

Form 1.

Summary of industrial poultry unit establishment in form of large chicken and egg production farms

1. Introduction to products or services

1.1. The goal of plan

The main goal of this plan is to establish industrial poultry unit in form of large chicken and egg production farms with annual capacity of 200000 ones in Lorestan province. This plan will be exploited from 2018 with 23 personnel in 2 working shifts of 12 hours and 365 day annually. The number of productive livestock would be fixed in exploiting years.

1.2. Characteristics and advantages

In order to nourish fat chickens. 1 day chickens are purchased from the incubation centers and transferred to poultry. Due to quick nourishment of the fat chickens in 42 days from 42g to 2500 g, the nourishing, feeding and sanitary plans are made in nourishment farms such that their traditional nourishment would be different from industrial one. The place of the nourishment farm has to be selected in such a manner that there is lower density of the poultries and it has to be in contact with incubation centers, slaughterhouse, waste processing centers and even agricultural and particularly the greenhouses which use the animals wastes and excreted which can be infectious. Laying egg chickens has to be maintained in suitable place in term of air conditioning, temperature, availability of food and water, sanitation and so forth and face with lowest challenges in order to increase the production.

1.3. Custom fees

Table1. Blood meal, meat and bone custom fees and tariffs

Description	Tariff code	Fees	Value added tax
Complete meat in form of parts, fresh or frozen	02071100	10	9
Non-cut in form of parts, frozen	02071200	10	9
Fresh or frozen parts	02071300	40	9
Paste	02071410	55	9
Others	02071490	55	9
Complete meat in form of parts, fresh or frozen	02072400	40	9
Non-cut in form of parts, frozen	02072500	40	9
Fresh or frozen parts	02072600	55	9
Paste	02072710	55	9
Others	02072790	55	9
Complete meat in form of parts, fresh or frozen	02074100	40	9
Non-cut in form of parts, frozen	02074200	40	9
Fatty liver, fresh or cooled	02074300	40	9
Other, fresh and cooled	02074400	40	9
Other, frozen	02074500	40	9

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Complete meat in form of parts, fresh or frozen	02075100	40	9
Non-cut in form of parts, frozen	02075200	40	9
Fatty liver, fresh or cooled	02075300	40	9
Other, fresh and cooled	02075400	40	9
Other, frozen	02075500	40	9
From Guinean birds	02076000	40	9
Edible egg	04072010	32	9
Other	04072090	32	9
Egg of other birds	04072900	32	9
Other eggs	04079000	32	9
Yolk powder	04081100	15	9
Other yolk powders	04081900	32	9
Other powders	04089100	15	9
Other	04089900	20	9

1.4. ISIC code

The plant considered is for establishing fat and laying chicken poultry. The ISIC code related to this product is 122 in the department of industry, mine and commerce systems in subgroup of agricultural, hunting and service activities and its measurement scale is Number.

Table3. Product ISIC code

No.	ISIC code	Description	Scale
1	0122412316	Animal nourishing (poultry)	Number

1.5. Introduction to products application

Chicken meat and egg are among the body proteins suppliers. The main feature of the egg is its distinguishing point to the other foods. The protein compounds in egg are choline and xanthine and low energy production.

2. Suggested sites

Based on surveys, the cities such as Azna and Khoramabad are suitable sited for establishing this unit.

3. Raw, auxiliary materials and consumables

Raw materials are fat chicken, 3-month chicken, grain (food) and medicine and vaccines.

4. sales plan and the target market (local and foreign)

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The target market at first is to supply locally in sections and then for additional production, the export would be done to Iraq and eastern neighbor countries.

Table4. Products production plan

Description	Scale	1 st	2 nd	3 rd	4 th
Alive chicken	Kg	275730	275730	275730	275730
Chicken fertilizer	Kg	237128	237128	237128	237128
Complete egg	Kg	1357766	1221989	1221989	1493542
Broken egg	Kg	46820	42138	42.138	51501
Rejected chicken	Kg	2768	2491	2491	3044
Old chicken	Kg	0			155105
Fertilizer	Kg	1584734	1426260	1426260	1743207

Table4. Sales plan

Description	Price (Rial/Kg)	1 st	2 nd	3 rd	4 th
Alive chicken	45000	12408	12408	12408	12408
Chicken fertilizer	3000	711	711	711	711
Complete egg	39205	53231	47908	47908	58554
Broken egg	28000	1311	1180	1180	1442
Rejected chicken	35000	97	87	87	107
Old chicken	35000	0	5.429	5.429	5.429
Fertilizer	3000	4754	4279	4279	5230
Total		72512	72002	72002	83880

5. Annual nominal and practical capacity

Nominal capacity

The Nominal capacity is the production in ideal situation. This capacity is registered by the machineries manufacturers and is based on the engineering and designing principles.

