Blockchain technology in India

What is the issue?

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In India high-level committee deliberations are said to be in support of encouraging the use of block chain technology.

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What is Blockchain?

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- Blockchain is the basis of bitcoins, it is a digital public ledger that records every transaction.
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- Once a transaction is entered in the blockchain, it cannot be erased or modified.
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- Blockchain removes the need for using a trusted third party such as a bank to make a transaction by directly connecting the customers and suppliers.
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- Each transaction is recorded to the ledger after verification by the network participants, mainly a chain of computers, called nodes.
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What is the status of blockchain technology in India?

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- In India Financial players are the first movers to capitalise on this technology.
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- It is witnessing a lot of traction within India, in sectors such as banking and insurance.
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- In most of these industries, players are coming together to form a consortium to realise the benefits of blockchain at an industry level.

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- The Institute for Development and Research in Banking Technology (IDRBT), an arm of the Reserve Bank of India (RBI), is developing a model platform for this technology.
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What are the avenues of block chain?

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- Bitcoin is just one of the applications for the technology, whose use is being tested across industries.
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- It is an advantage, when there is a lot of data that is shared across multiple parties with no trust mechanism among the participants.
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- Non-financial players like retail, travel, health care, telecom and public sector industries are also working on this technology.
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Source: The Hindu

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