BITCOINS - THE EVOLUTION AND REVOLUTION IN CURRENCY MARKET

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ABSTRACT

Cryptocurrency is a digital currency in which encryption techniques are used to regulate the generation of units independently from a central bank using algorithms and blockchains. The main feature of crypto currency is that any central authority does not control it. Bitcoin was the first cryptocurrency in India. Each bitcoin is basically a computer file which is stored in a digital wallet app on smartphone or computer. This paper attempts to understand how crypto currency works and also to understand the awareness among the general public and thereby to understand the impact of bitcoins on the global economy. I would aim to conclude a new age technology will be difficult to replace the existing financial scenario globally.

Keywords: *Cryptocurrency, Bitcoins, Blockchain, Currency Market, Financial Scenario.*

1.0 INTRODUCTION

A cryptocurrency is a digital asset designed to work as a medium of exchange wherein individual con ownership record are stored in a ledger existing in a form of computerised database using strong cryptography to secure transaction records, to control creation of additional coins and to verify transfer of coin ownership. It does not exist in physical form and is not issued by a central authority. When a cryptocurrency is printed or minted prior to issuance it is generally considered standardised. each crypto currency works through distributed ledger technology called as blockchain

According to Jan Lansky, a cryptocurrency is a system that meets six conditions:

1. The system does not require a central authority, its state is maintained through distributed consensus.
2. The system keeps an overview of cryptocurrency units and their ownership.
3. The system defines whether new cryptocurrency units can be created. If new cryptocurrency units can be created, the system defines the circumstances of their origin and how to determine the ownership of these new units.
4. Ownership of cryptocurrency units can be proved exclusively cryptographically
5. The system allows transactions to be performed in which ownership of the cryptographic units is changed. A transaction statement can only be issued by an entity proving the current ownership of these units.

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6. If two different instructions for changing the ownership of the same cryptographic units are entered, the system performs at most one of them.

Table no.1: Table showing market capitalisation of cryptocurrencies

NAME	MARKET CAP	PRICE	VOLUME
BITCOIN	$208,409,521,138	$193946	$30,614,694,209
TETHER	$5,296,032,527	$282	$3,154,023,010
SOLANA	$3,754,132,750	$33.48	$378,568,118
ETHEREUM	$41,900,384,203	$1329	$17,707,379,573
RIPPLE	$1,277,580,127	$287	$4,221,375,526
NEO	$4,065,936,463	$220	$2,613,589,655
CARDANO	$3,439,492,998	$0.1326	$466,338,937

Source: www.investopedia.com

Determination of price of a bitcoin

Buying a bitcoin is different from purchasing a stock or bond because bitcoin is not a corporation. And unlike investing in traditional currencies bitcoin is not issued by a central bank or backed by any government. therefore, normal determinants of value of currency don't work for a bitcoin. The prices of bitcoins are influenced by supply of bitcoin and market demand for it, the cost of producing it through mining, the number of competing cryptocurrencies, the exchanges its trades on and its internal governance.

Cons of Bitcoins

- Exposures to scams and fraud
- Black market activities
- Environmental ills of mining
- High price volatility and many more

2.0 REVIEW OF LITERATURE

1. Rahman and Dawood (2019) in their paper "Bitcoin and Future of Cryptocurrency" focused on crypto-currency as an imaginative and technically advanced alternative for globalization. It examined the possibility of an alternative for processing payments across geographical boundaries and if regulated effectively cryptocurrency could remove a lot of the financial challenges faced in the present.

2. C.A. (Dr.) Pramod Kumar Pandey(2017) in his paper "Bitcoin As Emerging Virtual Currency and Its Related Impact on India" said that on the high returns and the high risk that comes along. He believed bitcoins aren't mature and investing in bitcoins would be like jumping in a dark well without knowing the depth, since bitcoin is not backed by anything. One of the challenges to be faced would be to establish it as a currency or commodity. If this is established as a currency, probably RBI will play a leading role in its regulation, while if this is a commodity, SEBI will initiate regulations.

3. Komal Dhande (2017) in his review, "Bitcoin and Its Prospects in India" studies on the remarkable growth in the acceptance of cryptocurrencies but does not see it replacing paper currencies anytime soon. The problem is to structure it for the law enforcement agencies and

users to ensure safety in transactions and the problems to determine a way to charge cryptocurrency tax. The high growth on bitcoins has attracted a lot of interest but the high amount of risk involved in keeping the investors hesitant to invest. Though the study shows belief in virtual currencies, a good legal and regulatory framework is required for investors to trust this form of currency in India.

