



BITCOIN – A STUDY ON RECENT TRENDS IN INDIA

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Introduction

Bitcoin is the world's first open-source decentralized digital currency (a digital token that has a perceived value) and payment network (that can be used to send and receive the bitcoin itself). Due to its many unique properties, Bitcoin allows exciting uses that could not be achieved by any previous payment system.

Bitcoin is a digital currency that functions through the internet and uses peer-to-peer technology to operate with no central authority governing the protocol. The issuing of bitcoin is carried out collectively by the network. It is open-source and free for everyone to be part of. It also has a payment system within its protocol which helps the transfer of value as instant as an email. Through its many unique properties, Bitcoin allows for exciting uses that is not covered by any existing payment system.

Reason For Bitcoin

Going by what seems to be people's favourite feature of Bitcoin - the dramatic increase in price and it's future potential to keep increasing, as unlike all other currencies Bitcoin is a deflationary currency. As an asset class, it has been voted as top preference owing to its virtual and decentralised nature. It has been largely compared to gold and even sometimes called "Virtual Gold" or "Gold 2.0" Bitcoin can be used exactly as money anywhere in the globe. Bitcoin gives you the freedom to control your finances. When you start exploring you will begin to believe that with the Bitcoin technology, the possibilities are endless.

Objectives of the Study

1. To understand the concept of bitcoin
2. To study the present status of bitcoin and challenges involves in trading bitcoin in India

Methodology

Method of research: Conceptual study

Source of data: secondary data from websites

Current Status of Bitcoin In Exchange Platform In India

INR To BTC Today

INR to BTC exchange rate equal to 0.0846 Bitcoins per 100000 Rupees. Today's range: 0.0804-0.0863. The previous day's close: 0.0819. Change for today +0.0027, +3.30%.

Bitcoin Price Prediction For The Month

| Date | Weekday | Min | Max | Price |
|-------|-----------|---------|---------|----------------|
| 19.12 | Tuesday | 1028441 | 1183260 | 1105850 |
| 20.12 | Wednesday | 1120678 | 1289382 | 1205030 |
| 21.12 | Thursday | 1160103 | 1334743 | 1247423 |
| 22.12 | Friday | 1196108 | 1376168 | 1286138 |
| 25.12 | Monday | 1142963 | 1315021 | 1228992 |
| 26.12 | Tuesday | 1177231 | 1354449 | 1265840 |
| 27.12 | Wednesday | 1280884 | 1473706 | 1377295 |
| 28.12 | Thursday | 1372656 | 1579292 | 1475974 |
| 29.12 | Friday | 1240479 | 1427217 | 1333848 |
| 01.01 | Monday | 1151273 | 1324583 | 1237928 |
| 02.01 | Tuesday | 1335476 | 1536516 | 1435996 |
| 03.01 | Wednesday | 1549152 | 1782358 | 1665755 |
| 04.01 | Thursday | 1579097 | 1816811 | 1697954 |
| 05.01 | Friday | 1623837 | 1868285 | 1746061 |
| 08.01 | Monday | 1674789 | 1926907 | 1800848 |
| 09.01 | Tuesday | 1671509 | 1923133 | 1797321 |
| 10.01 | Wednesday | 1841607 | 2118839 | 1980223 |
| 11.01 | Thursday | 1818392 | 2092128 | 1955260 |

| | | | | |
|-------|-----------|---------|---------|----------------|
| 12.01 | Friday | 1823841 | 2098397 | 1961119 |
| 15.01 | Monday | 1874050 | 2156164 | 2015107 |
| 16.01 | Tuesday | 1892176 | 2177020 | 2034598 |
| 17.01 | Wednesday | 2048173 | 2356501 | 2202337 |
| 18.01 | Thursday | 2204665 | 2536549 | 2370607 |
| 19.01 | Friday | 2255917 | 2595517 | 2425717 |

Bitcoin price prediction on Tuesday, December, 19: price 1105850 Rupees, maximum 1183260, minimum 1028441. BTC to INR prediction on Wednesday, December, 20: price 1205030 Rupees, maximum 1289382, minimum 1120678. Bitcoin price prediction on Thursday, December, 21: price 1247423 Rupees, maximum 1334743, minimum 1160103. BTC to INR prediction on Friday, December, 22: price 1286138 Rupees, maximum 1376168, minimum 1196108.

