

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

1



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	40,193	87000 Rials for each Dollar	462	0	462
Working Capital	2,661		31	0	31
Total Investment	42,854		493	0	493

- Value of local equipment/machinery: **149** 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): **29,990** Million Rials for 10 Years, discount rate: 20%
- Internal Rate of Return (IRR): **34,02%**
- 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:

2

-Tel:	Fax:
-E-mail:	Web site:
-Legal structure of company: private sector <input type="checkbox"/> public sector <input type="checkbox"/> other <input type="checkbox"/>	

Plan name: Manufacturing of park light bulbs

Product introduction

The aim of carrying out this plan is establishment of production unit for producing park light bulbs in Lorestan province with capacity of 1000 tons in a year.

Product ISIC Code is 3150412334 (and 8-digit code 31501613) from construction group of machinery and non-categorized electrical group in somewhere else (31) and subgroups of construction of electrical lights and light equipment (3150), a variety of electrical lights (3150312332).

Green space and parks lights under subchapters of tariff 9405, Iran's customs with title of light and light devices, also spotlights and their pieces and parts, that are not mentioned in somewhere else or not contained in other numbers, promotional lights, luminous symptoms, helping lighting boards and the same objects having one light source which was installed permanently, their pieces and parts that are not mentioned in somewhere else or not contained in other numbers, are imported and exported with sub tariff 94054090.

Its entry requirements are having permission of Ministry of commerce and Ministry of Industry, Mine and Trade, paying 40percent of entrance fees (tariff) in 2018 (customs 4% and business profit 36%).

Introduction of product applications

Bulb is formed part of the light that lights are used to instal in green space of parks, to decorate the green space, to lighten bridgess and streets, fountains and front space of hotels and salons, restaurants and business centers, and river beaches.

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

Required raw materials of production unit include silica, potassium carbonate, sodium carbonate, borax, antimony trioxide, feldspar, calcium carbonate, barite, potassium nitrate and cartons are necessary for packing.

Raw ,auxiliary,Consuming 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	silica	ton	560	56	616	3,190,000	1,965,04
2	potassium carbonate	ton	45	5	50	240,000,000	11,880,000
3	sodium carbonate	ton	220	22	242	30,000,000	7,260,000
4	borax	ton	50	5	55	72,200,000	3,971,000
5	antimony trioxide	ton	10	1	11	262,200,000	2,884,20
6	feldspar	ton	40	4	44	2,500,000	110,00
7	calcium carbonate	ton	40	4	44	10,000,000	440,00
8	barite	ton	10	1	11	2,280,000	25,08
9	potassium nitrate	ton	25	3	28	72,200,000	1,985,50
10	carton	number	335,000	6,700	341,700	7,600	2,596,92
Total							33,118

Sales plan and target markets

Sales plan in the first 5 years is as follows:

Sales plan in the first 5 years

Description	First year	Second year	Third year	Forth year	Fifth year
Production percent	60%	70%	80%	90%	90%
25cm diameter-park light bulb (capacity/number)	96,000	112,000	128,000	144,000	144,000
30cm diameter-park light bulb (capacity/number)	60,000	70,000	80,000	90,000	90,000
40cm diameter-park light bulb (capacity/number)	45,000	52,500	60,000	67,500	67,500
25cm diameter-park light bulb (sales/m.r)	14,400	16,800	19,200	21,600	21,600
30cm diameter-	12,600	14,700	16,800	18,900	18,900

Description	First year	Second year	Third year	Forth year	Fifth year
Production percent	60%	70%	80%	90%	90%
park light bulb (sales/m.r)					
40cm diameter-park light bulb (sales/m.r)	17,100	19,950	22,800	25,650	25,650
Total (capacity /number)	201,000	234,500	268,000	301,500	301,500
Total (sales /m.r)	44,100	51,450	58,800	66,150	66,150

Annual nominal and practical capacities

Annual production capacity of this unit, based on 300 working days, is 1000tons of park light bulbs (335000 light bulbs) made of crystal in year. Nominal capacity of this unit is characterized based on capacity of machinery, throat points in production unit, providing raw materials and initial prediction of market attraction (prediction of required demand of market for product).

Practical capacity of this plan, regarding the unpredicted factors of stop working and also repair and maintenance, is considered 900 tons with 90% efficiency of nominal capacity.

Production method and desired technology

Working steps in this method are:

1. Preparing raw materials
2. Scaling and mixing
3. Feeding furnace and melting
4. Melt removal step
5. Forming
6. Reducing tension
7. Packing

The plan investment costs

The fixed plan investment costs is estimated to be 40,192,84 million Rials and the working capital is estimated to be 2.661,51 million Rials.

The plan investment costs

Description	Required				Total (million rials)	%
	currency (dollar)	rial equivalen t	rial (m.r)	require d total		
Land	0	0	1,680	1,680	1,680	4%
Landscaping	0	0	866	866	866	2%
Building	0	0	12,986	12,986	12,986	30%
Machinery and equipment	0	0	12,962	12,962	12,962	30%
Installations	0	0	1,961	1,961	1,961	5%
Laboratory equipment and supplies	0	0	526	526	526	1%
Vehicles	0	0	5,125	5,125	5,125	12%
Workshop equipment	0	0	91	91	91	0%
Service and administrative equipment	0	0	911	911	911	2%
Unexpected and miscellaneous	0	0	1,855	1,855	1,855	4%
Total fixed assets	0	0	38,962,69	38,962,69	38,962,69	91%
Pre-exploitation costs	0	0	1,230,15	1,230,15	1,230,15	3%
Total fixed investment costs	0	0	40,192,84	40,192,84	40,192,84	94%
Working capital	0	0	2,661,51	2,661,51	2,661,51	6%
Other assets	0	0	0	0	0	0%
Total plan investment costs	0	0	42,854,35	42,854,35	42,854,35	100%

The plan production costs

The annual production costs are estimated to be 51000,59 million Rials.

The plan production costs

No	Description	Cost (million rials)	cost in practical capacity (million rials)
1	Raw, auxiliary and packing materials	33,118	29,806
2	Production salary and wage	8,594	8,336
3	Water, electricity, fuel and communication	814	749
4	Insurance	62	62
5	Repair and maintenance	2,169	2,169
6	Marketing and ads	1,470	1,352

No	Description	Cost (million rials)	cost in practical capacity (million rials)
7	Production unpredicted and miscellaneous	895	824
8	Depreciation	3,878	3,878
Total		51000,59	47003,09

Economic indices

Economic indices

Description	Value-measurement scale
NPV (net present value)	29,990 million rials
IRR(internal rate of return)	34,02%
PBP (period of return of capital)	3 years

Ministry of Economic Affairs and Finance
Organization for Investment Economic and Technical Assistance of Iran
(OIETAI)
Foreign Investment Center of Lorestan Province
Tel (Tehran): (021) 33967749-33967766-33967762-39902485-39902488-39902486
Tel (Khoramabad): (066) 33229577
Fax: 33967774
Website: www.investiniran.ir
eco_isc@yahoo.com