

PD-ABF-255

JCN 75841

7.5 T/D NYLON EXPANSION PROJECT

AID Loan No. 489-H-036

MONTHLY PROGRESS REPORT

Number (9)

F o r

March 1968

PREPARED BY

KOREA NYLON COMPANY

F O R

KOREAN GOVERNMENT

A N D

UNITED STATES

DEPARTMENT OF STATE

AGENCY FOR INTERNATIONAL DEVELOPMENT

A.I.D.  
Reference Center  
Room 1656 NS

MAY 3 1968

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ATTACHMENT:   Photographs	

SUMMARY

Skid test run of the refrigeration area started March 3rd and successively performed test-runs throughout most of the other process areas during this report period.

Power house and guard house were completed and mess hall and bachelor's dormitory were well progressed.

Loan equipment and materials delivered to the job site amounted to US\$82,245 during March 1968.

Drawing status of letter of credit No-AIDL-00287 represents \$5,560,000 as of March 1st 1968.

Mr. Eugene H. Remmer, president of Chemtex, Inc., visited Kolon plant in the week of March 14th.

Mr. H. E. Robisin of Chicago Pneumatic Co., came to Kolon.

## CHAPTER I. ENGINEERING ACTIVITIES

Upon the successful installation and fabrication works of 7.5 M/T expansion plant, skid test operations of various process areas were undergone.

The skid test operation of take-up area turned out to produce good quality yarn of which monomer content is 1.5%, tenacity, 5.3% elongation, 38%.

Due to delayed design and equipment arrival of monomer recovery, the test run of this area was subsequently put off. However, it does not affect our overall test operation schedule.

Mr. H. E. Robisin, an engineer of Chicago Pneumatic Co., came to Kolon to assist erection of diesel generators made by the Company.

No drawings and designs were furnished during this report period.

CHAPTER II. CONSTRUCTION ACTIVITIES

The painting work of main plant building which was the only lagging part was completed and the progress status of the above building marks 99 percent.

Construction work of mess hall and bachelor's dormitory have well been progressed by 96 and 20 percent respectively.

Power house and guard house were completed and other subsidiary building works have been progressed as follows.

Construction Status of Auxiliary Works

(As of the end of March 1968)

<u>Name of Work</u>	<u>Contract date</u>	<u>Name of Contractor</u>	<u>Progress rate</u>
Power House	67.6.18	Sam Hwan Enterp. Co.,	Completed
Mess Hall	67.9.7	" " "	96%
Guard House	67.9.7	" " "	Completed
Bachelor's Dormitory	67.9.7	" " "	20%

Followings show the progress status of erection works of loan equipment and facilities by area during the report period.

<u>Name of Area</u>	<u>Progress Rate</u> %	<u>Remarks</u>
Polymerization	95	
Polymer Chip Formation	97	
Monomer Extraction	100	Now in test operation
Monomer Recovery	65	Now in tanks erection, insulation finishing and wiring works
Chip Drying	97	Piping works of Pre-drying chip transfer system is undergoing
Polymer Spinning	90	Lapping work of spinning block is undergoing
Yarn Wind-Up	85	Now in partial test operation
Textile	90	"
Water Distribution	100	"
Steam Generation	100	"
Refregeration	100	"
Air Conditioning	100	"
Power Generation	98	"
Nitrogen Generation System	85	Displacement work of existing N <sup>2</sup> Generator
Piping	98	Test of polymerization pressure

CONSTRUCTION PROGRESS CHART (MAIN BUILDING)  
As of February 29, 1968

Chart No. 1

Name of Works	Progress Rate	Year												
		'67 4	5	6	7	8	9	10	11	12	'68 1	2	3	
Temporary Work	8.47	0	3.13	1.5	22.95	33.47	48.52	68.46	79.40	89.54	100			
Reinforced Concrete Work	35.28	0	5	30	50	75	100							
Water Proofing Work	10.40					0	60	100						
Plaster's Work	15.22			01	3	10	40	70	95	100				
Other Works	36.63		4.46	12.55	14.97	19.55	36.41	68.00	75.28	89.41	100			
Total	100	0	3.40	16.27	24.89	36.30	52.63	74.26	86.13	94.13	94.95	100		
							47.34	59.41	73.31	91.04	93.60	94.89	95.89	98.98

CHAPTER III. FINANCIAL DATA

Chemtex has drawn US\$19,229.09 during the report period from Irving Trust Company of New York and total drawn amount marked US\$5,560,000 as of the end of March 1968.

