



Aras Free Trade-Industrial Zone Organization

## **Technical and Economic Feasibility Form Production Projects (Industrial - Agricultural)**

1. Project: Aquaculture

2. Project Presentation: Fish farming and production of rainbow trout with a capacity of 1,000 tons per year

3. Description of the Project:

a. Necessity of the Project:

Considering the importance of fish consumption in the food basket and the unique position of the Aras Free Zone due to the presence of the Aras River, which is rich in water, and the possibility of water supply for fish farming projects, investment and establishment of fish and aquaculture farming units are significant.

b. Mainland Privileges (Raw Material – Market):

- 1- The presence of the water-rich Aras River as a permanent source of water supply for fish and aquaculture farming units.
- 2- Proximity of the Aras River to CIS countries as consumers of fish.
- 3- Availability of necessary raw materials for fish farming.

c. Market Potentials:

Considering the special conditions of the Aras Free Zone and the market demand from CIS countries as well as the favorable domestic market in this regard.

d. Added Value:

There is a significant value-added in fish and aquaculture farming.

#### **4. Market Feasibility; Economic – Financial:**

a. Annual Demand for the Product (Domestic – Countries of the Region – World Demand):

There is an annual demand for the produced product in Iran, the region, and the world.

b. Raw Materials Provision Potential (Domestic – Countries of the Region):

The required raw materials for fish farming and rainbow trout production are mainly available domestically, and if needed, investors can also source them from abroad.

c. Local and Regional Markets:

Domestic market, countries around the Persian Gulf, and CIS countries.

#### **5. FS Components:**

a. Fixed Capital: 422,000,000,000 rials

Working Capital: 32,890,000,000 rials

b. PBP: 5 years

c. IRR: 29

d. Land Area: 10,000 square meters

Built-up Area: 6,000 square meters

E. Direct Employment:

50 individuals

6. Technical Specs:

a. Table of Raw Materials and Estimated Consumption:

1-1,500,000 pieces of trout fingerlings

2-1,500 tons of fish feed

b. Table of Products and Estimated Production: Trout with an annual production capacity of 1,000 tons

c. Table of Machinery and Production Line Equipment

1- Fish processing and feed equipment

2- Oxygen generator devices

3- Filtration devices

4- Aeration and air jet devices

5- Power generators

d. Schematic Diagram of the Production Process:

Fingerling provision - Transfer to ponds - Feeding and cultivation - Reaching final weight - Harvesting - Selling

e: Table of Energy and Labor Costs

Cost: 69331 million Rials	
Energy:	36262 million Rials
Workforce:	102,400 million Rials

## 7. Risks of the Project:

### a. Existing Risks in case of Losing Potential Market:

Exchange rate risk, inflation risk, liquidity risk, business risk

### b. Risk of Rising Raw Material Price:

If the exchange rate increases, the cost of imported raw materials also increases, which affects the total cost of the product.

### c. Retention Risk:

Ensuring occupational health and safety management, organizational risk management on performance, training human resources and personnel to be vigilant against risks to reduce potential harm.

### d. Risk of Currency Fluctuations and Inflation:

Financial provisioning based on the national currency, aligning liabilities or assets with the unit currency, presenting financial reports and statements in the currency (without conversion), participating in derivative market contracts, conducting compensatory transactions, entering into purchase and sale contracts for products based on the national currency.