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A Study on the Rising of CryptoCurrency-Its Risks, Gains, and Opportunities for the Future

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Abstract

The present research paper investigates the emergence of cryptocurrencies throughout the globe, its potential benefits, downsides, and hazards, as well as the prospects for their continued existence. In addition to this, it examines how the system works and how different countries use cryptocurrency in commercial transactions. In other words, we have effectively moved into a digital world, given the current state of affairs in which we find ourselves. We need the assistance of technology in some form or another at every stage of life. Virtually all of our dealings, especially those about the financial aspect, are now conducted through electronic means. The idea of cryptocurrency, also known as BitCoin, is not a new one, but it is now being implemented differently. Although it has been on the market for some time in various forms of digital currency, there is still very little awareness about its existence and how it operates. This article aims to research and provide an in-depth review of cryptocurrencies.

Keyword: Cryptocurrency, Digital Currency, BitCoin.

Introduction

The phrase “cryptocurrency” has recently been more widely used but is still poorly understood by most people, banks, governments, and many businesses. There were very few people outside of the crypto-communities who understood what they were, and many felt it was simply another craze that would die in a few years or so. A few years ago, the price of one bitcoin was equivalent to only a few cents; as a result, its value was not very high at the time. The general population did not pay attention to it because of this reason. In the current day and age, cryptocurrencies have become a household word, yet people all over the globe have only a very basic understanding of what they are and how they work. Even if a person is knowledgeable about cryptocurrencies, much of their information is still unclear or murky.

To describe cryptocurrencies in an understandable way to non-technical people, the following statement might be made: "If you have bitcoins, one does not need to physically purchase goods by physically handing notes or tokens to the seller." Bitcoins may be spent and transferred online just like any other currency. Bitcoins may be used as a form of payment to friends, retailers, and

other people. Every transaction is instantly recorded digitally (on computers) on a transaction log that monitors the moment of purchase and the number of bitcoins owned by each individual. - Profit for NDTV.

A cryptocurrency may be described in its most straightforward form: "A cryptocurrency is a digital or virtual currency that utilises cryptography for security." Because of its built-in security, cryptocurrency is notoriously difficult to replicate. It is not issued by any central authority, making it potentially resistant to government meddling or manipulation. This organic nature is one characteristic that defines a cryptocurrency and is undoubtedly its most charming attraction. – According to Investopedia.com.

Suppose all of the misconceptions surrounding cryptocurrencies are dispelled and reduced to a basic definition. In that case, cryptocurrencies may be simply described as restricted entries in a database where modification is not permitted in the entries without first satisfying specific constraints.

Again, to simplify the concept, we can say that it is analogous to making entries in a bank account after depositing cash or coins against a specific bank account at a certain bank. This is another way of saying that it is comparable to general banking. Therefore, to put it in much more layman's terms, banknotes and coins are not dissimilar from a basic limited record in a public physical database. This entry can only be modified if the depositor satisfies the requirements, and again, that entry may be turned into notes and coins. Therefore, an authenticated record in a database of accounts, balances, and transactions is the most fundamental concept behind money.

The objective of the study

This study aims at:

1. To have an understanding of cryptocurrencies on a fundamental level
2. To Conduct Research on the Positives and Negatives of Utilizing Cryptocurrencies
3. To Conduct Research on the Current Situation Regarding Cryptocurrencies Worldwide
4. To Conduct Research on the impact of various cryptocurrencies on Global Economies and socio-political effects
5. To Conduct Research Regarding the Prospects for Cryptocurrencies in the Future

Research Methodology

Secondary data were collected for this study from various sources, including websites, journals, magazines, and newspapers.

