

Introduction

Project Name*

Kunji Finance

Full Name for the Grant Requestor

Anurag Dixit

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Grant Category

Dapp

Grant Request

100K ARB

20k- [Trading competition](#) on GMX

20k- User acquisition

20k- TVL growth

15K - V2 integration and frontend development and testing

25K - Security Audit

Kunji is a unique project that enables asset managers to offer hedge fund-like portfolio management services to retail investors using theses based on long and short discretionary strategies. We have built a comprehensive and complex mechanism that enables these services for retail and institutional investors alike without any regulatory ambiguity. We have integrated large derivatives and spot DEXes on Arbitrum like GMX and Uniswap. We also have registered 25,000 early adopter users, and were the number one trending contract on Arbitrum in July.

The grant funds we are seeking will be instrumental in supporting the following aspects of our project:

- Hosting [trading competition](#) on GMX.
- Our asset management platform enables long and short strategies, making it convenient for DeFi users to invest in actively managed strategies which offer high returns in a risk-optimised manner. By leveraging GMX as our primary source of derivatives liquidity, we aim to boost total value locked (TVL) and trading volume as our user base expands. Our goal is to leverage the grant to acquire 10,000 users in the first phase. This will lead to significant investments and increase in total value locked. As a result, our primary perpetual DEX, GMX, will experience a surge in trade transactions and liquidity supply, generating additional income from trading fees.
- The grant will also aim to promote the use of GMX among asset managers, while also identifying asset managers from GMX via trading competitions/on-chain analysis activities. Additionally, we will focus on expanding our user base and total value locked through strategic marketing activities.
- We are working to integrate GMX V2 into Kunji Finance. Additionally, we will be creating GM pools exclusively for spot and swap transactions of KNJ-USD. Once this is done we will be going for a third security audit from a reputed security company.

Link to the project website

Ans. [<https://www.kunji.finance/>

](<https://www.kunji.finance/>) Protocol (Beta): <https://beta.kunji.finance/>

Staking: [Kunji Finance](#) - Over 100,000 KNJ tokens staked.

Links to other project accounts (GitHub, Twitter, LinkedIn, etc)

Ans. Twitter: <https://twitter.com/kunjitweets>

GitHub: <https://github.com/Kunji-Finance/KF-Contract>

LinkedIn: [Kunji Finance | LinkedIn](#)

Discord: [Kunji Finance](#)

Telegram Group: [Telegram: Contact @kunjifinance](#)

Telegram Channel: [Telegram: Contact @kunjifinanceofficial](#)

Reddit: [Reddit - Dive into anything](#)

Medium: [Kunji Finance – Medium](#)

YouTube: <https://www.youtube.com/@kunjiofficial>

Mirror: [Kunji Finance](#)

Instagram: [kunji \(@realkunji\) • Instagram photos and videos](#)

Gitbook: <https://docs.kunji.finance/kunjifinance/>

Project Status

The product is live on Arbitrum.

Project Description

Kunji Finance is a decentralized platform built on Arbitrum that connects asset managers with liquidity providers, allowing those asset managers to leverage their skills with access to further capital while generating trading-based profit opportunities for capital providers. The asset management services can be based on discretionary investment theses that run long and short strategies created by asset managers on the platform, enabling the creation of “hedge funds” for retail investors without any regulatory ambiguity. Kunji is to crypto hedge funds what Uber is to Limo services.

The key aspects of our project are stated below:

1. The only asset management project that enables both long and short strategy that can deliver returns in any market conditions.
2. Hedge fund-like investment products are made available to retail investors through an innovative and unique mechanism called SISO (Synchronized Investment Strategy Orchestration).
3. SISO allows investors to invest any amount (no minimum investment required), exit at any time (no lock-ins) and also ensures there is no socialization of returns.
4. Utility of our token KNJ is designed to create a positive feedback loop through the provision of principal cover for liquidity providers to reduce the investment risk by distributing risk, and reward with token holders.
5. We have incubated an in-house asset management team to solve for cold start and accelerate user adoption and TVL growth.

Project Sector

DeFi

Background on each team member in an executive, founder, or financial control role (including links to relevant social accounts) along with their relevant experience.

