HON'BLE CHIEF MINISTERS AWARD for EXCELLENC E IN

Nominati on for Excellenc e in Governm ent Process Re-engineeri

Poompuhar
Hand in hand with our artisans...

Tamil Nadu Handicrafts Development Corporation Ltd,
(A Govt of Tamil Nadu Under Taking)

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Profile of the Corporation

The Tamil Nadu Handicrafts Development Corporation Ltd, was incorporated as a Public Limited Company on 26.07.1973. Popularly known as “Poompuhar”, it commenced its operations from 01.08.1973. Its vision is to reach out to the world and to showcase the hard work done by artisans in producing exquisite handcrafted products in brass, bronze, wood, stone, etc. The objectives of Poompuhar are as follows:-

- To upgrade the skills of artisans by imparting appropriate training.
- To improve the productivity of artisans.
- To improve the quality of handicrafts produced.
- To minimize the human drudgery involved in the production process.
- To minimize / eliminate occupational hazards.
- To encourage innovation in design concepts.
- To provide socio-economic security for craftsmen.
- To document and record the details of the handicrafts which are produced in the State.
- To provide marketing services to the artisans of Tamil Nadu.

Showrooms

Poompuhar provides marketing assistance to artisans by selling their products through its 17 showrooms which are located at Chennai City, Chennai Airport, Vandaloor Zoo, IIT Chennai, Egmore Museum, New Delhi, Kolkata, Coimbatore, Erode, Salem, Thanjavur, Tiruchirapalli, Madurai, Tirunelveli, Kanyakumari, Swamimalai and Mamallapuram.

Exhibitions

Poompuhar organizes handicrafts exhibitions-cum-sale all over the country including important cities and towns in Tamil Nadu, it also organizes Gandhi Shilpa Bazaars and Craft Bazaars, where artisans from all over the country are invited.

Production Centres

Poompuhar has 7 Production Centres located at Nachiarkoil (traditional brass lamps), Madurai (brass lamps and brass art wares), Vagaikulam (brass malabar lamps and other lamps), Swamimalai (bronze icons), Thanjavur (Thanjavur art plates), Kallakurichi (sandalwood carvings) and Mamallapuram (stone carvings).

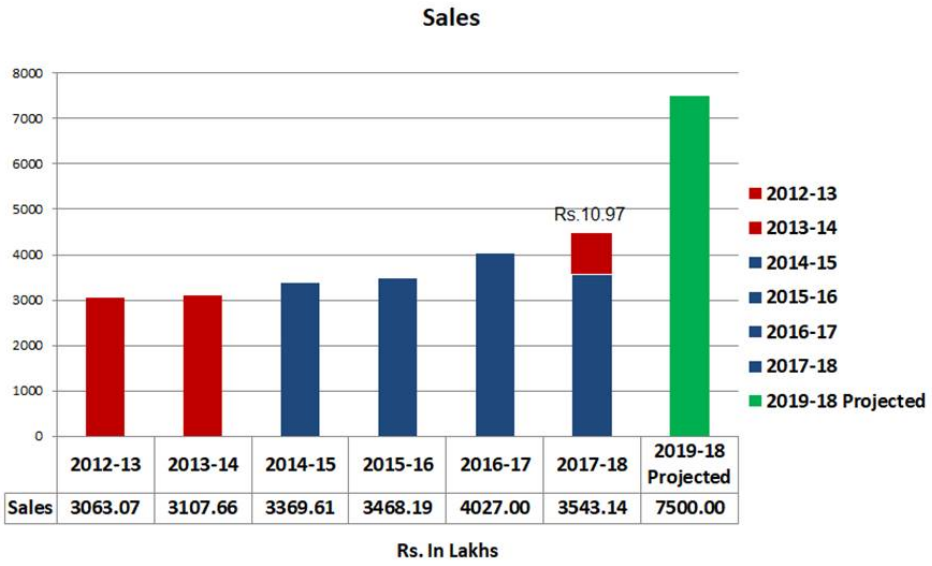
Sales Turnover

Poompuhar has shown tremendous growth in its annual turnover since its inception. It has achieved a **turnover of Rs.40.36 crores**

during the year 2016-17 which is the highest turnover recorded in its history.