Evolution of Crypto Currency

There are no literal or extensive documents that are accessible on the history of cryptocurrency. The history of cryptocurrencies doesn't go back very far at all. Even before the advent of cryptocurrencies, digital currencies were already in existence. However, none of these things are the same. Digital currencies, on the other hand, are centralized, while cryptocurrencies are decentralized. The concept of cryptocurrencies, such as cryptocurrency and Ethereum, was never

meant to develop into its current form. Everything began with a digital currency known as bitcoin and a person named Satoshi Nakamoto. In the beginning, Nakamoto's objective was to develop nothing more than an electronic cash system that could be used between peers. People have been attempting to build an online digital cash system for a long time, but they have never succeeded due to centralization's difficulties. Satoshi Nakamoto came up with the idea for Bitcoin in 2008. It was the first kind of decentralized digital cash that lacked a governing or regulating authority in its central location. In the year 2008, Satoshi Nakamoto introduced the world to the cryptocurrency known as bitcoin, which was only worth a fraction of a penny. However, the value skyrocketed quickly, and by the end of 2009, a single bitcoin could be purchased for $27. In 2017, a single bitcoin is now worth more than $7500.

Since Nakamoto announced his incredible invention, hundreds of alternative decentralized cryptocurrencies have been launched by various parties. " Bitcoin, Ethereum, Bitcoin Cash, Ripple, Litecoin, Dash, NEO, NEM, Monero," and many other cryptocurrencies are now among the most widely used and highly valued digital assets. It is undeniable that this history is both exciting and eventful. Now that cryptocurrencies like Bitcoin have demonstrated that they are valuable, that they can function in the real world, and that they have real purchasing power, an increasing number of financial institutions, investment firms, and trading organizations, as well as retailers, have begun to accept them as legitimate forms of currency and payment.

Bitcoin was not the first cryptocurrency ever created, but it is by far the most successful one. Cryptocurrency is a relatively new concept. There have been many before it, but they have all been unsuccessful. It was simple to spend virtual currency more than once, which was an inherent flaw in the system. The concept of decentralised and encrypted currencies is gaining traction, which has led to the emergence of a number of competing cryptocurrencies. The popularity of Bitcoin continues to rise. These are also referred to as alternative cryptocurrencies (altcoin), and they typically aim to improve upon the design of the original Bitcoin by providing higher speed, more privacy, or some other benefit. Namecoin and Litecoin were two of the earliest cryptocurrencies to appear. There are already over a thousand different cryptocurrencies in circulation, and new ones are continually being introduced.

Pre-Cryptocurrency Era

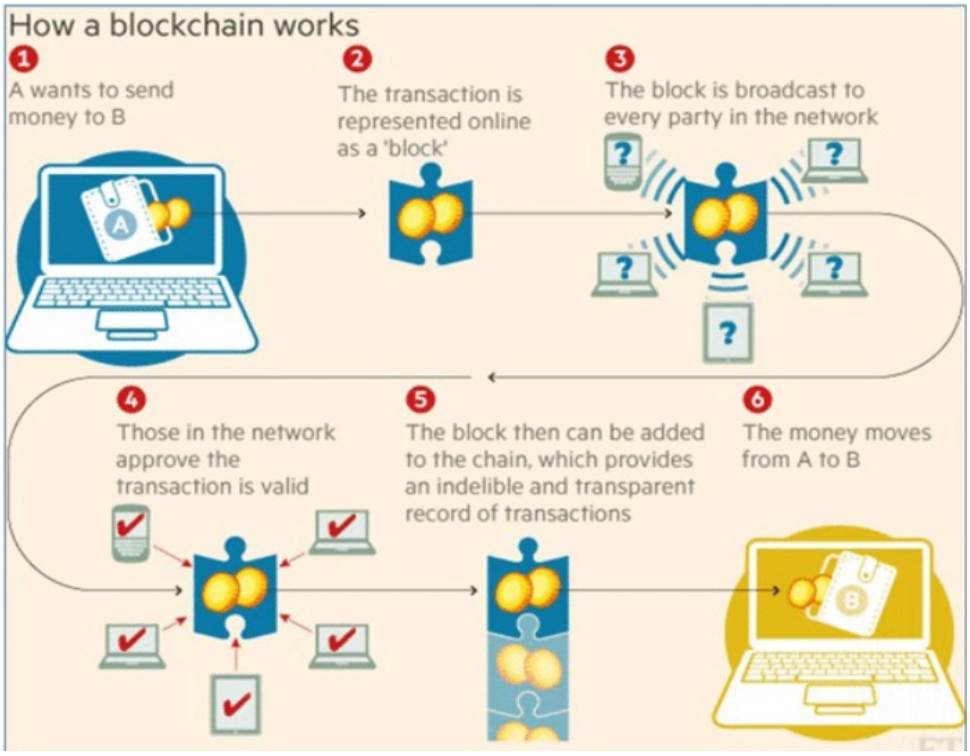
E-gold was one of the new companies that emerged as a rival to Digicash while the latter was gaining ground in the market. In the year 1996, doctor Douglas Jackson and attorney Barry Downey laid the groundwork for what would later become Digicash in the United States. E-gold was a firm with its headquarters in Florida. Their clients or users sent their used jewellery, trinkets, and coins to the e-gold warehouse, and in exchange, they were given digital e-gold. The value of one unit of this currency was equal to one troy ounce of gold. E-gold was used for swapping holdings with other users, cashing out for actual gold, or exchanging for US dollars. Users could also trade their e-gold for genuine gold. The early prosperity of e-gold helped prepare the way for its eventual disappearance from the market. Because it served as a store of wealth and had a sizable user base, e-gold became an easy target for more organised criminals who used financial malware and phishing schemes. The first known instance of phishing being used as a method of fraud against e-gold users occurred in the year 2001.

