

EXECUTIVE SUMMARY

A project is focused to manufacture Aluminium Kitchen Utensils (i.e., Kettles, Steamers, Jugs, Saucepans, Pittu Makers, Padikkam, etc.) to the local market of Sri Lanka. Initially, the project starts with the manufacturing of non-electric aluminium kettle in three sizes. These products are used by households and commercial units on a regular basis. The ideas generation triggered with the aim of the transformation of traditional kitchen utensils manufacturing process into the automated system as manual and semi-manual process followed by the present manufacturers in the industry. The new venture is known as “AJ Manufacturing Company (Pvt) Limited” (AJMC). The brand name for AJMC is “Tiger Brand.” The project is conducted under three phases. It is recyclable product. Hence, it will have a huge earning potential for the new contestants with effective modifications to the regular products.

According to the Department of Census and Statistics (2015), the households who used firewood and LP gas for cooking are 78% and 19% respectively. This ensures that there is a major market for regular non-electric kettles in Sri Lanka. There are two basic reasons behind this choice. The first reason is that, due to high level of the cost of living, the disposable income of households is spent wisely, and the second reason is that the firewood (natural resources) can be easily sourced from the surroundings. Hence, the households’ motive toward the aluminium kettle is extremely high. Though Sri Lanka household units 5.2 million, the capacity of average kettle production has limited to 3.5 million per annum. The main reasons behind this limitation are the lack of skilled labour and the scarcity of ready-made spouts in the market. This is the key fact that obstruct the new entrance to the market and create a vacuum in the kettle industry.

When it is focused on the “Tiger Kettle”, which is non-electric and fully integrated with the customer perspective, provides a reliable solution for households and commercial units to make use of it with a reasonable price, zero defects and required standards in quality. Furthermore, as no supplier in the industry at present establishes the online order and delivery flat form, AJMC will be focusing on to operate its sales base further to online business enabling demands of the customers of “Tiger Kettle” to be met at their doorsteps. As a result, this will derive the competitive advantage over rivalry. Accordingly, AJMC would boost the core and

distinct competency level to enhance the value proposition of “Tiger Kettle.” Moreover, stakeholders such as employees, suppliers, financial institutions, the government, community will receive the benefit from this project while enhancing the wealth of the entrepreneur.

AJMC consists with a simple organization structure including the author, local business partner, skilled workers and unskilled workers. The author is serving as the Chief Executive Officer execute the overall business plan with the implementation process while the local business partner, as a director oversee the production line. AJMC is continuously focusing on groundbreaking, cost effective and technically savvy designs whilst focusing high emphasis on innovation and new advancements on product and process in a regular basis. The author drives the business with a clear vision as “to fulfill the need of kitchen utensils of Sri Lankan householders by 2030.”

This project estimation is to generate the Net Cash Flow (NCF) of Rs: 333, 987.00 with the Internal Rate of Return (IRR) of 19.5%. The entire project cost will be recovered within four years of operation. Moreover, the project Return on Capital Employed (ROCE) would be generated more than 20%, while keeping a Gearing Level less than one. Accordingly, AJMC drives toward the mission of “To discover the avenues of creating aluminium kitchen utensils” with the process of transforming traditional kitchen utensils manufacturing process into automated mechanism and by that make a significant influence over the industry.