4. Neil Shroff and Padma Venkataraman (2017) in their paper, endeavor to set out an administrative system for "Blockchain Protocol Tokens, tending to both ICO Tokens and Cryptocurrency". They outline 3 classes of tokens, further partitioned in 5 kinds dependent on their inclination, and dangers for the two controllers and purchasers. At that point, they proposed one of two administrative methodologies: exacting consistency with existing laws or boosted reception of rules, contingent upon the capacity and reason for the token concerned.

5. Gunjan Jindal and Sheza Azeen (2018) in their Legal acceptance of bitcoin in India discuss how bitcoin plays a pivotal role in aggregating the growth percentage of the nation and how it would not be possible unless the government pushes towards making the transactions legal and implies its regulations on it.

3.0 RESEARCH METHODOLOGY

This research is undertaken and studied based on the information and sources of news available from various secondary sources.

Objectives of the Study

This paper has following objectives of study:

- To understand modus operandi of bitcoin
- To understand its relevance in India
- To understand the impact of bitcoins on global economy.

Sources of Data

The present study mainly uses secondary data as the research is explicit in nature and so various books, magazines and web sources are made use of and several articles, journals and websites including the official website of the RBI and Forbes. A Descriptive study was employed for this study. To meet the aim of this research paper, qualitative data has been made use of.

Limitations of study

- There is no primary data collection made.
- It emphasises only on bitcoins and not all cryptocurrencies

4.0 MODUS OPERANDI OF BITCOINS

Cryptocurrency use decentralised technology to let users to make secure payments and store money without the need to use their name or go through a bank. They run on a distributed public ledger called blockchain which was mentioned earlier. Units of cryptocurrencies are created through a process called mining which is discussed in the introduction above.

Bitcoins isn't just an allotted estimation of cash put away in an advanced record, similar to a bank account or a credit line. Bitcoin doesn't have any relating physical components, similar to coins or paper bills. The worth, conformation, and validation of individual Bitcoins are given by a worldwide distributed system. Bitcoins are blocks of super secure information that are considered as currency. Moving this information starting with one individual or spot then onto the next and checking the exchange, for example spending the money, requires computer power. Clients called "diggers" permit their frameworks to be utilized by the strategy to securely check the individual exchanges. Those users gain new Bitcoins for their contributions. The Bitcoin network creates, checks, and verifies blocks of data that are communicated as proprietary currency. Bitcoin and its numerous varieties/ deductions are known as cryptocurrency. The framework utilizes cryptography - an incredibly progressed bookkeeping framework called a blockchain - to. Bitcoins are frameworks created or mined. A traditional cash should be stamped or printed by an economy, the mining viewpoint is intended to make the framework self-supporting: people remove Bitcoins by giving handling power from their frameworks to the circulated organization, which produces new squares of information that contain the worldwide record of all things considered. The encoding and deciphering measure for these squares needs a gigantic measure of handling power, and the person who effectively creates the new square (or all the more precisely, the person whose framework produced the randomized number that the PC acknowledges as the new square) is remunerated with a specific number of Bitcoins, or with a specific measure of exchange expenses. The very cycle of moving Bitcoins starting with one client then onto the next makes the basic requirement for all the more handling power attributed to the shared system, which produces new Bitcoins that would then be able to be utilized. It's a self-scaling, self-copying framework that creates cryptographic portrayals of significant worth that relate to riches.

Cryptocurrency Exchanges

Cryptocurrency exchanges are websites where you can buy, sell, or exchange cryptocurrencies for other digital currency or traditional currency. For those people who want to trade them officially and have access to trading tools, you will need to use an exchange that requires you to verify ID and open an account. There are also platforms that can be sued which don't need an account

Types of Crypto Exchanges

- Trading platforms: these are websites that connect buyers and sellers and charge for each transaction.
- Direct trading: these platforms offer direct person to person trading where individuals from different countries can exchange currency from their bank account. They don't have a fixed market price but the parties decide the exchange rates.
- Brokers: these are websites that anyone can visit to buy the currencies by a price set by the broker.

Table no:2 Table showing top cryptocurrency spot exchanges.

