

Form1.

Summary of Food industry complex plan

1. Introduction to products or services

1.1. The goal of plan

The main goal of this plan is to establish food industry complex including compote, jam, marmalade, dried vegetable and fruits, concentrate and fruit puree, frozen fruits and vegetables and fruits packing in Lorestan province. This plan will be exploited from 2019 with 88 personnel and 70% of its practical capacity in 1 working shift of 8 hours and 300 day annually and will reach its 100% of the practical capacity by 2022.

1.2. Characteristics and advantages

Agricultural converting industries refer to areas by which one can convert the garden and agricultural crops using chemical and physical procedures and make their durability extended and their supply and demand more suitable and overall, via this procedure, the crops' economic value will enhance. In other words, the industries by which the livestock and agricultural crops and products are changed to semi-cured and ready-to-consume ones are called converting industries. Complementary-converting industry is one of the main branched of the agriculture field. Although the import of these crops and products, limitations of the agricultural crops harvest period and lack of sufficient quick and correct transportation equipment for these products to the consumers caused loss of the local farmers investments and increase of the rate of these products importation, demand on these products in all seasons, the importance of a procedure for long-term preservation and durability for these crops and products would be doubled. Food industries can meet these challenges by changing the raw materials. The goal of these industries is based on above points; i.e. processing foods in such a manner it can be highly durable, non-spoilable and making use of these products in all seasons. This processing can be producing compote, jam, marmalade, dried fruits and vegetables, concentrate and fruit puree, frozen vegetable and fruits and sorting and packing depending on the type of the food in order to take a step in line with development of the food industries in Iran and providing the skillful forces with employment opportunities.

1.3. Custom fees

Table1. Custom fees and tariffs

	Description	Tariff code	Fees
Fruit concentrate	Other concentrated juices except (banana, mango, gouda, passion fruit, lychee concentrates)	20098990	55
Compote	Pineapple/cedars/pear/ apricot/ cherry/peach and nectarine/ others	20085000/20084000/20083000/ 20082000/20087000/20086000/200899/20088000	40/40/40/ 20/40/40/ 40/40
Dried fruit	Dried apricot/plum/ apple/ other dried fruits mixed with hard-skinned fruits or mix of dried fruits	08132000/ 08131000/ 08135000/ 08134000/ 08133000	55/ 55/ 55/ 55/ 55
Dried vegetable	Dried onion/ Agaricus mushroom/ veined black transparent mushroom (Agaricus)/golden or orange gelatin mushroom (Tremella)/ other/ garlic/ other dried vegetables	071231000/07122000/ 07129010/ 07123900/ 07123300/ 07123200/ 07129090	55/ 55/ 20/ 55/ 55/ 40/ 55
Jam and marmalade	Jam, jelly, marmalade, puree ad paste of fruit of non-homogenized cedars/ other	20079100/ 200799900	55/ 55
Frozen	Potato/ peas/ beans/ other spinach, New Zealand spinach	07102900/ 07102200/ 07102100/ 07101000/	75/ 15/ 75/

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vegetable	(Tetragon) and Arroche spinach/sweet corn/ other vegetables	07109000/ 07104000/ 07103000	75/ 75/ 75/ 75
Frozen fruits	Strawberry/ raspberry, blackberry, raspberry without pit and black grapes (red and white)/other	08119000/ 08112000/ 08111000	75/75/75

1.4. ISIC code

The plant considered is for producing grapes concentrates, pomegranate concentrate, apple concentrate, type of fruit and vegetable puree, compote, jam, marmalade, Jelly, dried fruit and vegetable and summer crops, frozen fruits and vegetable and summer crops (processed and non-processed).

Table2. Product ISIC code

No.	ISIC code	Description	Scale
1	1549412482	grapes concentrates	Ton
2	1549412483	pomegranate concentrate	Ton
3	1549412481	apple concentrate	Ton
4	1513412405	type of fruit and vegetable puree	Ton
5	1513312301	compote	Ton
6	1513312310	Jam, marmalade and jelly	Ton
7	1513412311	Jams	Ton
8	1513412336	marmalade	Ton
9	1513412363	dried fruit	Ton
10	1513412382	dried vegetable and summer crops	Ton
11	1513412349	frozen fruits	Ton
12	1513412352	Frozen vegetable and summer crops (processed and non-processed)	Ton

1.5. Introduction to products application

The fruit concentrate is used in juice, fruit gummy candies, fruit ice cream and cakes and the fruit puree is used in fruit juices, as drink, child diet and in direct way. The sliced dried fruits, in form of grain or dried grains are in nuts class and used as the junk foods. Frozen fruits are used as the fresh fruit and deserts when the fresh fruit is not available. Dried and frozen vegetables such as fresh vegetables have dietary applications. Jam and compote are a type of long-term fruit preservation method and are eaten by people.

