Form1.
Summary of chemical medicine raw material production factory plan

1. Introduction to products or services

1.1. The goal of plan

The main goal of this plan is to establish medicine raw material production (effective material) with capacity of 300 ton annually in Lorestan province. This plan will be exploited from 2018 with 40 personnel and 70% of its practical capacity in 1 working shift of 12 hours and 300 day annually and will reach its 100% of the practical capacity by 2021.

1.2. Characteristics and advantages

The main chemicals with medical influences are called effective materials. Due to different physical characteristics and what is the medicine's type (tablet, capsule or syrup) there are other matters with effective one which are called lateral matters. Medicine is consisted of 2 parts: active or effective matter, 2. Carrying or lateral matter. In medicine production, the quality and quantity of raw and lateral matters are important/ based on high diversity of human consumed medicine. Their effective matters are also diverse. Producing these matters based on their chemical and physical features as well as the medical form used can be done in different procedures and by different devices. For this reason, factories are divided into smaller sections and each section is responsible for a product. Iran produces about 350 medical raw matters which are supplying more than 40% of the pharmaceutical factories demands locally and it exports to Canada, India, Afghanistan and Iraq. At present, 50 factories are active in Iran and all these were constructed after Islamic Revolution.

1.3. Custom fees

Table1. Custom fees and tariffs

No.	Description	Tariff code	Fees	VAT
1	Medicines consisting of mixed matters or non-mixed ones for therapeutic applications or prevention from diseases supplied in certain doses and packs in retails	3003	32	9
2	Medicines consisting of mixed matters or non-mixed ones for therapeutic applications or prevention from diseases supplied in certain form such as dermal absorbing medicines	3004	20	9

1.4. ISIC code

The plant considered is for producing effective medicines chemicals The ISIC code related to this product is 242 in the department of industry, mine and commerce systems in subgroup pharmaceuticals, chemicals used in pharmacology and botanic products.

Table2. Product ISIC code

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ISIC code	Description	Scale
2423313540	Producing effective chemicals	Kg

1.5. Introduction to products application

As mentioned earlier, the effective matters in medicines are the main matter for their production. Therefore, their applications are in pharmacological firs for medicine production. Of course, based on this report, medicines are in different forms supplied; but in term of usage of effective matter, it can be states that all these medicines have these matters in different levels.

2. Suggested sites

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

3. Raw, auxiliary materials and consumables

The raw materials include Az Amin, Aston, soda, polymer barrel

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.

Table3. Products production and sales plan

Year	2018	2019	2020	2021
Production capacity	70%	80%	90%	100%
Production level				
Azithromycin effective matter	14000	160000	180000	200000
Sales level				
Sales (m.Rial)	980000	1120000	1260000	1400000

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 is 200 ton annually in 300 days.

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6. Production procedure and technology

7. Investment costs

7.1. Fixed investment

Table4. Investment costs

No.	Description	Costs			
		Dollar	Rial	Rial	Total
1	Land	0	0	1500	1500
2	Landscaping	0	0	1380	1380
3	Building construction	0	0	10835	10835
4	Machineries and equipment	0	0	12715	12715
5	Branches and installation	0	0	2971	2971
6	Vehicles	0	0	330	330
7	Service and official equipment	0	0	255	255
8	Other and unpredicted costs (5% of above costs)	0	0	1499	1499
9	Pre-exploiting costs	0	0	6600	6600
10	Total fixed investment costs	0	0	38085	38085
11	Working capital in 100% of capacity	0	0	274017	274017
12	Total investment costs	0	0	312101	312101

7.2. Working capital

Table5. Working capital

No.	Description	Day	1st year	Base year
1	Raw and auxiliary materials	30	71316	101881
2	Current and produced products inventory	15	38104	54347
5	Debts	30	77025	109860
4	Cash	30	5672	7930
Total			192118	274017

8. Production costs

Table6. Production costs

Description	Total costs (m.Rial)
Raw and packing material	122568
Energy	590

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Repair, maintenance and spare parts	1199
Personnel's salary	6079
Unpredicted (6%)	73626
Depreciation	2685
Insurance	54
Sales and official costs	14000
Total operational and non-operational production costs	1321000

9. Economic indices

Description	Amount-measurement scale
NPV	27920297 m Rial
IRR	27.63%
PBP	6.69 years equal to 2022

Islamic Republic of Iran
Ministry of Economic Affairs and Finance
Organization for Investment
Economic and technical Assistance of Iran

OJECT PROFILE – SUMMARY SHEET

Project Introduction

1. Project title: establishment of the chemical medicines raw material producing factory

2. Sector : chemicals production Sub sector: medical products, chemicals used in pharmacy and botanic products

3. Products/Services: effective factor in Azithromycin

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

5. Project description:
The main chemicals with medical influences are called effective materials. Due to different physical characteristics and what is the medicine's type (tablet, capsule or syrup) there are other matters with effective one which are called lateral matters. Medicine is consisted of 2 parts: active or effective matter, 2. Carrying or lateral matter. In medicine production, the quality and quantity of raw and lateral matters are important/ based on high diversity of human consumed medicine. Their effective matters are also diverse. Producing these matters based on their chemical and physical features as well as the medical form used can be done in different procedures and by different devices. For this reason, factories are divided into smaller sections and each section is responsible for a product.

6. Annual capacity: 200 t

Project Status

7. Local / internal raw material access 100 %

8. Sale: 80% locally
- Anticipated export market 20 %

9. Construction Period 1 Year
Beginning of activity: 03/2016
In-site beginning of activity: 03/2017
End of project: 02/2018
Commercial activity beginning: 03/2018

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 Euro	Total Million Euro
	Million Rials	Rate	Equivalent in Million Euro		
Fix Capital	38,085	34,530	1.1	0	1.1
Working Capital	274,017	34,530	7.9	0	7.9
Total Investment	312,101	34,530	9.0	0	9.0

- Value of foreign equipment/machinery 0 million euro
- Value of local equipment/machinery 0.37 million euro
- Value of foreign technical know- how 0 million euro
- Value of local technical knows- how 0 million euro

- Net Present Value (NPV): 27920297 Euro for …. Year
- Internal Rate of Return (IRR) 27.63%
- Payback Period (PP) 6.69 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: investment 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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