



RESOLVING CRYPTO CURRENCY DEPENDENCIES

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ABSTRACT

Understanding crypto currency's behavior is a novel approach to risk assessment as it gains popularity. Utilizing data intended to account for uncommon occurrences, an investigation of price movements for the top five crypto currencies has revealed new information about their market behavior. Investors will be able to evaluate degrees of diversity and the possibility of simultaneous price drops and gains with the aid of this research. Investing requires a thorough understanding of risk. Investing in a diverse range of non-correlated assets allows investors to reduce their exposure to risk and protect themselves from future losses. This should ideally imply total independence of market pricing for diverse assets. This independence is very evident across different asset classes, like as gold vs. healthcare,

KEYWORDS: Crypto currencies, Bit coins, Block chain, e-Rupee, Digital wallets etc.

INTRODUCTION

The term "crypt currency" refers to a type of foreign currency that can be used for product purchase online keeping money offices give online security. Much of this unlawful trade goes into the account, 4,444 Bit coin exchanges some of the time recognized at the cost of the examination, a peer-to-peer framework that permits anybody to send and get installments universally, open openings for conventional business. Through block chain creation, these reserves ought not to utilize genuine cash to work, and these stores are most effectively overseen by their proprietors utilizing private keys. Indeed in the event that a individual has crypto currency, it's critical to know that they do not truly possess anything. They can moreover utilize it to charge and keep a virtual record as they now possess. In contrast to the traditional method of exchanging currency.

The Acknowledgement of Crypto Currencies

The realization of Crypto currency occurs when a block is removed from the block chain due to the creation of a longer chain. This is a disaster for the Bit coin network, especially for miners who mine the deleted block as they will lose the block reward. India is poised to take advantage of the next wave of digital transformation, using its human resources, capital and resources to great impact. All it takes is the right attitude. Indians can no longer forget the place of block chain and crypto currency as the fourth revolution.

OBJECTIVES OF THE STUDY

- To understand the concept of crypto currency,
- To study the advantages and drawbacks of crypto currency,
- To evaluate the challenges and opportunities of crypto currency

REVIEW OF LITERATURE

Chan, Q. et al.- 2021

Trading in Asia, we create ten information regarding bitcoin trades when purchasing cryptocurrency and retailing. Individuals (1) maintain inexpensive cryptocurrency investments, 2) they trade a small number of cryptocurrencies, 3) their Trading trends are extremely tightly focused, and 4) their purchasing and vending potential may be fairly brief. 5) The features of cryptocurrencies clarify how frequently they move and how long buyers hold them in their portfolios. 6) The majority of transactions take place between single marketplace, institutional investors, and investors makers are a small player in the exchange. 7) It's challenging to compare the results on a portfolio since the portfolios of purchasers are not sufficiently varied, 8) institutional purchasers, yet



never beat individual investors. 9) Individual buyers make properly buying and selling decisions; within the sense that the cryptocurrencies they purchase outperform those they sell. 10) The same isn't genuine for institutional traders.

Kishore Jain, D -2020

This article discusses how the emergence of cryptocurrency has affected all economies. Included are the advantages of using cryptocurrencies as well as the disadvantages of using traditional digital payments. Although cryptocurrency aims to transform the virtual currency industry, it also raises a number of concerns about its cost, dependability, and potential future competition with other cryptocurrencies. In this essay, I attempt to address both the economic issues that arise from the advent of cryptocurrencies as well as the straightforward queries that they raise.

One of the reasons why crypto currencies have captured the hearts, minds and wallets of many people is the innovation of block chain technology. What is exciting is that the concept of block chain and distribution can be used not only in finance but in many other businesses, needs and applications in our lives. Like coins, tokens are digital assets that can be exchanged. However, tokens are non-native assets, meaning they use another block chain's infrastructure. These include Tether hosted on the etherealblock chain, as well as others such as Chain-link, Uniswap, and Polygon.

The first crypto currency was Bit coin and is still the most widely used, valuable and popular currency today. Besides Bit coin, other crypto currencies with different levels of functionality and specifications have been created. Some are iterations of Bit coin, while others are built from the ground up. Bit coin was created in 2009 by a person or group called "Satoshi Nakamoto". As of March 2021, there are more than 18 bit coins in circulation.6 million, with a total market capitalization of approximately US\$927 billion. Competing crypto currencies based on Bit coin's success are called altcoins.

E-RUPEE

E-Rupee is a legal tender-based digital token that users can exchange through digital wallets provided by participating companies and stored on their mobile phones or devices. - Rupee as fiat currency issued by the Central Bank in digital form. The electronic exchange rate is 1 e-Rupee = 1 Rupee.

