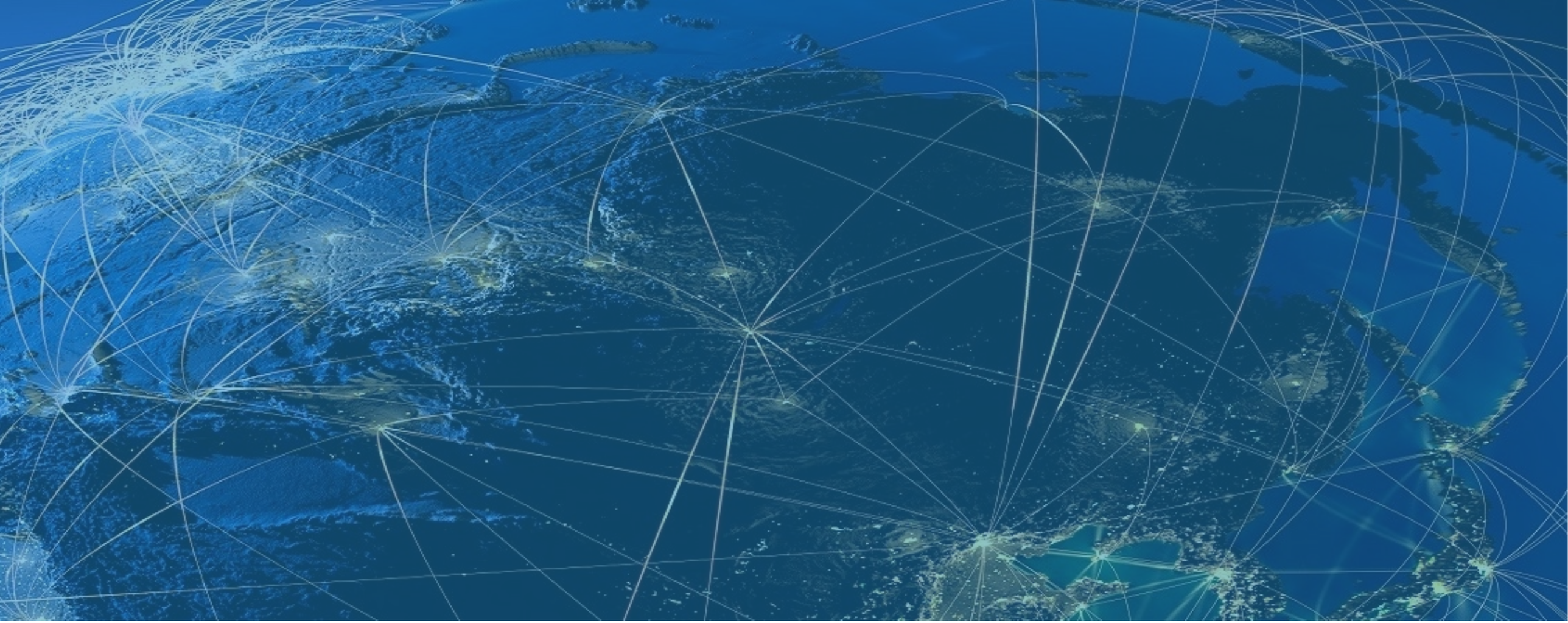


T-Chits – Blockchaining the administration of Registered Chit Funds

Presentation to DARPG – Award Committee

T-Chits – an Initiative of ITE&C and IGRS

Emerging Technologies Wing is a vertical in ITE&C Govt Department, dedicated to the following technologies.

