



SME MIRROR

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Chairman's Message

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The Cluster programme proves its effectiveness again.

CII-AVANTHA Centre-led cluster in Jalandhar realised remarkable savings of more than Rs one crore within three months of its launch. Besides financials, the increase in employee involvement, improvement in work culture and the focus on innovation is commendable.

The achievement presents a cascading effect with more regions showing interest in clusters. We are sure that the Cluster programme will come up with more success stories in this year.

Gautam Thapar
Chairman & CEO,
Avantha Group & Chairman,
CII - AVANTHA Centre for Competitiveness for SMEs



Jalandhar Cluster saves more than Rs.1 Crore in three months



CII-AVANTHA Centre for Competitiveness for SMEs, Chandigarh led Cluster Programme in Jalandhar has realized a remarkable savings of more than Rs one crore in a record time of only three months, since the Cluster began in December 2012. From December 2012 to February 2013, the six clusters in the company realized a total savings of Rs 70.58 Lakhs through cash recovery from the implementation of the Total Quality Management tools like 1S, 3M and Kaizen. Apart from this, the Cluster realized a total of 5715 Square feet of space recovery.

The savings through cash recovery as well as space savings together will amount to more than Rs 1 crore,” said Ravinder Kumar, Senior Counsellor, CII-AVANTHA Centre for Competitiveness for SMEs, who is the mentor for this Cluster. “With about Rs 1 Crore savings achieved in the first quarter of implementation of the cluster, we can safely expect the cluster to end up with huge benefits,” said Kumar. “Apart from tangible benefits, also noticeable is the upsurge in employee involvement and a perceptible change in the work culture, especially focus on innovation at the shop floor,” he added.

The Cluster comprises, six companies namely JMP Industries, Kapson Industries Limited, HB Industries Limited, Sharp Chucks and Machines Limited, GNA Enterprises, Jamalpur Unit, GNA Enterprises, Bandala Unit. The savings for the Cluster Programme so far was noted in the second Monthly Review Meeting (MRM) of the Cluster held on February 27, 2013. The Cluster companies are from diversified industry sectors and are part of this location specific Cluster. All plant CEOs were present in the review meeting, along with the team from CII-AVANTHA Centre for Competitiveness for SMEs. The review meeting was held in the plant of JMP Industries. Balram Kapoor, Partner, JMP Industries & Chairman, CII Jalandhar zone was among those present for the MRM.



Awareness Program on Autonomous Maintenance



CII - ANANTA Centre for Competitiveness for SMEs organized a half day awareness programme on Autonomous Maintenance on February 26, 2013 in the BIADA Conference Hallat at Bokaro in Jharkhand. Participants were apprised of the various dynamics of 'Autonomous Maintenance' which can help companies in their progress towards Manufacturing Excellence.

The program was done as part of an awareness drive by the ministry of MSME (Micro, Small and Medium Enterprises) The faculty for the programme was from CII - ANANTA Centre for

Competitiveness for SMEs. There were 25 participants from SME industries in and around Bokaro.

The Programme highlighted the fact that zero breakdowns can be achieved only if production operators are involved in finding any abnormalities. At the core of world-class maintenance performance is the phenomenon called 'Autonomous Maintenance.'

In this context, the term autonomous doesn't mean performing maintenance in a vacuum or solely by traditional maintenance department. Rather, it means operators perform certain equipment maintenance activities and that maintenance crafts get closely involved in daily operation of equipment. Focus of operating team is on cleaning, inspecting, lubricating, monitoring and other essential daily tasks traditionally within the domain of the maintenance department.

CII - ANANTA Centre for Competitiveness for SMEs is a partner of the Ministry of Micro, Small and Medium Enterprises (MSME) in carrying out a series of Awareness programmes pertaining to various facets of Total Quality Management (TQM), across India.