Local currency expenditures incurred during the report period totaled W27,934,189 and cumulative total as of the end of this period amounted to W486,578,637.27.

Following tables show the details of AID L/C drawing status and local currency expenditures for the expansion.

AID L/C Drawing Status

(As of March 31, 1968)

Unit: US \$

<u>Invoice No.</u>	<u>Drawn Date</u>	<u>Description</u>	<u>Amount</u>
3154-98	Mar. 1	Valves, Coils, Ells, Flanges	2,580. <u>06</u>
3163-102	Mar. 1	Tank Valve, Corner Bumper Pipe Fittings	16,649. <u>03</u>
		Amount in this report period	19,229. <u>09</u>
		Amount in the previous report periods	5,540,770. <u>91</u> *
		Cumulative total through this report period	5,560,000. <u>00</u>

Remarks: Cumulative total through previous report periods is corrected to US\$5,540,770.91.

Expenditures on 7.5 M/T Expansion Project

(Local Currency)

Unit: Won

<u>Items</u>	<u>Balance Carried-over</u>	<u>March 1968</u>	<u>Total</u>
1. Bldgs, Construction Works	302,605,238	8,447,882	311,053,120
2. Structures	18,018,010	7,453	18,025,463
3. Preliminary Works (including fabrication and installation works)	62,261,968	12,810,029	75,071,997
4. Tools & Fixtures	5,017,139	134,674	5,151,813
5. Temporary Work	1,116,587	-	1,116,587
6. Land	-	-	-
<u>Sub-total</u>	<u>389,690,942</u>	<u>21,400,038</u>	<u>411,090,980</u>
7. Salaries & Wages	11,471,445	1,816,002	13,281,447
8. Welfare Exp.	2,772,724	261,760	3,034,484
9. Office Exp.	1,848,123	20,559	1,868,682
10. Travel Exp.	771,372	81,460	852,832
11. Communication Exp.	95,527	1,200	96,727
12. Consumables	1,141,916	201,400	1,343,316
13. Engineers Stay Exp.	1,533,010	404,738	1,937,748
14. L/C Open Charge	3,921,055	-	3,921,055
15. Entertainment Exp.	15,375,248	198,644	15,573,892
16. Interest on AID Loan	8,044,999. <u>27</u>	-	8,044,999. <u>27</u>

<u>Items</u>	<u>Balance Carried-over</u>	<u>March 1968</u>	<u>Total</u>
17. Delivery Exp. including custom clearance	12,719,250	3,450,032	16,169,282
18. Conference Exp.	1,873,250	49,630	1,922,880
19. Storage	3,111,577	48,726	3,160,303
20. Other Exp.	4,187,042	-	4,187,042
21. Utility	86,968	-	86,968
<u>Sub-total</u>	<u>68,953,506.27</u>	<u>6,534,151</u>	<u>75,487,617.27</u>
<u>Grand Total</u>	<u>458,644,448.27</u>	<u>27,934,189</u>	<u>486,578,637.27</u>

RECORD SHEET

KOREA NYLON CO., LTD.

CODE NO.

