

# InvestTN: A Proposed Use Case Leveraging PeopleNet’s Chain of Chains Architecture

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## 1 Introduction

Tamil Nadu, a region celebrated for its rich cultural heritage and entrepreneurial spirit, stands on the brink of an economic transformation. To achieve its ambitious goal of a \$1 trillion economy by 2030, the state requires innovative solutions that transcend traditional financial mechanisms. This document proposes a revolutionary approach, **InvestTN**, which envisions leveraging the capabilities of the **PeopleNet** platform to address the challenges faced by local businesses in securing financing.

PeopleNet, with its unique "chain of chains" architecture, offers a robust foundation for such an initiative. This proposal outlines how InvestTN, built upon PeopleNet, can serve as a transformative platform for Tamil Nadu’s local businesses. By integrating various roles, such as *proposers*, *funders*, *founders*, *arbitrators*, and *contributors*, this platform aims to create a holistic ecosystem where every stakeholder plays a pivotal role in driving economic prosperity.

## 2 Problem Statement

Local businesses in Tamil Nadu, the lifeblood of its economy, often grapple with challenges in accessing the capital essential for growth and innovation.

### 2.1 Challenges in the Current Ecosystem

1. **Limited Access to Capital:** Stringent criteria set by traditional financial institutions often sideline local businesses, especially startups.
2. **Lack of Transparency:** The prevailing investment landscape is marred by opaque processes, leading to reduced investor participation due to mistrust.
3. **Centralization:** The investment scene is dominated by a few major players, resulting in a lack of diverse investment opportunities and limited access to varied funding sources for businesses.
4. **Operational Inefficiencies:** The conventional investment process, riddled with intermediaries, leads to increased costs and delays.

### 2.2 The Need for a Decentralized Solution

Addressing these challenges necessitates a platform that democratizes investment opportunities and capital access. This platform should be transparent, inclusive, and efficient, fostering a trustful environment for businesses and investors alike. Here, the PeopleNet platform, with its decentralized architecture and diverse user roles, can offer a game-changing solution.

### **2.2.1 Role of PeopleNet**

PeopleNet’s architecture facilitates the creation of Acentric Autonomous Organizations (AAOs) tailored for various purposes. In the context of the proposed InvestTN initiative, each investment opportunity or local business can be conceptualized as an AAO. This structure promises:

- Decentralized decision-making, fostering a democratic environment.
- Transparent fund tracking, ensuring investor confidence.
- Efficient dispute resolution through a network of arbitrators.
- A meritocratic system where contributors are rewarded based on their value addition.

## **3 Solution: InvestTN**

The proposed InvestTN initiative, underpinned by the PeopleNet platform, aims to bridge the gap between investors and businesses in Tamil Nadu. By harnessing the power of blockchain technology, it promises a transparent, secure, and efficient investment process.

### **3.1 Blockchain-Powered Investment**

- Transactions are transparently recorded, ensuring traceability and verifiability.
- Smart contracts aim to streamline the investment process, minimizing potential disputes.
- The decentralized nature of the platform ensures a democratic investment environment.

### **3.2 Local Currency: KAS**

The proposed digital currency, KAS, pegged to the Indian Rupee, aims to foster a local digital economy. This currency:

- Aims to simplify transactions.
- Envisions rewarding investors and other stakeholders.
- Promises seamless integration with the PeopleNet platform.

### **3.3 Autonomous Acentric Organizations (AAOs)**

AAOs, decentralized entities, form the core of the proposed InvestTN operations. These entities:

- Allow each business to operate as an independent entity.
- Facilitate democratic decision-making processes.
- Integrate various user roles to create a holistic investment environment.

## **4 Key Features of InvestTN**

The proposed InvestTN initiative, built upon PeopleNet, envisions a suite of features tailored to address Tamil Nadu’s unique investment landscape challenges.

## **4.1 Decentralized Investment Platform**

- Ensures a democratic investment environment.
- Reduces the risk of fraud or manipulation.
- Provides equal opportunities for all businesses.

## **4.2 Transparent and Traceable Transactions**

- Builds trust among stakeholders.
- Allows for easy auditing and verification.
- Reduces the risk of disputes.

## **4.3 Integrated Role-Based System**

- Facilitates a holistic investment environment.
- Ensures every stakeholder can contribute effectively.
- Creates a dynamic ecosystem for seamless collaboration.

## **4.4 AI-Powered Moderation**

- Automatically vets and verifies project proposals.
- Flags potential risks for manual review.
- Streamlines the project approval process.

# **5 AAO Lifecycle in InvestTN**

The Acentric Autonomous Organizations (AAOs) play a pivotal role in the InvestTN platform, serving as the primary mechanism for project management, investment, and growth. The lifecycle of an AAO within InvestTN is meticulously designed to ensure transparency, security, and efficiency at every stage. This section provides a comprehensive walkthrough of the AAO lifecycle, from project proposal to profitable exit.

## 5.1 Step-by-Step Walkthrough of the AAO Lifecycle

1. **Project Proposal:** Entrepreneurs or businesses propose a project to be listed on the InvestTN platform.
2. **KYC & AML Verification for Proposer:** Before listing, the proposer undergoes a thorough Know Your Customer (KYC) and Anti-Money Laundering (AML) verification process to ensure authenticity and compliance.
3. **Project Listing:** Upon successful verification and approval, the project is listed on InvestTN, making it visible to potential investors.
4. **Investment Pitch:** The proposer pitches the project to potential investors, highlighting its merits, potential returns, and growth prospects.
5. **Investor Onboarding:** Interested investors undergo a registration process to participate in the project's funding.
6. **KYC & AML Verification for Investor:** Similar to proposers, investors also undergo KYC and AML verification to ensure the legitimacy of funds and compliance with regulations.
7. **Investment in Project:** Once verified, investors can invest in the project, and their funds are securely held in the AAO.
8. **AI Moderation:** AI-driven tools monitor the project's progress, ensuring that milestones are met and funds are utilized appropriately.
9. **Milestone Achievements:** As the project progresses and achieves predefined milestones, funds are disbursed accordingly.
10. **Dispute Resolution:** In case of disagreements or issues, a robust dispute resolution mechanism ensures fair outcomes for all parties involved.
11. **Project Completion:** Upon successful completion of the project, the AAO is concluded, and any remaining funds or profits are distributed to investors.
12. **Profitable Exit:** If the project proves to be highly successful, investors have the option for a profitable exit, realizing their returns.