Members' Articles / Issues of Concern

To share your thoughts, knowledge, issues of concern or any information, please do send in your write ups / articles (500 - 700 words) along with passport size photograph (soft copy) and your complete contact details. We'll be happy to share the same through our subsequent issues of monthly e-newsletter - SME Mirror

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40 International Delegates visit CII - AVANTHA Centre



A 40 member International delegation visited CII - AVANTHA Centre for Competitiveness for SMEs at Chandigarh to learn about its various activities and services in the realm of the SME sector. It comprised of delegates from the countries of Sri Lanka, Ethiopia, Madagascar, Colombia, Oman, Tunisia, Indonesia, Uzbekistan, Lithuania, Tajikistan, Kazakhstan, Afghanistan, Bhutan, Niger, Nigeria, South Africa, Lesotho, Uganda, Kenya, Mauritius, Myanmar, Bangladesh and Zimbabwe. Enumerating about the various services of CII - AVANTHA Centre, R. Narayanan, Head, CII - AVANTHA Centre for Competitiveness for SMEs said, "Achieving Manufacturing Excellence for SMEs is one of our core areas of strength and Energy efficiency is also a key focus area of the centre,". Total Employee Involvement, Cost Management and Corrosion Management are our other prime service areas for SMEs, he said.

The Cluster approach, in which we facilitate a cluster of 10 to 12 companies, to learn through coming together, is our flagship programme said Narayanan. "So far we, along with our strategic partners have formed 232 clusters impacting 2383 companies," he added. Taking cognizance of the diversified nature of the international delegation who have come from far and wide, Mr Narayanan said, "Manufacturing parameters often vary from country to country but Energy Efficiency and Energy Conservation are issues which today concerns SMEs across the globe.

'CII - AVANTHA Centre for Competitiveness for SMEs is working with the Bureau of Energy Efficiency (BEE) as also with the Ministry of New and Renewable Energy in furthering the cause of Energy Efficiency,' said Sanjay Namdeo, Counsellor with the CII-AVANTHA Centre for Competitiveness of SMEs. He explained that the Energy vertical of the Centre is working in tandem with the government as well as individual companies to disseminate specialized knowledge about Energy Management. This is done through training programmes, training energy professionals and detailed energy audits of companies, he said.

The interactive session saw the delegates expressing interest in the energy conservation as a concern in their own countries and appreciated the Centre's approach of energy audit through Prevention, Minimization, Reuse & Recycle. Disposal of products which cause energy loss & also impact environment is advocated as a last resort.

Dr. Rishi Raj Singh, Programme Director, NIESBUD lauded the CII - AVANTHA Centre for its role in providing a leadership role in the SME sector. The delegation was part of an **International Programme on Innovative Leadership for Organization Growth & Excellence (ILOGE)** being conducted by NIESBUD (National Institute for Entrepreneurship and Small Business Development)



37 International Delegates from 21 Countries visit CII - AVANTHA Centre



A 37 member International delegation from 21 countries visited CII AVANTHA Centre for Competitiveness for SMEs at Chandigarh to learn about its various activities and services in the realm of the SME sector. It comprised of delegates from the countries of Sri Lanka, Ethiopia, Indonesia, Lithuania, Tajikistan, Bhutan, Niger, Nigeria, Mauritius, Myanmar, Zimbabwe, Guinea Bissau, Guinea, Yemen, Laos, Ivory Coast, Vietnam, Zambia, Ghana, Tanzania and Malawi.

Sunil Taneja, Programme Faculty, NIESBUD, who was leading this delegation said, “The International Programme on Entrepreneurship for Small Business Trainers/Promoters (ESB-TP) is being conducted from 28th January to 23rd March 2013 at NIESBUD Campus. A total of 37 participants from 21 countries are engaged in the area of entrepreneurship and self employment activities in their country. The main objective of the programme is to develop them as effective trainers and promoters, so that they can develop more & more new generation entrepreneurs and to help the existing entrepreneurs.