The method of attack was perfected via usage in assaults against digital gold systems such as e-gold, and it was then used in assaults on additional financial institutions beginning in the year 2003. In addition, by the middle of the 2000s, a significant portion of the transactional activity using e-gold was being investigated by authorities for its legality. Because of its lax practises on legal compliance, it became appealing to businesses that engaged in money laundering and Ponzi schemes on a smaller scale. The site was subjected to an increasing amount of legal pressure during the middle and late 2000s, and in 2009, it was eventually taken down.

How cryptocurrency works

Confirmation of the transaction is the single most important step involved in the process of making a transaction in the world of cryptocurrency. Confirmation is essential to the completion of any cryptocurrency transaction. As long as confirmation of the transaction has not been received or it is in the pending stage, it is open to forgery. When a transaction is started, the information about it is sent out to the whole network to be received. After receiving confirmation of a specific transaction, the details of that transaction are etched in stone immediately. After a transaction has been made and confirmation has been received of that transaction, the transaction can no longer be undone at any cost, and it also stops being possible to be faked. It is then included in an irretrievable record of past transactions that is referred to as a block chain. In this sector of the cryptocurrency world, miners are an essential component and play an important role since their work revolves on the confirmation of transactions. Miners are responsible for receiving transactions in the cryptocurrency network. This allows them to verify the legitimacy of the transaction and distribute it around the network. As soon as the miner verifies a transaction, every node is obligated to add new database to their own databases.

The steps involved in the creation of a cryptocurrency are outlined below:



Status of Cryptocurrency Worldwide

The legal status of crypto currency differs from country to country, and there is yet no universally accepted regulation; instead, the rules in various countries are constantly evolving. Despite the fact that most countries have not yet provided a legal framework for the use of cryptocurrencies. Depending on whether it is classified as money or a commodity, cryptocurrencies may be subject to varying regulatory requirements. While some of the countries have expressly permitted its usage and commerce within specific parameters, others have either outright prohibited it or severely limited its use. Various government organisations, ministries, and courts have classed this currency in a variety of various ways, each with their own unique status. There are several nations that have recognised the legitimacy of cryptocurrencies, and these nations are listed below:

A. The United States

The United States government has shown a constructive attitude toward the general adoption of bitcoin and its many applications. In the meanwhile, a number of agencies within the United States federal government are working toward the goal of eliminating or significantly restricting the use of bitcoin for conducting unlawful transactions. DISH Network has already begun taking payments in bitcoin. The fact that bitcoin is already being traded on derivatives markets in the United States is another important piece of evidence that demonstrates the currency's growing acceptability.

