



NEWS

Supreme Court Gives Centre 4 Weeks To Bring In Cryptocurrency Policy



Suprita Anupam

Inc42 Staff

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- The case related to cryptocurrency regulations has been pending since July 2017
 - The Court did not hear any petitioner today
 - Pro-crypto enthusiasts come together to file policy suggestions to the Centre
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The Supreme Court of India, today, refused to hear any party pertaining to the long-pending cryptocurrency cases in the country. The court has also directed the Union of India to come up with a cryptocurrency regulatory policy in the next four weeks.

The two-judge bench of Justice Rohinton Fali Nariman and Justice Vineet Saran also mentioned that in case the government fails to do so, the Court will come up with their judgement.

Speaking to **Inc42**, the earliest petitioner in the case (petitioner no. 2) advocate Vijay Pal Dalmia said that with today's (Feb 25, 2019) hearing, the Court has given one more and last opportunity to the Union of India to bring in a cryptocurrency policy in place. And, therefore, the Court refused to hear the other sides who were demanding the removal of the RBI circular.

Welcoming the order, Nischal Shetty, founder and CEO of cryptocurrency startup WazirX told, **Inc42**, this is the first time that the Court has fixed a timeline for the government to introduce a regulatory framework around crypto assets.



Shetty has been actively campaigning for pro-crypto regulations for the last four months.

The Making Of The Case

The RBI on April 6, 2018, had issued a circular banning all the banks/regulated organisations from dealing with any cryptocurrency entities. As a result, on April 17, 2018, Ahmedabad-based crypto firm Kali Digital Eco Systems, which runs multi-cryptocurrency exchange CoinRecoil, had approached the Delhi High Court demanding the Court to quash the order under Articles 19 (1) (g) and 14 of the Indian Constitution.

The Article 14 'Equality Before Law' states that the State shall not deny any person equality before the law or the equal protection of the laws within the territory of India, prohibition of discrimination on grounds of religion, race, caste, sex or place of birth. As per Article 19 (1) (g), all citizens shall have the right to practice any profession or to carry on any occupation, trade or business.