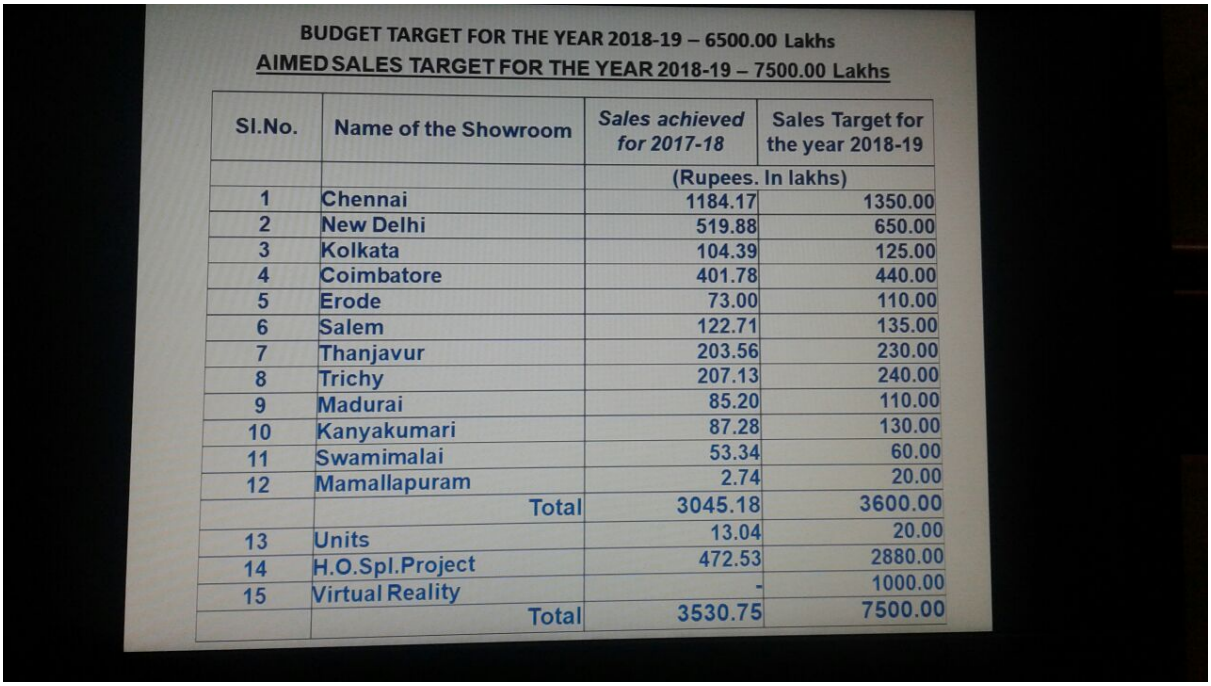
THE

Poompuhar Growth



	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2019-18 Projected
Sales	3063.07	3107.66	3369.61	3468.19	4027.00	3543.14	7500.00

The reason for projecting a turnover of Rs.75.00 crores is because of the projects that are already on the works, especialluy because we bagged a Rs.50.00 crore embellishment project from the Ulaga Tamizh Sangam, a Government of Tamil Nadu agency. This work has to be completed in 3 years. Hence we have taken a turmnover of only Rs.15.00 crores in 2018-2019:



BUDGET TARGET FOR THE YEAR 2018-19 – 6500.00 Lakhs

AIMED SALES TARGET FOR THE YEAR 2018-19 – 7500.00 Lakhs

Sl.No.	Name of the Showroom	*Sales achieved for 2017-18*	Sales Target for the year 2018-19
		(Rupees. In lakhs)	
1	Chennai	1184.17	1350.00
2	New Delhi	519.88	650.00
3	Kolkata	104.39	125.00
4	Coimbatore	401.78	440.00
5	Erode	73.00	110.00
6	Salem	122.71	135.00
7	Thanjavur	203.56	230.00
8	Trichy	207.13	240.00
9	Madurai	85.20	110.00
10	Kanyakumari	87.28	130.00
11	Swamimalai	53.34	60.00
12	Mamallapuram	2.74	20.00
	Total	3045.18	3600.00
13	Units	13.04	20.00
14	H.O.Spl.Project	472.53	2880.00
15	Virtual Reality	-	1000.00
	Total	3530.75	7500.00

Transformation Using Information Technology

Poompuhar has pursued a holistic growth model through constant innovation and diversification. Thanks to this transformation, the turnover of the Corporation which was Rs.3107.00 Lakhs in 2013-14, touched a record turnover of Rs.4036.00 Lakhs in 2016-2017.

Awards received by Poompuhar for Transformation by using Information Technology

a) National e-Governance Silver Award, 2016-17, instituted by the Department of Administrative Reforms, Pensions and Grievances, Government of India

b) SKOCH Smart Governance Platinum Award, 2016-17, instituted by the Skoch Foundation, an NGO.

1. Geographical Coverage

a) The corporation has 17 showrooms and 7 production centres spread across India. In addition to that, the products of the corporation are available online through our e- Commerce site www.poompuhar.org and we have dedicated web pages for

marketing our products in Flipkart, Snapdeal, Indiamart & Craftsvilla.

b) Massive use of social media marketing through Facebook, LinkedIn, Twitter, Pinterest, Quora, Instagram, You Tube, Google Plus etc have ensured a global reach for products of our artisans.

c) Artisans: Live e-Repository of Artisans and their skills and active engagement of over 200,000 artisans (of which about 15000 have already been enrolled into a web based e-Repository www.tnartisaan.com detailing their key skills, sample works and contact coordinates); Online assignment of work orders directly to artisans and remote management of products (semi-finished and finished) and inventory will be possible shortly.

d) Staff of Poompuhar: over 128 nos. of Officers and Staff spread across 7 production units and 15 showrooms across the country in the State work on an ERP making TNHDC an “anytime, anywhere” organization. Centralized bio-metric attendance and centralized remote CCTV supported surveillance, monitoring and supervision systems have been established.

e) Customers/ Buyers: enhanced reach (*beyond State and National boundaries*) of lakhs of customers through e-commerce portals and social media.

f) General Public/ Prospective Customers: e- designing and subsequent interior design compositions at the national and

international terminals of Chennai, Tirupati, Madurai, Coimbatore, Trichy, Pondicherry, Thoothukudi and Salem Airports, Ennore Port Trust, Secretariat, Ripon Building and TCS Ramanujan IT Park Chennai have enhanced visibility and promotion of our handicrafts heritage.

2. Scope of Services/ Activities Covered

2.1 Challenges faced before implementation of the Schemes

Some of the key challenges in the then legacy environment were:

- Manual and voluminous paper and file work which resulted in delay in key decisions
- Decentralized human resources and payroll management.
- Old approaches constrained product design from achieving precision and proactive response to customers' demands.
- Lack of effective surveillance leading to pilferage of expensive handicraft products at showrooms and production centres.
- Showroom and exhibition based marketing approach.
- Lack of exclusive and multi-model promotion constraining reach to digital customers, as well as brand recall by potential customers.
- Absence of exclusive approaches adopted to enhance customer experience.
- Lack of innovation and customization in sales transactions leading to lack of appropriate responsiveness across G2G, G2B and B2B sales.
- Decentralized and manual billing resulting in lack of scope for optimizing sales and inventory management.

2.2 New Strategy

- To enhance the market-responsiveness and cost-effectiveness of the Corporation with the optimal use of information and communication technology (ICT)
- To reengineer and automate key processes, including,
  - Administration
  - Marketing,
  - Design
  - Production.