Name	Avg. Liquidity	Volume	Markets
Binance	512	$9,218,103,832	629
Houbi Global	528	$1,747,050,374	558
Coinbase Pro	422	$559,871,682	73
Kraken	382	$354,799,727	711
Bithumb	216	$424,813,224	104
Bitfinex	438	$207,526,495	274
ZB.com	324	$657,791,425	116

Source:www.coin

Mining

Cryptocurrency can be bought or can be traded but unlike these there are miners who don't pay directly for their crypto but they earn it. They dig it up by cracking codes and solving complicated puzzles and once the blockchain is solved the miners drop and reward is certain amount of currency. It requires powerful and expensive hardware and software

Blockchain

The validity of each cryptocurrency coin is determined by its blockchain which is a continuously going list of records called blocks, which are linked and secured through cryptography. Each block contains a hash pointer as a link to previous block, a timestamp and transaction data. Typically, blockchain is an open, distributed ledger that can record transaction between two parties efficiently and permanently. It is managed by a peer to peer network collectively adhering to a protocol. Once recorded, the data cannot be altered without the alteration of all subsequent blocks which requires the collusion of majority of network

Time Stamping

Cryptocurrencies use various timestamping schemes to prove the validity of transactions added to the blockchain ledger without the need for a third party. The first time stamping scheme invented was the proof of stake scheme, this method of securing a cryptocurrency network and achieving distributed consensus through requesting users to show ownership of a certain amount of currency. This scheme is largely dependent on coin and there is no standard form of it.

Transaction Fees

Transaction fees for cryptocurrency depend mainly on the supply of network capacity at the time and demand from the currency holder for a transaction. The currency holder can choose a specific transaction fee, while network entitles process transactions in order of highest offered fees to lowest. Cryptocurrency exchanges can simplify the process for currency holders by providing priority alternatives and thereby determine which fee is more likely to apply for a transaction to be processed in the specified time. Transaction fees might also depend on computational complexity, bandwidth use, storage needs and other factors.

Block Rewards

Proof of work cryptocurrencies like bitcoins, offer block rewards incentives for the miners, there is a belief that whether miners are paid by block reward or transaction fees does not affect the security of the blockchain. The rewards paid to miners increase the supply of cryptocurrencies. By making sure that verifying transactions is a costly business, the integrity of the network can be preserved by nodes of computer. The current value, of the cryptocurrency supports the rewards scheme to incentivize the miners to engage in costly mining activities. Some sources claim that current bitcoin design is very inefficient, generating a loss of 1.4% relative to a cash system. The main reason for this is the large mining cost which is estimated to be 360 million USD per year. This makes the users willing to accept a cash system with an inflation rate of 230% before being better off using bitcoin aa a means of payment. Another potential improvement is the elimination of inefficient mining activities by changing the consensus protocol altogether.

Initial Coin Offerings (ICO)

An initial coin offering is a controversial means of raising funds for a new cryptocurrency venture. An ICO may be used by start-ups with the intention of avoiding regulation. However, many securities regulators have indicated that if a coin or token is an investment contract then it is a security and subject to securities regulation. In an ICO a percentage of cryptocurrency is sold to early backers of the project in exchange for a legal tender.

ATMs

Jordan Kelley, the founder of Robocoin, launched the first ATM in USA in 2014. The kiosk is installed in Austin, Texas similar to a bank ATM but it has scanners to read users identification.

5.0 RELEVANCE OF BITCOINS IN INDIA.

The global economy is inevitably moving towards a digital ecosystem. From investment to money transfer, everything is going paperless. The newest is the cryptocurrency. Over the last couple of years, digital currency has been rapidly gaining importance.The cryptocurrency revolution has also spread to India. Where our prime minister has initiated paperless economy and transactions to steer the country towards electronic payment ratification. A year ago when Indian government took measure to eradicate balck money in the economy resulting in removing over 22 billion bank notes in circulation, as a result people who where worried about losing their money switched to cryptocurrency to preserve their funds resulting in trading volume spike of cryptocurrency. Since it is decentralised, Indian regulators are currently working on a legal framework to regulate cryptocurrencies. Blockchain technology has also enabled companies to change the way they operate digitally. Through Initial Coin Offerings (ICO) companies are offering their digital tokens for sale.World online is a leader in consumer engagement and analytics as a leader in consumer intelligence platform, it hosts upto 105 million monthly participants and has announced its ICO recently, becoming the first in cryptocurrency world.