In 1 week Bitcoin price prediction on Monday, December, 25: price 1228992 Rupees, maximum 1315021, minimum 1142963. BTC to INR prediction on Tuesday, December, 26: price 1265840 Rupees, maximum 1354449, minimum 1177231. Bitcoin price prediction on Wednesday, December, 27: price 1377295 Rupees, maximum 1473706, minimum 1280884. BTC to INR prediction on Thursday, December, 28: price 1475974 Rupees, maximum 1579292, minimum 1372656. Bitcoin price prediction on Friday, December, 29: price 1333848 Rupees, maximum 1427217, minimum 1240479.

In 2 weeks BTC to INR prediction on Monday, January, 1: price 1237928 Rupees, maximum 1324583, minimum 1151273. Bitcoin price prediction on Tuesday, January, 2: price 1435996 Rupees, maximum 1536516, minimum 1335476. BTC to INR prediction on Wednesday, January, 3: price 1665755 Rupees, maximum 1782358, minimum 1549152. Bitcoin price prediction on Thursday, January, 4: price 1697954 Rupees, maximum 1816811, minimum 1579097. BTC to INR prediction on Friday, January, 5: price 1746061 Rupees, maximum 1868285, minimum 1623837.

In 3 weeks Bitcoin price prediction on Monday, January, 8: price 1800848 Rupees, maximum 1926907, minimum 1674789. BTC to INR prediction on Tuesday, January, 9: price 1797321 Rupees, maximum 1923133, minimum 1671509. Bitcoin price prediction on Wednesday, January, 10: price 1980223 Rupees, maximum 2118839, minimum 1841607. BTC to INR prediction on Thursday, January, 11: price 1955260 Rupees, maximum 2092128, minimum 1818392. Bitcoin price prediction on Friday, January, 12: price 1961119 Rupees, maximum 2098397, minimum 1823841.

In 4 weeks BTC to INR prediction on Monday, January, 15: price 2015107 Rupees, maximum 2156164, minimum 1874050. Bitcoin price prediction on Tuesday, January, 16: price 2034598 Rupees, maximum 2177020, minimum 1892176. BTC to INR prediction on Wednesday, January, 17: price

Bitcoin Price Prediction For 2017, 2018, 2019, 2020 And 2021 In India

| Mon | Min-Max | Close | Mo,% | Total,% |
|-------------|-----------------|----------------|--------|---------|
| 2017 | | | | |
| Dec | 603211-1427217 | 1333848 | 109.4% | 109% |
| 2018 | | | | |
| Jan | 1333848-1628653 | 1522106 | 14.1% | 139% |
| Feb | 1522106-1889238 | 1765643 | 16.0% | 177% |
| Mar | 1765643-2191516 | 2048146 | 16.0% | 222% |
| Apr | 1801068-2072196 | 1936632 | -5.4% | 204% |
| May | 1936632-2403748 | 2246493 | 16.0% | 253% |
| Jun | 2246493-2788347 | 2605932 | 16.0% | 309% |
| Jul | 2605932-3084799 | 2882990 | 10.6% | 353% |
| Aug | 2882990-3578367 | 3344268 | 16.0% | 425% |
| Sep | 3344268-4150906 | 3879351 | 16.0% | 509% |
| Oct | 3191340-3879351 | 3431548 | -11.5% | 439% |
| Nov | 3431548-4259238 | 3980596 | 16.0% | 525% |
| Dec | 3675669-4228995 | 3952332 | -0.7% | 521% |
| 2019 | | | | |



