



Can automation provide a competitive edge to SMEs?

There is an increasing need for automation in chemical companies, be it big or small. The Small and Medium Enterprises (SMEs), of late, have started realising its importance for staying competitive in the market. **Prasenjit Chakraborty** finds out the progress of automation in the chemical SMEs and what restricts them from adopting it.



Amit Kapur
Director,
Everest Group

With the global manufacturing industry successfully implementing automation in its manufacturing processes, no business venture (big or small) can afford to stay away from these technologies if it aims to be a successful multinational tomorrow. With several automation service providers offering customised solutions for SMEs, this is the right time to invest in those and leverage their benefits.

SMEs in India understand the fact that automation is of utmost importance for a successful manufacturing enterprise and ignorance on their part to adopt this technology can hamper the overall productivity. However, it also poses challenges, as far as its realisation by SMEs is concerned. This includes affordability, benefit awareness and application knowledge. Moreover, implementing automation technology also calls for additional time, effort and investment towards maintaining and updating the technology.



Omkar Herlekar
Whole-Time Director,
Omkar Speciality Chemicals Ltd

While automation promises improvement in efficiency and management agility, SMEs face challenges in its implementation. They often shy away from automation as they perceive it as a major cost. It is also because SMEs produce multiple products and, hence require bigger investment to automate their manufacturing process. The SME fraternity in specialty chemical manufacturing needs to emerge from its shadow and enhance competency to establish a global footprint.

However, more than 80 per cent of SMEs are not automation-enabled and most of the operations are manual, using low-end custom built solutions, which are traditionally difficult to maintain and scale. Automation and R&D are the key enablers for our group as it has offered us the ability to quickly sense and respond to the new market imperatives.



Rajive Shah
Director,
Sauradip Chemical Industries Pvt Ltd

Automation will provide chemical SMEs an edge in this highly competitive world as it will provide scale of production, which can result in significant cost reductions. Apart from cost, automation will facilitate better quality product and there will be no variation in batch processing. By adopting automation, a processor can reduce time cycle for batches and, hence increase production. This is important against the backdrop of severe competition.

There are many benefits offered by automation that include reduction in loss of chemicals and maintaining cleanliness in chemical plants. When it comes to liquid raw materials, automation is a must, as such sophisticated equipment checks the quantity of raw materials perfectly. Even dispatch can be increased by adopting automation. Taking everything into consideration, it is time for SMEs to adopt automation and go forward.

EDITORIAL TAKE

It is imperative to chalk out specific approaches for SMEs to examine automation as a strategy for increasing productivity and reliability in their manufacturing operations. At present, it is more about mindset rather than finance that is restricting SMEs from embracing automation. Automation providers also have to play greater role in convincing SMEs about the benefits of automation.