

CRYPTO-CURRENCY AND THE LAWS RELATED TO IT



**By-**

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**ABSTRACT**

Crypto-currency as a digital decentralized blockchain-based virtual currency, stored in the digital ledger and secured by cryptography. Crypto-Currencies are generally Bitcoin-based markets and Alternative to Bitcoins based markets, includes currencies like Ethereum, Binance, etc. Such currencies are traded, mined, and even used for virtual payments, first introduced by Satoshi Nakamoto in 2008.

Unlike Fiat currencies, cryptocurrency is not backed by the government or monetary authorities as a medium of transaction. Unlike US’s regulated and taxed market and El Salvador as the only country to use Bitcoin as a legal tender, European Union, Japan, and India have given it the status of “*financial instruments,*” legal property, and crypto asset, respectively but not legal currency. Many countries like Turkey and China have imposed bans too. Despite the cheap and quick transfers without points of failure, such decentralized currency’s high energy consumption along with registration and licensing is often questioned in security aspects due to fraud and money laundering occurring, and investments face massive fluctuations in the absence of Central Authority.

India has shifted its ideology from banning to initiatives to reform. The Government of India recently imposed 30% tax indicating fundamental development in the country and Inter-Ministerial Committee (IMC) constituted under Ministry of Economic Affairs are putting deliberate efforts to study. Parliament has even proposed the *Cryptocurrency and Regulation of Official Digital Currency Bill, 2021* toregulate the markets, yet prohibiting all private currencies. In fact, Reserved Bank of India has even proposed to introduce their own virtual digital cryptocurrency in the Indian market, which is still going under various considerations.

**INTRODUCTION**

Cryptocurrency is a term that refers to a digital or virtual currency that is protected via cryptography. Numerous cryptocurrencies are decentralised networks powered by blockchain technology—a distributed ledger maintained by a distributed network of computers. A distinguishing aspect of cryptocurrencies is that they are not issued by any central authority, which theoretically protects them against government influence or manipulation.[[1]](#footnote-1)

They enable secure internet transactions without using third-party brokers. The term "crypto" refers to the numerous encryption algorithms and cryptographic techniques used to protect these entries, including elliptical curve encryption, public-private key pairs, and hashing functions.

Cryptocurrencies can be mined or purchased through cryptocurrency exchanges. Due to the cryptocurrencies' increasing value, they have become popular as trading instruments. They are also utilised for cross-border transfers to a limited extent.

 **HISTORY**

David Chaum, an American cryptographer, invented ecash, an anonymous cryptographic electronic money, in 1983. Later that year, in 1995, he implemented it using Digicash, an early type of cryptographic electronic payments that needed user software to withdraw notes from a bank and select certain encrypted keys prior to sending them to a destination.[[2]](#footnote-2) This made it impossible for the issuing bank, the government, or any third entity to trace the digital currency. Looking at the current scenario as well, it is easy to see that inability to trace transactions is seen as the defining and most attractive feature of cryptocurrency.

The Merriam-Webster Dictionary introduced the term cryptocurrency to its dictionary in March 2018.

Morgan Stanley, the first major Wall Street bank to adopt cryptocurrencies, said on 17 March 2021 that it will provide rich clients with access to Bitcoin funds through three funds that permit Bitcoin ownership for investors with an aggressive risk tolerance.

**WHAT IS CRYPTO-CURRENCY**

In simple words, Cryptocurrencies are digital assets and distributed ledger technologies that enable secure online transactions. Cryptocurrency can be purchased by any investor through prominent cryptocurrency exchanges. Another common method of investing in cryptocurrencies is through financial derivatives, such as CME's Bitcoin futures, or through other products, such as Bitcoin trusts and Bitcoin exchange-traded funds (ETFs).

Cryptocurrencies represent a paradigm shift in the way money is used. Their objective is to simplify existing financial infrastructure in order to make it more efficient and cost effective. Their technology and architecture decentralise established monetary systems, enabling transacting parties to exchange value and money without the assistance of intermediary entities such as banks.

Investing in cryptocurrencies and other initial coin offerings ("ICOs"), similar to stocks, is extremely hazardous and speculative.

