

INDIAN BITCOIN STARTUPS JOIN TO LAUNCH SELF- REGULATORY BODY

[Indian Bitcoin Startups Join to Launch Self-Regulatory Body](#)



The major players of the young but growing bitcoin industry in India have united to launch a self-regulatory body in the absence of official regulations to foster transparency in the nascent industry.

The group of bitcoin companies has established Digital Asset and Blockchain Foundation of India (DABFI), according to a [local report](#), toward the 'orderly and transparent growth' of the digital

currency and blockchain industry in India.

The four bitcoin startups involved are bitcoin wallet Zebpay, wallet and exchange services providers Unocoin and Coinsecure and crypto-rewarding search engine, SearchTrade.

The DABFI will look toward standardizing know-your-customer (KYC) and anti-money-laundering (AML) procedures and will also look to flag suspicious transaction reports (STRS) through norms for all member companies. A committee comprising of the heads of the four companies will develop and establish rules and guidelines of members of the group.

“This organization aims to drive education and create a market for blockchain and bitcoin in the Indian market which is now on the path of digital economy,” stated Zebpay’s chief executive Saurabh Agarwal.

Pointedly, he revealed the ultimate goal of the working group, to work with Indian financial regulators to acknowledge and regulate the bitcoin industry.

Agarwal stated:

Our vision would be to work with regulators and develop strong framework for our industry to provide required impetus for the growth of the industry.

The push toward self-regulation comes in the aftermath of an announcement by the Reserve Bank of India, the nation’s central bank, [releasing a public statement](#) that bitcoin companies in the country were operating without a license or the bank’s approval.

More recently, it was revealed that new regulations created to recognize digital payments and financial technology (FinTech) innovations [would not include](#) bitcoin. As such, bitcoin is not a legitimate or a legal form of payment or settlement in the country.

Regulations will be developed under the guidance of international law firm Nishith Desai Associates, who will also provide legal support to the body.

“Bitcoin and other cryptocurrencies have tremendous benefits for most marginalized people, merchants, tax departments and regulatory authorities,” added Nishith Desai, from his namesake law firm, underlining the potential of adopting cryptocurrencies in a country that is among the youngest populations in the world. India also sees soaring rates of smartphone adoption in the cheapest telecom market in the world.