand dollars
- Value of local technology: .... Million dollars
- Net Present Value (NPV): 30646,04 Million Rials for 10 Year, discount rate: 20%
- Internal Rate of Return (IRR): 44,75
- Payback Period (PP): 49,02%

**General Information**

12. Project Type: Establishment  Expansion and completion

**13. Company Profile:**

- Name (legal /natural persons):
- Current activity of company:
- Address:

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-Tel: Fax:  
 -E-mail: Web site:  
 -Legal structure of company: private sector  public sector  other

## Plan name: Manufacturing of a variety of water purifiers

### Product introduction

The aim of establishment of this factory is manufacturing a variety of water purifiers in order to meet local needs that in the first phase, the aim was getting regional market in Lorestan province and perspective of this plan in future is to satisfy consumption needs of adjacent provinces.

Its ISIC code and tariff are as follows.

No.	Title	10-digit ISIC Code	8-digit ISIC Code	Tariff Code
1	A variety of water purifier	2919412625	-	-
2	Domestic water purifier	2919412343	29191411	841212100
3	Portable water purifier	2919512626	-	-

### Introduction of product applications

The products of this plan are used to conduct the activities of secondary purification of drinking water before drinking it.

### Proposed places for plan

According to benefits of establishment in industrial estates and areas, industrial estates of Lorestan province are suggested for conducting the project.

#### Raw ,auxiliary,Consuming materials

No	Raw, auxiliary and packing materials	Unit	Sum of raw and consuming material	Unit price (rials)	Annual cost (m/r)
1	sanitary grade of polycarbonate	Ton	35	240,000,000	8,400
2	polypropylene	Ton	30	125,500,000	3,765

No	Raw, auxiliary and packing materials	Unit	Sum of raw and consuming material	Unit price (rials)	Annual cost (m/r)
3	faucets	number	20,000	200,000	4,000
4	internal hose	meter	20,000	45,000	900
5	10- pp inch fiber filter	Ton	10	667,000,000	6,670
6	ppfilter with 5 micron capsular filter	Ton	10	600,000,000	6,000
7	filter of purifying active carbon	Ton	10	295,000,000	2,950
<b>Total</b>					<b>32,685</b>

#### Sales plan and target markets

Description	Unit weight	Capacity (number)	Unit price (rial)	Annual sale (m/r)
water purifier	1	10,000	6,500,000	65,000
<b>Total</b>	-	10,000	-	65,000

#### Annual nominal and practical capacities

Annual production capacity of this unit is 10000 purifier machines in a year, so this capacity is estimated in an 8-hour shift with at least 36 staff in 300 working days in a year by water purification lines. Practical capacity of this plan, regarding the unpredicted factors of stop working and also repair and maintenance, is considered 9000 machines with 90% efficiency of nominal capacity.

#### Production method and desired technology

Manufacturing process of water purifier is as follows:

First, the container and other plastic pieces must be designed and then constructed by plastic injection mold and system,



Figure 1.

Then the place of water purifier faucets are connected on the body like the following figure.

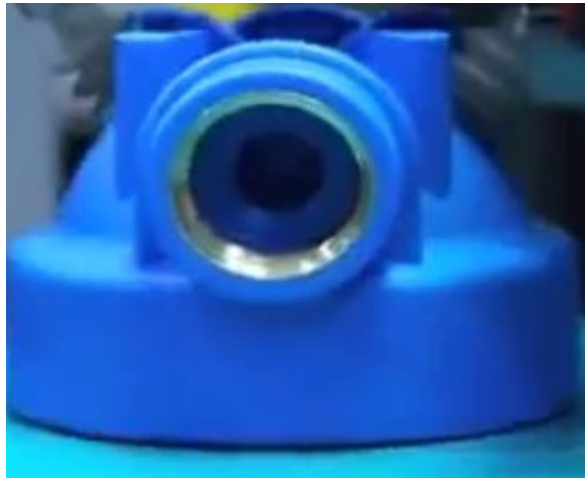


Figure 2

In next step, other connections are interconnected by drill.



Figure 3

In next steps, the cylindrical place of filters along with upper and lower containers are manufactured separately.



Figure 4

Then the filters are assembled on the body and the final packed product is directed to store and loading site.

## The plan investment costs

The fixed plan investment costs is estimated to be 22,027,12 million Rials and the working capital is estimated to be 2.656,10 million Rials.

Description	Total (million rials)	percentage
Land	1,750	7%
Landscaping	1,031	4%
Building	9,920	40%
Machinery and equipment	2,731	11%
Installations	1,409	6%
Laboratory equipment and supplies	2,000	8%
Vehicles	600	2%
Workshop equipment	91	0%
Service and administrative equipment	546	2%
Unexpected and miscellaneous	1,004	4%
<b>Total fixed assets</b>	<b>21,082,67</b>	<b>85%</b>
Pre-exploitation costs	944,45	4%
<b>Total fixed investment costs</b>	<b>22,027,12</b>	<b>89%</b>
Working capital	2,656,10	11%
Other assets	0	0%
<b>Total plan investment costs</b>	<b>24,683,23</b>	<b>100%</b>

## The plan production costs

The annual production costs are estimated to be 47900,61 million Rials.

No	Description	Cost (million rials)	cost in practical capacity (million rials)
1	Raw, auxiliary and packing materials	32,685	29,417
2	Production salary and wage	8,856	8,590
3	Water, electricity, fuel and communication	362	333
4	Insurance	36	36

No	Description	Cost (million rials)	cost in practical capacity (million rials)
5	Repair and maintenance	853	785
6	Marketing and ads	1,300	1,196
7	Production unpredicted and miscellaneous	2,140	1,968
8	Depreciation	1,669	1,669
<b>Total</b>		<b>47900,61</b>	<b>43994,09</b>

## Economic indices

**Table 1. Economic indices**

Description	Value-measurement scale
NPV (net present value)	30646,04 million rials
IRR(internal rate of return)	44.75%
PBP (period of return of capital)	2,04 years

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