Blockchain technology is critical to the attractiveness and functionality of Bitcoin and other cryptocurrencies. As the term "blockchain" implies, a blockchain is essentially a collection of interconnected blocks or an online ledger. Each block comprises a collection of transactions that have been confirmed separately by each network participant. Each new block generated must be validated by each node before being confirmed, making forgery of transaction histories nearly impossible. 1The online ledger's contents must be agreed upon by the complete network of an individual node, or computer that keeps a copy of the ledger.

Blockchain technology may be used in a variety of businesses and activities, including supply chain management and online voting and crowdfunding.

Digital currency is any type of payment that can be used in place of genuine, legally recognised currency that exists entirely in electronic form and is tracked and transferred via computers.

Following Bitcoin's success, a slew of new cryptocurrencies, dubbed "altcoins," have been established. Some of these are Bitcoin clones or forks, while others are entirely new currencies. There are several of them, including Solana, Litecoin, Ethereum, Cardano, and EOS.

**SIGNIFICANCE OF CRYPTO-CURRENCIES**

**Corruption Prevention: Because blocks are distributed across a peer-to-peer network, they aid in preventing corruption by tracking the movement of funds and transactions.**

**Time Effective: Cryptocurrencies can help save money and time for both the sender and receiver, as they are totally handled over the Internet, operate on a mechanism that has extremely low transaction fees, and are nearly instantaneous.**

**Cost Effective: Intermediaries such as banks, credit card companies, and payment gateways charge over 3% of the world's total economic output, which exceeds $100 trillion, for their services. Currently, most of the major transactions are done using the SWIFT System where banks send payment orders and the transaction is done through other parties each of whom add more charges thereby making the final transaction, more expensive.**

**Integrating blockchain technology into these areas has the potential to save hundreds of billions of dollars.**

**The Rise of Cryptocurrencies: Bitcoin, the pioneer cryptocurrency, began trading at a price of $0.0008 in 2010 and reached a market cap of approximately $65,000 in April 2021.**

**Numerous more coins have been produced since the launch of Bitcoin, and their collective market value is expected to reach $2.5 trillion by May 2021.**

**Aiding Organizations:** Numerous relief organisations, including the American Red Cross, UNICEF, and the United Nations World Food Program, have begun accepting cryptocurrency payments.

Cryptocurrencies simplify the process of tracking donations and have the ability to enable donors to understand how their money is being spent (financial transparency).

### Banks: Morgan Stanley, the first major Wall Street bank to adopt cryptocurrencies has already announced that it will provide High Net Worth Clients access to Bitcoin funds through three funds that permit Bitcoin ownership for investors with an aggressive risk tolerance.

**STRUCTURE AND FORMS OF CRYPTO-CURRENCY**

**STRUCURE**

Bitcoin is pseudonymous rather than anonymous in that the cryptocurrency stored in a wallet is not linked to specific individuals, but to one or more unique keys (or "addresses").As a result, bitcoin owners remain anonymous, but all transactions are publicly visible in the blockchain. Nonetheless, cryptocurrency exchanges are frequently compelled by law to acquire their consumers' personal information

Transaction fees for cryptocurrency are determined primarily by the supply of network capacity at the time of the transaction versus the demand from the currency holder for a faster transaction. The currency holder can select a specific transaction fee, while network entities process transactions in order of highest offered fee to lowest offered fee.

### Blockchain

### A blockchain verifies the legitimacy of each cryptocurrency's coins. A blockchain is a continuously expanding collection of documents, referred to as blocks, that are linked and safeguarded via encryption. Each block normally contains a hash pointer that serves as a pointer to the preceding block. It is "an open, distributed ledger that enables the efficient and reliable recording of transactions between two parties."

### Nodes

### Node is a term that refers to a computer that is connected to a bitcoin network. The node contributes to the network of the relevant cryptocurrency by relaying transactions, validating them, or hosting a copy of the blockchain. Volunteers, those hosted by the organisation or body responsible for developing the bitcoin blockchain network technology, or those motivated to host a node by the prospect of receiving benefits for hosting the node network are all examples of node owners.

### Mining

### Mining is the process of validating transactions in cryptocurrency networks. Successful miners are rewarded with new cryptocurrency in exchange for their efforts. The reward reduces transaction fees by providing an additional incentive to contribute to the network's processing capacity. Increased demand for graphics cards resulted from an increase in bitcoin mining (GPU). The majority of miners make use of NVidia and AMD GPUs.

### MEDIUM OF EXCHANGE

### Atomic swaps

### Atomic swaps are a means for exchanging one cryptocurrency for another without the use of a trusted third party, such as an exchange.

