

The UDAY-PRIDE programme in the Flash Supplier Cluster, India

UNIDO in collaboration with Auto Component Manufacturers Association of India (ACMA) funded by Ministry of Heavy Industries (MHI), Government of India is running a supplier development programme in 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.

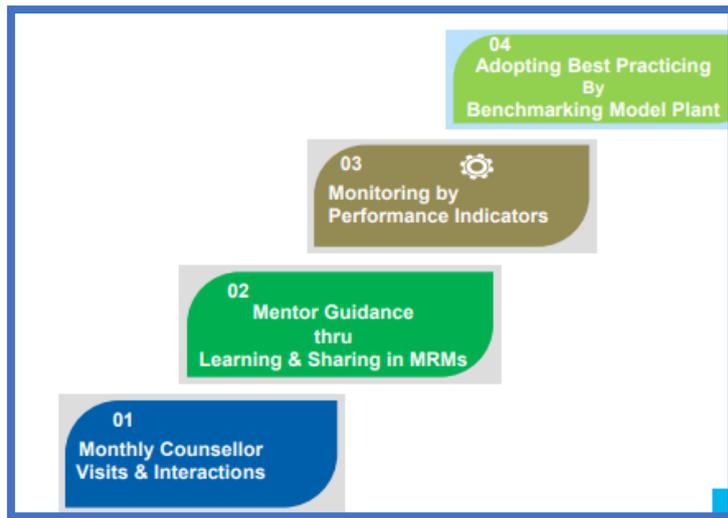
The current Phase II of the **UDAY-PRIDE programme (2019-22) which focuses on productivity and innovation seeks to cover 275 companies through shop-floor intervention counseling training programme along with lighter e-Learning online programme across various geographical locations in India.**

The Flash Supplier cluster in Pune, India completed the programme in April 2021. It covered 4 supplier companies of “M/s Flash Electronics” that benefitted from the one-year UDAY-PRIDE cluster programme, namely, “M/s. Suniti Engineering Solutions, Pune”, “M/s. SAR Industries, Pune”, “M/s. Atharva Polymer, Bhosari” and “M/s. Dhanashree Enterprises”.

These companies are mainly engaged in the manufacturing of various types of coils, aluminium pressure die casting, powder coating, machining and assembly, machined components, Industrial rubber and components, fabrication, structural erection, and plant dismantling etc.

Outcomes of the initiative related to creating a sustainable & continuous improvement culture in the Indian automotive component industries and other MSME sectors through the development of skilled manpower, capacity building, Total Employee Involvement, **material flow cost accounting**, **web-based e-learning module, software and app-based system**, low-cost automation and technology upgradation in enterprises. In addition, the programme has also helped in increasing the share of business with customers and provided greater visibility across the automotive value chain.

The methodology of the programme included:



Key Achievements:

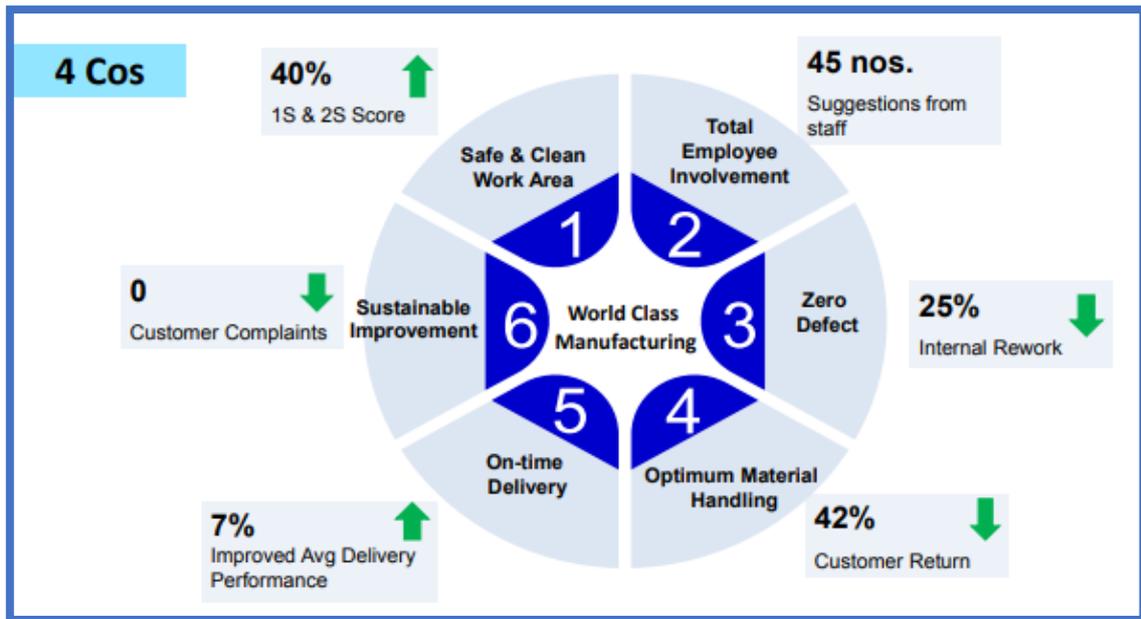
The programme resulted in qualitative as well as quantitative benefits to the companies. Qualitative benefits related to improvements in the involvement and ownership of employees, reduction in customer returns and in-house rejections, reduction in non-value-added activities and improvements in cash flow.

Quantitative benefits included that the companies now register less absenteeism, shopfloors are now a safer place to work, space improvements, and many more.

These companies have shown a significant improvement on various KPIs. The benefits that the company achieved are as follows:

- Total Employee Involvement- 45 suggestions from staff were implemented,
- Zero Defect- there has been reduction of Internal Rework by 25%,
- Optimum Material Handling- there has been 42% reduction in Customer Return.
- 2 companies have 100% on time delivery.
- Customer complaints have brought down to zero.
- The work area is safe and clean with 40% improvements in 1S and 5S score.

The programme resulted in Total Employee Involvement, marked change in the “Organizational Culture”, satisfied stakeholders and most favorable Supply Chain partner. Overall, all the companies have stated that they have recovered the programme cost with the benefits they have achieved.



There have been visual improvements as well. The Quality Gate facility and process improvement at M/s SAR has led to less chances of mixing, better identification of defects and improved ergonomics.



Feedbacks from Companies

- **M/s Suniti** mentioned that there has been drastic reduction in process defects by improving Quality system, continuous improvement culture.
- **M/s. Atharva** mentioned that waste reduction in new layout- unidirectional flow, reduction in process defects by improved feedback and actions
- **M/s Dhanashree and M/s SAR** mentioned that there are savings on monthly electric charges by implementing a single suggestion on Power Factor improvement. M/S SAR has been able to save about Rs. 10,000 per month because of power factor improvement.
