



THE NEW AGE CURRENCY CRYPTO CURRENCY

Vibhusha Purushottam Sonkusare, Tanushree Atul Gadge, Nikshita Sanjay Kasture

Dr. Ambedkar Institute Of Management Studies And Research

ABSTRACT

Due to the rapid development of information and communication technologies, many activities in our daily life have been merged online and they become more flexible and more effective. By now you've probably heard about the crypto currency craze. Crypto currency is an eight-year-old technology that uses an encrypted peer to peer network to facilitate digital barter. Bit coin, the first and most popular crypto currency, Virtual money is not fully controlled and regulated hence most of the countries have not admitted this currency in the economic activities. The incorporation of crypto currencies into modern finance is fraught with difficulties. These issues include the lack of regulatory standards, the probability of criminal activity, high energy and environmental costs, governmental bans and usage prohibitions, security and privacy concerns, and the extreme volatility of crypto currencies. This paper also analyses the investment risks of both Bit coin and Gold. Countries have responded in terms of regulations & legislations towards crypto currencies to develop a clear representation of its impact on several Indian laws in order to regulate it. Our results provide investors with insights and expectations regarding crypto currency information sharing amid the uncertainties caused by the COVID 19 pandemic.

1. INTRODUCTION

Crypto currency, is also called as crypto, is a currency form of any format that uses encryption to protect transactions, digital or virtually. Crypto currency is a digital payment system for transaction verification. Instead of banknotes and coins, crypto currency payments exist entirely as digital entries in an online database. It is a peer-to-peer system to send receives people without giving globally intensive authority. (A peer-to-peer system is a computer network; network resources can be divided by a method of distribution). Crypto currencies are stored in a digital "wallet" protected by strong encryption.

Crypto currencies are named because they use crypto to validate transactions. This means that advanced coding is required when storing and transferring crypto currency data between wallet and to public leisure. Encryption aims to provide security and safety. Crypto currencies function on a distributed public ledger called block chain which is a record of all transactions updated and held by currency holders.

No one knows the author's true identity of the author-or if it is the only person, not a group of people. This paper outlines how Bit coin works and the currencies that will be released in January.

2. LITERATURE REVIEW

The origin of crypto currencies is a white paper published by Santoshi Nakamoto, who proposes an "electronic transaction system" based on a peer-to-peer network in which transactions are confirmed and recorded by nodes or computer systems that are part of the network. Soon after, in 2009, Satoshi Nakamoto accomplished the first crypto currency – Bitcoin. A draft bill titled as the 'Banning of Crypto currency and Regulation of Official Digital Currency Bill, 2019 (Draft Bill) was drafted by an Inter-Ministerial Committee formed on 2 November 2017 to propose specific measures regarding crypto currencies. The Draft Bill has been beneath through and is yet to be introduced in the Parliament. The Draft Bill broadly defines "crypto currency" and effectively bans the use of and dealing in all forms of digital assets, not just digital currencies. If bill passed by parliament, then investors in digital currencies would be afflicted. You don't need to invest in Bit coin to have a well-diversified portfolio. If you want to make a speculative bet on bitcoin, do it with a small, single-digit, portion of your assets. There is insufficient evidence that either will bring more consists benefits or will give consistent return as comparing to bitcoin.

Mohammed Mubarak

Vijayanagara Sri Krishnadevaraya University, Bellary

https://www.researchgate.net/publication/353887034_A_STUDY_ON_CRYPTOCURRENCY_IN_INDIA

3. DISCUSSION

HISTORY

Crypto currencies are decentralized and are a type of digital currency that is not controlled by any government. The history of crypto currencies is often traced back to the 1980s, once they were called cyber currencies. With the advent of Bitcoin, which was established by an anonymous programmer or group of programmers under the name Satoshi Nakamoto in 2008, these coins began to acquire prominence.

Crypto currencies have been all the rage since the release of Bit coin in 2009. Their popularity has only grown in recent years, with an increasing number of people investing in them.

THE LAUNCH OF BIT COIN – 2009

Bit coin is a crypto currency and worldwide payment system. The Bit coin protocol was designed by Satoshi Nakamoto in 2009, the same year it was released as open-source software. Bit coin is becoming more and more popular among people who need to send money across borders without interference from banks or governments. Still, the sharp rise in value makes it difficult for some people to know what to do with bitcoin.

The first Bit coin transaction took place on January 12, 2009 between Nakamoto and Hal Finney. “Only in February of the following year I can see how valuable this technology could be, when I paid 10,000 bitcoins for the two pizzas delivered” by Papa John’s. This deal will now be worth millions of dollars.

DIFFERENT TYPES OF CRYPTOCURRENCIES

Bit coin (BTC)

- **Price:** \$39,198
- **Market cap:** \$744 billion

Bit coin is still the coin that people refer to when they talk about digital currency because it was the forerunner of the crypto currency era. The currency was launched in 2009 by its mystery creator — purportedly Satoshi Nakamoto — and has been on a roller-coaster ride ever since. However, it wasn't until 2017 that Bit coin became widely recognized.

Ethereum (ETH)

- **Price:** \$2,599
- **Market cap:** \$312 billion

The second term you're likely to remember in the crypto space is Ethereum, which is the name for the crypto currency platform. The system allows you to use ether (the currency) for a variety of tasks, but Ethereum's smart contract feature contributes to its popularity.