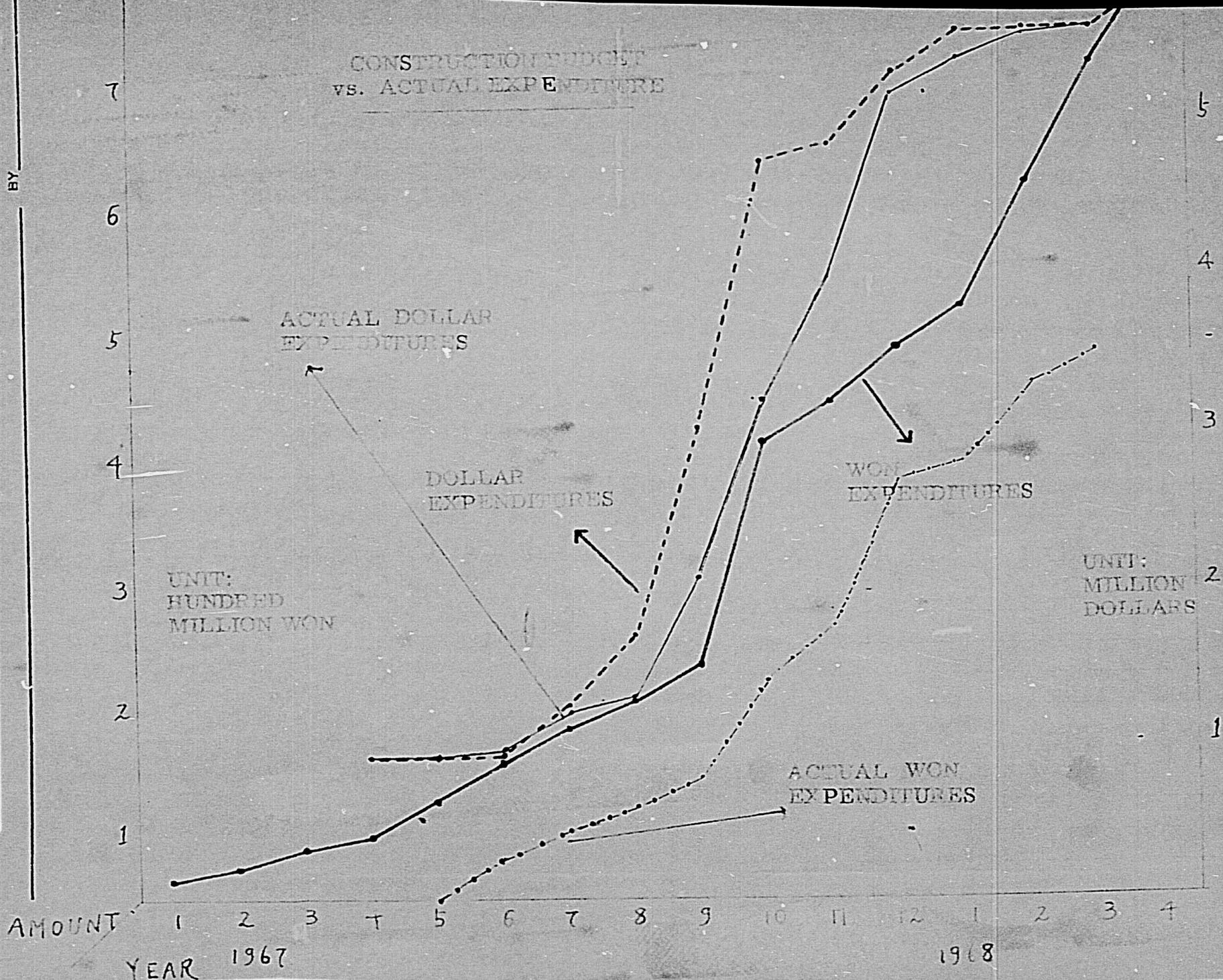
SHEET NO.