| | | | | |
|--------------------------|-------------------|-----------------|--------|---------|
| Jan | 3952332-4905634 | 4584705 | 16.0% | 620% |
| Feb | 4584705-5296485 | 4949986 | 8.0% | 677% |
| Mar | 4949986-6114422 | 5714413 | 15.4% | 797% |
| Apr | 5601170-6444356 | 6022763 | 5.4% | 846% |
| May | 5200462-6022763 | 5591895 | -7.2% | 778% |
| Jun | 4745859-5591895 | 5103074 | -8.7% | 701% |
| Jul | 5103074-6333936 | 5919566 | 16.0% | 829% |
| Aug | 5919566-7347366 | 6866697 | 16.0% | 978% |
| Sep | 6866697-7907442 | 7390133 | 7.6% | 1060% |
| Oct | 6323806-7390133 | 6799791 | -8.0% | 968% |
| Nov | 6799791-8439901 | 7887758 | 16.0% | 1138% |
| Dec | 6407415-7887758 | 6889694 | -12.7% | 982% |
| 2020 | | | | |
| Mon | Min-Max | Close | Mo,% | Total,% |
| 2020 Continuation | | | | |
| Jan | 6889694-8358936 | 7812090 | 13.4% | 1127% |
| Feb | 7812090-9696366 | 9062024 | 16.0% | 1323% |
| Mar | 9062024-11247784 | 10511948 | 16.0% | 1550% |
| Apr | 9856813-11340635 | 10598724 | 0.8% | 1564% |
| May | 8320909-10598724 | 8947214 | -15.6% | 1305% |
| Jun | 8947214-10422625 | 9740771 | 8.9% | 1429% |
| Jul | 9740771-11955065 | 11172958 | 14.7% | 1654% |
| Aug | 10099036-11619322 | 10859179 | -2.8% | 1605% |
| Sep | 9954097-11452563 | 10703330 | -1.4% | 1580% |
| Oct | 9607866-11054212 | 10331039 | -3.5% | 1522% |
| Nov | 10331039-12822885 | 11984005 | 16.0% | 1782% |
| Dec | 9361905-11984005 | 10066564 | -16.0% | 1481% |
| 2021 | | | | |
| Jan | 7983985-10066564 | 8584930 | -14.7% | 1248% |
| Feb | 8584930-10402652 | 9722105 | 13.2% | 1426% |
| Mar | 7803359-9722105 | 8390709 | -13.7% | 1217% |
| Apr | 6554822-8390709 | 7048196 | -16.0% | 1007% |
| May | 5506051-7048196 | 5920485 | -16.0% | 830% |
| Jun | 5023149-5920485 | 5401236 | -8.8% | 748% |
| Jul | 5131852-5904388 | 5518120 | 2.2% | 766% |
| Aug | 5518120-6849090 | 6401019 | 16.0% | 905% |
| Sep | 5937180-6830950 | 6384065 | -0.3% | 902% |
| Oct | 4987232-6384065 | 5362615 | -16.0% | 742% |
| Nov | 4189275-5362615 | 4504597 | -16.0% | 607% |
| Dec | 4504597-5374249 | 5022663 | 11.5% | 689% |
| 2022 | | | | |
| Jan | 3923704-5022663 | 4219037 | -16.0% | 562% |



Bitcoin price prediction for **December 2017**. In the beginning price at 636918 Rupees. Maximum price 1427217 Rs, while minimum price 603211. The averaged price 1000299 Rs. Bitcoin price forecast at the end of the month 1333848, change for December 109.4%.

BTC to INR prediction for **January 2018**. In the beginning price at 1333848 Rupees. Maximum price 1628653 Rs, while minimum price 1333848. The averaged price 1454614 Rs. Bitcoin price forecast at the end of the month 1522106, change for January 14.1%.

Bitcoin price prediction for **February 2018**. In the beginning price at 1522106 Rupees. Maximum price 1889238 Rs, while minimum price 1522106. The averaged price 1674773 Rs. Bitcoin price forecast at the end of the month 1765643, change for February 16.0%.

BTC to INR prediction for **March 2018**. In the beginning price at 1765643 Rupees. Maximum price 2191516 Rs, while minimum price 1765643. The averaged price 1942737 Rs. Bitcoin price forecast at the end of the month 2048146, change for March 16.0%.

Bitcoin price prediction for **April 2018**. In the beginning price at 2048146 Rupees. Maximum price 2072196 Rs, while minimum price 1801068. The averaged price 1964511 Rs. Bitcoin price forecast at the end of the month 1936632, change for April -5.4%.

BTC to INR prediction for **May 2018**. In the beginning price at 1936632 Rupees. Maximum price 2403748 Rs, while minimum price 1936632. The averaged price 2130876 Rs. Bitcoin price forecast at the end of the month 2246493, change for May 16.0%.

Bitcoin price prediction for **June 2018**. In the beginning price at 2246493 Rupees. Maximum price 2788347 Rs, while minimum price 2246493. The averaged price 2471816 Rs. Bitcoin price forecast at the end of the month 2605932, change for June 16.0%.

BTC to INR prediction for **July 2018**. In the beginning price at 2605932 Rupees. Maximum price 3084799 Rs, while minimum price 2605932. The averaged price 2794913 Rs. Bitcoin price forecast at the end of the month 2882990, change for July 10.6%.

Bitcoin price prediction for **August 2018**. In the beginning price at 2882990 Rupees. Maximum price 3578367 Rs, while minimum price 2882990. The averaged price 3172154 Rs. Bitcoin price forecast at the end of the month 3344268, change for August 16.0%.

BTC to INR prediction for **September 2018**. In the beginning price at 3344268 Rupees. Maximum price 4150906 Rs, while minimum price 3344268. The averaged price 3679698 Rs. Bitcoin price forecast at the end of the month 3879351, change for September 16.0%.

Bitcoin price prediction for **October 2018**. In the beginning price at 3879351 Rupees. Maximum price 3879351 Rs, while minimum price 3191340. The averaged price 3595398 Rs. Bitcoin price forecast at the end of the month 3431548, change for October -11.5%.

