

BITCOIN FRAUD: DELHI COURT ORDERS POLICE TO REGISTER FIR ON FRAUD ALLEGATIONS BY BITCOIN SELLER



Delhi Court ordered Moti Nagar Police to lodge an FIR on the complaint of a Bitcoin Seller after bank accounts in which the money was transferred by the accused for the purchase of Bitcoins were frozen and the transactions were marked illegal (Hitesh Bhatia vs. Mr. Kumar Vivekanand).

Metropolitan Magistrate Abhinav Pandey ordered to investigate the complaint by the person dealing in the purchase and sale of Bitcoins through an online portal “Binance”.

The Court gave the opinion that there is a need for an investigation for the alleged fraud committed by the accused or whether there was any fault at the seller's end and as well as an intermediary through which the Bitcoin sales were done.

The Judge noted that while cryptocurrency has not been prohibited in India as of today, such online currency transactions would still have to comply with general laws such as "PMLA, IPC, FERA, NDPS Act, Tax laws, and RBI regulations regarding KYC (know your customer), CFT (Combating of funding of terrorism) and AML (Anti-money laundering requirements)."