B. Canada

In Canada, the atmosphere is currently conducive to the use of bitcoin. In the meanwhile, they are keeping a close watch to make sure that the cryptocurrency isn't being used for illegal activities like money laundering. Bitcoin now has the status of a commodity, as determined by the Canada Revenue Agency (CRA). The income that is made is referred to as business income, and the transactions that take place are known as barter transactions. The taxation of the person is also determined by whether or not the individual is engaged in the business of buying and selling or is solely concerned with investing.

C. Australia

The Australian Taxation Office (ATO) views transactions using bitcoin to be a kind of barter agreement that may be subject to applicable taxes depending on the usage and user. Bitcoin trading, mining, and purchasing are all legal activities for organisations in Australia.

D. The European Union

The European Union (EU) has not yet released any formal decisions about the acceptability or legitimacy of the proposal. Because there is a lack of cohesive guidelines on cryptocurrencies, each nation that makes up the EU has formed its own policy towards bitcoin. Some of the countries that make up the EU have approved the use of bitcoin, while others are either still debating the issue or issuing warnings.

E. Germany

Bitcoin is a unit of account that may be used for the purpose of tax as well as trading in the country. Because of this, any purchases made with Bitcoin are subject to VAT, just as those made with Euros are. It is not regarded as a foreign currency or an electronic money form, but rather as a kind of private money that is acceptable in multilateral clearing circles.

F. France

In France, the use of virtual currencies, as well as their exchange and taxation, are not only permitted but also legal.

Countries That Say No to Bitcoin

A. Vietnam

The government of Vietnam and its state bank have stated, ever since the introduction of cryptocurrency (bitcoin), that bitcoin is not a legal money and is not a valid method of making payments. Vietnam has outlawed the usage of bitcoin and made it unlawful for people and financial institutions to engage in transactions using bitcoin. It establishes a connection between the cryptocurrency and illegal operations like money laundering.

B. Kyrgyzstan

The use of bitcoin and other cryptocurrencies as a method of payment is prohibited in Kyrgyzstan.

C. Ecuador

By a majority vote in the national legislature, Bitcoin and other cryptocurrencies were given the go-ahead to be outlawed in Ecuador. Despite this, the nation is working on developing its own own cryptocurrency for use in the near future.

D. Russia

In former times, the status of cryptocurrencies in Russia was murky, and some even questioned whether or not bitcoin could be considered legal there. As of right moment, the Russian Ministry of Finance is working toward the goal of passing a legislation that would make bitcoin trading legal by the end of March 2018.

E. China

Individuals in China are permitted to buy, sell, and trade bitcoins legally. There are no specific laws or announcements about the legality of cryptocurrencies that have been made by the People's Bank of China (PBoC), the ministry of Industry, or any other regulatory agencies in China.

F. South Africa

Bitcoin does not have a legal status and there is no regulatory framework in South Africa.

G. Japan

Since April of 2017, the use of bitcoin and other digital currencies has been permitted in Japan.

Status of Cryptocurrency in India and Worldwide

In the most recent Union Budget for 2018-2019, bitcoin was given the green light for use in India. It has also been highlighted by the minister of finance that there would be intense vigilance on any illegitimate activity that is conducted via the use of crypto-assets.