BTC to INR prediction for **November 2018**. In the beginning price at 3431548 Rupees. Maximum price 4259238 Rs, while minimum price 3431548. The averaged price 3775733 Rs. Bitcoin price forecast at the end of the month 3980596, change for November 16.0%.

Bitcoin price prediction for **December 2018**. In the beginning price at 3980596 Rupees. Maximum price 4228995 Rs, while minimum price 3675669. The averaged price 3959398 Rs. Bitcoin price forecast at the end of the month 3952332, change for December -0.7%.

BTC to INR prediction for **January 2020**. In the beginning price at 6889694 Rupees. Maximum price 8358936 Rs, while minimum price 6889694. The averaged price 7487604 Rs. Bitcoin price forecast at the end of the month 7812090, change for January 13.4%.

Exchange Platform In India

Unocoin

1. **Launched In:** 2013.
2. **Based Out Of:** Bengaluru.
3. **Founders:** Abhinand Kaseti, Harish B V, Sathvik Vishwanath and Sunny Ray.



4. **Funding Details:** Raised \$1.75 Mn till date: \$250K in Seed funding and \$1.5 Mn in Pre-Series A funding led by Digital Currency Group in 2016.
5. **Key Stats:** Over 500K downloads, as of November 13, 2017.
6. **Cryptocurrency Offered:** Bitcoin.
7. **Transaction Fee:** 0.7% to 1%.
8. **Avg. Registration Time:** 24-48 hours.

Founded by Abhinand Kaseti, Harish B V, Sathvik Vishwanath and Sunny Ray in December 2013, Bitcoin wallet Unocoin has registered over 500K downloads so far. Based in Bengaluru, Unocoin has partnered with US-based Bitwage and Canada-based Paycase, in a bid to widen its global user base. Recently, Unocoin has also entered into a strategic partnership with the US-based software platform for the digital currency, Blockchain. The partnership will allow seamless integration of the Unocoin wallets with Blockchain wallets where Indian users can fund their Blockchain wallets through Unocoin.

Within the four-year span, Unocoin has also introduced some new features such as the Bitcoin Systematic Buying Plan (SBP), Bitcoin Point of Sale (POS) App and Bitcoin Over-The-Counter trading (OTC).

The company has successfully raised close to \$2 Mn funding so far. Seed-funded with \$250K, Unocoin raised \$1.5 Mn in a Pre-Series A funding led by Digital Currency Group in 2016. The other investors who participated in the round were Founders Club, Boost VC, ah! Ventures, Bnk To The Future, Mumbai Angels and Blume Ventures.

According to the company statement, on April 7, 2016, the Unocoin business was transferred to Unocoin Technologies Pvt Ltd which is a fully owned subsidiary of a holding company in Singapore named Unocoin Technologies Pte Ltd.

Belfrics

1. **Launched In:** 2014.
2. **Based Out Of:** Bengaluru/Kualalumpur.
3. **Founders:** Praveen Kumar.
4. **Cryptocurrency Offered:** Bitcoin.
5. **Transaction Fee:** 1%.
6. **Registration Time:** Instant.

Belfrics claims to aggregate the feeds of multiple cryptocurrency exchanges to deliver a deep pool of liquidity for effective trade execution. The company provides solutions for buying and selling of Bitcoins, Points-of-sales (POS) solutions, Bitcoin web payment gateway and mobile credit cards.

Bitxoxo

1. **Launched In:** 2016.
2. **Based Out Of:** Warangal.
3. **Founders:** Hesham Rehman and Mohammed Rezwan.
4. **Cryptocurrency Offered:** Bitcoin, Bitcoin Cash, Ethereum and Ripple.
5. **Transaction Fee:** No extra charge, claims the company.
6. **Registration Time:** Instant.

Warangal-based exchange wallet Bitxoxo was founded by Hesham Rehman and Mohammad Rezwan in 2016. The platform allows Bitcoin traders to buy, sell and gift Bitcoins. As per the company, it doesn't charge any fee for these services. Bitxoxo also allows payments and withdrawals through IMPS.

The company plans to add other cryptocurrencies such as Bitcoin Cash, Ethereum and Ripple as well. The exchange is yet to launch its iOS/Android apps.

BTCXIndia

1. **Launched In:** 2013.
2. **Based Out Of:** Hyderabad.
3. **Founders:** Mupparaju Siva Kameswara Rao.
4. **Key Stats:** Less Than 5K downloads, as of October 27, 2017.
5. **Cryptocurrency Offered:** Bitcoin, Ripple, Ethereum.



