

Indofil Chemical Company

Replicating best practice

Indofil Chemical Company, (ICC), is India's leading Agro-chemical (Fungicide) manufacturer. ICC's manufacturing facilities were located at two plants and three toll (contract) manufacturing units. Earlier, Renoir Consulting worked with ICC at their Thane plant in a project focused on production, maintenance, stores, and quality. A key highlight of that project was that daily production of Mancozeb, ICC's prime product, an agricultural fungicide used in over 50 countries around the world, was increased from 5 tons to 14 tons.

A prime growth driver in India has been the agricultural sector, which led to ICC's decision to set up a new plant. They once again teamed up with Renoir to strategically decide the location of the new plant and following extensive studies of inbound and outbound logistics, tax avenues, and detailed costings, the new plant, "Dahej" was agreed.

With the new plant nearing commissioning, ICC wanted to replicate the systems and processes that had successfully evolved over the years at Thane, from the outset. Renoir was asked to team up with ICC, initially to carry out an audit of the existing systems and processes at Thane, to ensure that only best practices were transferred to Dahej. The project, "Pragati", began before the commencement of the Dahej plant operation to ensure a smooth start-up.

"People now have a business focus & problem solving and decision making approach."

Dr. S N Upadhyay
Quality Head & Project Owner,
ICC, Thane

"RCL's approach of generating internal feedback to identify improvement opportunities is highly appreciable. It helped in ensuring stability of proposed systems. At the initial stage the course correction made by Mr Mishra & RCL of aligning project Pragati to the company's vision gave the project a holistic picture."

C Shrikanth
Logistics MAT

ANALYSIS

The Audit revealed that manual or repetitive data logging, partially due to only 20% usage of the ERP system, was creating a lot of non-value added activities. The lack of systems in planning, inbound logistics and maintenance was resulting in fire fighting. Renoir was asked to assess the existing systems & assist with a programme to implement all adequate systems and processes for Production, Maintenance, Inbound logistics & Quality.

The detailed study of the entire process identified a number of key opportunities which included:

Data recording & reporting

- RM/PM and production planning
- Spares management
- Quality plan
- Daily / weekly plan compliance
- Week wise dispatch planning
- Material traceability
- Systematic approach
- Response & resolution time
- Review approach
- Competency & skill tracking

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“Active involvement and enthusiasm is seen at all levels now. Ownership among objective leaders is high.”

S N Pandey

Production MAT Chairman

Renoir was asked to assist with a programme to implement improvements across all systems and processes for Production, Maintenance, Inbound logistics & Quality.

PROJECT

The Project Team consisted of Renoir and an ICC employee Task Force. The Project structure was comprised of a Steering Committee headed by ICC and Thane plant senior management, the four Chairmen of the Management Action Teams (MATs) that were formed to drive the changes, as well as the project team. Renoir provided extensive training to all Task Force and MAT members to become the key change agents for the organization.

During the initial phase over 100 studies were conducted by the project team and MATs to identify NVA activities and areas for improvement, new systems & processes. Following this initial 6 week study phase, all MATs were also asked to quantify their own objectives, deliverables and detailed road maps with guidance from Renoir through extensive brain storming sessions that helped define enablers for all the deliverables. Detailed realization plans were then finalized by the team with clear responsibilities and due dates for all activities. Compliance was monitored on a daily basis with simple reporting tools.

To improve traceability of materials and inventory management, the team began implementing a material identification system for each material, change in layout, and min-max levels. Later, a KANBAN system was introduced to improve RM / PM planning and achieve planned DSI levels. The team also proved that frequent plan changes are not beneficial and created a “bullwhip effect”, especially for packing materials. With better use of BAAN, bill of materials generation and RM / PM planning was facilitated.

Improved maintenance techniques and schedules helped to reduce downtime and increase output from key equipment. Actions such as monitoring excess weight variations and blocking of leakages from the entire material transfer system and equipment, gave a tremendous boost in increasing daily production numbers as well as key raw material yield.

Previously, there were lot of cases of re-testing of final samples, especially for two of their products: Mancozeb and WDG. Extensive experiments about heterogeneity of material, monitoring of blending material, training and coaching were conducted with process lab personnel, helping to reduce the NVA activities of re-testing of samples.

One of the major initiatives taken by the project team was to create a “Visual Factory”. The 5S initiative in all areas of the plant received a fantastic response, with factory team members leading the initiative and management staff working under them.

Finally, weekly scorecards and a daily MIS were developed for all four areas to enable top management to visualise the plant performance at a glance.

THE RENOIR GROUP

Renoir Consulting is a world leader in sustainable, implemented change. Founded in 1994, Renoir has offices located in North and South America, UK, Europe, Turkey, Middle East, Southern Africa, India, Pakistan, China, South East Asia and Australasia. With over 350 fully employed and highly trained consultants, their work across a wide range of industry sectors gives them a broader perspective of the issues facing your business, allowing them to be sensitive to your unique challenges, culture and specific business issues. This cross-pollination ensures truly effective, rapid and sustainable solutions.

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