Blockchain powered Chit Fund administration

T-Chits a first of its kind Blockchain based product to administer register Chit Funds powered by ChitMonks

Launch Details : Thursday, May 10, 2018, 15:45

Site : https://t-chits.telangana.gov.in

ChitMonks

Now, blockchain tech powers chit funds

Stamps and Registration Department partners with ChitMonks

STAFF REPORTER
HYDERABAD

In a first, the traditional chit fund administration is powered by the secure blockchain technology as the Stamps and Registration Department partners with Chit-Monks, a start-up, to launch T-Chits.

At a time when all record-keeping is manual, the initiative is aimed at bringing trust among subscribers and ensure that there is no manipulation of numbers. Chit-Monks on Thursday said T-Chits intends to bring assistant registrars of chits and registered chit funds on the blockchain network. This would bring about ease in business.

"The idea is to invite 10 different companies and explain to them how the blockchain administration works. We will then explain to them how they should apply online," ChitMonks CEO Pavan Adipuram said. The Stamps and Registration Department Joint Inspector General (Technology), Srinivasulu Vemula, pointed out that there were only 14 assistant registrars of chits who main-

Jayesh Ranjan, Principal Secretary, IT, Electronics and Communications, addressing a gathering at the launch of T-Chits in the city on Thursday. • G. RAMAKRISHNA

tain around $3 billion business as regulators. "The revenue of the department is zero, we will not collect much money from the subscribers, but we have to see that their interest is protected as per the law. That challenge is insurmountable without the assistance of the IT systems. The department is willing to work with Chit-Monks," Mr. Vemula said. He said the T-Chits would ensure that every subscriber's interest is protected. "There have been some complicated scams in chit funds like the Sharada scam. Given this, a

regulatory tool will be sought by every State government," said Jayesh Ranjan, IT, Electronics and Communications Principal Secretary.

Speaking on the sidelines of the event, Mr. Ranjan said the Telangana government was poised to use blockchain technology platform in at least four of its departments.

He said, "Blockchain technology initiatives are being worked out for the Transport Department (Road Transport Authority), Land Records, Health Department, apart from the Stamps and Registration Department."

in 2016 after the deal was   Le Maire said: "The inter-   national agreements.

TRACKING | TRENDS   ■ Telangana government hopes the pilot project will help users gain trust

New chit fund to run on blockchain tech

DC CORRESPONDENT
HYDERABAD, MAY 9

Even though chits is primarily an unregulated territory and is at the helm of people who do not register themselves, Telangana government is trying to address the issue of bringing back the trust in this system by using blockchain technology.

In a first of its kind initiative, T-Chits a pilot project created using latest blockchain technology is being brought into Chit Fund Administration. The product is built by start-up Chitmonks alumni of Telangana's start-up initiative T-Hub.

Administration of chit funds through companies includes lot of paper work and is happening is manually and there is no transparency for subscribes.

Every time a company wants to start a chit, they have to submit a huge pile of documentation and on monthly basis to registration and stamps department which is the regulator. Consequently, there is no transparency for subscribers and auditing needs to be done to match the documentation with government and Chit Fund company. With blockchain technology, each record is unique and cannot be tampered.

■ **MOST OF** the activity through Chits is happening in offline mode within their groups without knocking the doors of the chit fund companies.

■ **AS PART** of the pilot projects two registrations and stamps department in Hyderabad have been on boarded, which will eventually be expanded to 14 branches.

"Everything put into the blockchain system is completely immutable. Blockchain will not let you make changes to the data which is submitted into the system which is approved by Telangana government. If a regulator is approving any application of any registrar that goes and sits into system and this data cannot be tampered. For Chit subscribers, T-Chits is going to be a big deal because if you are doing chit with any chitfund company, you can have complete faith in the how the Chit group is formed, when is it formed and the whole history of the group with the government and subscriber at click of button", said Pavan Adipuram founder of Chitmonks

However, most of the activity through Chits is happening in offline mode within their groups without knocking the doors of the chit fund companies.

"Registered Chit fund is safe and through this process, more and more people will prefer to go to a regulated authority. Block chain is about trust and if we can bring about this system of trust, more people will be on boarded and this unregulated territory can be regulated", said M Adipuram

As part of the pilot projects two registrations and stamps department in Hyderabad have been on boarded, which will eventually be expanded to 14 branches across the state.

"Around 5 companies are on board and for next 3months based on reactions, product will be formalised and then will be thrown open to public" Mr Adipuram said.

