



India's case on cryptocurrency ban lacks transparency: Experts

The global market for cryptocurrency was valued at \$574.3 million in the year 2017 and is expected to be worth \$6702.1 million by the end of 2025. [Sanghamitra Kar](#) | ETtech | Updated: March 28, 2019, 21:25 IST
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The case on [cryptocurrency ban](#) set to be heard in Supreme Court on Friday lacks transparency, people aware of the matter told ET. Industry experts have said that the government did not adequately invite recommendations or hold consultations with stakeholders in the [cryptocurrency](#) or [blockchain](#) sector which is still in a nascent stage.

Last month, the apex court had given a four-week deadline to the government to roll out a regulatory policy on the cryptocurrency ban. As the case tied all the participants - RBI, Internet, Mobile Association of India and Union of India - together, the industry sentiment is that if the policy fails to take a stand, the Supreme Court will depend on inputs from Internet and Mobile Association of India ([IAMAI](#)) and RBI on the ongoing crypto ban.

"We can't comment since the matter is sub judice. Even if the government does not submit its report, the association is anxiously waiting for an expedited verdict from the court on the constitutional validity of the RBI circular. As of now, crypto exchanges is in its last leg and many employees have lost their jobs," said Jaideep Reddy, lawyer with Nishith Desai Associates which represents the IAMAI in its writ petition against the crypto banking ban by the central bank.

While India has a cryptocurrency userbase of approximately 5-6 million, according to industry experts, many venture-backed crypto companies have already moved out of the country or shut shop after the Supreme Court's ruling in 2018.

"Apart from a few conversations with IAMA, the government had invited Nishith Desai Associates to represent its independent report which was submitted to Subhash Chandra Garg panel. No concrete consultations were held while the report was being drafted. The committee did not have any representation from the industry and didn't understand the challenges or the innovation capabilities of the crypto industry," said Nischal Shetty, founder and CEO of WazirX an Indian cryptocurrency exchange.

In February, [ET had first reported](#) that the cryptocurrency community is raising its voice against the ban and discussing possibilities of its future in India together for the first time.

"Digital assets give blockchains the ability to align masses towards a common goal. With immediate gratification mechanism built-in, it makes blockchains one of the best tools for open innovation and collaboration," said Akshay Aggarwal, co-founder of [Blockchained India](#). "Also, talented developers are attracted to the space because it presents an opportunity to imagine a completely different world, the thought of which brings out new possibilities in their minds. But, if you take away crypto, you are also taking away the talent and the possible capabilities."

The global market for cryptocurrency was valued at \$574.3 million in the year 2017 and is expected to be worth \$6702.1 million by the end of 2025. The overall market is estimated to grow at a CAGR of 31.3% during the assessment period 2017 to 2025, according to a report by Transparency Market Research.