### Wallets

A cryptocurrency wallet securely holds both public and private "keys" (addresses) or seeds that can be used to receive and spend cryptocurrency. It is possible to write to the public ledger using the private key, essentially spending the linked coin. Others can send currency to the wallet using the public key.

**ICOS**

Initial coin offerings (ICOs) are a contentious method of funding a new cryptocurrency venture. Startups may use an ICO to circumvent regulation. Securities regulators in a number of jurisdictions, including the United States and Canada, have stated that if a coin or token represents a "investment contract," it is a security and is regulated as such. In an initial coin offering (ICO), a portion of the cryptocurrency (often in the form of "tokens") is offered to early investors in return for legal money or other cryptocurrencies, most frequently bitcoin or Ethereum.

**ADVANTAGES AND DISADVANTAGES OF CRYPTO-CURRENCY**

**Advantages**

Cryptocurrencies are a new, decentralised money paradigm. Centralized intermediaries, like as banks and monetary organisations, are not required to maintain trust and police transactions between two parties in this system. Thus, a system based on cryptocurrencies avoids the prospect of a single point of failure, such as a huge bank, precipitating a cascade of global crises, such as the one sparked in 2008 by the collapse of US institutions.

Cryptocurrencies promise to simplify the process of transferring funds directly between two people, without the involvement of a trusted third party such as a bank or credit card firm. These decentralised transfers are secured through the use of public and private keys, as well as a variety of incentive systems, including proof of work and proof of stake.

Due to the absence of third-party intermediaries, bitcoin transactions between two transacting parties are significantly faster than traditional money transfers. Flash loans are an excellent illustration of such decentralised transactions in decentralised finance. These loans, which are not backed by security, can be executed instantly and are utilised for trading. [[3]](#footnote-3)

The remittance industry is putting one of the most popular use cases for cryptocurrency to the test. At the moment, cryptocurrencies such as Bitcoin act as intermediary currencies, facilitating cross-border money transfers. Thus, a fiat currency is converted to Bitcoin (or another cryptocurrency), then transported across borders and converted back to the fiat currency of the destination. This method simplifies and reduces the cost of money transfers.

**Disadvantages**

While cryptocurrencies claim to be anonymous, they are actually pseudonymous. They create a digital trail that can be deciphered by entities such as the Federal Bureau of Investigation (FBI). This enables governments or federal authorities to monitor regular citizens' bank transactions.

Criminals have made cryptocurrency a popular tool for nefarious activities such as money laundering and unlawful purchasing. The case of Dread Pirate Roberts, who managed a dark web bazaar for drug sales, is well-known. Cryptocurrencies have also grown popular with hackers, who use them to conduct ransomware attacks.

In theory, cryptocurrencies are supposed to be decentralised, with their value divided among numerous parties via a blockchain. In actuality, ownership is a highly concentrated form of ownership. For instance, an MIT research discovered that just 11,000 investors controlled about 45% of Bitcoin's soaring value.

One of the underlying tenets of cryptocurrencies is that they can be mined by anybody with a computer and an Internet connection. However, mining famous cryptocurrencies consumes a significant amount of energy, often as much as entire countries. Due to the high cost of energy and the unpredictable nature of mining, mining has been concentrated among huge businesses with revenues in the billions of dollars. According to a research conducted by MIT, 10% of miners account for 90% of the country's mining capability. However, there is a flip side to it as well. While it is true that concentration exists in just about every industry, the redeeming feature about crypto currency

### CONCERN OF AN UNREGULATED GLOBAL ECONOMY FROM LEGAL STAND-POINT

1. **GLOBAL CONCERN REGARDING REGULATION**

Government responses to cryptocurrencies have ranged from hostile to apathetic. Christine Lagarde, the head of the International Monetary Fund, claimed that international regulatory action on cryptocurrencies is "inevitable."

Additionally, Christine stated: "We are actively involved in anti-money laundering efforts and the fight against terrorism financing. And this only strengthens our resolve to work in those two directions."

1. **LOSS AND THEFT**

Because bitcoin exchanges are digital, they are susceptible to hacking, operational errors, and viruses.

This Digital Security Concern also pertains to digital currencies' decentralised nature. When a cryptocurrency exchange is hacked and customer funds are taken, for example, there is typically no established procedure for reclaiming the assets. Hackers can acquire access to thousands of accounts and digital wallets used to store bitcoins by targeting and accessing a cryptocurrency exchange.