Impact of various cryptocurrencies on Global Economies and socio-political effects

- Bitcoin and other cryptocurrencies, such as Ethereum and Altcoins, make it possible to make international payments while sidestepping the old banking system. Additionally, they make it possible for a single person to pay another directly for the purchase of his or her products and services. As a result, Bitcoin is a decentralised kind of digital currency that is supported by block chain technology.
- The value of cryptocurrencies has seen a lot of volatility in the past, and this trend is expected to continue for the foreseeable future. These represent a threat to huge speculation as a result of the dramatic highs and lows they experience. Bitcoins, on the other hand, may be purchased in fractions for a price as low as one-tenth of a penny, but a share in Apple or Facebook might cost over $150. Because of this, speculative investments may be made with relative ease.
- In the past, all transactions needed to be cleared by the central banks (directly or indirectly). The situation has evolved significantly as a result of the rise of cryptocurrencies. The people now have the power in our society. This revolutionary shift has the potential to completely reorganise the economic power. The world's central banks and other financial institutions keep detailed transactions of every transaction that its people carry out. This is done for reasons of both security and transparency. The people now have the power to oppose these economic powerhouses thanks to cryptocurrencies. As a consequence of this, new autonomous organisations that are able to facilitate transactions have come into being. The ultimate consequence of using these coins might be the politicisation of money.
- The cyberspace and the online power have recently developed as independent powers that may constrain the actions of even the most authoritative governments. The advent of cryptocurrencies has resulted in the development of new market niches. Cyberspace will eventually establish itself as the governing body that is responsible for managing and sustaining disruptive marketplaces. Because there are almost no costs associated with transacting with these currencies, they are even preferable than the conventional forms of currency that we are used to utilising.