Binance Coin (BNB)

- **Price:** \$369.63
- **Market cap:** \$61 billion

Binance Coin is a crypto currency created by Binance, one of the world's largest crypto currency exchanges. Binance Coin, which was originally designed to pay for discounted transactions, may now be used to make payments as well as purchase a variety of goods and services.

XRP (XRP)

- **Price:** \$0.7356
- **Market cap:** \$35 billion

XRP, formerly known as Ripple, was founded in 2012 and allows users to pay in a variety of real-world currencies. Ripple, which employs a trust less technique to allow payments, can be useful in cross-border transactions.

Tether (USDT)

- **Price:** \$1.00
- **Market cap:** \$80 billion

The price of Tether is set at \$1 per coin. This is due to the fact that it is a stable coin. Stable coins are coins that are linked to the value of a specific asset, such as the US dollar in Tether's case. When traders switch from one crypto currency to another, Tether is frequently used as a bridge. They use

Tether instead of returning to dollars. Some individuals are concerned, though, since Tether isn't guaranteed by dollars held in reserve and instead relies on unsecured debt.



4. CRYPTO WALLET IN INDIA

BINANCE

Binance is one of the most well-known crypto currency exchanges. It provides a safe environment for trading over 250 crypto currencies. This web wallet has an API that you can use to link it with your current trading software.



Features:

- It is one of the best crypto currency wallets in India, offering 24/7 assistance.
- Binance provides a safe place to store your digital valuables.
- Web, iOS, and Android are all supported platforms.
- It is one of the best crypto currency

WAZIRX

Wazirx is one of India's top Bit coin wallets, allowing you to easily buy, sell, and exchange digital currencies such as Bitcoin, Ethereum, Ripple, and Litecoin. This is one of India's top crypto wallets, offering a smooth and powerful trading experience across all platforms.

**Features:**

- This one of the finest crypto wallets in India enables P2P trading with no crypto trading costs, and it processes your KYC within a few hours of signing up.
- In a matter of seconds, this digital currency wallet can process millions of transactions.
- Android, Google Play, IOS, Windows, and Mac are all supported platforms.

COINDCX

CoinDCX is India's safest crypto currency exchange, with a mission to make crypto currency more accessible. CoinDCX, which was founded in 2018, has overcome a number of issues that crypto investors have faced. It provides retail, HNI, and enterprise customers with crypto-based financial product investing and trading solutions.

**Features:**

- CoinDCX is a decentralized crypto-currency exchange that encrypts all of your data to protect your passwords and personal information.
- Trade crypto-currency for a cheap charge in a quick and straightforward manner.
- CoinDCX is a safe and secure method to start building a crypto currency portfolio.
- It is a safe and straightforward approach to establish a robust crypto portfolio because 95% of the assets on our site are saved in cold wallets.
- Platforms supported: IOS and Android.

LEDGER

The Ledger hardware wallet allows you to store bitcoins. It's a secure USB wallet with security chips. This is one of the Indian crypto wallets that allows you to store and manage all of your crypto assets.

**Features:**

- For ultimate security, Ledger Hardware wallets include a certified secure chip and a custom operating system.
- It has a larger screen that makes it easier to use.
- The Ledger Live software allows you to handle over 1,800 crypto currencies and tokens with this cold wallet.
- It supports both public and private keys.
- A secure chip and a custom operating system.

- Windows, Mac OS X, and Linux are all supported systems.

Advantages of Cryptocurrency	Disadvantages of Cryptocurrency
<ul style="list-style-type: none"> • Inflation protection. 	<ul style="list-style-type: none"> • Can be used for unlawful transactions.
<ul style="list-style-type: none"> • Self-governing and managed 	<ul style="list-style-type: none"> • Data losses can result in financial losses.
<ul style="list-style-type: none"> • Secure and private 	<ul style="list-style-type: none"> • Decentralized but still controlled by some organization
<ul style="list-style-type: none"> • Easy currency swaps. 	<ul style="list-style-type: none"> • Some coins are not available in other fiat currencies
<ul style="list-style-type: none"> • Decentralized 	<ul style="list-style-type: none"> • Mining has negative environmental consequences.
<ul style="list-style-type: none"> • Cost-effective manner of transaction. 	<ul style="list-style-type: none"> • Is vulnerable to hacking.

5. CONCLUSION

In the global financial system, crypto currencies have become a hot topic. The exchange rate of crypto currency is quite volatile. Trading these coins comes with a considerable risk. Many speculators have taken notice of their expansion. They are light and portable. Only once the required trust in crypto currencies has been established can they be used on a larger scale. If crypto currencies do not achieve this trust, their growth may slow. They are still in their infancy, and it is unclear when they will be widely traded in global markets. Several different crypto currencies have attracted the necessary attention. Some countries have begun to issue their own digital currencies (Hoffman, 2014). It's extremely possible that this may happen soon. Despite their shortcomings, bitcoins are nevertheless regarded as a technological marvel. It has provided a monetary alternative for developing countries and has paved the way for economic development. Individuals will have additional options to manage their finances as a result of this. Regardless matter whether bitcoins achieve ambitious reforms, crypto currencies are considered as entering the financial stage and forever transforming the global financial scene.

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