

# Analysis of the Impact of Cryptocurrency on Indian Economy

**Prof. Amita M Kulkarni and Bhalerao Abhishek Rajesh**

The Byramjee Jeejeebhoy College of Commerce, Mumbai, Maharashtra  
jay.mamtora@gmail.com

**Abstract:** *For decades, investments have been limited to assets such as real estate, gold, bank deposits, and stocks. Over the past few years, a new investment asset class is making everybody take notice – cryptocurrency. This latest form of asset has been doling out good returns for its investors, promises to disrupt the monopolistic tech ecosystem and now everybody wants a piece of this action. The total global crypto market value now exceeds \$ 2.12 trillion, with a daily global trading amount of more than \$100 billion. But before you decide to dive in, it is best to understand this investment avenue better.*

*Most cryptocurrencies are backed by a technology called 'Blockchain', which is the most impactful innovation in recent years. Blockchain helps cryptocurrencies with two primary things: it maintains a list of all transactions of a particular cryptocurrency (called ledger), and it assists in "minting" more of that cryptocurrency based on predefined mathematical rules. While this process seems pretty straightforward, blockchain helps us do both without a trusted intermediary in between. This means that there is no central bank that is issuing these cryptocurrencies or securing your transactions, all of it happens seamlessly on a digital ledger!*

*Regardless of whether you trust the technology, it has become a global phenomenon over the last decade. This paper highlights the impact of how this technology has affected the Indian economy and the future plans and outlook for cryptocurrencies*

**Keywords:** Cryptocurrency