

Lean Manufacturing Competitiveness Scheme (LMCS)

Ministry: Ministry of Micro, Small and Medium Enterprises (MSME)

1. Eligibility Criteria

- Must be a **manufacturing MSME**
- Willing to adopt **lean manufacturing techniques**
- Focus on:
 - Improving productivity
 - Reducing waste and inefficiencies

a) Registration Requirement:

- Must be registered with:
 - District Industries Centre (DIC) (EM-II), or
 - Any recognized government agency/association

b) Participation Condition:

- Participation through a **cluster/group of MSMEs (typically 4-10 units)**

2. Benefits

a) Financial Assistance:

- **Up to 80% government support** for consultancy cost
- MSME contribution limited to **20%**

b) Consultancy Support:

- Access to **Lean Manufacturing Consultants (LMCs)**
- Expert guidance for:
 - Process improvement
 - Productivity enhancement
 - Cost reduction

c) Operational Improvements:

- Reduces:

- Waste
 - Operational inefficiencies
 - Production costs
- Improves:
 - Quality standards
 - Overall performance

d) Implementation Framework:

- **Milestone-based payments:**
 - 5 installments (20% each)
- Ensures structured execution and monitoring

3. How to Apply

- Apply through **MSME-Development Institutes (MSME-DIs)** or official portal

Process:

- Register on the **LEAN portal** and take the **Lean Pledge**
- Form a **Group of Enterprises (GoE)**:
 - Cluster of 4–10 MSMEs
- Select implementation level:
 - Basic
 - Intermediate
 - Advanced
- Submit cluster registration
- Enter into **tri-partite agreement** (MSME–Consultant–Agency)
- Begin:
 - Diagnostic study
 - Lean implementation with consultant support

4. Documents Required

- **Udyam Registration Certificate**
- MSME registration proof (DIC / EM-II or equivalent)



- Business profile

a) Cluster Documents:

- MoU signed by participating units
- SPV / cluster formation documents

b) Application Documents:

- Duly filled application form (as per scheme format)

Official Website

<https://dcmsme.gov.in>