6. **Transaction Fee: 1%.**
7. **Registration Time:** Within Hours.

Founded by Mupparaju Siva Kameswara Rao in 2013, BTCXIndia is managed by Hyderabad-based S Capital Solutions Pvt. Ltd. The platform allows users to trade in Bitcoin, Ethereum and Ripple. The exchange had to shut down its operations on May 8, 2015, after Kotak-Mahindra bank pulled the plug on it. However, the exchange resumed operations on July 5, 2017, after moving to Andhra bank.

The company also operates ETHEXIndia which offers ETH Wallet system enabling real-time trade between ETH and INR. Its Android app has little under 5K downloads.

BuyUCoin

1. **Launched In:** 2016.
2. **Based Out Of:** Delhi.
3. **Founders:** Atulya Bhatt, Devesh Aggrawal and Shivam Thakral.
4. **Key Stats:** 15K users, according to their website.
5. **Cryptocurrency Offered:** Bitcoin, Ethereum, Litecoin, Bitcoin Cash, Ripple, Dash, Monero, Z-Cash, Factom, Lisk, Ethereum Classic, NEO and popular crypto-tokens like Golem, Augur.
6. **Transaction Fee:** No extra fee, claims the company.
7. **Registration Time:** 1-24 hour.

Founded by Atulya Bhatt, Devesh Aggrawal and Shivam Thakral in July 2016, Delhi-based BuyUCoin is registered as iBlock Technologies Private Limited. The exchange offers multi-cryptocurrency trading features. The platform accepts cryptocurrencies like Bitcoin, Ethereum, Litecoin, Bitcoin Cash, Ripple, Dash, Monero, Z-Cash, Factom, Lisk, Ethereum Classic, NEO and popular crypto-tokens like Golem, Augur, Stratis in India. The exchange claims to have more than 15K users.

Zebpay

1. **Launched In:** 2015
2. **Based Out Of:** Singapore
3. **Founders:** Mahin Gupta, Sandeep Goenka, Saurabh Agrawal
4. **Funding Details:** Raised \$1.12 Mn to date: \$125K in Seed funding and \$1 Mn in a follow-on round from Arjun Handa, Nagendra Chaudhary and Amit Jindal in 2016
5. **Key Stats:** Over 1 Mn downloads, as of November 10, 2017
6. **Cryptocurrency Offered:** Bitcoin
7. **Transaction Fee:** INR 10 fee on all INR withdrawals. Bitcoin transfer to other users carries a Bitcoin network fee which is usually 0.0001 BTC
8. **Avg. Registration Time:** Few hours normally

Founded by Mahin Gupta, Sandeep Goenka and Saurabh Agrawal in 2015, the Singapore-headquartered and Ahmedabad-based Zebpay is one of India's leading exchange for Bitcoin trading. The app-enabled exchange has its IT offices in Ahmedabad and Mumbai. With over 1 Mn downloads, the exchange claims to command over 60% of the Bitcoin trade in India.

It received the best new Bitcoin company award at CoinAgenda Conference, Las Vegas in 2014. Coming to the story of its inception, Manik Gupta, one of the cofounders had set up a Bitcoin exchange called Buysellbitco.in in early 2012. However, in 2015, the exchange was re-established as Zebpay with two more founding partners – Sandeep Goenka and Saurabh Agrawal.

Seed-funded with \$125K, Zebpay had successfully raised \$1 Mn in Series A funding round led by investor Arjun Handa in 2016. The other investors who participated in the round were Nagendra Chaudhary and Amit Jindal. The company has reportedly been in talks with US-based investors to raise another \$4 Mn-\$5 Mn in Series B funding round.

Coinsecure

1. **Launched In:** 2014.
2. **Based Out Of:** Delhi.
3. **Founders:** Benson Samuel and Mohit Kalra.
4. **Funding Details:** Has raised \$1.2 Mn till date.



5. **Key Stats:** Over 10K downloads, as of November 13, 2017.
6. **Cryptocurrency Offered:** Bitcoin.
7. **Transaction Fee:** 0.3%.
8. **Registration Time:** 48 hours.

Founded by Benson Samuel and Mohit Kalra in 2014, Delhi-based Coinsecure is an Indian real-time Bitcoin trading platform. The exchange enables the trading process through deposits and withdrawals of Bitcoins and Indian rupees. Registered as Secure Bitcoin Traders Pvt. Ltd, Coinsecure offers Bitcoin wallet, exchange, trading and merchant services along with other Blockchain based services. The company has its head office in Delhi and an R&D division in Bengaluru. The company launched a Bitcoin exchange on January 1, 2015. The platform offers users access to an algorithmic trading Bitcoin exchange, a Blockchain explorer, free APIs for all their products, a mock trading platform where customers can try trading without real money as well as on-chain and off-chain wallet services. As of May 2017, the company was consistently handling over 3,000 BTCs a month in terms of volume.

