

PROJECT PROFILE – SUMMARY SHEET

<i>Project Introduction</i>
1. Project title: Production of food supplement for poultry
2. Sector :From food products and a variety of drinks (15) Construction of animal ready food (1533)
3. Products/Services: Production of food supplement for poultry
4. Location: Free zone <input type="checkbox"/> Economic special zone <input type="checkbox"/> Industrial Estate <input checked="" type="checkbox"/> Main Land <input type="checkbox"/>
5. Project description: The main goal of carrying out the plan of establishing production unit for producing food supplement for poultry is meeting some needs of coop hens, preventing existence of foreign currency and employment in Lorestan province.
6. Annual capacity: 12000 tons.

<i>Project Status</i>	
7. Local / internal raw material access inside of country or province: 100% of the materials are supplied in the country .	
8. Sale: Anticipated internal market: 100% Anticipated export market: ...%	
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	Required Local Currency			Required Foreign Currency (Thousand Dollar)	Total in Thousand Dollar
	Million Rials	Rate	Equivalent in Thousand Dollar		
Fix Capital	37,778	87000 Rials for each Dollar	434	107	541
Working Capital	65,283		750	0	750
Total Investment	103,061		1184	107	1291

- Value of local equipment/machinery: thousand dollars
- Value of foreign equipment/machinery: 102 thousand dollars
- Value of foreign technology:thousand dollars
- Value of local technology:Million dollars
- Net Present Value (NPV): 64252,86 Million Rials for 10 Years, discount rate: 20%
- Internal Rate of Return (IRR): 36,40%
- Payback Period (PP): 33,33%

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

Please attach follow documents if available

- Pre-feasibility study
- Feasibility study
- Legal permissions (establishment license, foreign currency quota, environment, etc)

Plan name: Production of food supplement for poultry

Product introduction

The aim of carrying out this plan is establishment of this factory of production of food supplement for poultry in Lorestan province.

Product ISIC Code 1533512320(and 8-digit ISIC Code 15331112) is from construction group of food products and a variety of drinks (15) and subgroups of construction of animal ready food (1533), a variety of food supplement for livestock ,poultry and aquatics (1533312333).

Food Supplement for poultry under the subchapter 2309 of Iran customs with the title of additives of ready food for livestock and poultry is imported and exported with sub tariff 23099030.

Its entry requirements are having permission of Ministry of commerce and Ministry of Industry, Mine and Trade, paying 5 percent of entrance fees (tariff) in 2018 (customs 4% and business profit 1%). In Ministry of commerce point of view, there is no limitation and condition for exporting any production goods of this plan.

Introduction of product applications

The main application and consumption place of this product as livestock and poultry in aviculture and animal husbandry and required protein supply of society.

Production of food supplement based on grains such as wheat,barely, corn and adding other protein substances causes enrichment of livestock and poultry food which forms the important part of required protein supply.

Required energy, mineral, protein and vitemins supply, better food, higher digestibility, increased dry matter intake, growth improvement, maintaining livestock and poultry health, improvement of daily weight gain, producing high quality livestock and poultry and more profitability for ranchers are other applications of these supplements.

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 and packing materials

The main raw consuming material in this plan is corn. Other raw materials which are applied in final mixture to produce food supplement for poultry include twin multi-vitamin, lysine, methionine, Vitamin A, B, C, D, K, E and salt, oil, clam, antifungal and di phosphate calcium.

Required raw materials along with their prices are as follows. Complete introduction of raw materials is presented in next section in more details.

Raw ,auxiliary and packing materials

No	Raw , auxiliary and packing materials	Unit	Consumption rate per year	Spoilage	Sum of raw and consuming materials	Unit price (Rial)	Annual cost (m/r)
1	corn	ton	74,440	148,9	74,589	10,000,000	745,889
2	Vitamin B	ton	12	0	12	100,000,000	1,200
3	Vitamin C	ton	12	0	12	65,000,000	780
4	Vitamin DK	ton	12	0	12	65,000,000	780
5	Vitamin E	ton	24	0	24	65,000,000	1,560
6	Vitamin A	ton	12	0	12	90,000,000	1,080
7	oil	ton	300	6	306	57,000,000	17,442
8	salt	ton	18	0	18	740,000	13
9	clam	ton	120	2,4	122	280,000	34
10	antifungal	ton	12	0	12	12,200,000	146
11	soya	ton	3,720	74,4	3,794	16,600,000	62,987
12	twin multi vitamin	ton	96	1,9	98	100,000,000	9,792
13	phosphate	ton	96	1,9	98	44,000,000	4,308
14	lysine	ton	12	0	12	90,000,000	1,080
15	methionine	ton	18	0	18	150,000,000	2,705
16	di	ton	96	1,9	98	12,200,000	1,195

