

PROJECT PROFILE – SUMMARY SHEET

Project Introduction

1. Project Title: Anti-Lock Brake System (ABS)

2. Sector: Industry **Sub sector:** Transport equipment and automotive

3. Products/Services: Anti-Lock Brake System (ABS)

4. Location: Bijar -Kurdistan

Free zone ☐ Economic special zone ☒ Industrial Estate ☐ Main Land ☐

5. Project description:

ABS stand for anti-lock brake system which surrounds the brake system, steer and wheels and keep them in the direct path on the wet and slippery roads when wheels can get out of their path. In other words, anti-lock brake system reduces the brake pressure and increases the performance of the brake system while locking wheels.

Anti-block systems were first designed for trains and then planes in 1900. In 1960, car manufacturers began to produce ABS for luxury and expensive cars. Early systems were largely mechanical. Advanced electronic systems with high safety were used in expensive cars since 1978. Anti-block systems were developed rapidly in 1990s. Nowadays, the ABS system is used in many conventional vehicles.

Today, almost all cars marketed to consumers are equipped with the ABS brake as a standard or an option. The ABS brakes are mainly used in private cars and other vehicles to provide more safety and balance at the time of braking.

Given the high IRR, the three-year return period and breakeven point set to 50% in this project, it is a good investment justification.

The ABS system production plan is used in the brake system of all types of passenger cars, taking into account the target market of the domestic automotive industry. The place of construction and implementation of this project is the industrial town of Bijar city located in Kurdistan province. The main raw materials for the production of this product are iron, copper, steel, aluminum and plastic, which are supplied locally. The break-even point of production is 45.57% and the investment return period is 2.83 years.

Considering the strong market demand and forecasting the increasing trend of demand for this product, therefore, it is a very attractive project in terms of the sales market, and the feasibility study of the project is also indicative of the same.

Also, there are many investment incentives for investors. For example, "Preparation of land for the implementation of industrial plans and completed plans following technical and engineering principles and modern settlement methods", "Availability of infrastructure facilities in industrial areas", "Allotment of industrial land with suitable conditions", "Remission of 40 to 45 percent of the land price in industrial towns, especially for units that are put into operation faster than the schedule and have continuous production".

6. Annual capacity: 30,000 units

Project Status

7. Local / internal raw material access: 100%

8. Sale:

- Anticipated export market: 0 %

9. Construction Period: 1 year, 9 months

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, equipment and know- how concluded?	Yes ☐	No ☒

Financial Structure

11. Financial Table

Description	Local Currency Required			Foreign Currency Required Euro	Total Euro
	Million Rials	Rate Rial	Equivalent in Euro		
Fix Capital	1,672,561	380,000	4,401,476	3,000,000	7,401,476
Working Capital	235,096	380,000	618,674	0	618,674
Total Investment	1,907,658	380,000	5,020,153	3,000,000	8,020,153

- Value of foreign equipment/machinery 3,000,000 euro
- Value of local equipment/machinery 0 euro
- Value of foreign technical know-how 0 euro
- Value of local technical know-how 0 euro
- Net Present Value (NPV): 14,863,516 euro for 5 Year
- Return on Investment (ROI) 27%
- Payback Period 2.83 Year

General Information

12. Project Type: Establishment ☒ Expansion and completion ☐

13. Company Profile:

- Name (legal /natural persons):
- Company Name:
- Address:
- Tel: Fax:
- E-mail: Web site:
- 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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