One well-known example is the 2014 Mt. Gox hacking event, which resulted in the closure of the Japanese exchange after millions of dollars in bitcoin were stolen.

1. **ISSUE OF INHERITANCE**

Due to bitcoin's unregulated nature, without the keys required to view a relative's digital wallet, there is no way to access their cash if they pass away.

## FRAUD AND MONEY LAUNDERING

The prevalent assumption is that cryptocurrencies enable criminal organisations to perform new types of financial crimes such as fraud, money laundering, and a variety of other financial crimes.Investors who become victims of financial crime are unlikely to have the same legal recourse as typical victims of fraud.

1. **DARKNET MARKETS**

Cryptocurrencies' properties increased their popularity in applications such as a safe haven during financial crises and as a means of payment, however also resulted in cryptocurrency use in contentious situations such as online criminal markets such as Silk Road. The first Silk Road was closed in October 2013, and two other versions have been in use since then. The number of important black markets expanded from four to twelve in the year following Silk Road's initial shutdown, while the number of drug listings increased from 18,000 to 32,000.

Legal issues arise in darknet markets. In practically every country on Earth, cryptocurrency used in black marketplaces is neither explicitly or legally classified. In the United States, bitcoins are referred to as "virtual assets." This type of imprecise designation places a burden on law enforcement authorities worldwide to react to the altering nature of the dark market drug trade.

### ENVIRONMENTAL IMPACT

### Mining for proof-of-work cryptocurrencies consumes a substantial amount of electricity and has a significant carbon footprint associated with it. Between 1 January 2016 and 30 June 2017, it was estimated that proof-of-work blockchains such as Bitcoin, Ethereum, Litecoin, and Monero added between 3 and 15 million tonnes of carbon dioxide to the environment.

### TECHNOLOGICAL LIMITATIONS

### Technological advancements in cryptocurrencies such as bitcoin require miners to invest heavily in specialised hardware and software. Cryptocurrency transactions are often irreversible once a sufficient number of blocks confirm them. Additionally, bitcoin private keys can be permanently deleted from local storage as a result of malware, data loss, or physical media destruction. This prevents the bitcoin from being spent, thus removing it from the markets.

**POSITION OF CRYPTO-CURRENCY IN INDIA**

In March 2018, the Central Board of Digital Tax (CBDT) proposed to the finance minister a draught scheme for the prohibition of virtual currencies. The RBI then issued a circular prohibiting banks and financial institutions from providing financial services to virtual currency exchanges a month later. The Reserve Bank of India issued a circular prohibiting all banks from engaging in cryptocurrency trading. The Supreme Court deemed this circular illegal in May 2020.

In March 2020, the Supreme Court of India removed the Reserve Bank of India's prohibition on cryptocurrency.

Former Reserve Bank of India deputy governor BP Kanungo and former Central Board of Direct Taxes (CBDT) chairman Sushil Chandra have both expressed support for a cryptocurrency prohibition. Chandra stated that it results in the establishment of a "chain of black money." He also claimed that searches of exchanges dealing with virtual currencies revealed that the majority of uninformed people in remote areas are being enticed to purchase them.

On April 6, 2018, the Reserve Bank of India issued a circular prohibiting commercial and cooperative banks, payments banks, small finance banks, non-bank financial companies, and payment system providers from dealing in virtual currencies or providing services to any entity that engages in crypto exchange business.

Once the order was passed, cryptocurrency values plunged, exchanges froze, and withdrawals ceased.

**Discussions pertaining to Cryptocurrency from Jauary 2021 to October**

Prime Minister Narendra Modi chaired a discussion on the future management of the cryptocurrency business on Saturday in which “A high-level Inter-Ministerial Committee (IMC) chaired by the Secretary (Economic Affairs) to study the issues surrounding virtual currencies and recommend specific actions to be taken recommended in its report that all private cryptocurrencies, except those issued by the government, will be prohibited in India,".

Anurag Thakur, Minister of State for Finance, also said Parliament that the government intended to introduce a Bill on cryptocurrencies, as existing regulations were judged insufficient to address the challenges surrounding cryptocurrencies.