IT secretary Jayesh Ranjan will be launching the T-Chits initiative formally on Wednesday at T-Hub.

ChitMonks

Govt hopes ChitMonks will cut down paper work and bring in more transparency

HYDERABAD, MAY 11

The chit industry, with an estimated assets under management (AUM) of ₹1.50 lakh crore, involves a great deal of paper work. This results in drudgery for both the foremen (who organises the chits) and the regulators (the State governments). But the blockchain-based IT platform will change the way the chit industry conducts its business.

Blockchain is a new technology that brings in tamper-proof security by recording transactions.

The Telangana government has introduced a blockchain-powered IT solution to bring in transparency and cut down paper work. Developed by a T-Hub-incubated start-up, the solution named ChitMonks will be rolled out among 700 chit firms in the State.

"We have identified 10 companies and two registrar offices in the State for introducing the IT solution. We will talk to other firms later," said Srinivasulu Vemula, Joint Inspector General in the Stamps and Registration Department.

It is estimated that Telangana accounts for 20-25 per cent of the ₹1.50 lakh crore AUM in the chit industry.

"Our solution helps foremen to achieve increased operational efficiency by reducing manual work while helping the regulator to handle the data with ease," said Pavan Adipuram, Founder and Chief Executive Officer of ChitMonks.

Published on May 11, 2018

ChitMonks

'T' & ChitMonks roll out T-Chits to monitor chit biz

TIMES NEWS NETWORK

Hyderabad: In a bid to regulate chit fund business in the state, the Telangana government on Thursday announced that it has joined hands with a T-Hub startup – ChitMonks – to roll out its new initiative – 'T-Chits' – that uses blockchain technology to monitor the working of the registered chit funds in the state.

ChitMonks founder and CEO Pavan Adipuram pointed out that the state is home to about 640 chit fund companies that have 1,200 branches with an asset under management of over Rs 40,000 crore. In fact, Telangana accounts for 20-25% of the chit fund business in India. He pointed out that by bringing the registered chit fund companies and all the registrars of the state onto the blockchain network, it will lead to transparency and will help in building consumers' trust. "Today, the entire registration process is manual and heaps of records are lying in our offices. There are 14 sub-registrars maintain business worth $3 billion per annum as a regulator and the revenue inflow of the department is almost zero. But we have to see that the subscribers interest is protected and for that we need the assistance of robust IT systems. So, we are going to use the blockchain technology for this purpose," Telangana department of registration and stamps joint in-

Blockchain is key, says Jayesh Ranjan

Hyderbad: Betting big on emerging technologies such as blockchain and IoT, Telangana IT and industries secretary Jayesh Ranjan said that transport, health and education departments can also use these technologies to bring efficiency in their operations. A senior official of the IT department said the state government has invited EOI from companies working in the area of IoT to come up with solutions that could be used to monitor manholes using sensors. "It is a new area and we want the players to come up with proof of concepts that can be used to monitor these manholes," she added. TNN

spector general Srinivasulu Vemula. Telangana IT and industries secretary Jayesh Ranjan pointed out that the new initiative of T-Chits is crucial in ensuring better management of chit fund companies as many scams have been reported in the chit fund industry.

ChitMonks

In a nutshell

T-Chits to streamline chit fund business

HYDERABAD: In order to make the unorganised chit fund industry more accessible and rewarding, Telangana Government Registration and Stamps Department in partnership with Information Technology Department and Hyderabad-based startup ChitMonks has launched a platform called T-Chits. The platform which will run on blockchain technology will enable the registration and functioning of chit fund companies fully digital. In addition, the platform will also provide easy, transparent and trustworthy access for customers of these companies. HYDERABAD PAGE 2

Blockchain Technology

T-Chits platform launched

It will make functioning of chit fund companies fully digital

BUSINESS BUREAU
HYDERABAD

> T-Chits is the first product from the government that will be using blockchain technology
>
> — **JAYESH RANJAN,** IT PRINCIPAL SECRETARY

In order to make the unorganised chit fund industry more accessible and rewarding, Telangana Government Registration and Stamps Department in partnership with IT Department and Hyderabad-based startup ChitMonks has launched a platform called T-Chits.

The platform, which will run on blockchain technology, will make the registration and functioning of chit fund companies fully digital. In addition, the platform will also provide easy, transparent and trustworthy access for customers of these companies. "Currently, the entire registration process of chit fund companies is manual with about 14 sub-registrars maintaining about $3 billion worth of chit fund accounts. With the new platform, the whole process will get digitised thus reducing the cost and time spent," said Srinivasulu Vemula, Joint Inspector General, Registration and Stamps Department.