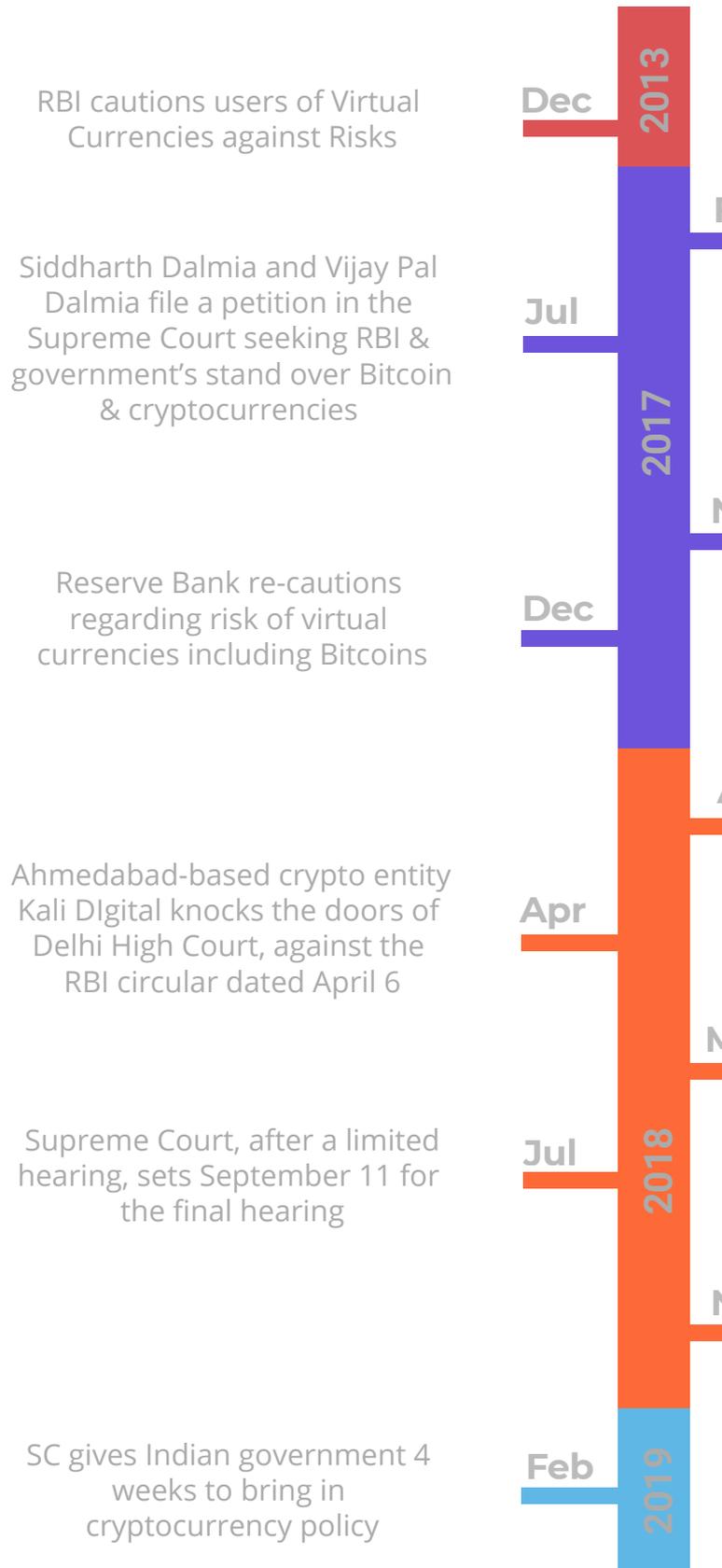
Soon, Flinstone Technologies, whose MD Amit Lakhanpal is accused of running a slew of cryptocurrency scams in the country, trade body IAMA and many other companies also filed petitions demanding that the Court quash the RBI circular or give some interim relief until the judgement.

However, on May 17, 2018, the Supreme Court had refused to put a stay on the RBI circular, till the matter is sub-judice. The Court also directed to club all the petitions pending across various courts across the country in this regard.



Cryptocurrency's Leg

Timeline



It was not the RBI circular , which brought the crypto fight to courts' doors. Back in July , 2017 , two individuals —Siddharth Dalmia and advocate Vijay Pal Dalmia — filed a petition in the Supreme Court seeking RBI and government's stand over Bitcoin and cryptocurrencies. In November 2017 , another petitioner advocate, Dwaipayan Bhowmick, moved to the SC seeking an explanation over the regulatory framework around cryptocurrencies.

Thus, the Supreme Court, having clubbed all the cases is, in fact, hearing two separate cases pertaining to cryptocurrencies.

While petitioners Bhowmick and Dalmia have been advocating for a ban on cryptocurrency citing the lack of policies, another lobby of cryptocurrency enthusiasts including IAMA I wants the Supreme Court to provide some interim relief from the RBI Circular to pave way for cryptocurrency trading and business in India.

India Wants Crypto Campaign

Meanwhile, led by a group called Blockchain India, cryptocurrency traders, investors and entrepreneurs have announced meetups in Bengaluru, Mumbai, Delhi and Hyderabad. Shetty who will also participate and speak in some of the meetups said, the purpose of these meetups is to prepare a report



of suggestions on cryptocurrency policy in India.

After compilation, the report will be submitted to Subhash Chandra, secretary of economic affairs department who is heading the inter-disciplinary committee for filing a draft on cryptocurrency policy.

Many others including Mumbai-based law firm Nishith Desai Associates have already filed their submissions to the DEA secretary.

Earlier in November 2018, the finance ministry had maintained in the Court that the RBI circular as well as warnings issued by the ministry on December 29, 2017 and by finance minister Arun Jaitley in his budget speech on February 1, 2018, were in line with the first inter-ministerial (interdisciplinary) committee's recommendations on cryptocurrencies.