Days after the news broke, Sitharaman stated in an interview on March 5 that she wishes to stimulate innovation in the cryptocurrency space. "We want to ensure that there is a window open for all of the experimentation that will need to take place in the crypto world," she explained during an interview with CNBC TV18. "Our thoughts are not closed."

Additionally, in November 2021, the Standing Committee on Finance, chaired by BJP member Jayant Sinha, met with representatives of cryptocurrency exchanges, the Blockchain and Crypto Assets Council (BACC), and others, and concluded that cryptocurrencies should not be prohibited, but regulated.

Meanwhile, the Reserve Bank of India has reiterated its opposition to cryptocurrencies, stating that they pose a severe threat to the country's macroeconomic and financial stability. Additionally, it casts doubt on the number of investors that trade cryptocurrencies and their alleged market value.

**Session of Parliament**

In an earlier statement to the Lok Sabha, the finance minister stated that the government does not collect data on Bitcoin transactions. Sitharaman, addressing in the Rajya Sabha on Tuesday, referred to Bitcoin as a "risky domain." She stated that they have not yet made a decision about bitcoin ads. The statement comes a day after she was reported in the Lok Sabha as claiming there was no proposal in the country to recognise Bitcoin as a currency.

As the Lok Sabha considers a cryptocurrency bill, experts disagree on the definition of 'private cryptocurrency.'

"This is a high-risk area that lacks a comprehensive regulatory structure. No decision has been made about the prohibition of its advertisements. RBI and SEBI are taking steps to raise awareness. "The administration would shortly introduce a Bill," Sitharaman stated during Rajya Sabha's Question Hour.

In an earlier statement to the Lok Sabha, the Finance Minister stated that the government does not collect data on Bitcoin transactions.

Recently, the government announced plans to draught a bill, the Cryptocurrency and Regulation of Official Digital Currency Bill, 2021, to establish a sovereign digital currency while simultaneously prohibiting the use of private cryptocurrencies.

In India, monies invested in blockchain start-ups represent for less than 0.2 percent of the sector's total funding.

The present stance on cryptocurrencies makes it nearly hard for blockchain entrepreneurs and investors to generate significant economic profit.

**Impact on Forbidding Decentralized Cryptocurrencies**

The proposed blanket ban lies at the heart of the Cryptocurrency and Regulation of Official Digital Currency Bill, 2021. It aims to make all private cryptocurrencies illegal in India.

However, classifying cryptocurrencies as public (supported by the government) or private (owned by an individual) is incorrect, as cryptocurrencies are decentralised but not private.

Bitcoin and other decentralised cryptocurrencies are not, and cannot be, controlled by any entity, private or public.

Ban on cryptocurrencies will very certainly result in an outflow of intellect and enterprise from India, similar to what occurred following the RBI's 2018 ban.

Previously, blockchain professionals relocated to nations that controlled cryptocurrency, such as Switzerland, Singapore, Estonia, and the United States.

With a blanket prohibition, India will put an end to blockchain innovation, which has applications in governance, data economy, and energy.

A Ban Would Deprive India, Its Entrepreneurs and Citizens of a Transformative Technology: A ban would deprive India, its entrepreneurs and citizens of a transformative technology that is rapidly gaining traction throughout the world, including by some of the world's largest corporations such as Tesla and MasterCard.

An Ineffective Effort: Banning rather than regulating will just foster a parallel economy, increasing illegitimate use and therefore contradicting the ban's stated objective.

A prohibition is impractical, as anyone may purchase cryptocurrencies via the internet.

Contradictory Policies: Banning cryptocurrencies contradicts the Ministry of Electronics and Information Technology's (MeitY) Draft National Strategy on Blockchain, 2021, which lauded blockchain technology as a transparent, secure, and efficient technology that adds a layer of trust to the internet.

India has been one of the fastest-growing areas for cryptocurrency trading, despite the fact that the ability to freely and anonymously trade Bitcoin and its peers weakens the country's currency convertibility restrictions. The central bank has been advocating for the creation of an official digital currency while expressing concern about the private cryptocurrency market. The government decided in February to publicly legalise cryptocurrency trading while simultaneously discouraging it by charging a high transaction fee.