DATE

BY

SUBJECT

CONSTRUCTION BUDGET  
VS. ACTUAL EXPENDITURE



9

AMOUNT

YEAR 1967

1968

UNIT:  
HUNDRED  
MILLION WON

UNIT:  
MILLION  
DOLLARS

ACTUAL DOLLAR  
EXPENDITURES

DOLLAR  
EXPENDITURES

WON  
EXPENDITURES

ACTUAL WON  
EXPENDITURES

#### CHAPTER IV. PERSONNEL

Now that the skid operation has been started, total 24 engineers of Construction Department have been transferred to the Production Department to meet the required operation personnel for the expansion plant, further in detail, twenty engineers for the Utility Section, three for Maintenance Section and one for Spinning Section.

For personal reason, one engineer retired Kolon in March. Accordingly total membership of Construction Department decreased to 31 persons.

Total 115,131 man/day labor power were put into 7.5 M/T expansion work until March 1968 and the details are shown below.

Unit: man/day

<u>Name of Work</u>	<u>Contractor</u>	<u>Kolon</u>	<u>Temporary Hire by Kolon</u>	<u>Total</u>
Man Plant Bldg.	35,647	587	-	36,234
Power House	3,931	122	-	4,053
Other Const. Works	81,372	3,462	2,493	87,327
<u>Total</u>	<u>120,950</u>	<u>4,171</u>	<u>2,493</u>	<u>127,614</u>

Labor Force Employed by Month

Unit: man/day

	<u>Until</u> <u>1967</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Total</u>
Main Plant Building	31,516	465	1,640	2,613	36,234
Power House	3,743	142	56	112	4,053
Other Const. Works	46,643	19,908	11,118	9,758	87,327
<u>Total</u>	<u>81,902</u>	<u>20,515</u>	<u>12,814</u>	<u>12,483</u>	<u>127,614</u>

CHAPTER V. PROCUREMENT ACTIVITIES

Since most of loan equipments and materials were carried in to the job site during the precedent periods, there is a fragmentary flow-in of loan equipments and materials during this report period.

Amounts of carried-in loan equipments and materials during the period is US\$ 82,245 and cumulative total as of the end of March amounted to US\$5,559,511.72.

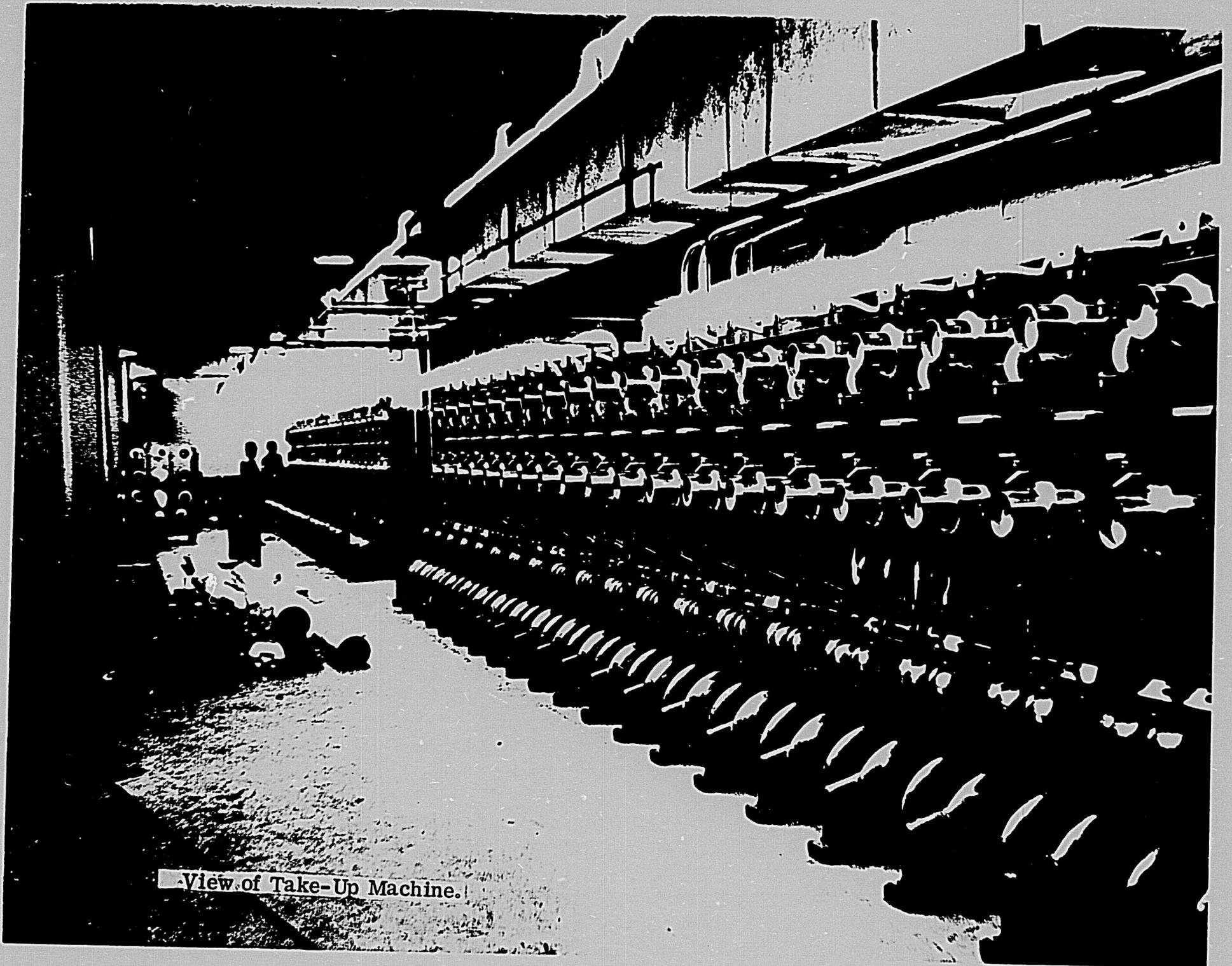
The following is the details of carried-in loan equipment during the period.