The exchange wallet has noted 10K-50K downloads so far and has raised \$1.2 Mn in funding till date.

Coindelta

1. **Launched In:** 2017
2. **Based Out Of:** Pune
3. **Founders:** Rajdeep Singh, Shubham Yadav and Manish K
4. **Cryptocurrency Offered:** Bitcoin, Litecoin, Ethereum, Ripple, OmiseGO etc.
5. **Transaction Fee:** 0.3%
6. **Registration Time:** Instant

Founded by Rajdeep Singh, Shubham Yadav and Manish K in 2017, Pune-based Coindelta is a cryptocurrency exchange offering markets in BTC and INR for trading. The platform enables its users to buy and sell cryptocurrencies such as Bitcoin, Litecoin, Ethereum, Ripple, OmiseGO, Qtum and more. With no deposit fee, Coindelta is based on a maker-taker model with trading fee as low as 0%. The exchange also offers 24/7 customer care support.

CoinSwitch

1. **Launched In:** 2017
2. **Based Out Of:** Bengaluru.
3. **Founders:** Ashish Singhal, Govind Soni, and Vimal Sagar Tiwari.
4. **Cryptocurrency Offered:** More than 100 cryptocurrencies including Bitcoin, Litecoin, Ethereum, Ripple, Bitcoin Cash.
5. **Transaction Fee:** Depends on the exchange a user select for the transaction.
6. **Avg. Registration Time:** Not Required.

Unlike other digital asset and bitcoin exchanges, one doesn't need an account to use CoinSwitch. The exchange offers the conversion of one cryptocurrency to another. It is a cryptocurrency exchange, claims to provide the best exchange rate on transactions by aggregating all leading exchanges and comparing their rates in real time. One just needs to choose the altcoins or blockchain tokens one would like to exchange, input the receiving address and send funds.

FlitPay

1. **Launched In:** 2017.
2. **Based Out Of:** Jaipur.
3. **Founders:** Ashish Sangai and Akash Bansal.
4. **Cryptocurrency Offered:** Bitcoin.
5. **Transaction Fee:** No transaction fee, claims the company.
6. **Avg. Registration Time:** Within 24 hours.

Founded by **Ashish Sangai and Akash Bansal** this year, Jaipur-based Flitpay is a Bitcoin marketplace. The exchange app currently has less than 5K downloads on Google Play.

Koinex

1. **Launched In:** 2017.
2. **Based Out Of:** Mumbai.



3. **Founders:** Rakesh Yadav, Rahul Raj and Aditya Nayak.
4. **Cryptocurrency Offered:** Bitcoin, Litecoin, Ethereum, Ripple and Bitcoin Cash.
5. **Transaction Fee:** 0.2-0.25%.
6. **Avg. Registration Time:** 4-5 hours.

Founded by Rakesh Yadav, Rahul Raj and Aditya Nayak in August 2017, Mumbai-based Koinex is a multi-digital assets exchange. The multi-cryptocurrency platform offers trading of Bitcoin, Litecoin, Ethereum, Ripple and Bitcoin Cash.

PocketBits

1. **Launched In:** 2016.
2. **Based Out Of:** Nasik.
3. **Founders:** Sohail Merchant.
4. **Cryptocurrency Offered:** Bitcoin, Ethereum.
5. **Transaction Fee:** No Fee.
6. **Avg. Registration Time:** Instant.
7. PocketBits offers Bitcoin trading services to institutions and trading professionals.

Operated by Defacto Technologies, PocketBits is a digital currency wallet and platform where merchants and consumers can transact with new digital currencies like Bitcoin and Ether.

ThroughBit

1. **Launched In:** 2016.
2. **Based Out Of:** Bengaluru.
3. **Founders:** Abhishek Gopal, Mohammed Roshan and Anandprabu Rajendran.
4. **Cryptocurrency Offered:** Bitcoin, Ethereum and Falcon.
5. **Transaction Fee:** ~0.9%.
6. **Avg. Registration Time:** 1 hour.

The Bengaluru-based multi-cryptocurrency exchange was launched in 2016. Founded by Abhishek Gopal, Mohammed Roshan and Anandprabu Rajendran, ThroughBit offers buy-sell facilities of cryptocurrencies such as Bitcoins, Ethereum and Falcon. Here, it is worth noting that Falcon is a centralised smart contract/cryptocurrency pegged to Indian fiat currency value i.e. 1 INRF will always be equal to INR1. At present, INRFalcon can't be sold anywhere else, except on ThroughBit. The INRF has been introduced to minimise the banking transactions. Currently, the exchange does not offer the app-enabled trading facility.

