

PROJECT PROFILE – SUMMARY SHEET

Project Introduction

1. Project title:

Construction of Moghan agro-industrial tourism complex

2. Sector : Tourism

Sub sector: Services and welfare

3. Products/Services: Services and welfare

4. Location: Ardabil province

... Free zone Economic special zone Industrial Estate Main Land

5. Project description:

Parsabad is a region located in a flat plain with a temperate to warm climate. Its distance to Ardabil is 220 km. Pars Abad plain has the most susceptible soil and the most favorable climatic conditions for agriculture, animal husbandry and horticulture. The city is considered one of the pleasant climate areas of the province and welcomes many nature lovers every year.

The proposed land for the project is located in Moghan agro-industrial lands next to the lake. The ownership of this land belongs to Moghan agro-industrial company, which is currently planted with trees. The land area is 50080,985 square meters.

6. Annual capacity:

Project Status

7. Local / internal raw material access : 100%

8. Sale :

- Anticipated export market: 0%

9. Construction Period : 18 months

Please attach follow documents if available

- Pre feasibility study
- Feasibility study
- Legal permissions (establishment license, foreign currency quota, environment, etc)

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ISLAMIC REPUBLIC OF IRAN
MINISTRY OF ECONOMIC AFFAIRS AND FINANCE
ORGANIZATION OF ECONOMIC AFFAIRS AND FINANCE OF ARDABIL PROVINCE

Summary of the Technical-Economic Feasibility Study

Project:

Construction of Moghan agro-industrial tourism complex

The proposed project implementation address:

Ardabil Province - Parsabad city

Preparation Date for P.F.S Summary:

Summer, 2021

1. Project Location:

Ardabil Province

Ardabil Province, with the capital city of the historic city of Ardabil, has ۱۲ cities with an area of 17,953 square kilometers, which accounts for about 1.09% of the country. This province is neighboring with the Republic of Azerbaijan from the north and northeast and has about 2282 km of water and land border with it. It borders Zanjan to the south, Gilan to the east and East Azarbaijan to the west.

According to the Census of 1395, the population of the province was 1270420, out of which 866,000 (68%) lived in urban areas and 404420 (32%) lived in rural areas. The province's share of the country's total population is 1.59% and 22nd in the country. The population density in Ardabil province is 71.4 people per square meter. Ardabil city center has ۱۲ cities, ۲۵ cities and 28 districts. The city centers include Ardabil, Bale Savar, Aslanduz, Ongut, Pars Abad, Khalkhal, Gergy, Moshgin Shahr, Kosar, Namin, Nir and Sarein.

The climatic features of the province mainly include four factors: topography, energy balance (influenced by latitude), air currents and presence of Caspian Sea in the east of the province. There are three types of weather in Ardabil province:

(A) Semi-humid, cold climates that cover the central, western and southern regions of the province.

B) Cold and humid climate that covers the mountainous areas.

C) Dry and temperate climate that covers the northern part of the province.



According to meteorological data, the Aras and Moghan plain areas are the warmest and the heights of the Sabalan slopes are the coldest in the province.

There are many mountains and rivers in this province. Sabalan Mountain, with a height of 4811 meters, is the third highest point in Iran.

2- Parsabad city:

Parsabad Moghan is one of the northernmost parts of Ardabil province, which is located on the border of Iran and the Republic of Azerbaijan. The name of this city is derived from the word Parsa, which is the family name of the CEO of Shiyar Azerbaijan Company, which founded this city in 1330.

Parsabad city is an area that is located in a flat plain with a temperate to warm climate. Its distance to Ardabil is 220 km. Parsabad plain has the most susceptible soil and the most favorable climatic conditions for agriculture, animal husbandry and horticulture. The city is considered one of the pleasant climate areas of the province and welcomes many nature lovers every year.

According to the general census of population and housing in 2016, the population of this city was 100383 people in 26505 families.

3. Area Infrastructure Facilities:

Infrastructure is one of the main prerequisites for economic activity. Ardabil province has the following advantages and capabilities in this area:

In total, there are 5688 kilometers of roads in the province, including 150 kilometers of highways, 765 kilometers of main roads, 702 kilometers of sidewalks, and 4071 kilometers of rural and access roads.

Ardabil Airport with an area of over 1200 hectares in the 14 km northeast of Ardabil and Parsabad Airport in the northernmost part of the country and 5 km north of Parsabad with an area of over 170 hectares.

Special economic zone with an area of over 2055 hectares in the area of Namin city with the advantage of having a common border with the Republic of Azerbaijan with an area of 392 km, being close to Ardabil Airport, taking advantage of all the Border and Astara Border and International Customs Benefits and Ardabil Customs as a specialized customs clearance vehicle.