The e-Rupee should be considered as a payment instrument, a legal payment instrument, and a value market. Electronic rupees work just like paper money and coins, and if you have them, you can use them to exchange currency. You can save your e-Rupee in your bank's e-Rupee app. Digital wallets work the same as cash wallets, except that transactions are completely dateless. Some important altcoins are as follows: 1.Litecoin 2. Peercoin 3.Name coin 4.Ethereum 5.Cardana.

CHANGES IN THE CRYPTO CURRENCY MARKET

Bit coin is everywhere today and is currently number one on the list. Bit coin is an unclaimed digital currency created in January 2009 and believed to have been created by Satoshi Nakamoto. It costs less than online payments, is regulated by law and is not government owned.

ADVANTAGES FOR USERS

Just like any system in business has advantages and disadvantages, even this crypto currency has advantages and disadvantages. Let's take a look at the many benefits it offers to users.

- **Privacy:** Bit coin technology deters cyber thieves and has the ability to hide itself. You can hide yourself with this machine. Business can be defined because exchange or money has nothing to do with the real world.
- **Safer:** It is almost impossible to hack your Bit coin account. His account is securely locked in an encrypted system. Only those who have the private key can send crypto currency. The coin cannot crack the address as it is designed using cryptography and large numbers.
- **Fast and Universal:** very fast. The amendment was posted on the World Wide Web soon after its publication; The change will be confirmed within minutes. The physical location of the Host is not as important as it is for international connections. Using this technology, you can send bit coins to your relatives or friends abroad.

On second thought

It is important to understand the following disadvantages. The only downside is that all changes are irreversible. No one can cancel this contract.

The beginning is the end

#1- Bit coin

- Banks always provide security for important businesses. According to Bit coin technology, there is no safety net. If you send money to a sinner, the sinner gets his money.
- It is therefore important that you know exactly who you are sending the money to first. You should be more responsible when sending money with Bitcoin.

#2 - Ethereum

Ethereum comes in second. It is one of the most talked about crypto currencies today. After Bit coin, Ethereum becomes the world's largest crypto currency. In 2017, Ethereum increased by 500% and Bit coin by 1000%. Ethereum was founded by VitalikButerin, one of the biggest names in the industry.

#3 - Litecoin

Litecoin is an alternative to Bit coin. It was created in 2011 by Charlie Lee. It is the third crypto currency in terms of time and money after Bit coin. While Litecoin may not get the attention it deserves, what we need most is that Litecoin is faster than Bit coin and has almost no transaction fees.

#4 - Ripple

Ripple works similarly to Bitcoin or Ethereum. But you can use the bank's tools to send money in real time. The difference here is that it works with banks and allows transactions.

#5 - Dash

Dash was launched in 2014 and has become one of the biggest competitors in the master node network. Therefore, Dash can provide users with more features and a safer environment.



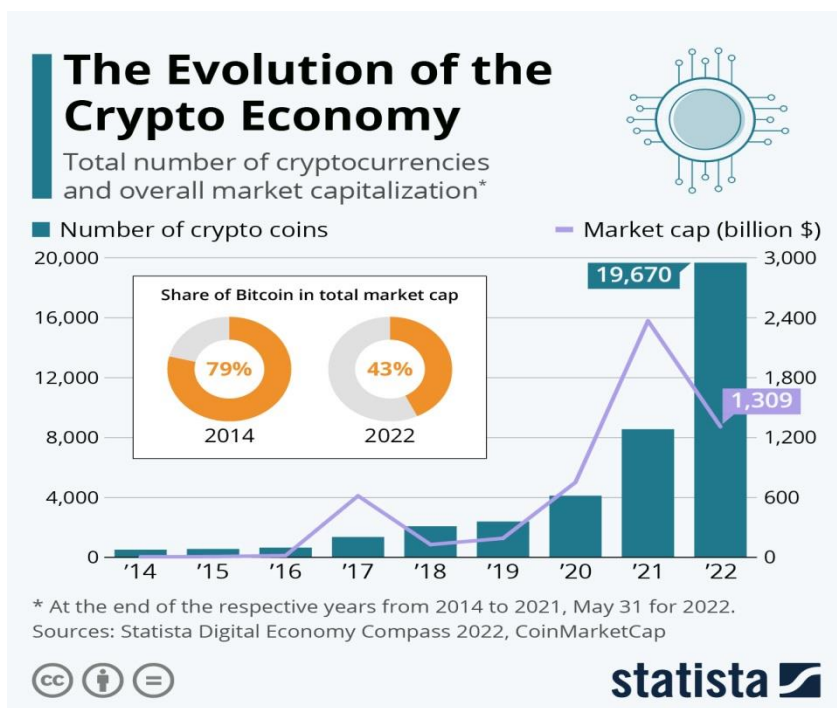
<https://www.outlookindia.com/business/latest-crypto-news-top-solana-nft-projects-get-new-homes-on-polygon-ethereum-news-248688>.