The project was targeted at multiple stakeholders with specific developmental objectives which are highlighted below:

(i) **Artisans:** Creation of an e-Repository of artisans and their skills to ensure proper registry benefits (direct engagement, preferential treatment to women artisans and underprivileged, adoption of new designs and production techniques).

(ii) **Customers/Buyers:** To ensure enhanced customer-response and experience, through reduced transaction time, reliable and customer friendly processes.

(iii) **Corporation:** To ensure commercial sustainability and promotion of traditional industry, with secured income to artisans, and enhance accountability and transparency through digital governance.

Poompuhar has already started reaping the benefits, thanks to this transformation. The details of this "transformation" are elaborated below:

2.3 Interventions in Administration

1) **e-Site:** A multi-purpose dedicated web-portal: www.tnhdcltd.com has been developed which keeps all stakeholders informed about the developments in Poompuhar and in the sector.

2) **e-Repository:** The Government of Tamil Nadu sanctioned Rs.1.00 crore from the State Innovation Fund for creating an "e-Repository of Artisans and their Skills" www.tnartisaan.com This is a comprehensive and dynamically updated web based repository of all artisans in the State of Tamil Nadu, with dedicated web-page in a standardized format for each artisan who has been registered in the site, with special features to promote marginalized groups of artisans. This is probably the biggest market place for artisans in the world. Web pages are proposed to be created for one lakh artisans over a period of time. Currently data for about 10,000 artisans has been entered and the survey is on. Now customers can view the works of artisans and also search products craft wise using this website. Suppose an intervention is planned for tribal artisans, we can locate those artisans by the click of a mouse.

3) **e-Office:** Poompuhar has implemented an ERP (Enterprise Resource Planning) Software connecting all 7 production centers and 17 showrooms across the country with the Corporate Office at Chennai, thus bringing together all 128 employees of the Corporation from CMD to lowest level of employees. All 128

employees have been permitted to work from home or browsing centers etc., when they are on duty outside, making this Corporation an “anytime, anywhere Organization”. The HR and payrolls management modules have streamlined the human resources management capability of Poompuhar considerably. All files of all 17 showrooms and 7 production centers can be viewed at anytime anywhere.

4) **e-Reviews:** Reviews are now held either via Face time using iPads or through an audio review using an application developed by a telecom service provider.

5) **e-Attendance: Attendance is n**ow marked through biometric attendance system.

6) **e-Connectivity:** Wi-Fi has been provided at all Poompuhar showrooms for the purpose of using the ERP and for customers.

7) **e-Monitoring:** A total of 80 CCTV cameras have been fixed at all 17 showrooms and 7 production centers and at the Corporate Office. This has made real-time monitoring of all locations possible.

2.4 Interventions in Marketing

a. **e-Commerce:** Poompuhar created its own e-Commerce site www.poompuhar.org, a Smartphone App supported by free-home delivery through dedicated bike/van. Poompuhar signed MoUs with e-Commerce giants like Snapdeal, Flipkart, Crafts villa, Shop clues and India Mart for online selling of Poompuhar products. Exclusive web pages have been created in all these sites.

b. **e-Media:** Poompuhar has taken up a massive social media and online digital marketing campaign using about 10 social media platforms including Facebook, LinkedIn, Twitter, Quora, Pinterest, and Google to achieve the same impact if not more, at a fraction of the cost of traditional advertising in newspapers and magazines.

c. **e-Coding:** Bar coding of all handicrafts products has been completed at all 15 showrooms. Due to this step, Poompuhar can get sales statistics analyzed and plan to manufacture fast moving items in the market on priority basis.

d. **e-Billing:** A centralized computerized billing with the use of POS machines at all 15 showrooms has made billing much easier, quicker and reduced transaction time.

e. **e-Presentations:** All 24 Managers have been provided with iPads as a marketing tool. Whenever showroom managers meet with any potential customer, they can show high quality photographs of the products and also interact with customers on Face Time. They also make corporate presentations using the iPad.