There are two active customs in Ardabil (13 km from Ardabil-Astara road) and Bile-Savar (in the zero-border region of Azerbaijan and Bile-Savar city).

The province has 17 industrial towns with an area of more than 1185 hectares.

Establishment of Science and Technology Park in the province since 2015.

There are several lakes and rivers in the province such as: Shorabil Lake, Lake Noor, Lake Shargol, Noshahr Lake, Lake Aloche, Kami Abad Lake, Lake Molla Ahmad and Qarasou Lake and Aras (Araz), Qarasoo, Darreh Rood rivers. , Xiaow , Namen and Baliqli rivers.

Supply of electricity for all factories and services companies, tourism and ... with power plant installed in the province.

All 26 cities of the province enjoy natural gas, transform entire cities into green cities and create gas-powered infrastructure for all cities in the province, supply gas to all active industrial towns in the province, and prepare the gas company to supply the gas needed for all uses such as industries, factories and ...

There are 110 hot and cold mineral springs in Ardabil, Sarein, Nir, Meshginshahr and Kosar.

4. Project Location:

The location of this project is from Moghan agro-industrial lands.



Photo source: www.maps.google.com

The proposed land for the project is located in Moghan agro-industrial lands next to the lake. The ownership of this land belongs to Moghan agro-industrial company, which is currently planted with trees. The land area is 50080,985 square meters.

5. Access to Infrastructure:

Row	Infrastructure required	Distance to project location	Infrastructure supply location
1	water	0 km	Agro- industry
2	Electricity	0 km	Agro- industry
3	Gas	0 km	Agro- industry
4	telephone	0 km	Parsabad city
5	Mainline	0 km	Ardabil-Parsabad
6	Byway	-	-
7	Airport	-	220
8	Distance to Customs	-	-

6- Machinery and Raw Materials Required:

Row	Description	Unit/	Unit cost	Total cost
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		Number	(Thousand Rials)) Million Rials(
1	Accommodation suites	1	2500000	2500
2	Restaurant equipment	1	4000000	4000
3	Traditional cafe equipment	1	1500000	1500
4	Coffee shop equipment	1	1500000	1500
5	Amusement equipment	1	5000000	5000
Total				14500

Row	Description	Unit	The amount of materials required in 100% practical capacity	Rial cost of product unit Rials)(Annual cost of supply of materials)Million rials(
1	Restaurant	Person	21000	105000	2205
2	Residential suites	Person	31500	200000	6300
3	Coffee Shop	Person	21000	60000	1260
4	Traditional cafe	Person	21000	60000	1260
5	Outdoor amusement park	Person	42000	10000	420
6	Store	Person	10500	350000	3675
Total					15120

7. Workforce Required:

Administrative staff in the project				
Row	Description	Number (Person)	Monthly salary thousand Rials)(Total annual salary including bonus (14 months) (million

				Rials)(
1	Manager	1	50000	700
2	Management staff	5	15000	1050
	Total	6	-	1750
	23 %social security insurance employer's share			345
	Total salaries			2095

Direct manpower

Row	Description	Number (Person)	Monthly salary thousand Rials)(Total annual salary including bonus (14 months) (million Rials)(
1	Internal manager	2	30000	840
2	Skilled workers	20	15000	4200
3	Simple workers	20	15000	4200
	Total	42	-	9240
	23 %social security insurance employer's share			1822
	Total salaries			11062

8. Ownership and legal licenses:

8-1) Land Ownership:

According to the correspondence and negotiations with the CEO, Deputy and Experts of Moghan Agro-Industrial Company, the ownership of the land is at the disposal of this company. It is currently planted with trees and the land area is 50080,985 square meters.

Construction plans are prepared according to the tariffs and requirements of the Building Engineering System Organization and approved by the General Directorate of Cultural Heritage, Handicrafts and Tourism, and the issuance of licenses is done by the central district of Parsabad.

8-2) Intellectual Property and Privileges:

park											
Store	3675	4200	4752	5250	5250	5250	5250	5250	5250	5250	500000
The total revenue	61740	70560	79380	88200	88200	88200	88200	88200	88200	88200	

10. Project Finance Plan:

10.1) Cost estimates

Row	Issue	Cost(Million Rials)
1	Fixed investment	137120
2	Operating Costs (Working Capital-One Year)	2795
3	Total investment	139914

10-2) Investment Costs:

Project Investment (Numbers in Million Rials)