Coinome

1. **Launched In:** 2017
2. **Based Out Of:** Mumbai
3. **Founders:** A Subsidiary of Billdesk
4. **Cryptocurrency Offered:** Bitcoin, Bitcoin Cash
5. **Transaction Fee:** 0.1% and 0.3% for Makers and Takers respectively
6. **Avg. Registration Time:** Instant

Headquartered in Mumbai, Coinome allows users to be onboarded via an instant e-KYC process. Under the process, a user needs to register his/her Aadhaar number, post which an OTP is sent for the verification and activation of the account. With Billdesk being the promoter of the exchange, Coinome will have an easy window to build trust and deal with cybersecurity threats, which are currently the key concerns of cryptocurrency exchanges across the world.

Coinbase is an open order book cryptocurrency exchange. Similar to conventional stock exchanges, the platform enables deals between buyers and sellers.

REDIPAY

1. **Launched In:** 2017.
2. **Based Out Of:** Delhi.
3. **Founders:** A Subsidiary of Indiweb Holdings.

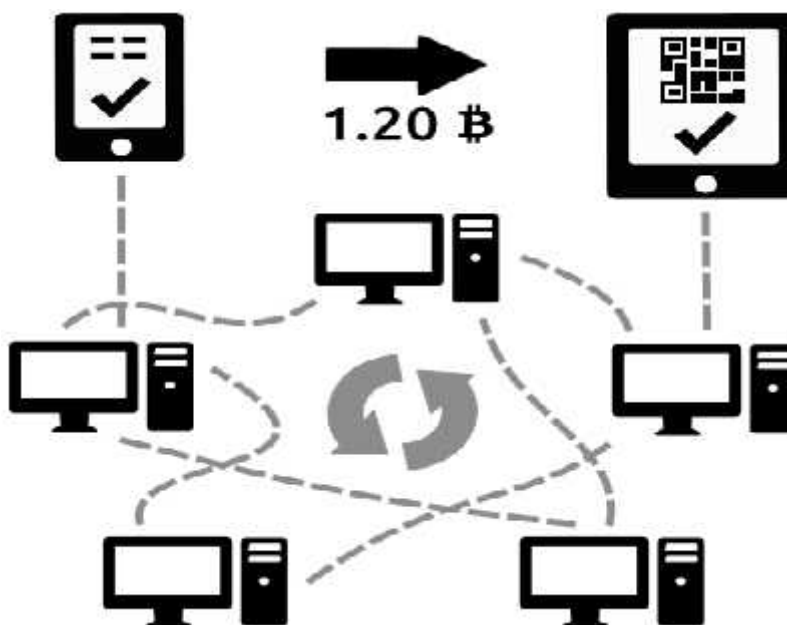
4. **Cryptocurrency Offered:** Bitcoin, Litecoin, Dogecoin, Ethereum.
5. **Transaction Fee:** 0.5% to 5%.
6. **Avg. Registration Time:** Instant (E-KYC).

Delhi-based REDIPAY aims to connect cryptocurrency traders and investors from the US and India. Launched as a cryptocurrency brokerage for Bitcoin, Litecoin and Dogecoin; REDIPAY is now offering Ethereum too. This will be followed by simultaneous launches of live order books for other popular cryptocurrencies such as BCH, XRP, Ethereum Classic, Dash and other cryptocurrencies over the course of 2018, claims the company.

Except a few, most of these cryptocurrency exchanges have been set up in 2016-2017, marking the soaring popularity of Bitcoins in India in the last couple of years. While many of these cryptocurrency exchanges have not attracted Seed/Series funding yet, it has been a subject of great debate at Bitcoin forums whether VCs and exchanges manage to raise profits of the same scale as Bitcoin trading. Once the futures are up on the listing at exchanges, probably the scenario might change for exchanges too!

Process and Settlement of Bitcoin

As a new user, you can get started with Bitcoin without understanding the technical details. Once you have installed a Bitcoin wallet on your computer or mobile phone, it will generate your first Bitcoin address and you can create more whenever you need one. You can disclose your addresses to your friends so that they can pay you or vice versa. In fact, this is pretty similar to how email works, except that Bitcoin addresses should only be used once.



Balances - Block Chain

The block chain is a shared public ledger on which the entire Bitcoin network relies. All confirmed transactions are included in the block chain. This way, Bitcoin wallets can calculate their spendable balance and new transactions can be verified to be spending bitcoins that are actually owned by the spender. The integrity and the chronological order of the block chain are enforced with cryptography.