Payment via

Gateway The crypto currency payment gateway is no different from the traditional lending process when it comes to digital payments. With a crypto currency gateway, you can receive digital payments and exchange them for fiat currency instantly. Traders said that crypto currencies are not the source of market anxiety or fear. Note that a digital payment gateway is not required. You can use your wallet to receive crypto currency payments; the gateway does not require you to do any additional work to exchange crypto currencies and manage your wallet.

Additional guidelines

Bit coin is the symbol of the biggest business in the capital market. The rest of the crypto currencies follow these guidelines. In addition, the risks of international trade also affect products and profits. As a result, some experts predict that by 2023, more crypto currencies will reap some rewards than big companies.



<https://www.statista.com/chart/27561/evolution-of-the-crypto-economy>

The rise of the crypto currency market has been marked by turbulence, with both major advances and setbacks. Our info graphic takes a look at the evolution of the crypto economy over the past decade, with data from Statista's Digital Economy Compass study.

Growth has gone through the roof in recent years, rising from only a few hundred virtual currencies at the end of 2014 to nearly 20,000 at the end of May this year. This explosion, particularly seen in the past three years, can be partly attributed to the fact that creating a new cryptocurrency costs nothing and can be carried out in a few clicks. The digital assets listed by our source must, however, meet certain criteria, such as being available on an exchange platform (which helps to exclude fraudulent cases and less serious contenders).

Yet while their number is increasing almost exponentially, the same can't be said of their value. With an annualized volatility that often amounts to more than 100 percent, crypto currencies experience huge fluctuations and remain high-risk investments. After last year's boom and an all-time high of \$3 trillion reached in November 2021, market capitalization has collapsed by more than 50 percent and is currently around \$1.3 trillion. This figure is still twice as high as the value displayed at the end of 2020.

As our graph also indicates, the importance of Bitcoin, once ultra-dominant in this market, is starting to decline in the face of the rise of other digital assets such as Ethereum. Today, Bitcoin represents between 40 percent and 50 percent of the market capitalization of all cryptocurrencies, compared to around 80 percent in 2014.

MARKET TRENDS FORECASTS

1. **CoinMarketCap:** CoinMarketCap is one of the best platforms for crypto analysis. It provides real-time data on cryptocurrency prices, market capitalization, trading volume, and other relevant information. CoinMarketCap also has a news section that provides updates on the latest trends in the cryptocurrency market.
2. **Crypto Compare:** Crypto Compare is another platform that provides comprehensive information about crypto currencies and is also considered as the best crypto analysis platform. It provides real-time information on price, volume and market cap. Crypto Compare also provides analysis tools and allows users to compare different crypto currencies.
3. **Trading View:** Trading View is a platform that provides information on various financial markets, including crypto currencies. It provides real-time cost information and allows users to create custom



charts and metrics. Trading view also has a social network where users can share ideas and comments with other traders.

4. **Coin Gecko:** Coin Gecko is a platform that provides a comprehensive overview of the cryptocurrency market. It provides real-time information on prices, market cap and market volume. CoinGecko also has news that provides updates on the latest developments in the cryptocurrency market.
5. **Block folio:** Block folio is a mobile application that provides real-time information on cryptocurrency prices and market cap. It allows users to track their savings and receive notifications about price changes. Block folio also provides news and alerts on market movements.

CRYPTOCURRENCY CRITICISM

The semi-anonymous nature of bitcoin transfers makes them perfect for a number of illicit activities, including tax evasion and money laundering. Supporters of cryptocurrencies, however, also value their anonymity and point to privacy benefits like shielding dissidents or whistleblowers from repressive governments. Certain cryptocurrencies are closer knit. The cryptocurrency form is not immune to security and financial problems. In order to look at the challenges and issues that arise in this interactive phenomenon, I read through a number of research, looked into cryptocurrency networks, and even investigated a few marketplaces for bitcoin sales.

An example of an invention that has gained international traction is cryptocurrency. The RBI had previously forewarned Indians against adopting bitcoin since it is thought to be linked to money laundering and the funding of terrorism. But cryptocurrency is a contemporary

CONCLUSION

Investing in crypto currencies is not the same as investing in banking. Shares represent ownership in a business and are reported against the organization's profits. However, buying crypto currencies is betting on virtual currency, which does not change and is subject to supply and demand, as the digital currency itself is not property. Crypto currencies can be exchanged for different virtual currencies or fiat currencies. Earn money with your virtual wallet in the app business. But there are other ways to make money other than trading. Some cryptocurrencies can be "stacked" for rewards. Traders buy crypto currencies that can be deposited into accounts and used to verify transactions that take place in the block chain community.

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