2.5 Interventions in Design and Production

Government of Tamil Nadu have sanctioned Rs.1.68 crore from the State Innovation Fund for the creation of a Design Research and Development Centre (DRDC) for introducing contemporary designs

using 3D designing and 3D printing and Virtual Reality technologies. Moulds thus created can be used for production of bronze icons.

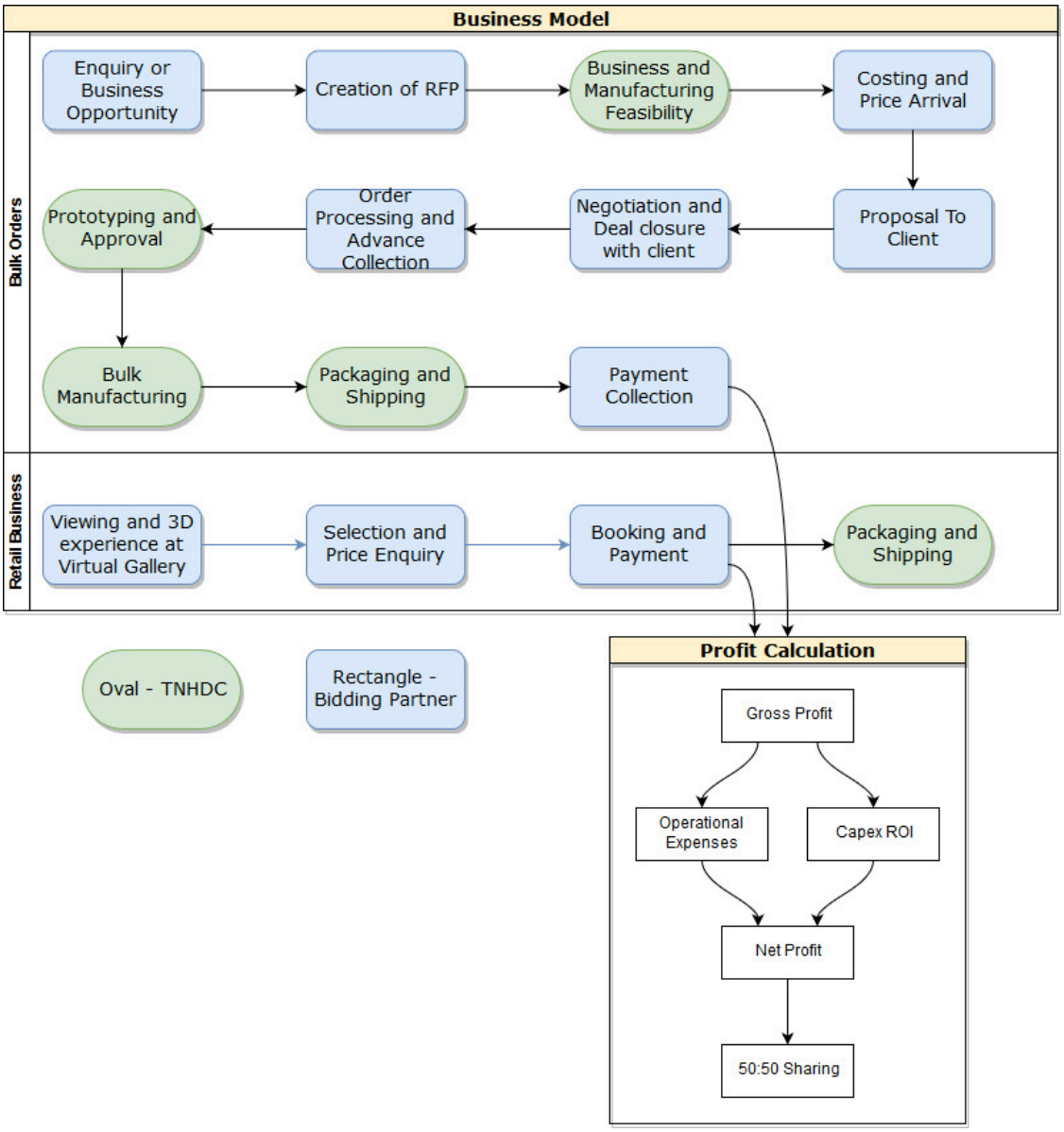
It enables anywhere anytime custom production of handicrafts though 3D designing and printing of handicrafts moulds. The DRDC was inaugurated by the Hon'ble Chief Minister on 08.03.2018 on the occasion of Artisan's Day. This centre will greatly enhance the capacity of Poompuhar to come out with new designs in the market. The DRDC will also provide access to information, and maintain an extensive on-line database for designers, artisans, commercial organizations and individuals interested in handicrafts. It will also bring together various stakeholders in innovative product development and promote research and design related projects in collaboration with universities and design institutions in India as well as abroad.

