



NATIONAL AGENCY  
OF INVESTMENT  
AND PRIVATIZATION

REPUBLIC OF BELARUS

## Investment offer

Establishment of production of cardan shafts (for cars equipped with constant velocity drives - CVDs) and drive shafts



# Investment offer

## General information

Company's information	Domestic market and key sector indicators
<p><i>Company full name</i> (project initiator): Open Joint Stock Company "Belcard"</p> <p><i>Registration date</i>: 19.07.2000 (reestablishment: 14.04.2007)</p> <p><i>Authorized fund structure</i>: state - 22%, non-state entities - 77.2% (including managing company "Automotive components" - 75.8%), foreign participants - 0.1% , other stakeholders - 0.7%</p>	<p><i>Product name and description</i>: the drive shafts, cardan shafts</p> <p><i>Main consumers</i> : Russia, Ukraine</p> <p><i>Availability of goods with similar product performance</i>: available</p> <p><i>Market capacity</i>: \$0.2mln.</p> <p><i>Government regulation</i>: price regulation</p> <p><i>Prospective channels of distribution</i>: distribution network of "Automotive Components Holding"</p> <p><i>The annual volume of industrial production</i>: \$0.6 mln. (in 2014 )</p> <p><i>Return on sales</i> : 11.2% (in 2014 )</p> <p><i>The average monthly nominal wages of similar businesses</i>: \$560 (in 2014 )</p>

## The project

- **Financing requirement for investor**: \$2.6 mln.
- **Total investment**: \$2.3 mln.
- **Project branch**: mechanical engineering
- **Project location**: Grodno, 38, Schastny Str.
- **Anticipated start date of the project**: 2014
- **Type of investor participation**: purchase of a stock of shares, share in the authorized fund; establishment of a joint venture

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## Preliminary indicators of project efficiency

- Sales revenue, excl. VAT (after reaching full capacity): **\$1mln.**
- Payback period: **4.7 years**
- Dynamic payback period of the project (DRVR ): **5.2 years**
- Internal Rate of Return (IRR): **17.8%**
- Net present value (NRV): **\$3.5 mln.**
- Business plan: available

## Competitive advantages and investor's benefits

### Infrastructure available

- **Railway lines and roads:** own railway branch (0.2 km on site); Belarusian Railway branch line (0.5 km); Republican motor roads (8 km to M6); other roads with improved surface
- **Communications availability:** power grid (voltage range 220/380, on site); water pipeline; gas pipeline
- **Land and production facilities:** availability of land (160 000 m<sup>2</sup>); presence of structures (20 000 m<sup>2</sup>, for production purposes)
- **Other infrastructure:** storage facilities, logistics terminals (2000 m<sup>2</sup>); possibility to expand production and install additional facilities; possibility of developing the necessary infrastructure at the expense of budgetary funds (manufacturing building is located on the OJSC "Belcard" territory in Grodno)

### Strategic advantages

- Strong brand
- Profiled staff
- Supply chain of raw materials and components
- Distribution network
- Guaranteed volumes of orders
- Undersaturated domestic market of the goods to be produced within the project
- Entry into the Common Economic Space market
- Use of local raw materials
- Availability of valid patents, licenses, permits :

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# Contact details



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