The government is planning to start the platform as a pilot project for three months wherein 10 chit fund companies and two registration offices have been identified by the department. The pilot will include building of the entire life cycle of the chit fund company digitally and then providing services to the customers.

According to the IT Principal Secretary Jayesh Ranjan, the T-Chits is the first product from the government that will be using blockchain technology. "This is part of the IT policy that we had launched wherein we had promised to collaborate with startups from the State to use their product for government services," Ranjan said.

Meanwhile, Vemula pointed out that the State is home to about 640 chit fund companies doing business in about 1,200 branches. Telangana itself accounts for about 25 per cent of the chit business in India.

ChitMonks will be providing the technology and system support to T-Chits and help in maintaining smooth functioning of the process overall.

ChitMonks

Telangana govt, ChitMonks partner to launch blockchain-based chitfund system 'T-Chits'

T-Chits brings chit funds in the state and the registrars onto an immutable, smart contract-enabled, highly-secure Blockchain system.

Shilpa S Ranipeta | Thursday, May 10, 2018 - 21:00

Follow @Shilparanipeta

f ✆ ✉ 8+ 🔴

The government of Telangana, through its Registration & Stamps Department has collaborated with T-Hub startup ChitMonks to launch T-Chits, a blockchain-based chit fund administration

As the chit fund business in India got corporatized, regulations to administer the business and protect the interest of all subscribers involved also evolved. The Central act of Chit funds, which came into effect from 1982 has since been the guiding book for all the regulators across India. At the state level, governments are responsible to administer the chit fund business in the states.

Blockchain-enabled T-Chit platform launched

It will make the registration and functioning of chit fund companies fully digital

| f Facebook | y Twitter | G+ Google+ | in LinkedIn | P Pinterest |

By TelanganaToday | Business Bureau | Published: 10th May 2018 10:24 pm

IT Principal Secretary Jayesh Ranjan. Photo: Surya Sridhar

Hyderabad: In order to make the unorganised chit fund industry more accessible and rewarding, Telangana Government Registration and Stamps Department in partnership with the Information Technology Department and Hyderabad-based startup ChitMonks has launched a platform called T-Chits.

ChitMonks

https://www.apherald.com/Politics/ViewArticle/305777/T-Chits-brings-chit-funds-in-the-state-highly-secure-Block-chain-system/

T- Chits brings chit funds in the state, highly-secure Block chain system

Home | Politics | Written by Sri Ramachandra Murthy | Updated : May 11, 2018 18:00 IST

f Share on Facebook   Share on Twitter

Mahanati Telugu Movie Review, Rating

Accordingly the government of Telangana, through its Registration & Stamps Department has collaborated with T-Hub startup ChitMonks to launch T-Chits, a blockchain-based chit fund administration. Sources added as the chit fund business in India got corporatized, regulations to administer the business and protect the interest of all subscribers involved also evolved. Meanwhile the Central act of Chit funds, which came into effect from 1982, has since been the guiding book for all the regulators across India.

ChitMonks

చిట్‌లకు బ్లాక్ చైన్ రక్షణ

● తెలంగాణ ప్రభుత్వంతో
చిట్‌మాంక్స్ జట్టు

ఈనాడు – హైదరాబాద్

సమొహైన చిట్ ఫండ్ సంస్థలు, అవి నిర్వహించే చిట్ గ్రూప్ వివరాలను అందించే టి-హబ్ అంకుర సంస్థ చిట్‌మాంక్స్, తెలంగాణ ప్రభుత్వానికి తన సేవలు అందించేందుకు ఒప్పందం కుదుర్చుకుంది. బ్లాక్ చైన్ సాంకేతికతను ఉపయోగిస్తూ.. చిట్ ఫండ్ల నిర్వహణకు అవసరమైన సహాయ సహకారాలను అటు చిట్‌ఫండ్ సంస్థలు, ఇటు రిజిస్ట్రేషన్, స్టాంపుల శాఖకూ అందించనుంది. హైదరాబాద్ టి-హబ్‌లో జరిగిన కార్యక్రమంలో తెలంగాణ రాష్ట్ర ఐటీ ప్రిన్సిపల్ సెక్రటరీ జయేశ్ రంజన్ 'డి-చిట్స్' ను ప్రారంభించారు. ఒక చిట్ ఫండ్ సంస్థ ఒక

