



	⇒ If Scam: can't get justice under Consumer Protection Act. ग्राहक सुरक्षा कानून में न्याय नहीं मिलेगा
3) <i>Exchanging legal tender to buy cryptocurrency.</i> वैधानिक मुद्रा की मदद से क्रिप्टो मुद्रा को खरीदो	⇒ For traditional Rupee to Dollar exchange, Forex dealers have to register with RBI under FEMA Act. (Foreign Exchange Management Act, 📖 Pillar#3) ⇒ But, if ₹ or \$ exchanged with Bitcoin = terror finance, sending black money to tax havens. (आतंकी वित्तपोषण, काले धन को बाहर भेजना) 📖 More in Pillar2: Black Money ⇒ Bitcoin exchange rate: speculation, volatility, Government deprived of Capital Gains Tax (CGT: पूंजीगत अभिलाभ कर, 📖 Pillar#2) ⇒ Ponzy investment frauds- so, Government came up with 'Banning of Unregulated Deposit Schemes Ordinance/bill, 2019'. (More in 📖 Pillar1D: Financial Inclusion.)

\*\* 🧐 FAQ: How is Bitcoin not traceable, we can trace it using XYZ technology? Ans. we are not here for B.Tech (Computer Science) Semester exam/James Bond recruitment. We just have to memorize 3-4 negative points for Mains-Answer-writing-ki-pipudi .....so #👉👎👑 #👁 थोड़ा-पढ़ो-आगे-बढ़ो

🧩 ? MCQ. Find correct statement(s) about Bitcoin? [UPSC-CDS-2017-I]

1. It is a decentralized virtual currency.
2. It is generated through complex computer software systems.
3. The Reserve Bank of India recognized it as a legal tender in January 2016.

Answer Codes: (a) 1 only (b) 1 and 2 only (c) 2 and 3 only (d) 1, 2 and 3

🧩 ? MCQ. Find correct statement(s) about "Blockchain Technology" [UPSC-Prelims-2020,SetB-Q20]

1. It is a public ledger that everyone can inspect, but which no single user controls.
2. The structure and design of blockchain is such that all the data in it are about cryptocurrency only.
3. Applications that depend on basic features of blockchain can be developed without anybody's permission.

Answer Codes: [a] 1 only [b] 1 and 2 only [c] 2 only [d] 1 and 3 only

## 10.14 🏛️👁️🔍 CRYPTOCURRENCY LEGAL STATUS IN INDIA → RBI BAN/SC UNBAN

- ⇒ RBI's Institute for Development and Research in Banking Technology (IDRBT)- studying how to use blockchain technology for promoting digital economy. ब्लॉकचेन टेक्नोलॉजी की मदद से डिजिटल भुगतान को कैसे प्रोत्साहन दें इस पर रिजर्व बैंक की संस्था संशोधन कर रही है
- ⇒ However, RBI's attitude towards cryptocurrencies has been skeptical/negative <Refer to Next Section> (क्रिप्टो मुद्राएं के बारे में रिजर्व बैंक का रवैया/दृष्टिकोण संशयशील/ नकारात्मक है)
- ⇒ **Since 2013:** RBI had been warning Indians not to get involved in cryptocurrency due to frauds, tax evasion and terror finance. (रिजर्व बैंक चेतावनी देता है इसमें निवेश न करें क्योंकि धांधली, करचोरी, आतंक वित्तपोषण का खतरा)
- ⇒ **2018:** RBI directed all banks to stop relations with any Cryptocurrency company. (रिजर्व बैंक ने बैंकों को आदेश दिया की क्रिप्टोमुद्रा कंपनियों के साथ लेनदेन/व्यवहार बंद करें)

Then some cryptocurrency exchange companies like CoinDCX etc went to Supreme Court alleging that:

- ⇒ Parliament has not made any law declaring this activity as illegal (unlike possession cocaine / narcotics.)
- ⇒ Even Japan, USA, Singapore etc has not completely banned investment in cryptocurrency but imposed regulations to control its misuse/fraud. (इन देशों ने संपूर्णता प्रतिबंधित नहीं किया बस निगरानी के लिए सख्त कानून बनाए हैं)
- ⇒ **Anekantavada philosophy** of Jainism: 4 blind men try to describe an elephant but end up describing only one physical feature of the elephant. (आरबीआई और सरकार को पता ही नहीं है कि क्रिप्टोमुद्रा क्या चीज है)