Loan Equipment List Delivered to Job Site

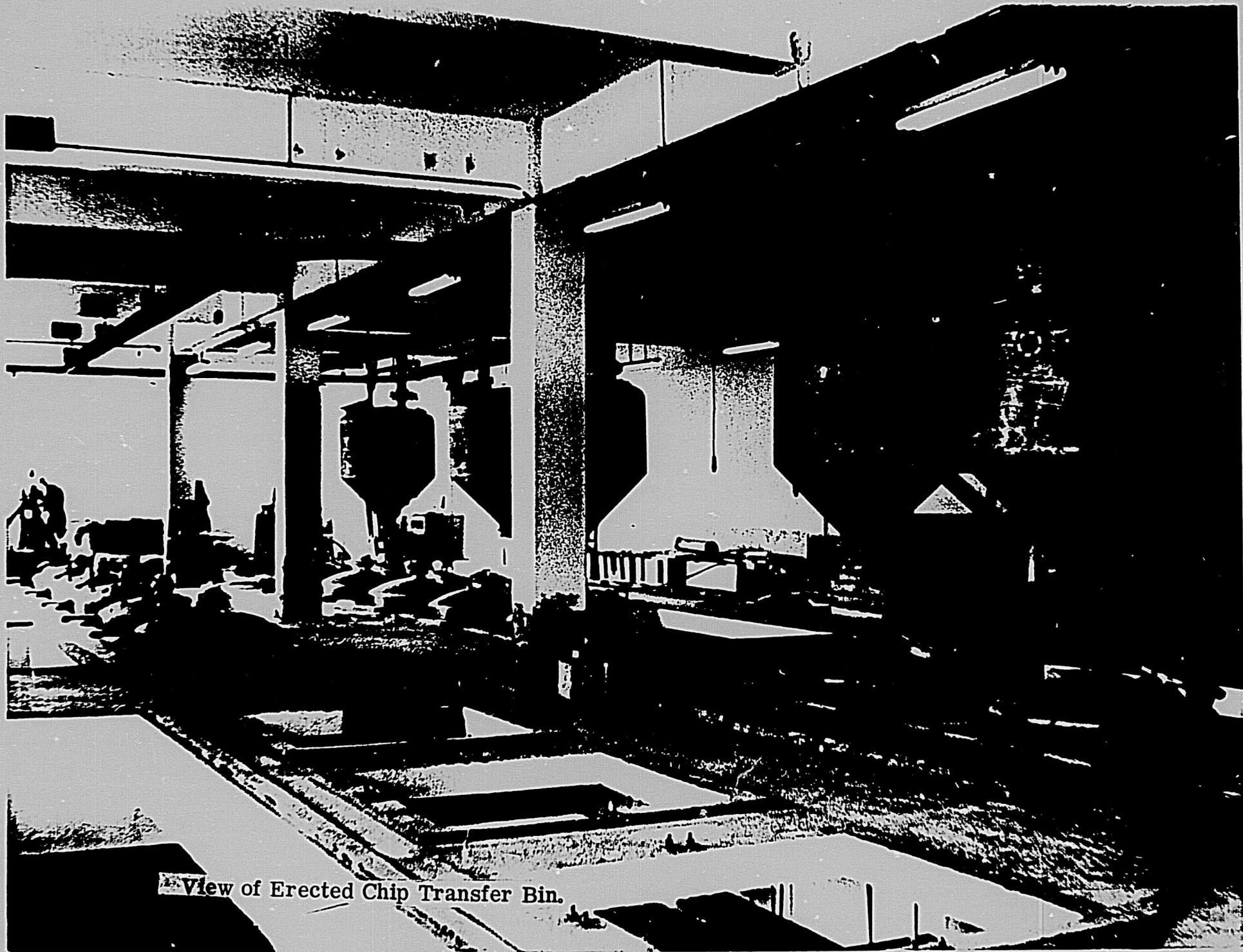
(During the Report Period)

<u>P.O. No.</u>	<u>Item Description</u>	<u>Amount</u>
201	Barometric Condenser	2,802. <u>51</u>
149, 196, 199, 204, 205, 211	Air Compressor Accessories, Corner Bumpers, Valves, Fittings (Ells, Tees & Reducers), Water Treatment Spare Parts, Reducing Valve	3,660. <u>36</u>
197, 198	Heat Exchangers, Recording Controllers	14,297. <u>23</u>
194, 196, 213, 225	Tank Valve, Corner Bumper, Spare Parts for Control Panel (Partial) details as per attached packing list, Pipe Fittings & Steel Valves	20,887. <u>96</u>
4	Spindle Assembly	No charge

<u>P.O. No.</u>	<u>Item Description</u>	<u>Amount</u>
161	Separator Guides	1,104. <u>38</u>
230	Hardware	No Charge
104, 212	Spindle Firm Adapter, Spare Parts for Nitrogen Gene.	35,163. <u>15</u>
225, 229	Slip on Flange, Nozzles for Helliwelder	489. <u>59</u>
4	Lock Washers	No Charge
4	Pulley	No Charge
232, 235	Heater Elements, Control Cable	156. <u>00</u>
233	Ring Joint Gaskets	147. <u>34</u>
226	Control Relays	117. <u>00</u>
209	Hardware for Ground Resistor	1,473. <u>12</u>
213	Bulbs Relays	2,027. <u>36</u>
213	Type 45 Steeper 6 Levels, 110V DC	No Charge
3	Recording Wattmeters with charts & accessories, Potential Transformers	No Charge
	Amount in this report period	82,245. <u>00</u>
	Amount in the previous report periods	5,477,266. <u>72</u>
	Cumulative total through this report period	5,559,511. <u>72</u>