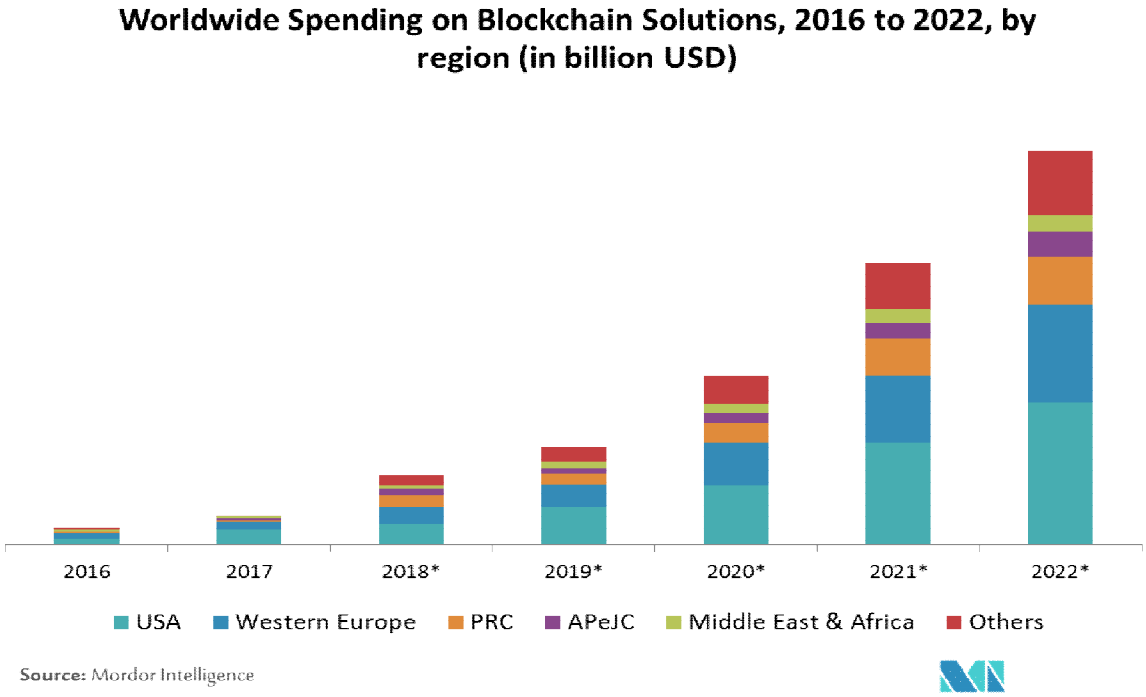
- Remittances are a source of growth for economies that are largely dependent on the import and export of goods. The United States dollar's status as the world's most widely used currency is the primary factor behind the current state of the economy. Any change to the world of this currency will have an instantaneous and widespread impact on economies everywhere. The majority of countries make their profits from such exports, and the United States, as the largest consumer of export goods, plays a significant role in the economic growth of underdeveloped and developing countries.
- Cryptocurrencies are causing a huge disruption to the global payment system because they eliminate the need for middlemen in the payment processing market. One of the primary goals of the centralised payment processing protocol is to eliminate the flow of funds that may be used for illegal activities such as money laundering, the sponsorship of terrorist organisations, and the illegal trade in narcotics and weaponry. In September of 2017, Christine Lagarde, the president of the International Monetary Fund (IMF), issued a warning that cryptocurrencies had the ability to destabilise the Central Bankingsystem and to change the notion of money.
- As a result of demonetization, there has been a significant surge in the volume of bitcoins that have been traded. The price of bitcoins on Zebpay, which claims to have over 130,000 users, had surged from $757 to $1,020 in a mere 18 days after the demonetization speech of Prime Minister NarendraModi, whereas bitcoins were trending at $770 apiece in the United States, marking a clear premium on the Indian bitcoin exchanges. Since the early days of demonetization, bitcoin prices in India have been hovering in an upper range of $866to $896 a piece. The three funded bitcoin trading platforms in the country—ZebPay ($1 million), Unocoin ($1.5 million), and Coinsecure ($1.5 million)—have seen an increase in the number of new users willing to experiment with the cryptocurrency as a different type of asset class. Out of the approximately 20 bitcoin startups, these three platforms have seen the most growth.
- Initial coin offerings (ICOs) have emerged as the most effective method of crowd fundraising for technology-based start-ups in 2017. This has provided them an advantage in that they do not require convincing venture capitalists, banks, or angel investors to put up stock in their start-ups. This has given them a competitive edge. Because these currencies are unregulated or uncontrolled, their value can never be determined and can rise or fall at any moment. Because of this, it is possible that this could result in huge losses or huge gains. On the other hand, this could be harmful because numerous ideas would be generating in the minds of the entrepreneurs, and they would try to implement these ideas with such large investments. If it is a huge gain for the entrepreneurs, then they will have more money to invest in their technology in order to carry out their plan; however, if it is a loss, then there may be so many good minds with these ideas; unfortunately, they would lose all of their money and end up without any investment to take their idea forward, which may lead to a lot of depression.
- If it is a huge gain for the entrepreneurs, then they will have more money to invest in their technology in order to carry out their plan Inflation and hyperinflation are both occurrences in the economy that are caused by a sharp ascent in the economic level of market prices. The money supply hypothesis proposes that the cause of hyperinflation is an increase in the amount of money in circulation that is not supported by a comparable increase in the number of goods and services produced. The decision to implement the idea of quantitative easing

was made by the Federal Reserve of the United States in 2008, during the height of the worldwide economic crisis. Because of its centralised authority and infinite supply, traditional money can be a contributing factor in the existence of this dilemma. Bitcoin is a decentralised digital currency that can only ever produce a maximum of 21 million coins and has a fixed supply limit. There is no method to "create currency" since the technology is programmed to accept a certain pace at which Bitcoins are generated and the manner in which they are produced. As a result, any attempt to intervene in the economy and replicate an event like to "quantitative easing" will be fruitless, and it is likely that such an attempt will be made. In the future, however, if the technology was programmed in such a way that it was changed, it may result in inflation and hyperinflation.