2. Suggested sites

Based on surveys, the cities such as Pol Dokhtar, Dorud and Delphan are suitable sited for establishing this unit.

3. Raw, auxiliary materials and consumables

Raw materials are fruit, vegetable, sugar, extract, enzyme and packing tools.

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4. Sales plan and target market (local and foreign)

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

Year	2019	2020	2021	2022	2023
Production capacity	70%	80%	90%	100%	100%
Production level (ton)					
Fruit concentrate	2100	2400	2700	3000	3000
Fruit puree	1400	1600	1800	2000	2000
Fruit chips	35	40	45	50	50
Dried vegetable	70	80	90	100	100
Jam and marmalade	700	800	900	1000	1000
Compote	1400	1600	1800	2000	2000
Fruit packing	1400	1600	1800	2000	2000
Frozen fruit	280	320	360	400	400
Frozen vegetable	1400	1600	1800	2000	2000
Sales level (m.Rial0					
Fruit concentrate	147000	168000	189000	2100000	210000
Fruit puree	42000	48000	540000	60000	60000
Fruit chips	14000	16000	18000	20000	20000
Dried vegetable	14000	16000	18000	20000	20000
Jam and marmalade	70000	80000	90000	100000	100000
Compote	168000	192000	216000	240000	240000
Fruit packing	42000	48000	54000	60000	60000
Frozen fruit	28000	32000	36000	40000	40000
Frozen vegetable	120000	120000	108000	96000	84000
Total annual income	870000	870000	783000	696000	609000

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

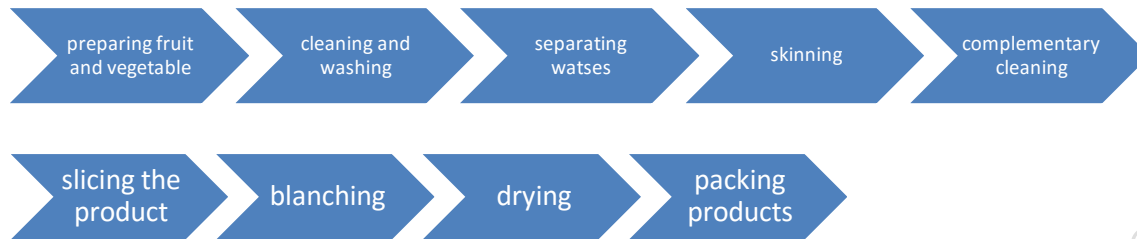
The practical capacity is the maximum available capacity in typical situation which is considered as a percentage of the nominal one. Considering that the machineries are not capable of 100% of the production, considering the time for repair, maintain and failure and etc. the efficiency of machineries is 80%. The practical capacity for tomato, cucumber and mushroom production is 293 ton and for rose flower is 500000 ton annually in 365 days.

6. Production procedure and technology

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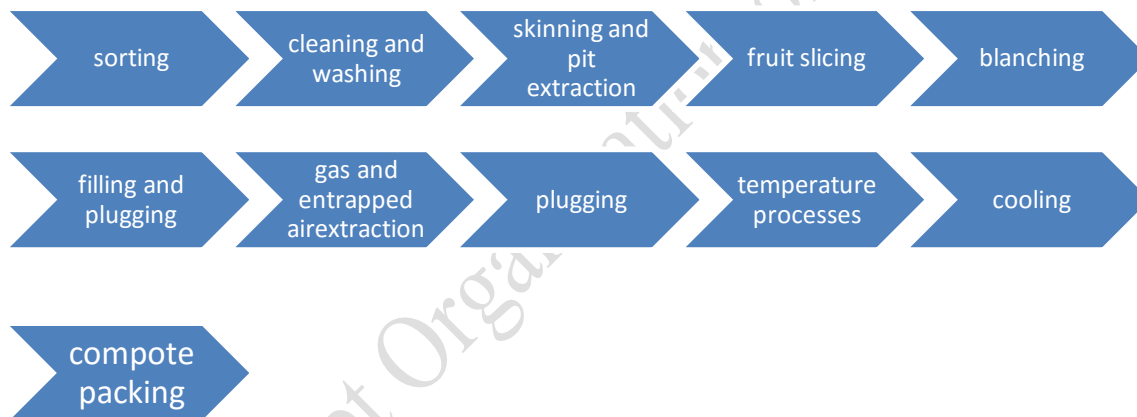
Dried fruit and vegetable production process