The AAO lifecycle within InvestTN ensures a structured, transparent, and efficient process for both proposers and investors. By leveraging the power of blockchain and the unique features of AAOs, InvestTN promises a revolutionary investment experience.

## 6 Impact of InvestTN

The proposed InvestTN initiative, powered by PeopleNet, envisions a transformative impact on Tamil Nadu's economic landscape.

### 6.1 Strengthening the Local Business Ecosystem

- Provides a transparent platform for businesses.
- Ensures equal opportunity for all businesses.
- Fosters a community of investors and businesses.

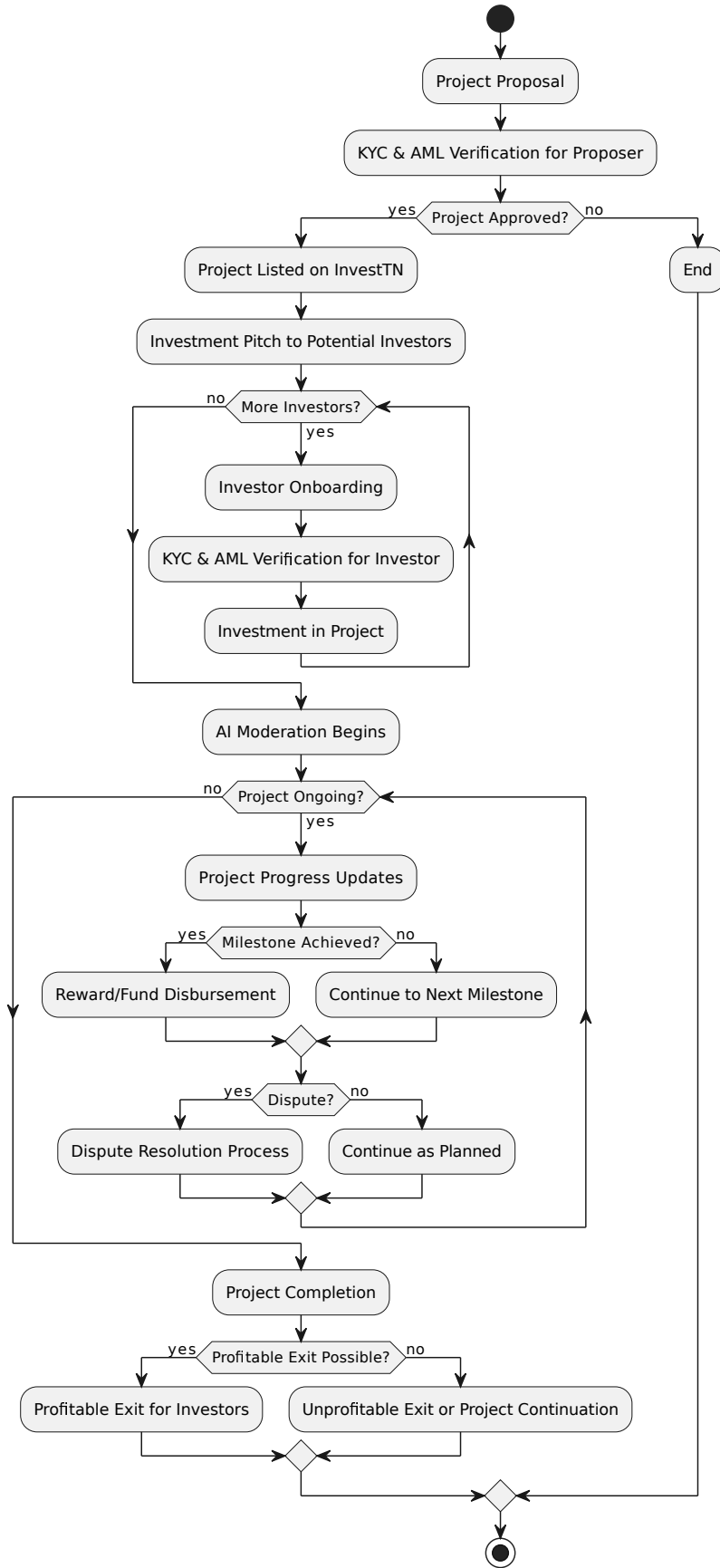


Figure 1: Lifecycle of an AAO in InvestTN.

## **6.2 Contribution Towards a \$1 Trillion Economy**

- Channels investments into high-potential sectors.
- Ensures efficient fund utilization.
- Creates a ripple effect of economic growth.

## **6.3 Encouraging Local Investments**

- Ensures investors have a direct stake in the state's growth.
- Fosters a sense of community.
- Reduces dependency on external investments.

## **7 Conclusion**

The proposed InvestTN initiative, built upon the robust foundation of PeopleNet, emerges as a potential solution for Tamil Nadu's economic challenges. By bridging the gap between investors and businesses, it envisions channeling capital efficiently, benefiting the entire state. With the combined efforts of the government, businesses, investors, and the people, the dream of a \$1 trillion economy seems achievable. Together, with the envisioned capabilities of PeopleNet, this proposal hopes to make this vision a reality.