NIESBUD (National Institute for Entrepreneurship and Small Business Development) is an apex autonomous institute in the area of Entrepreneurship and Small Business Development under the Ministry of Micro, Small and Medium Enterprises, Government of India. The delegation was in India for a eight week programme and its visit to CII-AVANTHA Centre for Competitiveness for SMEs was part of that programme to show the participants the kind of work that is being done by CII - AVANTHA Centre in the area of MSME Development, explained Taneja.



Certification Training Program on Energy Efficient System

A two day certification programme on Energy Efficient System was organized by CII - AVANTHA Centre for Competitiveness for SMEs on March 14 and 15, 2013 at Chandigarh. The two days of interactive thought provoking sessions were followed by discussions, questions and answer sessions and finally the distribution of Certifications to participants. The various sessions in the two days included the following:

- ↻ Approach to Energy Efficient System,
- ↻ Energy Efficiency in Electrical Distribution System,
- ↻ Reactive Power Management through Capacitors
- ↻ Energy Efficient Induction Motors
- ↻ Intelligent meeting for Energy Management
- ↻ Energy Efficient Thermal System
- ↻ Scope of Solar Power generation for industry
- ↻ Energy Efficient Compressed Air System
- ↻ Energy Efficient Pumping System
- ↻ Energy Efficient Fans and Blowers System
- ↻ Energy HVAC System
- ↻ Energy Efficient Cooling Tower System
- ↻ Energy Efficient Lighting System
- ↻ Implementing Energy Management System.

Workshop on Increasing your Business Profitability



Business models may be different from one to the other but the one thing that all enterprises would like to achieve is to increase profit. Further they would like to do it in less time and with minimal resources. Precisely this was the motive of the workshop on 'Increasing your Business Profitability,' organized by CII - AVANTHA Centre for Competitiveness for SMEs on March 14, 2013 at Gurgaon.

The workshop was held in association with an external faculty. A unique feature brought out by the faculty was to tell enterprises 'how to run your business operation working one day a week'. The lucrative time and money saving proposition of the workshop drew a very good response. There were as many as 26 participants for the workshop.

The Lean Approach to Business Efficiency and Profitability

The adoption of Lean processes enables Indian SMEs to become swift, agile and fast-growing, ready to keep pace with a changing world

SMEs are particularly well-suited to reap the rewards of lean because of the constraint of having access to limited resources to begin with. R Narayanan, Head of the CII-AVANTHA Centre for Competitiveness for SMEs, in India, explains why lean clusters provide an excellent learning environment for smaller organisations.

In 2002, the first ever Lean Summit was organised by the Confederation of Indian Industry (CII) and the Automotive Component Manufacturers Association (ACMA) to introduce lean manufacturing in India. Following experimentation with large and medium-sized companies, CII-AVANTHA Centre for Competitiveness for SMEs was established in 2004 in Chandigarh, in the northern part of the country, to introduce lean concepts in Indian SMEs. This goal was achieved through the Cluster Programmes, which helped them to maximise their capacity and improve several indicators.

The CII-AVANTHA Centre is one of the ten Centres of Excellence (CoE) of the Confederation of Indian Industries, dedicated to support the development of India's smaller organisations to make them more competitive globally. Lean processes for manufacturing and services are integral to both our flagship programme of Cluster for Competitiveness and to the training programmes we organise for industry, SMEs in particular.

We are helping industries to implement lean while representing a "one stop shop for all SMEs" for their business improvement requirements. In fact, as much as 80% of the interventions and improvements that we carry out as part of our cluster programmes are driven by the philosophy and metrics of lean. Shorn of all jargons, lean simply means for us that we have to create more value for our customers, with fewer resources. What we particularly focus on, inside and outside our clusters, is that the elimination of waste is done along the entire value stream, not at isolated points. The basic approach to improvement in a cluster entails making companies aware of lean thinking and other improvement methodologies. Kaizen or continuous improvements at the shop floor is an ingrained feature for a cluster. Similarly we work with other tools and techniques like 5S, SMED, poka-yoke, JIT, kanban, value stream mapping, total employee involvement (TEI), integrated quality management, integrated material management & control. In our interactions with SMEs we strive to drive home the point that lean is not a short term cost reduction programme but the way the company needs to operate.