Virtual Reality: Government of Tamil Nadu has sanctioned Rs.2.17 crores from the State Innovation Fund for creation of Virtual Reality Poompuhar Showrooms.

The Tamil Nadu Handicrafts Development Corporation has created a furnished space for PPP partner organisation to setup the Design Research and Development Centre (DRDC) that will create virtual designs of contemporary products as requisitioned by Poompuhar using 3D designing software. The prototype mold will be printed out on a 3D printer and bronze replicas will be made at our production centres. The design team will also create virtual 3D images of existing Poompuhar products and host the same in a Immersive Virtual Reality server, such that customers can view our products in 3D, pick up those products

using virtual hands, give hectic feedback to the customer and also permit him to purchase the product then and there. This virtual reality Poompuhar showroom will be setup in locations like Chennai Airport.

This PPP firm is expected to supply, install, implement and maintain multiple digital platforms with the intention of promoting marketing and sales of Tamil Nadu Handicrafts Development Corporation Ltd., products through an e-commerce medium called Virtual Poompuhar.



Both the DRDC and the Virtual Reality Poompuhar Showroom work has been entrusted as a PPP to KKM Soft, a company. Poompuhar International will be a subsidiary company of Poompuhar. This will source contract design works from across the world, and once the design is frozen, a printout will be taken on a 3D printer, and our production centres will produce the

final product. The proceeds will be shared in the ratio 75:25 by Poompuhar and KKMSoft.

3. Citizen Centricity

Today thanks to the business process re- engineering that we have undertaken, the following are the benefits to the citizens.

3.1 Impact on effort, time and cost incurred by user:

Today citizen can browse through our corporate website www.tnhdcltd.com , our e- Commerce site www.poompuhar.org and our e- Repository www.tnartisaan.com to see products of our artisans online, and purchase them without going through the hassle of visiting showrooms.

3.2 Interactive platform for service delivery

1. Social Media & Online Digital Marketing campaign using about 10 social media platforms including Facebook, LinkedIn, Twitter, Quora, Pinterest, Google+ etc and engaging an exclusive agency for this promotion which is more interactive with citizens
2. Thanks to our e- Repository, citizens can now directly deal with artisans without going through middlemen.
3. Artisans and suppliers now get their payments on time and into their bank accounts.
4. e- Billing, bar coding of products and use of POS machines saves time for our citizens when they visit our showrooms.
5. Quick movement of files, thanks to the ERP, ensures speedy replies to RTI queries etc. by citizens.

6. Feedback/grievance redressal mechanism**:** All the feedbacks / grievances received by the corporation are duly addressed by maintaining an internal online feedback system..

4. User convenience

The users are officers and staff of the corporation, artisans, suppliers, government departments and customers (citizens).

