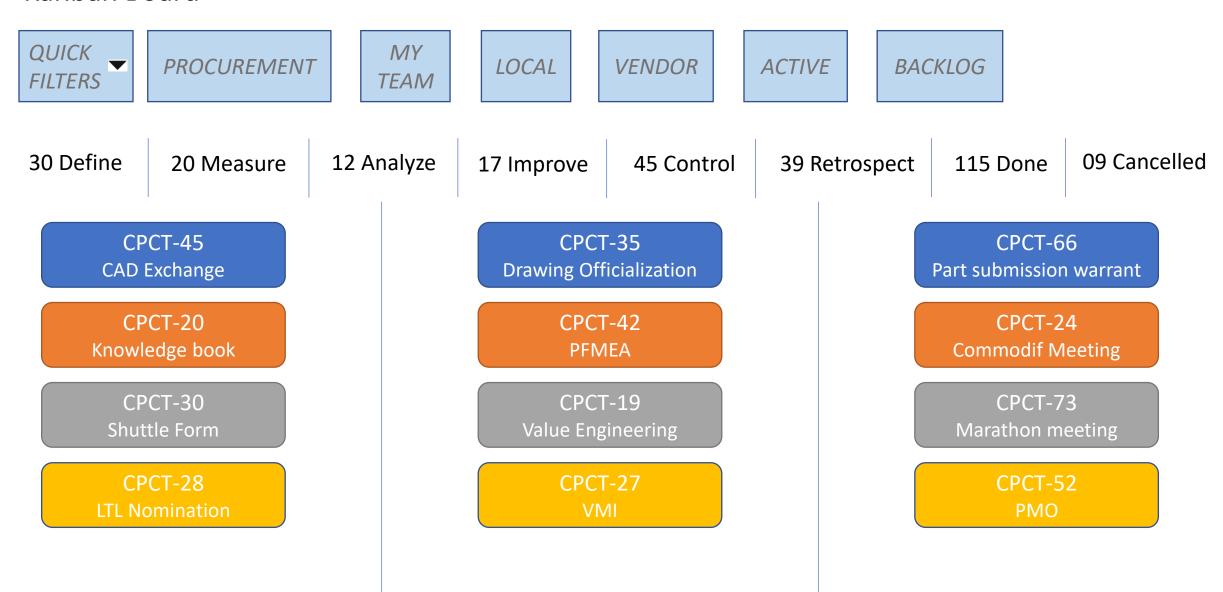


# Kanban and Inventory case studies

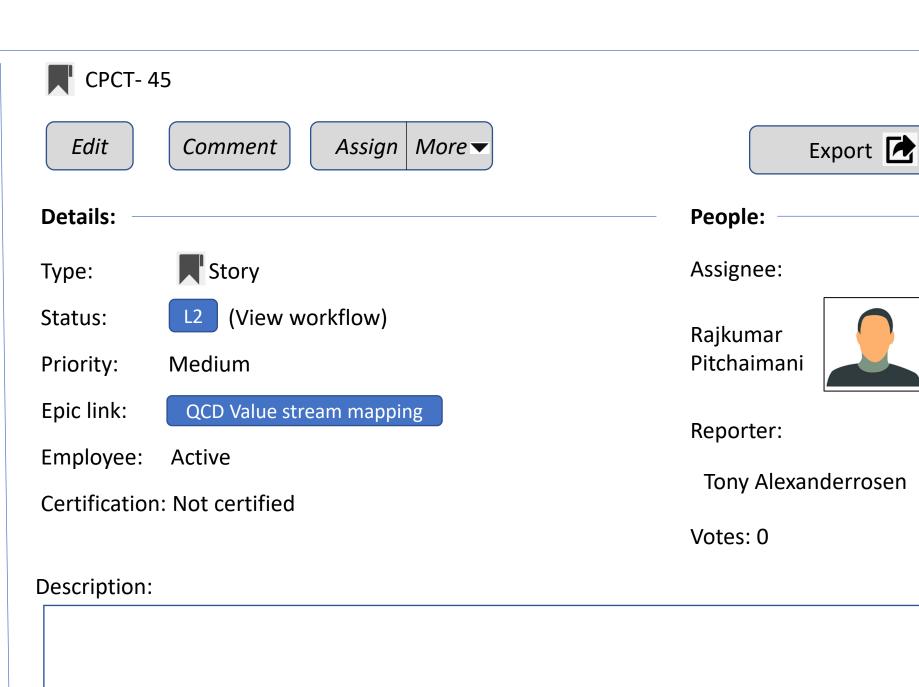
Rajkumar Pitchaimani

# Kanban Board



# All issues







# Renault Group













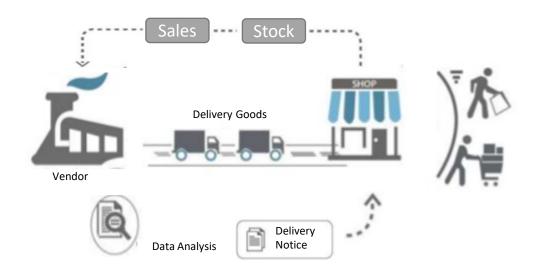






Inventory case study: Groupe Renault – Chennai RNAIPL Plant







"Vendor Managed Inventory is the term for inventory management systems where the supplier manages the day-to-day inventory activity. In a VMI relationship, the manufacturer becomes responsible for the management of his customer's inventory. (Pol, Inamdar, 2012)

Vendor Managed Inventory (VMI) Strategy Manufacturer decide on the appropriate inventory levels of each products (within previously agreed upon bounds) and the appropriate inventory policies to maintain these levels.





# CHENNAI (RENAULT-NISSAN)

NISSAN PARTNER PLANT VEHICLES PLANT AND LOGISTICS SITE





DUSTER 1 KWID CAPTUR TRIBER

LOGISTICS AILN PLATFORM (ALLIANCE INTERNATIONAL LOGISTICS NETWORK) The first joint Renault-Nissan Alliance plant for global markets, the plant at Chennai in India has a production capacity of 400,000 units. The Chennai plant is the first Alliance site to implement a production system based on sharing both companies' knowledge and best practices. The new manufacturing process allows the plant to produce Renault and Nissan vehicles on the same line.

## **Business Value**

Warehouse maintenance cost: 2 Rs/Kg

Cars produced (Monthly): 20,000

Cars produced (Yearly): 2,40,000

Average weight for BIW parts/car: 500 Kg

Money Spent on Inventory storage: 240 million Rs

# **Before VMI Condition**



# After VMI Condition

