

Lean Manufacturing Competitiveness Scheme (LMCS) for Micro Small and Medium Enterprises(MSMEs)

The Scheme :-

Under the Scheme, MSMEs will be assisted in reducing their manufacturing costs, through proper personnel management, better space utilization, scientific inventory management, improved processed flows, reduced engineering time and so on. LMCS also brings improvement in the quality of products and lowers costs, which are essential for competing in national and international markets. The larger enterprises in India have been adopting LMCS to remain competitive, but MSMEs have generally stayed away from such Programmes as they are not fully aware of the benefits. Besides, experienced and effective Lean Manufacturing Counsellors or Consultants are not easily available and are expensive to engage and hence most MSMEs are unable to afford LMCS.

Scheme has been approved as a pilot project in 100 Mini Clusters for implementations of Lean Techniques.

Objectives:-

The main objective of the Lean Manufacturing Competitiveness Scheme (LMCS) is to bring the manufacturing competitiveness in the MSME Sector. Lean Manufacturing involves applying Lean Techniques (e.g. Total Productive Maintenance (TPM), 5S, Visual control, Standard Operation Procedures, Just in Time, Kanban System, Cellular Layout, Poka Yoke, TPM, etc.) to identify and eliminate waste and streamline a system. The focus is on making the entire process flow, not improving only a few operations. Worker empowerment is also emphasized throughout the effort.

Approach:-

The approach involves engagement of Lean Manufacturing Consultants (LMCs) to assess the existing manufacturing system of member units of the Mini Cluster(s) and stipulate detailed step by step procedures and schedules for implementing and achieving of lean techniques.

A Special Purpose Vehicle (SPV) will be formed in each cluster. It is expected that once MSMEs are introduced to the benefits and savings that accrue from LM techniques, they would themselves continue the Scheme from the second year onwards at their own expense. A three tier implementing structure is in place with a group of 10 or so MSMEs (SPV) at the lowest local-tier

and a Lean Manufacturing Screening and Steering Committee (SSC) under DC(MSME) at the highest tier

The intermediate tier, National Monitoring and Implementing Unit (NMIU) is responsible for facilitating implementation and monitoring of the Scheme. For the Pilot phase of 100 Mini Clusters, it is envisaged that NPC (National Productivity Council) function as NMIU.

Assistance:-

A financial support by the Government of India upto a maximum of 80% of the Consultant fees for each Mini Cluster will be provided. Remaining 20% is to be borne by the beneficiaries MSME units.

Who can apply:-

Interested industry associations / Group of approx. 10 MSME units which qualify under MSME-Development Act, 2006 willing to form SPV (Mini Cluster) can submit application in prescribed format to the National Productivity Council (NPC), Utpadakta Bhawan, Lodhi Road, New Delhi-110003.

For any further information and clarification, please contact to:

1. Mr. Subrata Pal, Director, NPC, Mb: 9953850301, Ph: 011-24607316.
2. Mr. Jaipal Singh, Deputy Director, Office of the DC(MSME), Ph:011-23061461.

 [Guidelines](#)