4.1 Officers and staff of TNHDC:

1. Decisions on file which used to take many days and even months are now taken in a matter of hours, thanks to the installation of an all-encompassing ERP. Officers and staff can log in to the ERP anytime, anywhere.
2. Accounts department can view all transitions online, thanks to the installation of Tally software across all units of the corporation.
3. Centralized bio-metric attendance system has ensured the punctuality.
4. Centralized CCTV monitoring of all showrooms and production centers has ensured zero pilferage of our products.
5. The e- Repository has enabled the management to directly reach out to the artisans circumventing the middlemen.
6. e- Designing has enabled the corporation to locate and identify new markets.
7. Adoption of 3D designing and 3D printing and virtual reality has enabled the corporation to foray into hitherto unexplored markets like souvenir and utility products markets. Artisans need not go

through cumbersome lost wax process for creating the required moulds for the above items.

8. Extensive use of ipads by our marketing personnel has enabled e- review and visual merchandising of products.
9. www.tnhdcltd.com is now serving as a notice board for all officers and staff insofar as office instructions and information dissemination are concerned.

4.2 Artisans and suppliers:

1. Artisans and suppliers can now exhibit their products on the e-Commerce and social media platforms enabling them to sell their products online and to a global audience.
2. Artisans can now feature themselves and position their products online through their own personal web pages provided on our e-Repository, circumventing middlemen.
3. Artisans can register themselves on our e- Repository through online (using their mobile number as user id and OTP as password) or offline modes.

4.3 Government Departments:

1. Thanks to our e- Designing capability and creation of the Design Research and Development Centre, Government departments can now hope to get better designs for their requirements.

4.4 Customers

1. Online service delivery channels like e- Commerce sites, social media, virtual reality Poompuhar showrooms (on the anvil) etc has enabled the citizens multiple easy methods of accessing our products and buying them online.

2. All information on our products and services are provided online to our customers.
3. Accessibility (Time Window): all the requests which are received through email are addressed within 2 hours and all the enquiries / transaction requests which originate from social media are addressed in 30 minutes.
4. Status tracking: A tracking system is available on our e-Commerce portal.

5. Efficiency Enhancement

5.1 In Administration

a) **e-Site:** Content Management System within the website has enabled the different departments within the organisation to update their respective contents, making it useful for officers and staff alike.

b) **e-Repository:** Dedicated web-pages in a standardized format for each artisan who has been registered in the site, with special features to promote marginalized groups of artisans, has made this site probably the biggest market place for artisans in the world. Currently data for about 15,000 artisans has been entered and the survey is on. Now customers can view the works of artisans and also search products craft wise using this website. Suppose an intervention is planned for tribal artisans, we can locate those artisans by the click of a mouse.

c) **e-Office:** Use of an ERP connecting all 128 employees have enabled quick decision making. For example a procurement or production decision which used to take anywhere between 20 to 30 days has now been brought down less than 3 hrs. All officers and staff have been permitted to work from home or browsing centers etc., when they are on duty outside, making this Corporation an “anytime, anywhere” Organization. The HR and payrolls management modules have streamlined the human resources management capability of Poompuhar considerably. All files of all 17 showrooms and 7 production centers can be viewed at anytime anywhere.

d) **e-Reviews:** Reviews are now held either via Face time using iPads or through an audio review using an application developed by a telecom service provider. This has brought down the costs of conducting physical review from lakhs of rupees monthly to virtually nil.

e) **e-Attendance: Centralized** biometric attendance system has not only ensured punctuality but has also brought down absenteeism, there by creating a new work culture.

f) **e-Connectivity:** Wi-Fi across all our institutions has enabled efficient use of the ERP, and centralized cctv monitoring. Citizens also welcome availability of WiFi showrooms.

g) **e-Monitoring:** A total of 80 CCTV cameras have been fixed at all 15 showrooms and 7 production centers and at the Corporate Office. This has made real-time monitoring of all locations possible. There is zero pilferage in last two years.