డి-చిట్స్ ప్రారంభ కార్యక్రమంలో
మాట్లాడుతున్న జయేశ్ రంజన్

చిట్ గ్రూపును ప్రారంభించాలంటే.. దానికి సంబంధించిన అనేక పత్రాలను రిజిస్ట్రేషన్, స్టాంపుల శాఖ అధికారులకు సమర్పించాలి. ఇకపై బ్లాక్ చైన్ సాంకేతిక పరిజ్ఞానంతో ఉన్న డి-చిట్‌లో వివరాలు నమోదు చేస్తే సరిపోతుంది. ఇక వీటిల్లో మార్పులు చేయడం వీలుకాదు. దీనవల్ల నియంత్రణ సంస్థలు సులభంగా తనిఖీ చేయగలుగు

తాయి. ప్రజలకు, ప్రభుత్వానికి ఉపయోగపడే పరిష్కారాలను చూపెట్టిన అంకురాలకు తెలంగాణ ప్రభుత్వమే మొదటి వినియోగదారుగా ఉంటోందని జయేశ్ రంజన్ తెలిపారు. తెలంగాణ రాష్ట్ర రిజిస్ట్రేషన్, స్టాంపుల శాఖ జాయింట్ ఇన్‌స్పెక్టర్ జనరల్ శ్రీనివాసులు వేముల మాట్లాడుతూ హైదరాబాద్, గోల్కొండ, రంగారెడ్డి రిజిస్ట్రేషన్ శాఖల పరిధిలో ఉన్న కార్యాలయాల్లో ప్రస్తుతం దీన్ని ఉపయోగించే ఏర్పాట్లు చేశామని, త్వరలోనే అన్ని కార్యాలయాలకూ విస్తరిస్తామని తెలిపారు. చిట్‌మాంక్స్ సీఈఓ, వ్యవస్థాపకుడు పవన్ ఆదిపురం మాట్లాడుతూ.. రాష్ట్ర వ్యాప్తంగా 840 చిట్ ఫండ్ కంపెనీలున్నాయని.. వీటిల్లో 9వేల వరకూ చిట్ గ్రూప్ ఉన్నాయని తెలిపారు. నిర్వహణలో ఆస్తులు రూ. 40వేల కోట్ల పైగానే ఉన్నట్లు వివరించారు. టి-హబ్ సీఈఓ, జయక్రిష్ణన్, కార్పొరేట్ ఎఫైర్స్ వైస్ ప్రెసిడెంట్ రామా అయ్యర్ పాల్గొన్నారు.

హైదరాబాద్ ● శుక్రవారం 11 మే 2018   ఆంధ్రజ్యోతి   www.andhrajyothy•com

టీ హబ్‌లో బ్లాక్‌చైన్ టెక్నాలజీ ఆవిష్కరణ

చిట్‌మంక్స్ స్టార్టప్‌కు జయేష్‌రంజన్ అభినందనలు

రాయదుర్గం, మే 10(ఆంధ్రజ్యోతి): రాష్ట్ర ప్రభుత్వం డిజిటల్ టెక్నాలజీలో అంకుర సంస్థలకు టీ హబ్ ద్వారా ఇస్తున్న ప్రోత్సాహంతో దేశంలోనే చిట్‌ఫండ్ రంగంలో మొదటిసారిగా ఆన్‌లైన్ టెక్నాలజీ అందుబాటులోకి వచ్చిందని రాష్ట్ర ఐటీ సెక్రటరీ జయేష్‌రంజన్ అన్నారు. గచ్చిబౌలిలోని టీ హబ్‌లో రెండు సంవత్సరాలుగా పనిచేస్తున్న చిట్ మంక్స్ స్టార్టప్ సంస్థ రూపొందించిన టీ చిట్స్ బ్లాక్ చైన్ అడ్మినిస్ట్రేషన్ టెక్నాలజీని గురువారం ఆయన ఆవిష్కరించారు. ఈ సందర్భంగా జయేష్‌రంజన్ మాట్లాడుతూ బ్లాక్‌చైన్ సిస్టం వినియోగంతో రిజిస్టర్ ఆఫ్ చిట్స్ కార్యాలయాల్లో ప్రతి చిట్‌కు సంబంధించిన వివరాలు ఆన్‌లైన్‌లో తెలుసుకునేందుకు వీలుకలుగుతుంద న్నారు. తద్వారా చిట్‌ఫండ్ రంగంలో అక్రమాలు జరగకుండా చూడొచ్చన్నారు. కార్యక్రమంలో రిజిస్ట్రేషన్స్ అండ్ స్టాంప్స్ విభాగం జాయింట్ ఇన్‌స్పెక్టర్ జనరల్ శ్రీని వాసులు వేముల,టీ హబ్ సీఈవో జయకృష్ణన్, స్టార్టప్ సీఈవో పవన్ పాల్గొన్నారు.