Reasons Why Cryptocurrency is Gaining More Importance

- A beneficial rise in economic activities: there is already an entire industry built around cryptocurrency. Bitcoin has already permitted many people and companies to develop and use, while many relays on trading as a means to make profit.
- Great opportunity for poorly banked countries: more than one third of population does not have access to basic banking activities that can help them in case of personal financial crisis. There is where cryptocurrencies help people. There are now many apps and programmes that facilitate the use of cryptocurrency and added advantage is that it is completely decentralised. The sue of technology will facilitate a financial revolution that will leave everyone financially more connected.
- Low transaction costs: because crypto currencies and block chain don’t need physical existence, the costs associated with them are minimal. There is no need of employee wages, rent or any bills to be paid which results is less transaction fee
- More power to entrepreneurs: this is a good and prosperous time for business as these make people to receive money in more currencies. Bitpesa is one such company that help business owners in Africa to make financial transactions with European, American and French governments. The aim is to help small and medium businesses everywhere to get better financial coverage.

Table no. 3: Table showing crypto exchanges trading revenue per day

Crypto exchanges	Amount (millions)
1. Binance	$3.48
2. UPbit	$3.42
3. Bittrex	$2.29
4. Bithumb	$2.2
5.Okex	$1.83

Source:observer.com

With the above table it is evident that how much impact cryptocurrencies are making in business world. Slowly trade exchanges and stock exchanges revenue is getting replaced by crypto exchanges revenue.

Positive ramifications in India

- Growth in Jobs

According to the job search site, there has been a rapid growth in the crypto and blockchain market. The U.S. jobs related to blockchain technology, cryptocurrency, and bitcoin grew over 90%. It was also revealed that Bangalore and Pune have great potential for blockchain, crypto job opportunities. Lately, there's been a huge hike in the number of unemployment in almost all the sectors in the country. The CEO(Nischal Shetty) of crypto exchange wazir believes that cryptocurrency can help the country with more job opportunities as well as help stabilize the employment rates of the country.

- Initial coin offerings (ICO) could globally be a fundraising platform for startups. Globally ICOs this year raised over $346 million globally. This could attract foreign venture capital investments in Indian startups. (Chandrashekhar, Kar & Manikandan, 2020) The cryptocurrency and blockchain sector has great potential for economic growth and With India's current economic status, it would be a great loss of opportunity to not start with cryptocurrency. Globally blockchain startups raised over 5.5billion American dollars and Indian companies are currently receiving below 0.2% of these investments. The fintech company in Singapore received over $744million (Gupta, 2020). Blockchain technology helping traditional financial institutions.Working together would attract more investors to the country, the blockchain technology would improve bank security and transactions and provide better traceability and accountability. (Gupta, 2020).

- The increasing trend of Digital payments

There has been a huge increase in the trend of digital payments which has shown great potential for the future. Using cryptocurrency for transactions within a country would attract the public (Martucci, 2020). With the ease of availability of cryptocurrency since they are not attached to a country, investors could use this medium to invest more with the internet. With the blockchain technology, they would be safer and reduce the risk of thrift. Intercountry businesses could use cryptocurrency for faster and easier transactions with it being hasslefree and having low transaction fees. (Rahman & Dawood, 2020)

Legal aspects

Now, when it comes to the legal aspects of cryptocurrencies, we have to keep in mind that there has to be a new body that would overlook the functioning of this currency and they would be in charge of forming the rules and regulations. With the introduction of this currency, many other amendments will have to be made in different aspects of the constitution. Keeping this in mind the following acts will need amendments:

1. The Securities Contracts (Regulation) Act 1956T: The securities that fall under this only are tokens which are issued by an identifiable user and are backed by underlying assets of the issuer.
2. Companies Act, 2013: Each type of token would fall under the rules and regulations of this Act. Under the act, when it comes to the acceptance of deposit the receipt of money, the way of deposit by a company would be termed as a deposit and also provide certain exemptions from its applicability.
3. Payments and Settlements Systems Act 2007(PPSA): If the crypto activity were to revolve around the payment system or any other regulated system, the issuer would need another payment method which falls under the acceptance of The RBI under PSA and it must also include the norms of KYC/AML.
4. Prevention of Money Laundering Act 2002 (PMLA): Under this Act, if any pretenses that fall under the notions and are not following what rules this act carries itself upon then 10 years of imprisonment is applicable. But it is unclear if the reporting commitments prescribed under chapter IV of the Prevention of Money Laundering act 2002 holds forth towards wallet operators, third-party bitcoin services, crypto-asset exchanges, etc.

6.0 IMPACT OF BITCOINS ON THE GLOBAL ECONOMY

Bitcoins value has been hugely volatile. In a three-month span of 2018, the volatility reached 8%. There is a lot of scope as derivatives in currency market especially for fiat currencies. Bitcoins have properties similar to gold since that differs markedly from currencies managed by governments who want to maintain low inflation high employment etc. the volatility is also driven by holders of large proportion of total outstanding float of the currency. For bitcoin investors with current holdings above around $1M, it is clear how they can liquidate a position that large without moving the market as most cryptocurrency exchanges impose 24hour withdrawal limits far below the threshold. Bitcoins have not reached the mass market adoption rates that would provide option value to holders of currency.