Transactions - private keys

A transaction is a transfer of value between Bitcoin wallets that gets included in the block chain. Bitcoin wallets keep a secret piece of data called a private key or seed, which is used to sign transactions, providing a mathematical proof that they have come from the owner of the wallet. The signature also prevents the transaction from being altered by anybody once it has



been issued. All transactions are broadcast between users and usually begin to be confirmed by the network in the following 10 minutes, through a process called mining.

Processing - Mining

Mining is a distributed consensus system that is used to confirm waiting transactions by including them in the block chain. It enforces a chronological order in the block chain, protects the neutrality of the network, and allows different computers to agree on the state of the system. To be confirmed, transactions must be packed in a block that fits very strict cryptographic rules that will be verified by the network. These rules prevent previous blocks from being modified because doing so would invalidate all following blocks. Mining also creates the equivalent of a competitive lottery that prevents any individual from easily adding new blocks consecutively in the block chain. This way, no individuals can control what is included in the block chain or replace parts of the block chain to roll back their own spends.

Going Down the Rabbit Hole

This is only a very short and concise summary of the system. If you want to get into the details, you can read the original paper that describes the system's design, read the developer documentation, and explore the Bitcoin

Challenges for Bitcoin Transaction

Extreme Volatility

Investing in cryptocurrencies involves very high risk, as prices have been extremely volatile. Many experts are sceptical about bitcoin as an investment primarily because there is nothing for them to analyse. Vivek Belgavi, Partner and Fintech Leader, PwC says, "There isn't enough of an ecosystem surrounding bitcoins to allow fundamental analysts to study it as an investment. People are therefore investing with imperfect information and joining the herd of speculators." Since these cryptocurrency prices are not regulated, as more people enter the market lured by the high prices, the prices climb ever higher. This might lead to formation of a bubble that will eventually burst and cause widespread losses.

Neither Commodity, Nor Currency

The lack of clarity about its origin is another big issue related to bitcoin. In olden days, highly priced metals like gold, silver, etc. were used as currencies. Then came currencies printed by governments (or central banks) and these are called 'fiat currencies'. Though its proponents claim that cryptocurrency is 'mined' using complex mathematical formulae, they are reluctant to call it a commodity. They also claim that it is not controlled by any government and so, it is 'democratic'. Therefore, cryptocurrencies don't fall into the 'currency' category either. "It can be very risky for businesses, industry and people to trade or invest in bitcoins as it is just a formula, not backed by any tangible asset, but by sheer demand," says S.P. Sharma, Chief Eco ..

The Issue of Legality

One major hurdle in the path of Indian investors who are interested in investing in cryptocurrency, is the confusion about its legal status. While they haven't been declared illegal, cryptocurrencies are not recognised by the Reserve Bank of India (RBI) or any other authority in India, as a 'currency'. In December 2013, the RBI issued a press release cautioning users, holders and traders of virtual currencies, including bitcoins, about the potential financial, operational, legal, customer protection and security related risks. In its latest press release dated 1 February, 2017, the regulator has further stated that it has not issued licences to companies for trading in any virtual or digital currencies. RBI also added, that the user, holder, investor, trader, etc. dealing with virtual or digital currencies will be doing so at their own risk.

Conclusion

Despite the Reserve Bank's call for caution to people against the use of virtual currencies, a domestic Bitcoin exchange today said it is adding over 2,500 users a day and has reached five lakh downloads. Zebpay, an app-based Bitcoin exchange, said it has had five lakh downloads on the Android operating system and is adding more than 2,500 users every day.

The growing acceptance of Bitcoins as one of the most popular emerging asset class in present trend. The company mentioned it launched operations in 2015 to simplify bitcoin trade along with providing a seamless experience to Indian audience. Claiming that the country was at the cusp of a new financial revolution, the company's co-founder and chief



operating officer Sandeep Goenka said customers are opening up to non-traditional investments measures and it is targeting to take the total downloads to over 1 million by September 2017.

The company statement said that it has already raised \$1 million in a round of funding in last January. "Any user, holder, investor or trader dealing with virtual currencies is doing it at their own risk," the RBI had cautioned on its website in February this year. RBI has been repeatedly flagging concerns on virtual currencies like Bitcoins, stating that they pose potential financial, legal, customer protection and security-related risks.

There has been a huge increase in the value of bitcoin recently which had made many investors think how they too can invest in it. In the beginning of 2017, the price of one bitcoin was under \$1,000. As of September 15, 2017, the price of bitcoin has reached \$3056.08.

References

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