చిట్ మంక్స్ స్టార్టప్ సంస్థ ప్రతినిధులు, అతిథులతో జయేష్‌రంజన్

Fear 'Cheat' funds? ChitMonks is here to build trust with tech

Swati.Rathor@timesgroup.com

When Susheela would see bank employees walking into the hotel run by her husband in Jagtial, she would wish that someday her son would also become a bank officer. However, her only son, Pavan Adipuram, despised trappings of a 'safe' job. But as it happens with most of the boys in this country, Adipuram too had to take the well-worn path. He did his engineering, landed a job in an IT firm and continued with his 'safe' job for over 14 years but the drudgery of corporate life failed to dampen his entrepreneurial spirit.

"During my corporate stint, I was working for the financial sector. After 14 years, when I felt that my family was comfortable and my adventures in the world of entrepreneurship will not affect them, I decided to take the plunge along with my friends," he adds.

In 2014 end, all the friends would huddle at Adipuram's home every weekend and brainstorm on ideas that could potentially become the business

START-UP SATURDAYS

of tomorrow. "We zeroed in on chit funds as there was no product in the starrtup industry catering to this area," he adds.

Adipuram and his friends formed Pangean Global Services in 2015 with the idea of becoming an online marketplace for chit funds. "In the first couple of months, we tried to convince officials from the industry that they were not leveraging digital space to acquire customers. The chit fund industry depends on agents and they were sceptical about coming on to a common platform where they would have to com-

pete with other players for drawing the consumer's attention. But eventually, many saw value in our proposition," he adds.

Today ChitMonks has 15 registered chit fund companies and 250 active customers from Hyderabad on its platform. For every subscriber, the chit fund company has to pay Chit-Monks a fee of 1% of the chit value. However, the service comes free for subscribers.

Adipuram says that even as the startup was trying to set up an online marketplace for chit funds, it came across unique

problems being faced by the industry. Firstly, though there is the Chit Funds Act, 1982, that protects the consumers interest, it is not being implemented in its true letter and spirit.

He explains that chit funds are regulated by state governments and in most of the cases, the state departments that monitor the chit fund activities either do not have the wherewithal or the competency to monitor them.

Sample this: In some states, chit fund activities come under the agriculture department, while in some it is managed by

registration and stamps department, who are mere bookkeepers. "We want to help government regulate chit funds better by providing them technological tools," he adds.

In fact, earlier this month, ChitMonks joined joined hands with the Telangana government to roll out its new initiative – 'T-Chits' – that uses blockchain technology to monitor the working of the registered chit funds in the state. The startup is also reaching out to other state governments for rolling out similar technological platform.

'TECH'TONIC SHIFT IN CHIT FUND INDUSTRY

Pangean Global Services set up in 2015 by Pavan Adipuram, Malla Reddy, Sridhar Reddy and Veera Praveen B

► The company runs ChitMonks, which is a market place for promoting chit funds of registered chit fund companies

15 registered chit fund companies from Telangana, AP, Karnataka, Tamil Nadu and New Delhi are on its platform

It has **250** active subscribers from Hyderabad

► Raised **₹1 crore** via angel round in October 2016

► Has **11 people** in the team

► Chit fund industry is growing at **15%** Y-o-Y

► Planning to raise another **$1-2 million** in five to six months

The industry's total AUM in Telangana **₹40,000 crore**

► There are about 2,000 registered chit fund companies in India

(From left) Pavan Adipuram, Malla Reddy, Sridhar Reddy and Veera Praveen B

> Today, most of the people do not consider chits as a saving instrument because of many chit scams that have come to the fore in the past few years. Youngsters tend to stay away from it... and the average age of chit fund subscribers is anywhere between 35-45. We want to change this... participating in chit funds must be made so easy and transparent so that people do not blink an eye before joining chits

Pavan Adipuram | FOUNDING PARTNER AND CEO, PANGEAN GLOBAL SERVICES

ChitMonks