The story of bitcoin is just starting but it has already transformed the global economy, in this matter it is crucial to know how it will shape the global economy and market in coming years. The following points explain the transformation.

- Shifts in global investments
- Separates transactions from fiat currency
- Eliminates the need for middle men
- Encourages more overseas transactions
- Reduces dependency on normal currency
- Removes barriers to entry and emerges new markets
- Opens access to credit systems
- Starts a new era of crowdfunding
- Promotes Environmentalism

Impact on Economy

1. Reduced Remittance: Many governments are getting isolated and make more restrictions on the remittances to their country in their currency, with Bitcoin getting popular many people can transfer or use funds without any border restrictions.

2. Control over Capital: Many sovereign countries follow usage of their home currency for their transactions and payments and also there are a lot of restrictions and regulations, which is driving the demand for digital currencies globally. Chinese government recently made it tougher for people and businesses to spend their currency overseas, thereby trapping the liquidity as a result Bitcoin gained popularity in China too

3. Better Acceptance: Today more customers are going digital for their payments, and that is because more business and companies are accepting them as a form of payment. Today online shoppers and portals are using bitcoin extensively. In 2016 1.1 million bitcoin wallets have been added and used.

4. Corruption crack down: corruption is the biggest problem faced by many developing countries today. With banning of high denomination notes, people started to use digital money and have accepted them fully, with the trend being continued with bitcoins it will help the developing countries to have a better control on corruption.

5. Trading volume and Market capitalisation: Market capitalisation of a cryptocurrency is the total worth of all its currencies which are in circulation and are highly traded by people in exchanges which means more liquidity and circulation of money in the economy.

6. Social benefits: In addition to all the above bitcoins in combination with smart contracts, can contribute to strengthening of social trust and fighting corruption through a more transparent contract system. Citizens can use publicly available record data of the bitcoins in the blockchain to monitor the way in which state funds are used. It would also allow the governments to track their spending better and improve their budget allocation.

Impact on Currency Market

Without bitcoins, the local currency must often be exchanged with widespread fiat currencies like dollar and Euro and again must be converted to home currency. This process can be optimised through the use of bitcoins.

For example, A Chicago based Indian worker could use a local service provider who transfers US dollars to bitcoins to transfer money to his family in India where the family can deduct rupees at a local service provider, which changes bitcoins to rupees. This would make companies more reluctant. However, it is essential to have a liquid market for the exchange of bitcoins. Bitcoins would furthermore solve the problem of participation in the international trade without a bank account. Currencies can be bought converted and sold in different markets for profits which is popularly called as arbitrage.Regardless of the form, money must fulfil three main functions. Firstly, it has to be accepted as a medium of exchange in trade of goods and services. Secondly, it must be suitable as a medium to store value for saving wealth. Thirdly, it must act as a unit of measure and compare value of goods.

The following table shows a comparison of bitcoins, gold, normal currency with their traits being high, medium or low level.

Table no.4 - Table showing comparison with traits of money.

Traits of money	Gold	Normal currency	Bitcoins
1.Way of exchange	Physical	Physical and digital	Digital
2. Control	Market	Central bank	Algorithm
3. Divisibility	Medium	High	High
4. Transferability	High	High	High
5. Durability	High	High	High
6. Acceptability	High	High	Medium
7. Safety and Security	High	Medium	High
8.Stability	Medium	Medium	Low

Source:www.moneycontrol.com

Impact on Banking and Finance

1. Financial Inclusion: Bitcoins help to increase financial inclusion in developing countries by serving as a quasi bank account. Since everyone has the access to internet, they can download a bitcoin wallet and can use as a quasi bank account, people can make savings and a lot of transactions.

2. Power to the dark web: Dark web is accessible only through special software which enables anonymous searching of the internet. It is a place where we can find assassins, weapons and a lot of illegal stuff. By using bitcoins people can make illegal transactions without giving any information about themselves. They empower such transactions across the globe which would give rise to cyber crime

3. Speculations: As on 14th Jan 2015, bitcoin was valued at $170, and as on 24th July 2017, it is valued at $2772. There have been many ups and downs in the value of bitcoins and this scenario is likely to continue. Due to this there is a lot of scope for speculation. Just like trading in shares, trading in bitcoins are lot massive and speculative.