Blockchain

Artificial Intelligence

Big Data

Internet of Things

3D Printing

Robotics /Drones

Cloud Computing

VR and AR

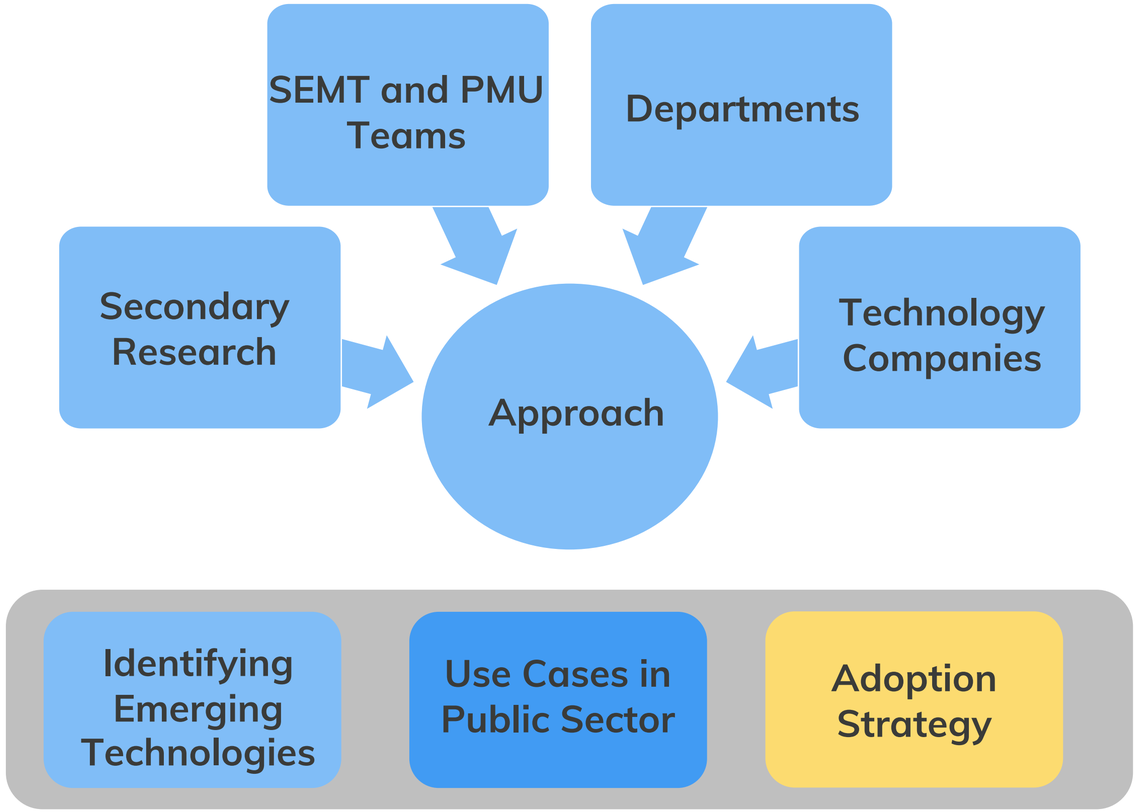
T-Chits is a collaborative effort driven by both

ITE&C and IGRS

department for implementing a Blockchain Solution

ET Wing – Way of Working

Approach and Methodology



Adoption Strategy

Blockchain District

Vision: To make Hyderabad as one of the top 10 Blockchain Cities

Framework

- Developing Talent Pool
- Supporting Infrastructure
- Promoting Research and Innovation
- Enabling Collaboration and Building Community

