

The UDAY-PRIDE programme in the SAME DUETZ Cluster, Chennai, India

UNIDO in collaboration with Auto Component Manufacturers Association of India (ACMA) is running a supplier development programme in India which is funded by the Ministry of Heavy Industries (MHI), Government of India, the **UDAY-PRIDE (UNIDO–DHI–ACMA Yojana - Professionalism, Responsibility & Innovation in Driving Excellence)**. The objective of the programme is to strengthen the capacity of small and medium sized automotive component manufacturers to meet the stringent quality requirements of vehicle manufacturers. The programme further seeks to enhance their productivity and performance levels to facilitate their inclusion into domestic as well as global automotive supply chains.

The UNIDO-ACMA-MHI partnership programme has been running since 1999 and providing its support to small and medium sized automotive firms in India. The previous phase, Phase I, which ran from 2014 to 2017 assisted 152 SMEs against the initial target of 120 (27% more) in 26 clusters at various geographical locations in India that cover the main automotive production hubs in North, West, East and South regions.

The current Phase II of the **UDAY-PRIDE programme (2019-22) which focuses on productivity and innovation seeks to cover 275 companies through shop-floor intervention counseling training programme along with lighter e-Learning online programme across various geographical locations in India.**

The “SAME DEUTZ – 3” cluster in Chennai, India completed the one-year programme in May 2021 which covered 7 supplier companies from Chennai in the Southern region of India.

These companies are “M/s. Exon Auto Components, Chennai”, “M/s. Aceind Industries, Ambattur”, M/s. Arihant Forgings, Ambattur”, “M/s. Festo Valves and Engineers, Thirumullaivoyal”, M/s. Vasanth Products, Perungudi”, M/s. Anand Hightech Industries (P) Ltd., Chennai” and M/s. DP Industries, Chennai”.

These companies are mainly engaged in the manufacturing of Input shaft, Lug Reverse, Hollow input shaft, brake gear, input shaft, Industrial and automotive forging components, manufacturer of tool and die for forging, machining of forged components, sheet metal components, Industrial valves, sheet metal pressed component, pressed component metal, special purpose machinery, injection moulding equipments, automobile pressed component, battery plate, and manufacturer of pressed, fabricated and machined parts for auto, tractor and defence equipments etc.

The major challenges that these companies were facing when they entered the programme were the lack of involvement of people, high absenteeism and issues related to quality. For instance, number of suggestions given by employees were zero in all companies, there were high customer rejections and internal rejections.

The programme adopted its unique methodology which includes monthly counselor visits and interactions, Mentor guidance through learning and sharing in Management Review Meetings (MRMs), Monitoring and Performance indicators and adopting best practices by Benchmarking Model Plant to make a difference in these companies.

The companies had shown significant improvements in various KPIs after joining the programme. The programme has also been beneficial in the overall development of employees.

For instance, one of the female employees working as a Helper in “M/s. Exon Auto” company had interest in welding. She was motivated by the ACMA-UNIDO team to pursue her interest as a welder and therefore, she was given training to become a welder.



Key Achievements:

Some of the other tangible and intangible benefits that the companies recorded are mentioned below:

- The number of accidents (major as well as minor) in the 6 companies of these 7 cluster companies had brought down to zero.
- 5S Score has improved by 72%.
- Significant increase in the number of suggestions from employees.
- Customer complaints reduced by 80%.
- Customer rejections and Internal rejections have reduced by 95% and 73% respectively.
- 5 companies had track record of 100% On-time Delivery and other 2 companies had achieved 94% plus in On-time Delivery.
- The number of improvement projects have started in all companies.

As a result, **these companies had registered a total savings of 10,405 Square feet in terms of Floor Space and Rs. 67.95 Lakhs ~US \$ 90,932 in terms of money.** The return on investment (i.e., realization of fees invested in the programme) had been realized in 100 days. The companies showed significant improvement in Visual Improvement, Internal Quality & Total Employee Involvement and Productivity.



FESTOVALVES & ENGINEERS
ACMA UNIDO Cluster- Mis. Same Deutz Fahr India Ltd
1st OCT 2019 SDF

IMPROVEMENTS - UNSAFE CONDITION

Before Un safe condition Drums used for water feeding in the machines Cooling System and water filled manually	After Separate Cooler Tank Used For water feeding in the machines Cooling system with ensured safety, and Motor used for filling water on tank to save 4man hours

EXON AUTO COMPONENTS
ACMA UNIDO Cluster- Mis. Same Deutz Fahr India Ltd
1st OCT 2019 SDF

IMPROVEMENTS - 5S

Before • In-front of Gate Stores Cylinders Creates bad impression	After • Particular Area Changed to Display Part Area

Sustenance of Best Practices and Way Forward:

- The impact of Daily work Management (DWM) is understood and committed by everyone from top to bottom in the hierarchy.
- Visuals on KPIs, Visuals on SQD – Absenteeism, OEE, ITR etc. are being monitored.
- Suggestions and Kaizens initiated as part of Total Employee Involvement (TEI) for quality, cost saving, material control and productivity improvement.
- Hand holding support to companies even after completion of one year cluster programme.

Testimonials:



Mr Mowlik Sridhar – MD, Anand Hitech

Mr Mowlik Sridhar – MD, Anand Hitech mentioned that the focus towards waste elimination & savings of Rs. 28 lakhs because of the UNIDO-ACMA programme.

The unwanted materials have been removed through Red Tags. Available Space has also been utilized effectively.

Unsafe and Unsafe conditions have been reduced. In house PPM has also reduced. Productivity has increased by 15% through Cycle time reduction, Single minute exchange of die, and involvement of employees. The energy cost has been saved by 8%.



Mr Chandra Mohan Raju, MD, Arihant Forging

We are the Arihant Forgings, Supplier of OEM. We have good customer relationship and we do face more audits from customers and get good results, but I always thought of some gaps exist in our system.

Without proper guide, we couldn't fulfil the gaps in our existing system. After ACMA-UNIDO cluster programme, I realized that the improvements are even more noticeable than I thought.

Now I can see the involvements from all the employees in organization, our 5S system is the result of the involvement shown by all employees. With our employee's good involvement, we have implemented more kaizen in past one

year.

We can see the reduction in breakdown hours, operators have taken an ownership of the machines & part handling method is improved because of the My Machine Campaign from the programme.

We have extended our plant, aiming on lean manufacturing by using layout effectively with the help of ACMA-UNIDO.

We have received an appreciation from our customer during system upgradation audits & our customers are also happy that we have a benchmarking improvement.

Each of our employees felt the merits of Safety, Work Environment, reduced rejection trend & improvement on delivery performance.



Mr Umesh, MD, Exon India

Mr Umesh, MD, Exon India highlights some of the improvements that his company has made:

- People involvement has improved.
- House Keeping has improved.
- Productivity has increased.
- Employees are actively participating in day-to-day activities.
- Internal PPM monitoring has started.
- Searching time has reduced in Shopfloor, store, tool room and office area.

Feedbacks from employees of ACEIND Industries:

- The cluster programme has given a lot of happiness and brought improvements among us.
- Through this ACMA-UNIDO cluster programme our self-motivation has improved and confidence level has increased.
- With the help of cluster trainings, our risk based thinking and proactive work culture has improved in our working methods.