Executive/ Founder

Anurag Dixit: CEO and Founder

An IIT-Bombay alumnus with 14+ years of experience as CXO Exec in Product & Marketing Strategy, Anurag Dixit is the CEO and founder of Kunji Finance. With leadership experience in marketing, product, & general management for startups across multiple sectors & geographies, Anurag scaled Zycus, a SaaS company, from inception to 25% in the Global Fortune 500 market share. He also contributed to building Teno, an EdTech multi-sided platform, through grassroots efforts and successfully brought in 2M+ students & 18K schools in 2 years.

LinkedIn: [Anurag Dixit | LinkedIn](#)

Vivekanand Pandey: COO & Co-founder

He has successfully managed portfolios worth over \$600+ million. He was among the first to introduce crypto trading in India back in 2015. With 14 years of experience in energy trading and regulations, he brings valuable expertise to the table. Vivekanand is also skilled in professional portfolio management.

LinkedIn: <https://www.linkedin.com/in/vivekanand-pandey-ba972212/>

Harivadan Pandya: CFO & Co-founder

He is a serial entrepreneur and angel investor with a passion for supporting various companies as a board member. With a seasoned corporate finance background, Harivadan has honed expertise in handling regulations, and fundraising, and mergers and acquisitions (M&A) at large global companies. He holds the prestigious Certified Public Accountant (CPA) designation from the American Institute of Certified Public Accountants (AICPA), further showcasing his financial acumen. Additionally, Harivadan is a Chartered Accountant (CA) recognized by the Institute of Chartered Accountants of India, highlighting his comprehensive understanding of accounting and financial management.

LinkedIn: [Harivadan Pandya | LinkedIn](#)

Others:

Dmitriy Chizhevskiy: VP, Engineering

Seasoned IT specialist with over 15 years in the Software Development and having blockchain experience in leadership roles, known for orchestrating successful, innovative blockchain projects while ensuring security and efficiency.

LinkedIn: <https://www.linkedin.com/in/dmitriy-c-7b605016/>

Anurag Agrawal: Principal, Investment Strategy

Anurag has five years of expertise in trading and investing in cryptocurrencies and is skilled in technical and fundamental market research. In 2017, he focused on investing strategy, technical analysis, macro analysis, and fundamental research as a full-time crypto analyst. With extensive experience working and collaborating with web3 firms worldwide, he has successfully led teams of marketers, research analysts, etc

LinkedIn: <https://www.linkedin.com/in/anurag-agrawal-45747193/>

Shrey Paharia: Tech Head

Shrey is a skilled professional with two years of experience in Web3 and three years in software development, making him adept in both domains. His expertise lies in Blockchain architecture designing and solidity development, demonstrating his proficiency in creating robust and secure decentralized solutions. An alumnus of IIT Bombay, Shrey has a strong educational background, which complements his practical knowledge and skills. He also boasts significant experience in Protocol design on Ethereum and Layer 2 solutions, along with expertise in treasury and risk management systems, making him a valuable asset in the ever-evolving world of decentralized finance.

LinkedIn: <https://www.linkedin.com/in/shreypaharia/>

Team size

Ans. There are 11 full-time members involved in the project, out of which 5 are development members, and 3 are in asset management. We plan to increase the development team that will help us expand the liquidity on the trading side, and enable cross-chain transactions that will help us access users and liquidity that is not on Arbitrum currently. We also plan to increase our business development team in regions like China and Japan.

Obstacles, challenges and mitigation strategies

Since our product is already developed and ready to be launched, these are the major risks that we foresee currently.

1. Security risk is a major risk. We have incorporated sound security practices while designing and implementation of the smart contract, but we plan to mitigate the risk further by getting more audits from tier-1 security firms and running bug bounty programs to augment them.
2. Token economy model. We have formulated a unique token design that distributes the risk and rewards between various stakeholders and minimizes the risk for liquidity providers. While we have run internal scenario simulations, we are getting the model simulation done by an expert token engineering consulting firm to identify any blindspots in the model that can lead to operational disruption or value erosion due to inefficient process design.
3. Sub-optimal launch is another risk that can significantly affect our user adoption. We are bootstrapped and are raising a seed round to ensure that we can allocate enough resources to ensure an effective launch. The grant from the Arbitrum Foundation will also help us a lot in mitigating this risk.
4. Underperforming strategies dominating the platform can be a major risk that will dissuade users. To counter this, we have raised an asset management team that has been running three strategies that have delivered very high returns in the last 12 months of the bear market. This will help in attracting users and also making their investments successful, so they keep on adding liquidity and inviting more users to the platform.