4. Politicization of money: Usually all monetary transactions will be enabled through central banks directly or indirectly, but with the evolution of bitcoins the scenario has changed, the power vested with government is now shifting to masses. With digital currencies economic power can be challenged by people. Ultimately if adopted on a large scale basis bitcoins can be lead to politicization of money.

5. Apprehension among the central banks: There is possibility that bitcoins can be secretly used to launder money outside the country. They are leading to loopholes in banks data about money transactions leading ti inability to track economic activities.

6. The emergence of new markets: currencies like bitcoins have opened gates for a new kind of market which unlike present money market. Cyberspace will rise up as managing body that will handle and maintain disruptive markets. The zero transaction costs has made these currencies superior to traditional money.

7.0 FINDINGS

In this era of digital payments, cash is slowly changing its form from physical to digital, apart from digital wallets these days moving a step ahead surely cryptocurrency wallets would become more popular means of payments. Well with the above points clearly telling that cryptocurrency will rule the world in near future, It is evident that it is more relevant in the business world today. The following are the key findings of the study.

Cryptocurrency - The Dawn of New Economy

Mostly due to its revolutionary properties cryptocurrencies have become a huge success. They are digital gold, sound and secure from political influence. They are a fast and comfortable means of payments with a world wide scope. They are private and anonymous enough to serve as a means of payment. Cryptocurrencies have incredibly been growing in recent times, for investors and speculators. Exchanges enable their trade and they exceed the trade of major European trade exchanges. Cryptocurrencies also give life to incredibly successful crowdfunding projects. They are also subject to extreme volatility. G20 leaders have affirmed their stand towards cryptocurrencies in a declaration submitted in G20 summit in Osaka. They stated that cryptocurrencies do not constitute a threat to monetary stability and that technological innovation can deliver significant benefit to the economy. UK is widely considered to be global leader when it comes to crypto adaptation and innovation.

The Future Implications

According to a survey conducted by "readwrite solutions", the following points depict the future of cryptocurrencies:

1. Everyone will start to use crypto-currencies and they might not even be aware of it"
2. Bitcoins will hit $1 million bench mark in trading
3. The owner of snapchat Jeremy Liew and blockchain cofounder Peter Smith have predicted that by 2030, the value would have reached $500 million.
4. Government agencies will soon adopt blockchain technology.
5. Future of cryptocurrencies will integrate with internet of things
6. Banking and financial industries will undergo disruption.
7. New cryptocurrencies will start to emerge.

8.0 CONCLUSION

Cryptocurrency ventures are on a rise, as their numbers accelerate everyday, it will result in widespread adoption. Once they are widely adopted they can be the next version of technology in all sectors. With this fact we can expect the conversion of currencies wit cryptocurrencies soon. Also, a lot of cryptocurrency development programmes have been emerged in recent times, for the betterment of investors and traders.

Everyday new currencies are emerging and old are dying, every cryptocurrency comes with a promise, mostly to turn the world around. Markets are getting dirty but this doesn't change the fact that the cryptocurrency is here to stay and change the world. People already are starting to buy cryptocurrency to protect themselves from devaluation of currency, mostly in Asia bitcoin remittances have emerged. More and more companies discover the power of smart contracts or tokens and blockchain technologies.

Despite bitcoin's recent issue, its success since 2009 has inspired the creation of alternate cryptocurrencies. Bitcoins that aspires to become part of mainstream financial system would have to satisfy divergent criteria. And therefore complete success depends on how challenges to these are overcomed. And with this it can be concluded that soon there is going to be a revolution in currency market with cryptocurrencies.

8.1 SUGGESTIONS

1. Defining Cryptocurrency:

They should be explicitly defined as securities or other financial instruments under the relevant national laws.

2. Linking Startup Ecosystem with Crypto:

India startup ecosystem can be revitalised by cryptocurrency and block chain technology which can create job opportunities, from blockchain developers to designers, project managers and business analysts to promoters and marketers.

3. Lynchpin for International Cooperation:

Because crypto assets transcend national borders, they serve as a lynchpin for international coordination of financial markets governance.

However, crypto-asset regulation is still in its infancy in many emerging and developing economies (EMDEs) like India.

A risk-based and context-specific international cooperation to regulate cryptocurrency flow is crucial.

4. India Towards CBDC: The Finance Minister of India announced the introduction of Central Bank Digital Currency for India in the form of Digital rupee. It will give a big boost to the economy

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