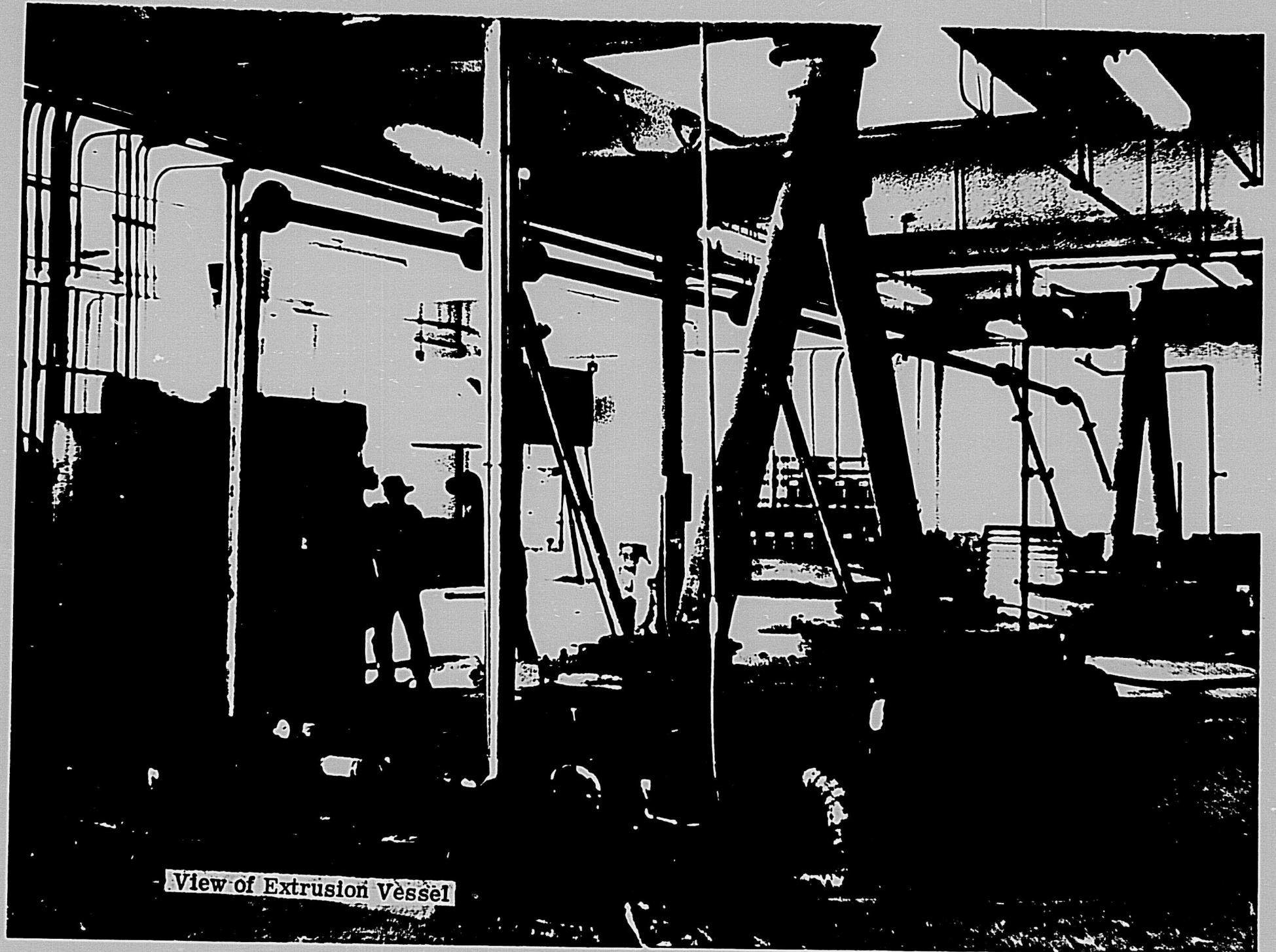


View of Take-Up Machine.



View of Erected Chip Transfer Bin.

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View of Extrusion Vessel