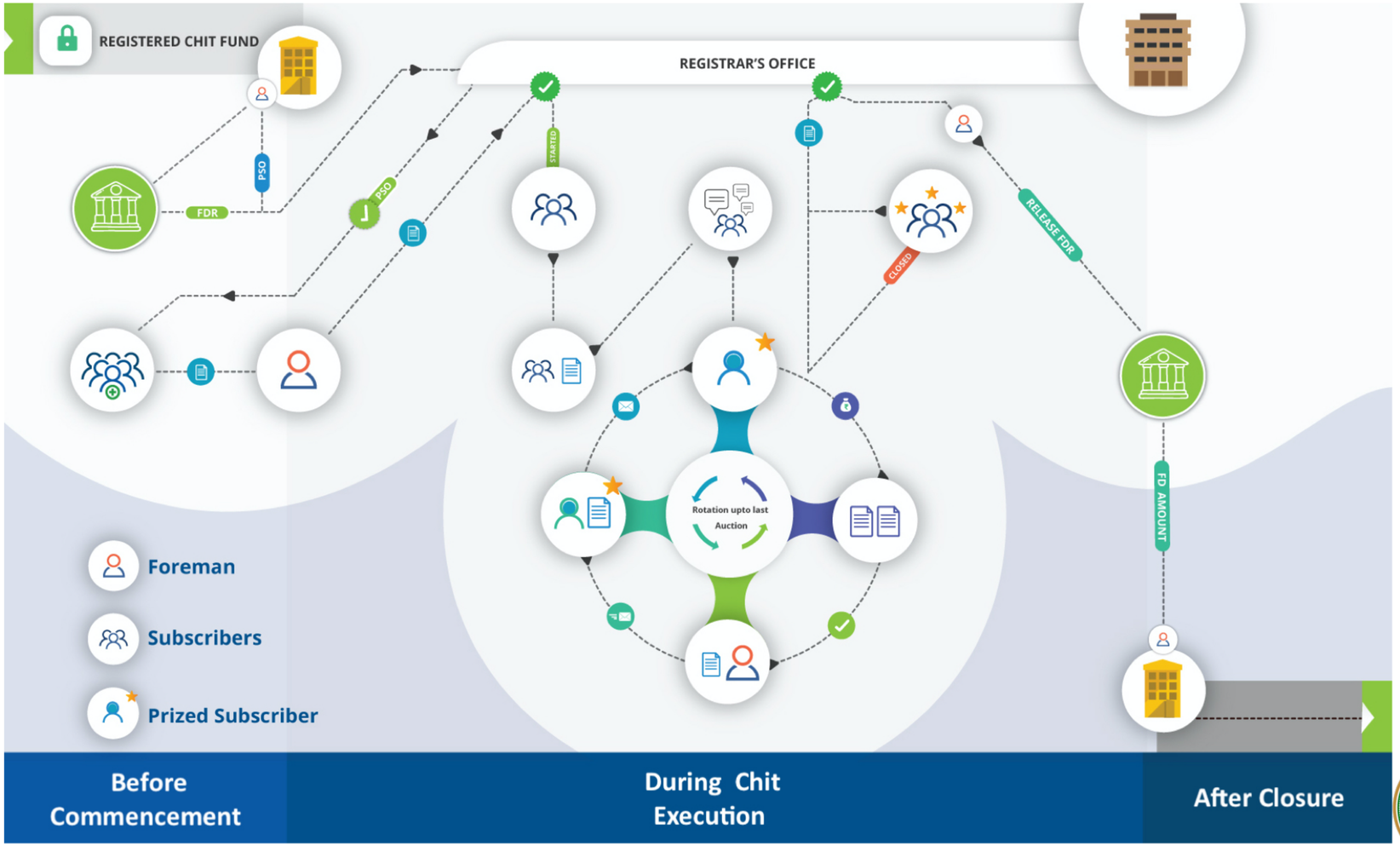
Projects

- T-Chits
- Student Credentials
- Property Records Management
- Anti-Drug Counterfeiting
- Credit Cooperative
- Civil Supplies
- Energy Exchange use cases
- CCTNS FIR
- Vehicle Life Cycle Management

Chit Funds & Administration

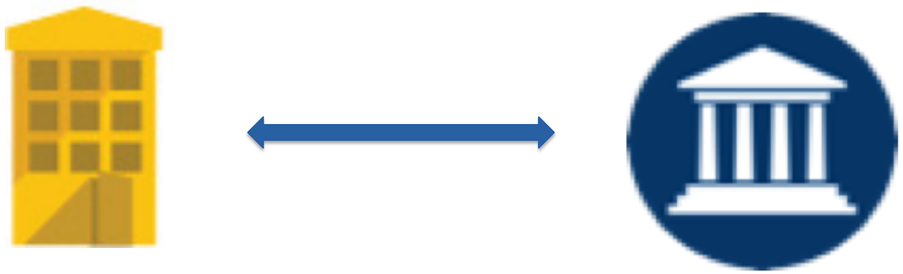
Chit Fund = Savings + Borrowings (first of its kind Financial Inclusion product)