**1. What did it accomplish?**

Taxing money from the transfer of virtual assets at 30% effectively legalises cryptocurrency trading while making it prohibitively expensive. T. V. Somanathan, the Finance Secretary, stated that the government will regard crypto assets similarly to gambling and speculative winnings. The new laws' practical application is unknown, considering the vast volume of crypto trading that occurs beyond the scrutiny of financial authorities. The new tax may drive crypto traders to migrate to platforms in other countries, according to Darshan Bathija, co-founder and CEO of Vauld, a Singapore-based crypto business. That may please India's central bank: the government also announced that the Reserve Bank of India will launch its own digital currency this year, beginning April 1.

**2. How popular is cryptocurrency in India?**

It is one of the largest in the region and is continually increasing. According to an October report by Chainalysis, a crypto-analysis firm, the Indian market surged 641 percent between July 2020 and June 2021. Central and southern Asia as a whole was the fourth-largest cryptocurrency market studied, receiving more than $572.5 billion in value during that period, or 14% of worldwide transaction value. Transfers above $10 million accounted for 42% of transactions sent from India-based addresses during that period, compared to 28% in Pakistan and 29% in Vietnam. This indicated a more developed Indian market. Simultaneously, India – with a relatively young and tech-savvy populace – was second only to Vietnam in terms of retail investor adoption of crypto in the region.

**3. What worries the central bank?**

According to the Reserve Bank of India, cryptocurrencies represent significant challenges to the country's macroeconomic and financial stability. The rupee in India is only partially convertible, providing the regulator with information and control over who has access to the country's markets. By their very nature, cryptocurrencies are supposed to be freely exchanged and anonymous, precluding authorities from both monitoring and taxing transactions. Money laundering and terrorism financing have also been suggested.

**4. How has it been up to this point?**

India's relationship with digital currencies, which operated in a grey area, has been tumultuous. It virtually prohibited cryptocurrency transactions in 2018, but the Supreme Court overturned the ban in March 2020. Since then, calls for stronger rules have intensified in response to fears that an unregulated environment could attract more domestic household money to volatile assets, exposing savers to a disaster. The news that the government was drafting a bill appeared to prompt a sell-off on Indian-friendly exchanges on Nov. 24.

**5. What is the next step?**

India's finance minister stated that the introduction of a digital rupee will result in more cost-effective currency management. The government has yet to introduce a statute outlining the definition of digital assets and the manner in which it intends to regulate the market. Finance Secretary Somanathan stated on Feb. 2 that the government will "consult widely" and examine global regulations before finalising the rules.

**WAY-FORWARD: FUTURE OF CRYPTO-CURRENCY**

**1. Regulation is the Solution: Regulation is necessary to avert significant problems, to ensure that cryptocurrencies are not abused, and to safeguard naive investors against excessive market volatility and probable scams.**

**The regulation must be concise, transparent, cohesive, and motivated by a clear vision of the end result.**

**Clarity on Crypto-currency definition:** To begin, a legal and regulatory framework must establish crypto-currencies as securities or other financial products under applicable national law and designate the regulatory entity responsible.

**Strong KYC Norms:** Rather than outright ban, the government should regulate cryptocurrency trade by enforcing high KYC standards, reporting, and taxation.

**Ensuring Transparency:** Maintaining records, conducting inspections, conducting independent audits, resolving investor grievances, and resolving disputes may also be explored in order to meet concerns about openness, information availability, and consumer protection.

**Igniting the Entrepreneurial Wave:** Cryptocurrencies and Blockchain technology have the potential to rekindle the entrepreneurial spirit in India's startup ecosystem, creating job possibilities at all levels, from blockchain developers to designers, project managers, business analysts, promoters, and marketers.

**CONCLUSION**

India is on the verge of the next phase of the digital revolution and has the ability to pour its people capital, skills, and resources into it, emerging as one of the wave's victors. All that is required is for policymaking to be done correctly. However, the challenges to surmount are huge as well. One of the major concerns which would have to be dealt with by policy makers is the source of the cryptocurrency. Since most of the initial buyers might have bought it and the source might be murky. However legalising the ecosystem by extension would make it such that these currencies would have to be accepted which brings forth ethical considerations.

Because blockchain and digital assets will be a critical component of the Fourth Industrial Revolution, Indians should not be forced to ignore them. Regulation of cryptocurrencies remains uncertain, as the absence of a centralised authority poses legal and financial risks to bitcoin owners.However, there has been some welcome news in this aspect as the Indian Government has decided to tax cryptocurrency which sheds some light on this otherwise gray area but the way forward still remains unclear yet a bit lighted up.

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