No	Raw , auxiliary and packing materials	Unit	Consumption rate per year	Spoilage	Sum of raw and consuming materials	Unit price (Rial)	Annual cost (m/r)
	phosphate calsium						
17	propylene bag	number	150,000	3,750	153,750	6,840	1,052
total							852,044

Sales plan and target markets

Sales price just outside of the factory is as follows. Regarding local needs and little share of production of factory from total production of the country, it is supposed that manufactured goods are marketable in the country.

Sales plan

Description	First year	Second year	Third year	Forth year	Fifth year
Production percent	70%	80%	90%	90%	90%
Sales (m.r)	663,600	758,400	853,200	853,200	853,200
Capacity (ton)	8,400	9,600	10,800	10,800	10,800

Annual nominal and practical capacities

Annual production capacity of this unit, based on 300 working days, is planned 12000 tons in a year. About the number of shifts of work , it's necessary to explain that regarding zeolite nanoparticles , 1 shift is required for machinery.

Practical capacity of this plan, regarding the unpredicted factors of stop working and also repair and maintenance, is considered 10800tons in a year with 90% efficiency of nominal capacity.

Production method and desired technology

Production stages of this product is as follows:

1. Grinding raw materials
2. Mixing raw materials
3. Pelleting
4. Cooling down
5. Product inspection
6. Packing

7. Storing

The plan investment costs

The fixed plan investment costs is estimated to be 47,121,34 million Rials and the working capital is estimated to be 65,283,35 million Rials.

The plan investment costs

Description	Required				Total (million rials)	percent age
	currency (euro)	rial equivalent	rial (m.r)	required total(m.r)		
Land	0	0	2,800	2,800	2,800	2%
Landscaping	0	0	1,354	1,354	1,354	1%
Building	0	0	20,000	20,000	20,000	18%
Machinery and equipment	90,800	8,898	0	8,898	8,898	8%
Installations	0	0	2,002	2,002	2,002	2%
Laboratory equipment and supplies	0	0	2,000	2,000	2,000	2%
Vehicles	0	0	500	500	500	0%
Workshop equipment	0	0	91	91	91	0%
Service and administrative equipment	0	0	546	546	546	0%
Unexpected and miscellaneous	0	445	1,465	1,910	1,910	2%
Total fixed assets	90,800	9,343,32	30,757,52	40,100,84	40,100,84	36%
Pre-exploitation costs	0	0	7,020,50	7,020,50	7,020,50	6%
Total fixed investment costs	90,800	9,343,32	37,778,02	47,121,34	47,121,34	42%
Working capital	0	0	65,283,35	65,283,35	65,283,35	58%
Other assets	0	0	0	0	0	0%
Total plan investment costs	90,800	9,343,32	103,061,36	112,404,68	112,404,68	100%

The plan production costs

The annual production costs are estimated to be 900160,56 million Rials.

Table 1. Production costs

No	Description	Cost (million rials)	cost in practical capacity (million rials)
1	Raw, auxiliary and packing materials	852,044	766,840
2	Production salary and wage	6,298	6,109
3	Water, electricity, fuel and communication	633	582
4	Insurance	72	72
5	Repair and maintenance	1,347	1,347
6	Marketing and ads	18,960	17,443
7	Production unpredicted and miscellaneous	17,208	15,831
8	Depreciation	3,599	3,599
Total		900160,56	811715,43

Economic indices

Table 2. Economic indices

Description	Value-measurement scale
NPV (net present value)	64252,86million rials
IRR(internal rate of return)	36,40%
PBP (period of return of capital)	3years

Ministry of Economic Affairs and Finance
Organization for Investment Economic and Technical Assistance of Iran
(OIETAI)

Foreign Investment Center of Lorestan Province

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