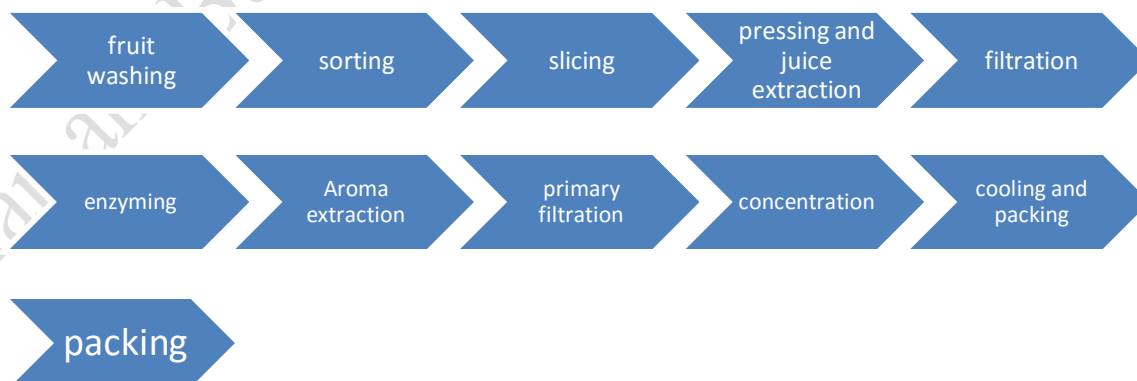
Jam production process



Compote production process



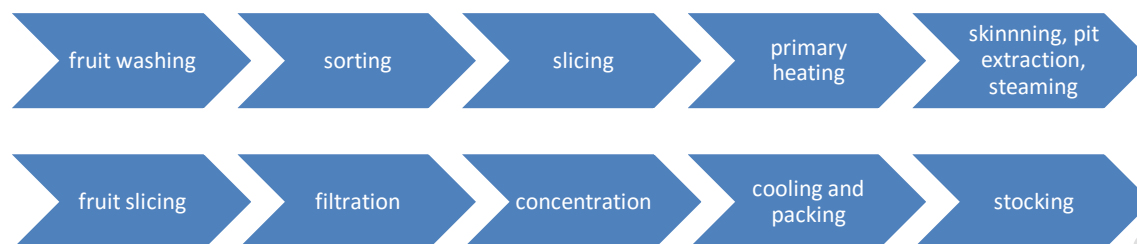
Fruit concentrate production process



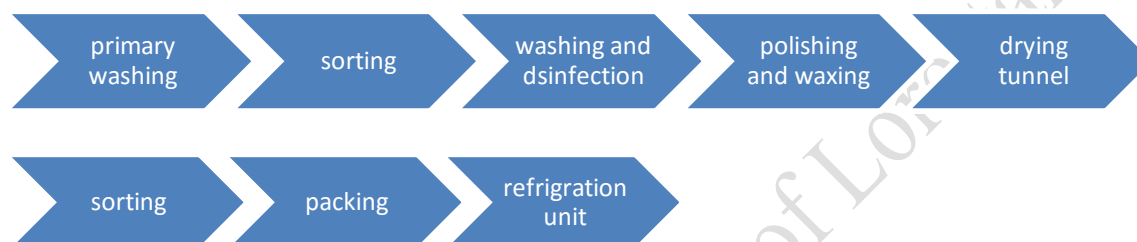
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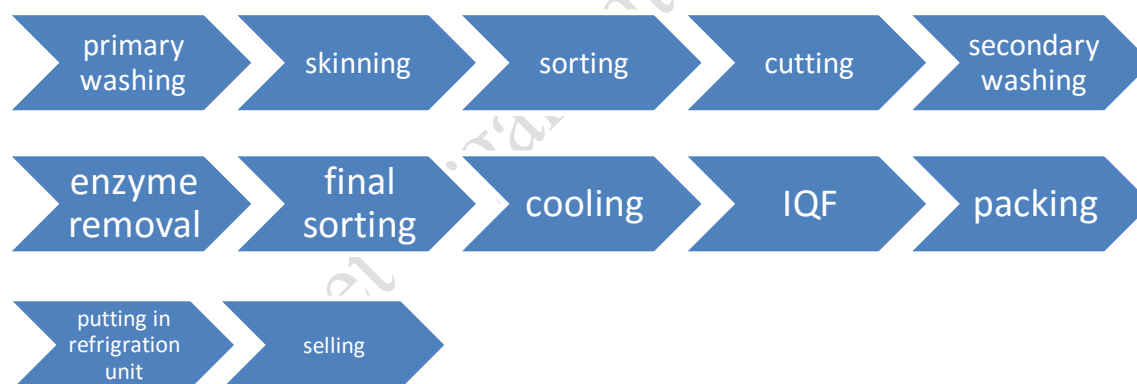
Fruit puree production process



