

PROJECT PROFILE – SUMMARY SHEET

Project Introduction

1. Project title: **Polyester fibers**

2. Sector : Textile manufacture(17) and subgroup of production of preparing and spinning of textile fibers knitting of textile(1711), production of chemical substances and products and subgroup of man- made fibers (2430)

3. Products/Services: **Manufacture of Polyester fibers**

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

5. Project description:

The main goal of this plan is establishment of a production unit of polyester fibers.

6. Annual capacity: 3000 tonnd per year.

Project Status

7. Local / internal raw material access inside a country or province: 100% 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	69,691	87000 Rials for each Dollar	801	1650	2451
Working Capital	30,623		352	0	352
Total Investment	243,864		2803	0	2803

- Value of local equipment/machinery: thousand dollars
- Value of foreign equipment/machinery: **1650** thousand dollars
- Value of foreign technology: thousand dollars
- Value of local technology: Million dollars
- Net Present Value (NPV): **161176,17** Million Rials for 10 Years, discount rate: 20%
- Internal Rate of Return (IRR): **34,39%**
- Payback Period (PP): **39,21%**

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

Plan name: Production of Polyester fibers

Product introduction

The aim of carrying out this plan is establishment of production factory of Polyester fibers in Lorestan province. Product ISIC code and its tariff Code are as follows.

No.	ISIC Code	Code Title	Tariff Code
1	17111222	polyester tops	55032000
2	1711612315	polyester tops	
3	24301110	a variety of artificial fibers of polyester	
4	2430412313	polyester staple fibers	

Introduction of product applications

The most amount of production of artificial fibers will be dedicated to polyester fibers by 2020 that cause of this is physical and chemical properties of polyester fibers such as high strength, appropriate dimensional stability, abrasion resistance, resistance to sunlight and uses in laundry such as bleach which strengthens the textiles made from these fibers.

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

No	Raw , auxiliary and packing materials	Unit	Consumption rate per year	Sum of raw and consuming materials	Unit price (Rial)	Annual cost (m/r)
1	pet chips	ton	2,945	2,945	109,000,000	321,005
2	dandrobemer	ton	55	55	55	1,130,000,000
total						383,155

Sales plan and target markets

Description	First year	Second year	Third year	Forth year	Fifth year
Production percent	70%	80%	90%	90%	90%
sales (m,r)	399,000	456,000	513,000	513,000	513,000
capacity(ton)	2100	2400	2700	2,700	2700

Annual nominal and practical capacities

Entry capacity of production unit is 3000tons in three 8-hour shifts in 300 working days in a year . Practical capacity of this plan, regarding the unpredicted factors of stop working and also repair and maintenance, is considered 2700 tons with 90% efficiency of nominal capacity.

Production method and desired technology

A. Single step continuous production (direct method)

Synthetic steps of monomers and carrying out polymerization and finally turning them into fibers by fiber maker, is done permanently and in one stage.

B. Two-step production

In this method after carrying out polymerization, production polymer turned in to chipped particles, then the produced chips are sent to next step which is spinning of fibers.

It should be mentioned that in production technology of factory, the second steps of this method i.e turning polyester chips into whole fibers and ultimately string is used.

The plan investment costs

The fixed plan investment costs is estimated to be 213,241,32 million Rials and the working capital is estimated to be 30,623,07 million Rials.

The plan investment costs

Description	Required				Total (million rials)	%
	curren- y (dollar)	rial equivalen- t	rial (m.r)	required total		
Land	0	0	4,200	4,200	4,200	2%
Landscaping	0	0	1,692	1,692	1,692	1%
Building	0	0	30,490	30,490	30,490	13%
Machinery and equipment	1,650,000	143,550	0	143,550	143,550	59%
Installations	0	0	3,554	3,554	3,554	3%
Laboratory equipment and supplies	0	0	0	0	0	0%

Description	Required				Total (million rials)	%
	currency (dollar)	rial equivalen t	rial (m.r)	required total		
Vehicles	0	0	13,000	13,000	13,000	5%
Workshop equipment	0	0	91	91	91	0%
Service and administrative equipment	0	0	1,086	1,086	1,086	1%
Unexpected and miscellaneous	0	7,178	2,706	9,883	9,883	4%
Total fixed assets	1,650,000, 000	150,727,50	56,817,73	207,545,23	207,545,23	85%
Pre-exploitation costs	0	0	5,696,08	5,696,08	5,696,08	2%
Total fixed investment costs	1,650,000	150,727,50	62,513,82	213,241,32	213,241,32	87%
Working capital	0	0	30,623,07	30,623,07	30,623,07	13%
Other assets	0	0	0	0	0	0%
Total plan investment costs	1,650,000	150,727,50	93,136,88	243,864,38	243,864,38	100 %

The plan production costs

The annual production costs are estimated to be 460238,87 million Riials.

No	Description	Cost (million rials)	cost in practical capacity (million riials)
1	Raw, auxiliary and packing materials	383,155	344,840
2	Production salary and wage	9,873	9,577
3	Water, electricity, fuel and communication	5,692	5,236
4	Insurance	378	378
5	Repair and maintenance	9,459	8,702
6	Marketing and ads	11,400	10,488
7	Production unpredicted and miscellaneous	20,428	18,794
8	Depreciation	19,854	19,854
Total		460238,87	417868,91

Economic indices

Table 1. Economic indices

Description	Value-measurement scale
NPV (net present value)	161176,17million riials
IRR(internal rate of return)	34,39%
PBP (period of return of capital)	2,55years

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