- It has been pointed out that Bitcoin is analogous to gold in this regard due to the fact that its supply is limited and it will soon become rare.
- According to Sharmin Mossavar- Rahmani of Goldman Sachs, the modern crypto bubble will have an effect on about 1 percent of the world's gross domestic product (GDP). This means that the rarity of the cryptocurrency will cause people to save rather than spend, which will contribute to an economic depression. As the number of people interested in cryptocurrencies continues to skyrocket at an alarming rate, there is a growing concern that the crypto market will experience a bubble that will eventually burst, which would result in a collapse of the financial system.
- Over the course of the past few years, a number of industry professionals have expressed their concern regarding the possibility that the Islamic State (also known as ISIS) and other terrorist organisations could use cryptocurrencies such as Bitcoin as a new source of funding in order to advance their operations. Nevertheless, despite these concerns, the use of digital currencies by terrorist organisations is not yet prevalent. However, neither the means by which terrorist organisations finance their activities nor the technology behind cryptocurrencies remain unchanged, and the world may soon witness the unfolding of the worst-case scenario. When combined with cryptocurrencies that are simpler to use and provide users more anonymity, increased regulatory scrutiny of traditional ways of financing finance might very well result in widespread use of the technology by members of terrorist groups.
- The term "dark web" refers to the portion of the web that cannot be accessed by using search engines. There is specialised software available, such as Tor Browser, that makes it possible to conduct anonymous searches on the internet. On the dark web, users may buy and market illegal goods including firearms and drugs. People are able to conduct transactions without revealing any personal information about themselves if they use cryptocurrencies. This will result in a rise in the number of crimes committed.
- Another money is the clandestine transfer of funds to locations outside of the country. The world's central banks are aware that cryptocurrencies cannot be controlled and that their value is difficult to forecast. Cryptocurrencies are causing gaps to appear in the data that banks collect regarding the circulation of money, which ultimately results in an inability to monitor economic activity.
- One of the reasons cryptocurrencies were developed was to generate a new kind of economic power that would serve as a precursor of a new kind of society. A society in which the state, along with the banking and financial sectors that it has merged with, does not possess the

ability to control or exert any influence over the economic power. Bitcoin has the potential to give users their own personal economic power. Using the power of blockchain technology and the internet, a new society that is more equal might potentially be formed by destroying the economic foundations of the fraudulent monetary systems supported by fiat currency.

Share of spending on Bitcoin worldwide



India leads the world in the use of smart phones, social media, and other forms of digital technology, and its financial institutions are digitalizing transactions at an extremely rapid rate. Bitcoin trading began in India in 2015, but the country didn't make a serious push into the market until November 2016, when the government demonetized 86 percent of its paper currency overnight. This occurred as a result of the fact that individuals in possession of large amounts of untaxed and black money in the form of paper currency were looking for novel methods of money laundering to evade the scrutiny of the government and avoid having to pay taxes. This opened the door for people to acquire Bitcoins as a means of hiding their money and ensuring that the government would not be able to track their transactions.

Another motivation for being involved in the Bitcoin trading bank was that people in India were afraid to trust their banks or their government because of the possibility that their paper currency may become worthless overnight at any moment. The people's faith in the government has been shaken. People who dealt with online transactions discovered that cryptocurrencies were independent from banks and governments, and as a result, these transactions are now conducted via block chains. People were encouraged as a result to use bitcoin as an alternative to government currency.

Even though the number of businesses in India that deal with bitcoin transactions has been steadily growing, the cost of doing so is higher when compared to the rates that are existing in

foreign marketplaces. This was owing to a shortage in the mining of Bitcoin, which in turn led to a shortage in the generation of new Bitcoins. Trading Bitcoins is a challenging endeavour for Indians to undertake because of the government's limitations on cryptocurrencies. RBI has moved to control virtual bitcoins like Bitcoin. The Reserve Bank of India has issued a warning to the people of India on the dangers associated with cryptocurrency trading. Because so few people understand how cryptocurrency transactions working, there has been an increase in the number of fraudulent transactions, which has resulted in the loss of money invested in cryptocurrencies. Pete will be compensated in Bitcoin for his contribution to the committee that the Reserve Bank of India (RBI) has established, which will lead to the government of a new cryptocurrency with the name "LAKSHMI." Bitcoin would become an easy tool for terrorist organisations to finance their activities if India does not control it.

