

INDIA LEADS THE GLOBAL CRYPTO-INDUSTRY

India will soon be the home of World's first Crypto-friendly Financial Institution¹. The partnership between India based *United Multistate Credit Co-Operative Society (United)* and UK based *Cashaa* has turned out to be the force behind this development.

History

The Reserve Bank of India had issued a circular² in April 2018 putting an end to the use of cryptocurrency in India by cutting off the relationship between crypto-exchange providers and the economic market in India³. The Supreme Court of India, however, quashed this circular vide its Judgment dated 4 March, 2020⁴ and reinstated the use of cryptocurrency in the country.

Development

Cashaa, a leading crypto-banking platform, as a part of its expansion in India, has partnered with United based in Rajasthan, India⁵, in order to transform and modernize United's existing branches in India to **Crypto Lounges**.⁶ These Lounges will be the first of its kind and aim to enable the account holders to buy and sell cryptocurrencies through a physical bank-like setup in cash or with the balance of their accounts.

United and Cashaa together will be known as **Unicas** and this partnership marks the beginning of a new era for the economy and banking trends in the country as well as on a global level. They have also planned to allow their customers to take loans against their crypto-balance⁷.

Mr. Dinesh Kukreja, the Managing Director of United, will also be the CEO of Unicas. Mr. Dinesh stated that Unicas will be beneficial for India's fintech and crypto industry and that the combination of United's experience with traditional finance and Cashaa's with International Banking will truly transform the industry.⁸

Around 22 branches of United will be transformed in the initial phase and the venture aims to expand over 100 physical branches by 2021 enabling the market to grow exponentially in this emerging trend of fintech.⁹ It will not only aim to revolutionize the economy but also create employment opportunities and bring awareness in the field.¹⁰

¹ <https://www.indianweb2.com/2020/10/rajasthan-based-united-ties-with-cashaa.html>

² <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11243>

³ <https://www.lexology.com/library/detail.aspx?g=4a53e4ff-f225-44ce-a5cf-0b7fea348d08#:~:text=The%20Supreme%20Court%20of%20India,banks%20regulated%20by%20the%20RBI.>

⁴ https://main.sci.gov.in/supremecourt/2018/19230/19230_2018_4_1501_21151_Judgement_04-Mar-2020.pdf

⁵ <http://www.theunitedcredit.com/>

⁶ <https://news.bitcoin.com/indian-bank-crypto-banking-services-buy-bitcoin/>

⁷ ibid

⁸ <https://medium.com/cashaa/worlds-first-crypto-friendly-branches-in-india-4df0bf56e918>

⁹ ibid

¹⁰ ibid

It will be exciting to see the future of this venture in the Indian economic setup with the existing legislations that are insufficient and inept in handling the intersection of banking, technology and privacy issues all at once.¹¹

¹¹ This article was originally written on December 8, 2020.