We advise and guide companies as to how they can transform themselves and move from an old way of thinking and working to the lean way. Once they get to see the return on investment and the plethora of benefits that manifest themselves from the clusters, they become increasingly keen to imbibe the virtues of lean processes.

Our clusters encourage companies to benchmark against each other to learn more about what others are doing with regards to lean. Further, the cluster companies offer each other support in implementing lean. This is done by visiting each other and helping the weak spots of a particular company using the expertise and know-how available to a stronger company within the cluster.

The CII-AVANTHA Centre is dedicated to enhance the competitiveness of SMEs, through interventions in areas such as manufacturing excellence, energy efficiency, cost management, total employee involvement, etc. Our counsellors are well versed with the theory and practices of lean management, and they encourage lean thinking and implementation in all aspects of the life of the businesses that make up the cluster.

Our flagship service, the "Cluster Approach", is built on the principle of learning by sharing. We form a cluster of 10-12 SMEs and help them to grow together by learning through sharing their experiences. So far, 227 clusters of SMEs have been formed by CII and its strategic partners, impacting 2,361 companies. The Cluster approach aims at improving competitiveness in an associated group rather than in individual companies.

Thanks to the cluster approach, participating SMEs have been able to improve their inventory turnover ratio, reduce rejections and re-work, improve their delivery schedules and space utilisation, reduce energy consumption and mitigate various forms of customer complaints. All this results in huge financial savings for the SMEs concerned and enables them to be a strong player within supply chains.

The approach has received huge appreciation and encouragement from industry, especially from OEMs who have worked along with their vendors in clusters to make the entire supply chain more efficient and effective.

We also work with the Indian government, especially the Ministry of Small and Medium Enterprises, on improving the competitiveness of micro, small and medium enterprises in Indian industry by advocating the adoption of lean processes, which best describe what we want our SMEs to achieve: become swift, agile and fast-growing organisations which can keep up with a changing world.

This article by R. Narayanan, Head, CII - AVANTHA Centre for Competitiveness for SMEs, was first published in the February 2013 issue of the Lean Management Journal (LMJ), UK, www.leanmj.com



Energy Management and Energy Audit at CII - AVANTHA Centre Energy Services:

Energy efficiency is a high priority area for industry. Our study & experience show that there is around 10 – 30% energy saving potential in industries. CII – AVANTHA Centre for Competitiveness offers consultancy services on Energy Audits & conducts audit with estimate of savings & cost. The Centre also conducts open house/plant specific Training Program on Energy Management.

Energy Services covers following areas:

- ↻ Preliminary energy audits (complimentary service)
- ↻ Comprehensive energy audits for the entire plant (both thermal & electrical)
- ↻ Facilitating industry to achieve world class standards in energy efficiency
- ↻ Development of Specific Energy Consumption (SEC) norms for various equipments/ sectors
- ↻ Undertaking energy efficiency projects / Sectoral studies in partnership with National/ International agencies
- ↻ Performance evaluation / monitoring of energy efficiency projects
- ↻ Training programmes on energy management
- ↻ Encouraging industry to attain excellence in energy management through the annual National Awards for Excellence in Energy Management

Detailed Energy Audits

- ↻ Detailed Electrical System Energy Audit
- ↻ Harmonic Analysis
- ↻ Detailed Thermal System Energy Audit
- ↻ HVAC Audit
- ↻ Utility Audit
- ↻ Air Compressor Audit
- ↻ Developing Energy Management Policy
- ↻ Energy Monitoring & Targeting

CII - AVANTHA Centre for Competitiveness for SMEs is also working with the Bureau of Energy Efficiency (BEE). For further details on how we can help you in Managing Energy Efficiency in your organization, please contact:

Sanjay Namdeo,
Counselor, Energy

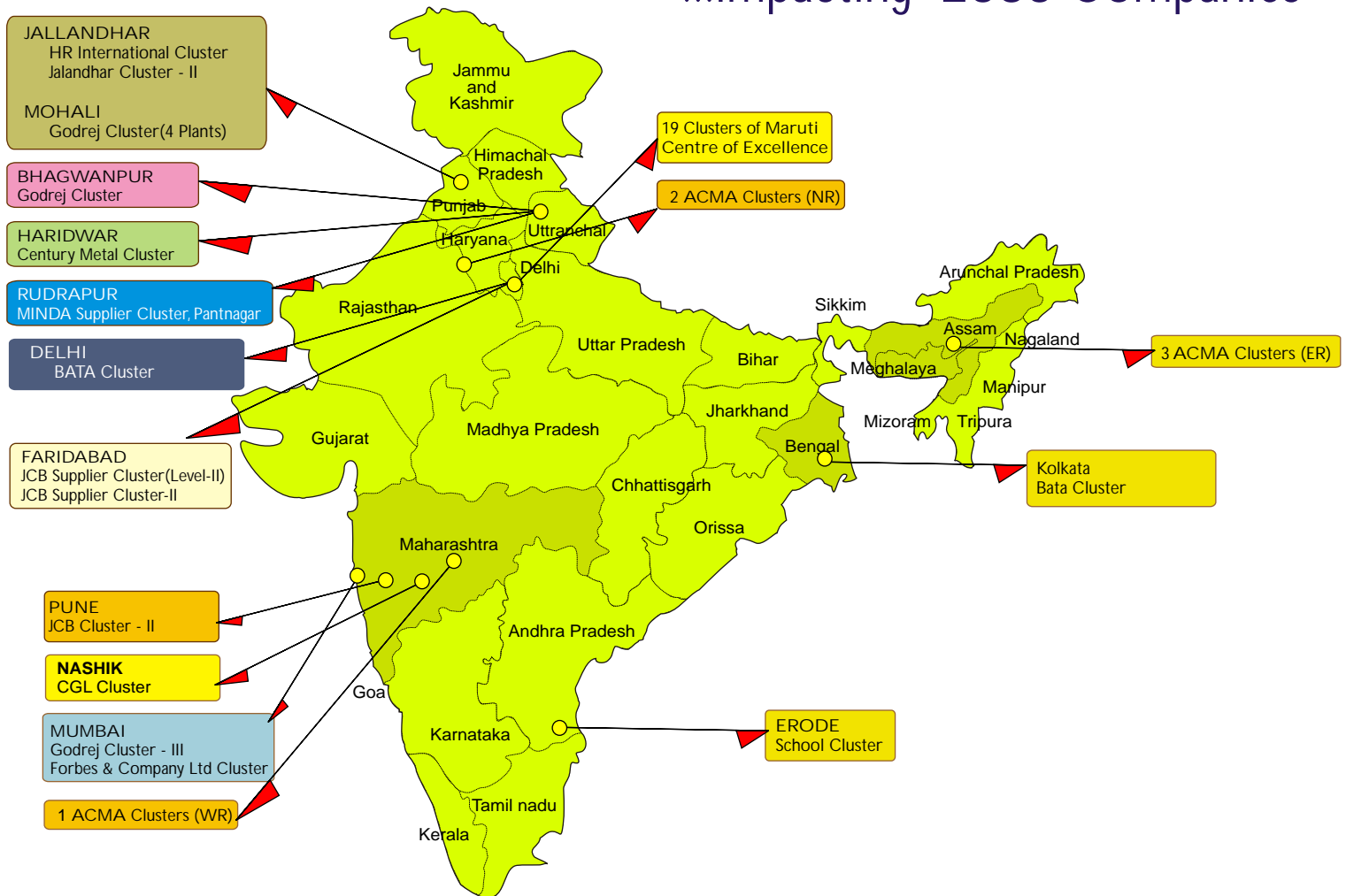
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CLUSTERS FOR COMPETITIVENESS

A Unique Opportunity for SMEs

232 Clusters formed,
by CII - AVANTHA Centre for Competitiveness for SMEs
and its Strategic Partners
...impacting 2383 Companies



Ongoing 39 Clusters, covering 260 companies...