Touch Points with regulators



Challenges

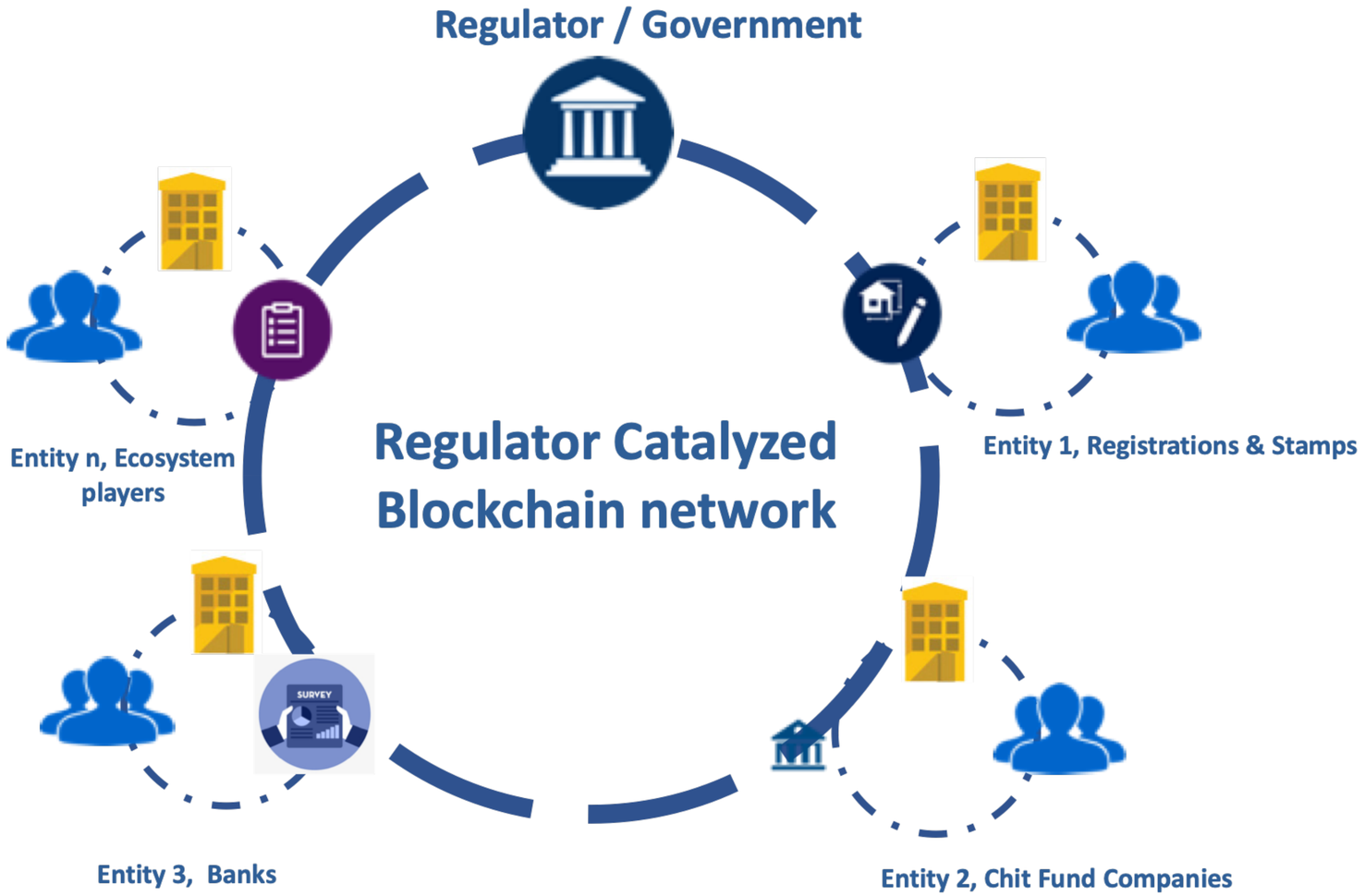
- ✗ Inefficient Processes
- ✗ Reactive system
- ✗ No tools for monitoring / regulating



Chit Fund Companies

Regulators

Our Approach



India's first of its kind Blockchain Network for Chit Funds

- Making Chit funds Accessible, Credible and Rewarding for subscribers
- Easing the regulatory work and compliance process
- Enabling companies with Technology
  - Process efficiency (eKYC, eSign, etc)*
  - Paperless and Cashless

Catalyzing a Financially Inclusive Ecosystem – Beyond Digitization

Why Blockchain?