Benefits and Drawbacks of Cryptocurrencies

The following is a list of some of the advantages and disadvantages of cryptocurrencies:

A. Advantages of Cryptocurrencies

a) It is less difficult to move money between two parties participating in a transaction.
b) Because the processing cost is so cheap, users are able to steer clear of the hefty fees that are levied by the vast majority of banks and other financial organisations.
c) The transaction of cryptocurrencies results in a quick settlement of the funds.
d) A push mechanism is used throughout the process of cryptocurrency transaction, which enables the holder of the cryptocurrency to transmit precisely what they want to transfer to the merchant or receiver without providing any other information.
e) Because the NSA was responsible for developing the encryption, the transactions are among the most secure possible. Unless the owner of the wallet was hacked, it is very hard for anybody other than the owner of the wallet to use the wallet to make a payment of any kind.
f) No other party is involved in this transaction in any way.
g) Because the transactions are decentralised, the network functions on a user-to-user basis, sometimes referred to as a peer-to-peer basis.

B. Disadvantages of Cryptocurrencies:

a) Because cryptocurrencies are digital representations of value and do not have a centralised storage facility, it is possible for a digital cryptocurrency balance to be lost in the event of a computer breakdown if there is no back up copy of the assets.
b) The prices are determined by supply and demand, and the rate at which one cryptocurrency may be exchanged for another currency is subject to significant swings.
c) Cryptocurrencies are not completely safe from the threat of being hacked.
d) It is really hard to get a handle on cryptocurrencies. People who don't have a solid understanding of cryptocurrency often wind up investing and losing money in it, even if they didn't take the time to educate themselves about it.
e) Acceptance is a significant challenge all across the world. Some of the countries and territories in country permit international travellers, while others do not. Even today, there are still a number of online retailers that do not support cryptocurrency payments.

f) Once the payment has been made, it is not possible to cancel or reverse the payment.

Future of Cryptocurrencies

"Bitcoin & other cryptocurrency has as much of a future as the Internet itself."-- Christine Lagarde, MD, IMF

The market for cryptocurrencies moves at a breakneck speed and is very volatile. The goal of cryptocurrencies, at least in terms of finance and business transactions, is to eradicate all geographical and political restrictions. Even though we are still in the beginning phases of the development of block chains, hundreds of different coins have been issued ever since the beginning of cryptocurrency. These coins are competing with one another. Every new cryptocurrency that is introduced to the market comes with its own distinctive promise that has the potential to alter the course the world. In the future, there may be just one leader while the others are declared obsolete, or there may be only three to four coins that will define the whole global payments, lending, trading, and banking infrastructures. It is anticipated that the mainstream would become familiar enough with cryptocurrencies during the next few years to embrace applications that are built on block chains. It will be a new world, seen in a new light, ushered in at the dawn of a new age.

Conclusion

Even though cryptocurrency is still in the early stages of its development, its popularity continues to rise on a daily basis. The majority of countries still do not have any clear regulations or systems that can monitor, curb, regulate, or prohibit the usage of cryptocurrencies like cryptocurrency and ethereum. Because cryptocurrency is both decentralised and anonymous by design, it has become a challenge for governments to curb its use in illegal activity or transactions and figure out how to give it a legal status. This presents a challenge because decentralisation and anonymity are two of the most important characteristics of cryptocurrency. The majority of countries are currently investigating appropriate ways to regulate cryptocurrency transactions. Due to the significant gap between the pace of technology advancement and that of legislative catch-up, cryptocurrency now exists in a legal limbo. Cryptocurrencies, on the other hand, have a long way to go before they can fully replace payment methods such as credit cards and conventional currencies, which are now being utilised as a tool for trade on a global scale. Patience, decisiveness, and scepticism are the three most critical weapons that a wise investor should have at their disposal while operating in the cryptocurrency world.

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