WIE HACKS

Proposal [Team Hackies]
Fundfluent

Super Theme: Build for India
Sub Themes: Financial Technology

Problem Statement :

How might we make micro-financing institutions like Self Help Groups available and accessible to women (and unprivileged men) of rural India.

Background: Self Help Groups are micro-financing institutes that focus on providing loans to the population of rural India. Banks are the primary source of loans for them. However, banks often require a collateral before the loan is sanctioned.

Women in rural India (almost 27.7 crore in number) have little or no knowledge of the finance sector. This often leads to the SHGs approaching predatory moneylenders for money. If somehow, the group manages to reach a bank, the high interest rates and accountability issues crumble their application before the bank manager could. Proper credit score maintenance at a little interest rate is something that is a huge problem.

Our proposed Solution:

We propose to create a decentralised capital pooling system where the self help groups can pool in their money and a maximum of micro-loan requests are fulfilled at a zero interest rate. The proposed flow of work would be something like this:

1. The member will be validated to enter the network and will pay his little share of money (as is customary in a shg). A member can be added only with reference of a few others (to ensure peer pressure as accountability).
2. After a specific number of people are in the network, maximum number of microloans will be funded in an interest free manner.
3. Transparency will be maintained and an automatic bookkeeping will eliminate the need of a banking authority.

Proposed Technology:
BLOCKCHAIN
- Programming language: Solidity

- Framework : Web3 and truffle
- IDE: Remix
- Metamask