

Bit Coin - Bonus or Curse

Parwinder Kaur

Assistant Professor, Department of Economics, CT University Ludhiana (Punjab), India

Abstract: *The majority of people have heard about bit coin. Bit coin is a digital virtual crypto currency which is planned to work as a medium of exchange. The system is totally decentralized, without a central administrator or any of its corresponding people. It is peer to peer network. It works without third party intervention. Bit coin can be a trouble-free way to avoid tax or snare unsuspecting small investors in ponzi schemes. It is return based as well alternative investment. The present paper aims that investment in bit coin is better or worse decision. The paper presents the growth of the bit coin in earlier stages and outlook of bit coin by using secondary data. The value of bit coin has fallen in last year. In 2017 the value of bit coin is increased but in December 2018 the value of bit coin has fallen. Due to various reasons the value of other currencies such as dollar may be fall in future. At that time bit coin is better options for investors those who have huge surplus money for investment. There is multiplicity of remuneration of investing money in bitcoin. So bit coin is healthier selection for investment in future.*

Keywords: bit coin, crypto currency, peer to peer, huge, and surplus

1. Introduction

Bit coin is a novel currency that was formed in 2009 by a mysterious person using the alias Satoshi Nakamoto. Transactions are made with no middle men – meaning, no banks. Bit coin a purely peer-to-peer version of electronic cash would allow online payments to be sent directly from one party to another without going through a financial institution. Digital signatures provide part of the solution, but the main benefits are lost if a trusted third party is still required to prevent double-spending. We propose a solution to the double-spending problem using a peer-to-peer network. The network timestamps transactions by hashing them into an ongoing chain of hash-based proof-of-work, forming a record that cannot be changed without redoing the proof-of-work. Bit coin is considered to be the first implementation of a concept referred to as crypto currency, which is a means of secure exchange of data, made possible by principles of cryptography. Peer-to-peer technology is hardly a novel invention, however, it bears mentioning that this technology is what enables the Bit coin protocol to be decentralized. On 3 January 2009, the bit coin network was created when Nakamoto mined the first block of the chain, well-known as the genesis block. Embedded in the coin base of this block was the following text: "The Times 03/Jan/2009 Chancellor on brink of second bailout for banks." This note has been interpreted as both a timestamp and a comment on the insecurity caused by fractional-reserve banking.

2. Research Methodology

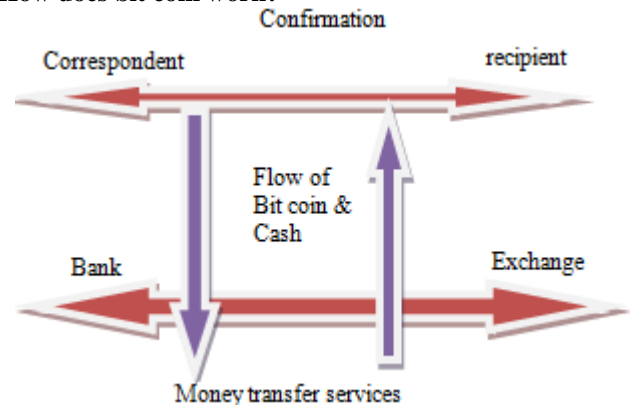
The main purpose of the study is to know about the functioning of bit coins and previous stage and prospect of investment in bit coin. The secondary data has been used for the present paper.

How to Invest in Bit coins In India,

Today buying and selling of bit coin is extremely easier as compare to earlier period. At the outset, you can create Bit coin wallet and link your bank account with your wallets for quick transfer payments. Once you've complete your bank information and it's been verified by the Bit coin service, it

should be fairly simple to start purchasing BTC and adding it to your wallet. Usually, on your wallet page, there should be a choice labeled "Buy Bit coin" or something similar — clicking this should take you through a uncomplicated transaction process that uses money from your bank account to purchase BTC. Then you can Use your BTC to buy from retailers that recognize it. A different option for seller is to use a Bit coin exchange. There is various new alternative preferences to purchase bit coins.

How does bit coin work?



Performance of bit coin in last year - plummet in bit coin rate

The rate of bit coin has fallen in last one year bit coin is digital currency therefore it is used and distributed electronically. bit coin is peer to peer network. In the month of December 2018 one bit coin had value of dollar 3585.

It has been slumping heavily since late Dec-17. The value 15,189. the evaluates of two value 76% fall in value over one year. The value of bit coin again falling down in recent days. There was bubble in prices of Bit coin in which investor are waiting for perfect moment to invest so from last week many investor was stopped investing money because of Prices are nearly touching 20K. In the year 2017 almost everyone was very optimistic about the future of bitcoin. There was consistency increase value of bit coin and therefore the investor's even term of bit coin as digital gold.

After the growth of bit coin .the block chain technology has trigger various similar innovations and inventions .it is basically public online Léger system that will allow digital information to be distributors. After the success of bit coin a variety of financial intuitions and governments looks prospective currency. They want to set up their own currency. So the performance of bit coin was fall in previous year.

Outlook of bit coin

The drift could change in the future with crypto's getting a boost when the financial system turns around. The NASDAQ is going to make Bit coins futures accessible in 2019.Gold is considered as an investment in India It is accepted investment among Indian .bit coin is another investment option. In the case of bit coin and crypto currency they do not have any patrons in the form of any central bank and financial institutions.

Another important factor is geographical conditions that can help bit coin in their way aheads.for example united state nations such as tariffs and china USA war can create uncernties in the values of currencies like euro and dollar.

There is chance of decreasing the value of dollar. Then bit coin can provide a better option for those investors who have surplus money and looking for alternative option.

Reasons of investment in Bit coin

- It is person to person system without bank
- Currently there are either no fees, or very low fees within Bit coin payments.
- Bit coins can be used in any country.
- The Account cannot be frozen
- No arbitrary confines
- There is no need of paper work in bit coin investment.
- The information is transparent with the assist of block chain.
- There is less menace for merchant.

Difficulty of investment in Bit coin

- There is lack of acquaintance and awareness regarding bit coin investment
- There is a risk that demand for bit coin will tumble and it will lead to the currency decline.
- People should be educated about bit coin to be able to apply.
- Bit coin is "unendowed" advantage which has no guarantees. It is officially non-regulated and can't be an object of court lawsuits in case you were involved in fraud by operating with Bit coins.
- There is a risk of Bit coin's artificial shutdown, made by the banking system, as banks consider Bit coin a serious competitor to money.
- There is also a probability that a government may implement certain restrictions t Bit coin movement as Bit coin is a wonderful, untraceable tool for money laundry.

3. Conclusion

Every new currency has to face a different difficulty. Though the bit coin is a huge step towards decentralized digital currency but it is not a fiat currency. Any currency in the world has government or its institutions" backing which the bit coins not have. The value of bit coins is highly volatile in nature as it has decreased from \$20000 approximately to \$ 6000 (The Guardian). The value of the bin coin had decreased in last year due to various reasons .but the future of bit coin is brighter as compare to earlier stage. Due to various reasons the value of other currencies such as dollar may be fall in future. At that time bit coin is better options for investors who have huge surplus money for investment. There are multiplicities of remuneration of investing money in bit coin. So bit coin is healthier selection for investment in future. The wild growth and recent price fluctuations associated with bit coin have investors seeking price predictions for the coming year. Investors are understandably concerned about whether bit coin will experience a crippling course correction, or continue rapid growth. It might accomplish both.

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