As on: 21st March, 2013



Upcoming Events

Corrosion Management Training Programme

Title / Theme	Date	Venue
Training Programme on Paints & Coatings for Corrosion Protection	25 - 26 April 2013	Bangalore

Contact: Lakshman, Phone: 8699458639, Email ID: lakshman.b@cii.in

Webinar

Title / Theme	Date	Venue
In Transit & During Storage Corrosion Prevention	24 May 2013	

Contact: Arun Joshi, Phone: 9872969739, Email ID: arun.joshi@cii.in

6th NATIONAL CLUSTER SUMMIT, 2013

The much awaited 6th Edition of the National Cluster Summit 2013 is scheduled to be held on 25-26 September, 2013

For more details about National Cluster Summit 2013, Please contact:

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Confederation of Indian Industry

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the growth of industry in India, partnering industry and government alike through advisory and consultative processes. CII is a non-government, not-for-profit, industry led and industry managed organisation, playing a proactive role in India's development process. Founded over 117 years ago, it is India's premier business association, with a direct membership of over 7100 organisations from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 90,000 companies from around 250 national and regional sectoral associations. CII catalyses change by working closely with government on policy issues, enhancing efficiency, competitiveness and expanding business opportunities for industry through a range of specialised services and global linkages. It also provides a platform for sectoral consensus building and networking. Major emphasis is laid on projecting a positive image of business, assisting industry to identify and execute corporate citizenship programmes. Partnerships with over 120 NGOs across the country carry forward our initiatives in integrated and inclusive development, which include health, education, livelihood, diversity management, skill development and water, to name a few. The CII Theme for 2012-13, 'Reviving Economic Growth: Reforms and Governance,' accords top priority to restoring the growth trajectory of the nation, while building Global Competitiveness, Inclusivity and Sustainability. Towards this, CII advocacy will focus on structural reforms, both at the Centre and in the States, and effective governance, while taking efforts and initiatives in Affirmative Action, Skill Development, and International Engagement to the next level. With 63 offices including 10 Centres of Excellence in India, and 7 overseas offices in Australia, China, France, Singapore, South Africa, UK, and USA, as well as institutional partnerships with 223 counterpart organisations in 90 countries, CII serves as a reference point for Indian industry and the international business community.



CII-AVANTHA
Centre for Competitiveness
for SMEs

Established in 2004, today Chandigarh based CII-AVANTHA Centre for Competitiveness for SMEs is a one stop shop for SME development. With a pan India approach, the Centre plays role of a guide and mentor for SMEs by its 'Cluster Approach', which enables SMEs to learn through sharing of knowledge with other Cluster companies. Best Practices and a detailed road map for enhancing productivity and efficiency for Cluster companies is charted and implemented by the seasoned counselors of the Centre.

The Centre works exclusively to enhance the competitiveness of MSMEs, through interventions in areas such as Manufacturing Excellence, Energy Efficiency, Cost Management, Total Employee Involvement, e-Learning, Corrosion Management etc. Our Pro-active International Engagements ensure that we are in tune with the cutting edge of global Competitiveness in order to transmit the same to the Indian SMEs. More than 220 Training programmes have been held in the last 3 years, benefitting more than 3500 delegates.

Services Offered

Service delivery is through a co-ordinated and participative approach. The Centre works closely with industry via training, counseling, sharing best practices, study missions and online inputs to take the organisations to new heights of competitiveness. The centre offers services in the following areas:

- Manufacturing Excellence
- Energy Audits and Management
- Total Cost Management
- Human Resource Management
- Corrosion Management

Methodology : Traditional class-room & shop floor approach is supplemented with innovative e-Learning modules and interactive webinars.

CII - AVANTHA Centre for Competitiveness for SMEs
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