Problem we are working on

Most crypto users struggle when trading on their own. As per a recent BIS Study, 81% of folks who trade on their own end up losing a median of 48% of the deployed capital. DeFi protocols offer very low yields of 4-10% that don't even match returns from some of the trade-fi investment products. The number of crypto wallets has doubled in the last four years, but asset management as a category is still struggling in DeFi. There is not a single project that has a TVL of even \$100 million.

The reason for the slow growth of asset management is primarily due to the lack of robust decentralized platforms that can deliver high returns in any kind of market scenario. All the asset management solutions that are available currently run either systemic or long-only discretionary strategies. While systemic strategies come with low risk, the returns are significantly lower compared to crypto hedge funds. Long-only discretionary strategies perform well during a bull run but go into deep red during the bear market and have not been able to garner user trust to scale beyond the critical mass.

There is a need for an investment product that offers active crypto portfolio management along with the benefits of decentralization, like full control of custody, transparency, and pervasiveness. In short, crypto folks needed a turbocharged mutual fund. This will attract not only retail investors but also institutional investors who want to trade in crypto but are not confident about the centralised hedge funds and asset management services.

Kunji is solving this problem by creating a platform that connects retail investors to skilled asset managers who run long and short discretionary strategies that can deliver returns similar to hedge funds in any market scenario. Moreover, Kunji's unique mechanism ensures that there are no regulatory ambiguities and socialization of returns. It also ensures full transparency and custody controls, unlike centralised crypto hedge funds and asset management companies.

Adding Value to GMX ecosystem

Cornerstone of our vision is enabling long and short strategies, our asset management platform will help new and inexperienced users to deploy funds into DeFi and since GMX is our key source of derivatives liquidity any investment into the strategies offered by Kunji will directly contribute to GMX's Volume and TVL.

Milestone #1:

User Acquisition

Milestone:

- Hosting trading competition on GMX
- Expand our user base to 10K to boost total value locked (TVL) and trading volume
- Integrate GMX V2

Current Progress: Product is on the mainnet now, we have completed two security audits and is being tested by around 250 users. There was a delay of two weeks after we found out a few usability bugs during the alpha phase. The token has been launched and currently trading on [Gate.io](https://gate.io) and BitMart Exchange. The beta is live for 25k early adopters. We will be making it live for the public this month.

KPIs:

1. Users invested in strategies on Kunji Finance
2. Onboarding GMX token holder as a user on the platform
3. Growth in no of users and TVL

Measuring Progress:

1. Onboarding of GMX token holders
2. Regular feedback and surveys in the community
3. MAU and DAU
4. The number of new strategies and asset managers added after the trading competition
5. Trading volume added to GMX, as the primary trading platform on Kunji Finance
6. Integration of GMX V2 to Kunji Finance V2
7. Security audit with a reputed firm

Milestone #2:

Identify 5-7 prospective asset managers leveraging GMX DEX who can run thesis based Long and Short strategies on Kunji Finance.

KPIs:

Refer [trading competition](#)

High-level Budget breakdown.

Total Development Budget: 100K ARB

20k- trading competition on GMX

20k- user acquisition

20k- TVL growth

15K - V2 integration and trading interface development and testing

25K - Security audit by a reputed firm

Project's legal status

We have a dual incorporation structure. Our lab company is incorporated in Hong Kong, and our DAO legal wrapper is hosted by Panama Foundation.

Final thoughts

We are built on Arbitrum and are disrupting the asset management paradigm. Till now, the focus has been on the decentralization of networks, we are the first project to decentralize services. This will help a lot of existing users to manage their crypto holding more effectively as well as get new users onto web3 and not just Arbitrum ecosystem. Our vision is to build a decentralized financial service provider that will be equivalent to a Morgan Stanley or Blackrock in the Web3 space.