5.2 In Marketing

a. **e-Commerce and extensive social media marketing campaign** has enabled Poompuhar to reach out to the world market. It has also improved the customer delight considerably, and this is seen in the increase in sales.

b. Bar coding of all products, e- Billing and use of Business Intelligence from the data emanating online from all showrooms has enabled Poompuhar to plan its manufacturing and procurement activities on the basis of customer preferences.

c. **e-Presentations:** All 21 Managers have been provided with iPads as a marketing tool. Whenever showroom managers meet with any potential customer, they can show high quality photographs of the products and also interact with customers on Face Time. They also make corporate presentations using the iPad.

5.3 In Design and Production

Enables anywhere anytime custom production of handicrafts though 3D designing and 3D printing of handicrafts moulds,

6. Cost Effectiveness

1. e-Office Administration and Management Solution: this has reduced enormous time spent on file-movement and decision making (Decisions that used to take upto 20 - 30 days are now taken in a matter of hours or minutes, thanks to the all-encompassing ERP.

2. Marketing of Poompuhar products has become completely online and hence the enormous amounts of money that is otherwise spent on advertising in newspapers, T.V Channels etc. is not necessary now.
3. The establishment of a Design Research and Development Centre that will use 3D designing, 3D printing and virtual immersive reality technology, will make contemporary designs possible at extremely low costs and in short time periods, as now molds for souvenirs and utility products can be printed out and bronze/ brass products manufactured as against the costs involved in going through the traditional lost wax process.
4. Centralized CCTV monitoring of all showrooms and production centers has enabled these units to be pilferage free as compared to the numerous cases of missing items in earlier time periods.
5. e-Review using iPads and face time has made the reviews not only highly effective but also extremely economical as Managers need not come to Chennai to attend reviews.
6. The e- Repository has made it possible for the artisan to register himself and his products on a global platform making it easier for him to market his products at very low costs.
7. e-Designing has brought in huge orders for Poompuhar from institutions like Airports, Ports, Corporate sector etc. thus increasing the turnover and profits of the corporation.

7. Capacity building and Organization sustainability

All officers and staff of the corporation were involved in the business process re-engineering and hence it was easy for them to adapt quickly to the e-mode of administration, marketing, design and production. At every stage their inputs were taken while developing all the applications, and hence all the innovations and initiatives will sustain, because it has made the work in Poompuhar interesting and also has reduced their drudgery.

8. Accountability

1. The ERP has made it possible to reduce decision times from 20 -30 days to less than 3 hrs. It also prevents anti-dating of files, overwriting, deletion or any other modification of the file. Each person has to write something on the file. Officers and staff can attend to files from anywhere, anytime. Date and time stamps enable detection of delay if any at any level, thus drastically improving pace of file movement and preventing corruption.
2. e-Attendance: has drastically improved punctuality in office attendance.
3. e-Accounting: use of tally software for accounting has enabled control on expenditure and concurrent audit by the corporate office possible, thus making all the units accountable for the budget and expenditure.
4. e-Monitoring: has instilled a sense of alertness on the part of our units personnel and customers, so much so that pilferage has been brought to nil in last two years.

5. e-Review: has made it possible to reduce expenditure and record the conversations during the review for the purpose of preparing minutes of the meetings.

6. e-Billing & Bar- Coding of products: business intelligence arising from across all showrooms and production centres has enabled the management to understand the customer preferences and manufacture/ procure accordingly. This has also enabled a control on stock. Inter showroom demand of stocks can also be ascertained making quick movement of products possible among showrooms and production centres

7. e-Commerce: has made the showrooms accountable to customers who have purchased our products online, in sofar as packing, despatching, tracking, delivery and feedback are concerned.

8. e-Advertising: through social media has reduced expenditure on advertising and has brought in more customers.

9. e-Repository: has enable the corporation to reach out to more and more artisans, thus enabling procurement of variety of products and getting to know more skilled artisans, as compared to earlier times when we used to cater to only a limited set of artisans known to the corporation.