Fruit sorting and packing process



Frozen fruit and vegetable production process



7. Investment costs

7.1. Fixed investment

Table4. Investment costs

No.	Description	Costs			
		Dollar	Rial	Rial	Total
1	Land	0	0	7000	
2	Landscaping	0	0	4293	
3	Building construction	0	0	68445	

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4	Machineries and equipment	400000 Dollar 4000000Euro	170612	59973	230585
5	Branches and installation	0	0	10069	10069
6	Vehicles	0	0	4648	4648
7	Service and official equipment	0	0	500	500
8	Other and unpredicted costs (5% of above costs)	0	0	16277	16277
9	Pre-exploiting costs	0	0	2200	2200
10	Total fixed investment costs	4400000	170612	173404	344016
11	Working capital in 100% of capacity	0	0	239523	239523
12	Total investment costs	4400000	170612	412927	583539

7.2. Working capital

Table5. Working capital

No.	Description	Day	1 st year	Base year
1	Raw and auxiliary materials	90	93008	132869
2	Current and produced products inventory	30	35994	50810
3	Debts	30	35994	50810
4	Cash	30	3862	5034
Total			168858	239523

8. Production costs

Table6. Production costs

Description	Total costs (m.Rial)
Raw and packing material	531778
Energy	4534
Repair, maintenance and spare parts	13298
Personnel's salary	17099
Unpredicted (6%)	34002
Depreciation	31940
Insurance	628
Sales and official costs	8700
Total operational and non-operational production costs	641978

9. Economic indices

Description	Amount-measurement scale
NPV	160734 m Rial
IRR	3109%
PBP	5.59 years equal to 2022

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Plan and Budget Organization of Lorestan province

PROJECT PROFILE – SUMMARY SHEET

Project Introduction

1. Project title: food industry complex establishment
2. Sector: foods and drinks Sub sector: producing other foods not mentioned elsewhere
3. Products/Services: producing compote, marmalade, jam, dried fruit and vegetable, fruit concentrate and puree, frozen fruits and vegetable, sorting and packing
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: Agricultural converting industries refer to areas by which one can convert the garden and agricultural crops using chemical and physical procedures and make their durability extended and their supply and demand more suitable and overall, via this procedure, the crops' economic value will enhance. In other words, the industries by which the livestock and agricultural crops and products are changed to semi-cured and ready-to-consume ones are called converting industries. Complementary-converting industry is one of the main branched of the agriculture field. The goal of these industries is based on above points; i.e. processing foods in such a manner it can be highly durable, non-spoilable and making use of these products in all seasons. This processing can be producing compote, jam, marmalade, dried fruits and vegetables, concentrate and fruit puree, frozen vegetable and fruits and sorting and in Lorestan province.
6. Annual capacity: milk: fruit: 3000 t, fruit puree: 2000 t, fruit chips: 50 t, dried vegetable: 100 t, jam and marmalade: 1000 t, compote: 2000 t, fruit packing: 200 t, frozen fruit: 400 t, frozen vegetable: 2000 t

Project Status

7. Local / internal raw material access 100 %
8. Sale: 100% locally - Anticipated export market 0 %
9. Construction Period 24 month Beginning of activity: 10/2019 In-site beginning of activity: 10/2019 End of project: 02/2022 Commercial activity beginning: 03/2022

Project Status

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

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	173404	34530	5.02	4.94	9.96
Working Capital	239523	34530	6.94	0	6.94
Total Investment	412927	34530	11.96	4.94	16.90

- Value of foreign equipment/machinery 4.94 million dollar
- Value of local equipment/machinery 1.74 million dollar
- Value of foreign technical know- how 0 million dollar
- Value of local technical knows- how 0 million dollar
- Net Present Value (NPV): 160734 Million Rial for Year
- Internal Rate of Return (IRR) 31.09%
- Payback Period (PP) 5.59 Year (2022)

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)

Ministry of Economic Affairs and Finance
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