

# 'Hard to set up body to regulate cryptocurrency'



SPECIAL CORRESPONDENT

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Setting up an appropriate regulatory framework for cryptocurrencies and crypto assets in India continues to be a challenge with other countries taking differing approaches to find a solution, the Internet and Mobile Association of India (IAMAI) and Blockchain and Crypto Assets Council have said. The Centre had earlier indicated that it would take a 'calibrated approach' towards digital assets and formulate a Bill on cryptocurrencies.

The country required a smart and sensible crypto regulation. In this regard, it would be useful to consider the approach of other jurisdictions such as Singapore that took a balanced approach with regulations aimed at preventing nefarious activity without impeding technology innovation, the apex body recommended during a webcast on Friday.

Sriram Chakravarthi, counsel, Rajah & Tann Singapore LLP, stated that to create an effective regulatory framework, governments should collaborate with the crypto industry and representative bodies, and consider international approaches, particularly on the cross-border aspects of crypto regulation.

Drawing attention to established cryptocurrency regulatory frameworks from developed economies, Jaideep Reddy, leader, Crypto-Assets and Blockchain, Nishith Desai Associates said, "Courts have generally not upheld outright prohibitions where there is a less drastic alternative. The approach of multiple leading jurisdictions shows that effective regulation is possible without resorting to a ban."

The Indian crypto industry was eager to help the government formulate the right regulations, especially when the country already has a sizeable population of 1.5 crore people holding crypto-assets worth over ₹1,500 crore, according to Nischal Shetty, CEO WazirX, a Bitcoin and cryptocurrency exchange.

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