

Bitcoin startups join hands, set up self regulatory body

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In a bid to create transparency and build credibility, bitcoin startups Zebpay, Unocoin, Coinsecure and Searchtrade on Monday launched Digital Asset and Blockchain Foundation of India (DABFI), a self regulatory body for the orderly and transparent growth of virtual currency market. A committee spearheaded by Saurabh Agrawal, CEO of Zebpay with representation from each of the startups has been set up. DABFI will lay down self-regulatory regimes for trading of bitcoins and other blockchain based digital assets. They will also standardise norms such as KYC for member companies. The body intends to liaise with regulators and get clarity on taxation, attract investment, build global relations and actively engage with International community and spread awareness on the cryptocurrency .

"This organization aims to drive education and create market for blockchain and bitcoin in India which is now on the path towards digitisation. Our vision would be to work with regulators and develop strong framework for our industry to provide required impetus for growth of the industry ," said Agarwal of Zebpay . Providing legal support to DABFI, Nishith Desai said, "Bitcoin and other cryptocurrencies have tremendous benefits for most marginalised people, merchants, tax departments and regulatory authorities. It has better price discovery , is anti-inflationary and the transactions are irreversible. Globally , the demand for cryptocurrency is increasing and in the future, we might see several countries adopt currencies like Bitcoin as their legal tender."

Today, legal authorities across the globe are struggling to understand bitcoins and draft suitable regulations. While an estimated over 6 million bitcoins are traded on a daily basis, the currency however, is yet to see adoption by a large majority in India. "It is absolutely important to check the `bad' use of cryptocurrencies. Industry has to play an important role in shaping the future of CC and blockchain. ," said Agarwal.