Row	Description	Total
1	Land	50081
2	Landscaping	12031
3	Main building	32910
4	General equipment and machinery	15271
5	Equipment and machinery	15225
6	Office furniture	200
7	vehicles	700
8	Unforeseen expenses 5%	6321
Total fixed assets		132739
Pre-operation costs		4381
Total fixed investment costs		137120
Working capital		2795
Sum of total project investment costs		139914

10-3) Production Costs:

Production costs (Numbers in Million Rials)

Row	Description	Fixed cost		Variable cost		Sum of fixed and variable costs
		Percent	cost	Percent	cost	
1	Raw materials	0	0	100	15120	27000
2	Salary of direct production personnel	70	7743	30	3318	11062
3	Consumer facilities	20	271	80	1083	1353
4	Maintenance and repairs	20	781	80	3126	3907
5	depreciation	100	6244	0	0	6244
6	Unforeseen without depreciation	50	786	50	786	1572
7	Salary of administrative personnel	100	2095	0	0	2095
8	Advertising and office distribution and sales costs (percentage of sales)	60	1058	40	706	1764
9	Cost of depreciation before operating	100	789	0	0	789
10	Financial costs	100	12961	0	0	12961
11	Insurance costs	100	274	0	0	274
Total			33002		24138	57140

10-4) Working Costs:

Working capital (Numbers in Million Rials)

Row	Description	Day	total
1	Raw materials	30	1260
2	Revolving fund	30	1535

The total revenue	61740	70560	79380	88200	88200	88200	88200	88200	88200	88200	
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12. Estimates of financial and economic indicators of the project:

Row	index	first year	second year	third year	fourth year	fifth year	sixth year	seventh year	eighth year	ninth year	year tenth	
1	Percent of Sales at the breakeven point	61%	66%	58%	53%	53%	50%	40%	30%	30%	30%	
2	Sales rate at the breakeven point	37681	46361	46361	46361	46361	44140	35229	26458	26458	26458	
3	production rate at the breakeven point	22429	27596	27596	27596	27596	26274	21011	15749	15749	15749	
4	ratio of total facilities to the total required Investment	70%										
5	Internal Rate of Return on Investment	29.7%										
6	Investor's internal rate of return	44.1%										
7	Return Period of fund of Investor	3.49										
8	Investor return on investment	3.06										
9	Investment Current Net Value	6089										
10	Net present value of investment share	66629										

13. Project Duration:

The duration of the project is estimated about 15 years.

14. market studies:

Pars Abad city is one of the border cities of Ardabil province that has a lot of potential to attract tourists during different seasons of the year. Among the tourist attractions of this city that can be mentioned for the implementation of the project are as follows.

Existence of Moghan agriculture and industry in this city, which is one of the food supply hubs of the country, which attracts many tourists every year. This company includes 2600 hectares of orchards, a large livestock complex, a sugar factory, etc., which is one of the largest companies in the country.

The border of Aras Border River is one of the natural attractions of Parsabad. This river is of great economic and agricultural importance in this region. The Aras River and its surrounding forests are one of the most suitable natural resorts in the region. The small islands along the river are a good habitat for native and migratory birds. There are also many ancient monuments near the river, such as Naderi Hill, where Nader Shah Afshar is crowned.

There is a historical fortress called Oltan in this city, which dates back to the Parthian period. Studies show that Oltan was a military fortress that was built during the Parthian period but was mostly used during the Sassanid period and reached its peak of growth.

The beautiful Topraq Kandy Wetland, which is of great ecological value, is located one kilometer from the village of Topraq Kandy and close to the Aras River.

Also, potentials that can help the development of this city in the tourism sector include: Ardabil railway connection to Pars Abad, construction of a dry port, approval of the free zone in the north of the province, establishment of a joint industrial town with the Republic of Azerbaijan, construction of a railway dock The common denominator with the Republic of Azerbaijan, which has been

approved by the Honorable Council of Ministers and its location has been chosen, is the existence of an airport and so on.

These are just some of the attractions and potentials of Parsabad city that can be mentioned for the implementation of the "Moghan Agro-Industrial Tourism Complex" project.

15. Summary:

Summary of Project Economic issues

Type of Activity	The exact title of activity with code mentioning (ISIC)	Product name	Nominal capacity and unit
Tourism	Construction of tourism and recreation complex	Recreational services	100
Duration	Total fixed investment (Million Rial)	Annual working capital (Million Rial)	Employment
24 months	137120	2795	25
IRR internal rate of return	<u>Net present value</u> NPV (million Rial)	Applicant brought (million Rial)	Ratio of benefit to cost B / C
29.7%	60892	41947	1.31

16. Time of return of capital:

The return on this project is 3.49 years.

17-Specifications of the organization and process owner company:

Name (Real / Legal Persons): Mr. Farid Zolali

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