Distributed Ledger

Single source of truth across ARCs, chit Fund companies, subscribers, banks, etc

Smart Contracts

Automated business rules validation will lead to standard governance

Disintermediation

Transactions without a trusted third party involvement

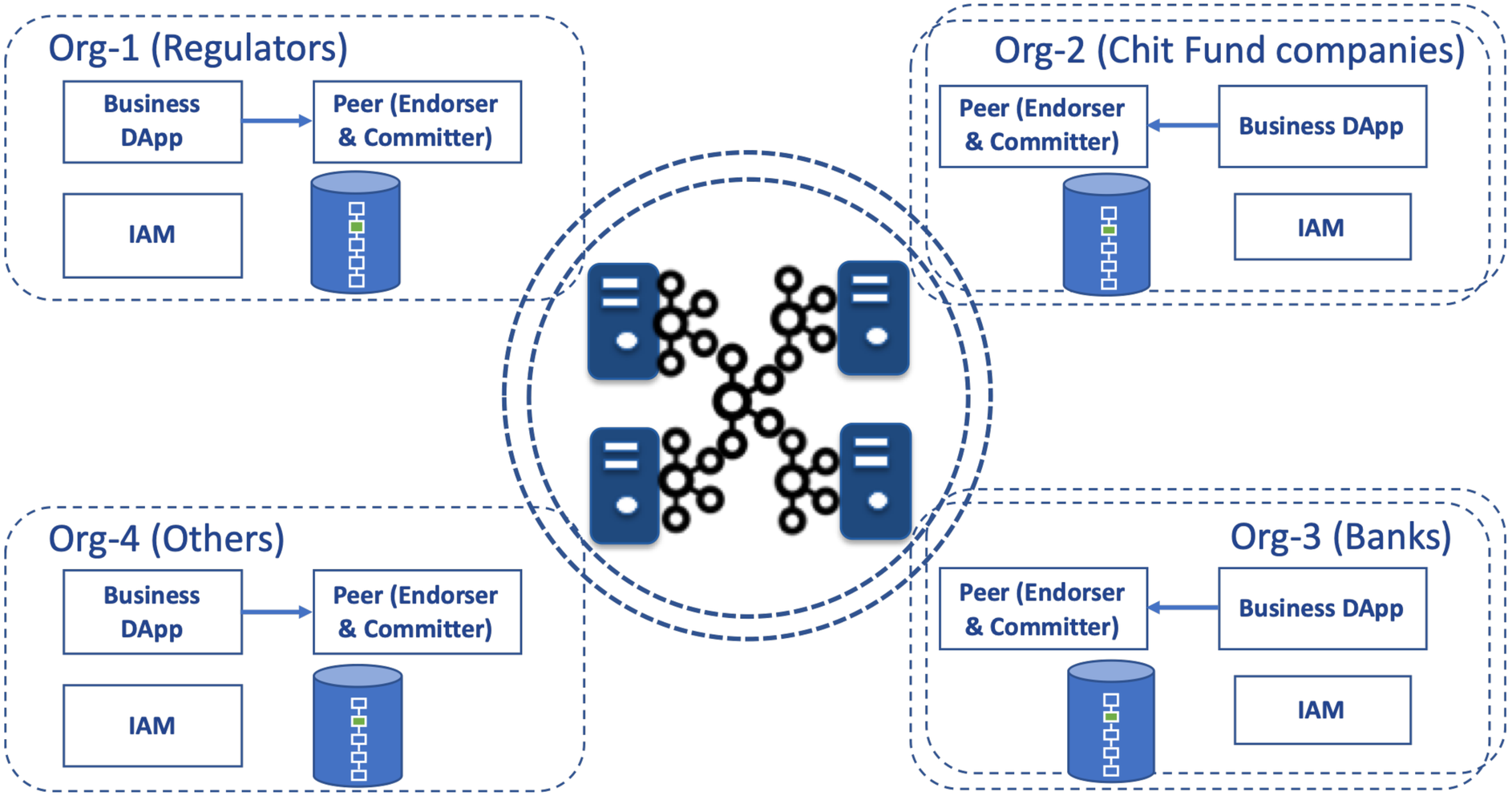
Immutability

Append only systems

Automation of Trust

Programmable trust with consensus policy

Node Design

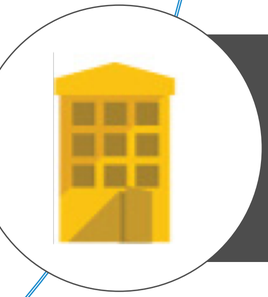


Propose – Endorse – Commit framework

List of Services – Delivered and are in use

- Search, check and validate the registered Chit Fund companies and their groups in the state
- Raise grievances and track them end to end along with a call center number and email
- Payments, Arbitration copies and legal procedures are completely online

- Workflow applications for end to end Chit fund life cycle management
- Dashboard, Organization view, Chit groups view, Payments, Arbitrations, Violations
- Blockchain network, Regulator Nodes



- Ability to register Chit fund company and add branch offices
- Workflow applications for end to end Chit fund life cycle management, Blockchain network
- Dashboard, Organization view, Chit groups view, Payments, Arbitrations, Misc Applications

Metrics for Telangana* – As on 13th Jan 2020

Oct ’18
Launched

All 14 regulator
Offices Telangana

24,327+
Groups

1504+
Chit fund Offices

10,08,300+
Subscribers

18549.12 Cr+
Monies rotated Per Annum

57,721+
Blocks

3,65,524+
Transactions

T-Chits – is Implemented by ChitMonks – A startup incubated @Thub Hyberabad

Impact

Subscribers

- Chit funds are more Accessible, Credible and Rewarding
- An inclusive financial services system which really helps them
- Grievance redressal has become completely transparent

Regulators

- Chit funds compliances are monitored effectively and blockchained
- Violations are automatically raised and enforced by the system
- Monitoring of Prize Money disbursements have become easy

Foreman

- Audit and reporting compliances are managed easily
- Open up and innovate on different business models
- Increased efficiency and operational benefits

T-Chits, Simplifies and Reinforces the chit fund business to drive Financial Inclusion across Telangana

THANK YOU