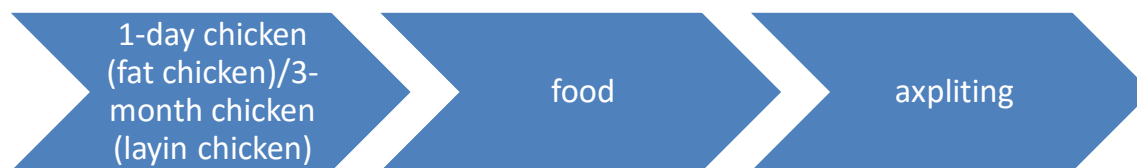
5.2. Practical capacity

The practical capacity is the maximum available capacity in typical situation which is considered as a percentage of the nominal one. The practical capacity of fat chicken unit is 100000 chickens and 100000 laying chicken considering the chickens in 3-month in order to produce egg, meat, old chicken at the end of the period.

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6. Production procedure and technology



7. Investment costs

7.1. Fixed investment

Table5. Investment costs

No.	Description	Costs			
		Dollar	Rial	Rial	Total
1	Land	0	0	6000	6000
2	Landscaping	0	0	3805	3805
3	Building construction	0	0	25950	25950
4	Machineries and equipment	0	0	24016	24016
5	Branches and installation	0	0	5175	5175
6	Vehicles	0	0	638	638
7	Service and official equipment	0	0	150	150
8	Other and unpredicted costs (5% of above costs)	0	0	3287	3287
9	Pre-exploiting costs	0	0	330	330
10	Total fixed investment costs	0	0	69351	69351
11	Working capital in 100% of capacity	0	0	15028	15028
12	Total investment costs	0	0	84379	84379

7.2. Working capital

Table7. Working capital

No.	Description	Day	1 st year	Base year
1	Raw and auxiliary materials	30	8904	8904
2	Current and produced products inventory	30	1312	1312
3	Debts	30	3943	3943
4	Cash	30	869	869
Total			15028	15028

8. Production costs

Table6. Production costs

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Description	Total costs (m.Rial)
Raw and packing material	43079
Energy	1271
Repair, maintenance and spare parts	2327
Personnel's salary	4804
Unpredicted (6%)	3089
Depreciation	5451
Insurance	112
Sales and official costs	96
Total operational and non-operational production costs	60229

9. Economic indices

Description	Amount-measurement scale
NPV	447915 m Rial
IRR	24.55%
PBP	5.44 years equal to 2021

PROJECT PROFILE – SUMMARY SHEET

Project Introduction

1. Project title: establishment of industrial poultry unit establishment in form of large chicken and egg production farms

2. Sector: agriculture, hunting and service activities

Sub sector: animal nourishing

3. Products/Services: producing fat chicken and egg

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

5. Project description:

This plan is aimed to establish poultry with capacity of 100000 chicken which purchases the 1-day fat chickens and egg-laying chickens in age of 3-month and are considered in this plan until 18 month of age.

In order to nourish fat chickens. 1 day chickens are purchased from the incubation centers and transferred to poultry. Due to quick nourishment of the fat chickens in 42 days from 42g to 2500 g, the nourishing, feeding and sanitary plans are made in nourishment farms such that their traditional nourishment would be different from industrial one.

Laying egg chickens has to be maintained in suitable place in term of air conditioning, temperature, availability of food and water, sanitation and so forth and face with lowest challenges in order to increase the production.

6. Annual capacity: 200000

Project Status

7. Local / internal raw material access 100 %

8. Sale: 80% locally

- Anticipated export market 20 %

9. Construction Period 16 months

Beginning of activity: 03/2016

In-site beginning of activity: 03/2016

End of project: 02/2017

Commercial activity beginning: 03/2017

10. Project Status:

- Feasibility study available? Yes No
- Required land provided? Yes No
- Legal permissions (establishment license, foreign currency quota, 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, equipments and know- how concluded? Yes No

1 Financial Structure**11. Financial Table**

Description	Local Currency Required			Foreign Currency Required Million Dollar	Total Million Dollar
	Million Rials	Rate	Equivalent in Million Dollar		
Fix Capital	69351	34530	2.01	0	2.01
Working Capital	15028	34530	0.44	0	0.44
Total Investment	84379	69060	2.44	0	2.44

- Value of foreign equipment/machinery 5 million dollar
- Value of local equipment/machinery 2.01million dollar
- Value of foreign technical know- how 0 million dollar
- Value of local technical knows- how 0 million dollar
- Net Present Value (NPV): 4479.15.8 million Rial for 12 Year
- Internal Rate of Return (IRR) 24.55%
- Payback Period (PP) 5.44 Year (2021)

General Information

12. Project Type : Establishment Expansion and completion

13. Company Profile:

- Name (legal /natural persons): Sepinud Shargh institute of strategic studies
- Company Name: engineering consultation
- Address: unit 5, No. 3, Boostan 3 St., Pasdaran, Tehran
- Tel: 02122584901 Fax: 02122580343
- E-mail: info@sepinud.com Web site: www.sepinud.com
- Local entrepreneur : 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) □

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