

## An Overview Of The Various Opinions And Objections To Virtual Currency

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### Abstract:

Humans have needed currency in different forms (gold, silver, metal, paper, paperless, etc.) in different eras to meet life's needs, and currency has been significant in every era. The role of currency has varied in different eras. Currently, virtual currency is a major challenge for economic and regulatory affairs, as decentralized virtual currency. The new form of virtual currency has caused serious financial losses to the public and governments. Researchers, authors, economists, and Shariah scholars are still not declaring "virtual currency" as a currency legitimate, rather they attach it with some strict conditions. Acceptance of virtual currency in the economic world has various forms, such as property, as currency, legally permitted mining, etc. The virtual currency has been accepted as a property or asset by various countries, but the virtual currency has not been accepted as currency. There are only two countries that have accepted virtual currency as legal tender (currency). International financial institutions, such as IMF, World Bank, FATF, etc., still call virtual currency harmful to the public and advise the public to avoid it. Below is an overview of their objections. has been done.

Objections to virtual currency are divided into three parts. These objections are of an exceptional nature which cannot be ignored.

1-Objections to Sharia status. 2- Legal objections. 3-Problems of practical difficulties.

There are several Shariah prohibitions, in terms of creating virtual currency and using it as a medium of exchange.

No government permission, virtual currency has no personal value, virtual currency includes an element of uncertainty, virtual currency is valued in dollars. It is associated with and varies from country to country on the value of the dollar, the holder of virtual currency will take it and sell it where the price is good, there is an element of gambling in it, virtual currency does not have the status of an alias. The number of people using it as a tool of exchange is 3 to 5%.

There are also disadvantages to using virtual currency as property. Virtual currency is an immaterial asset like video, naat, recitation, film, etc. but the nature of virtual currency is different. Virtual currency as property does not fulfill Shariah rules and regulations.

**Keywords:** virtual currency, disadvantages, property, economic, cryptocurrency, exchanges

### Introduction

Nowadays, human beings are progressing in different directions, and are engaged in making their lives easy and comfortable, and at the same time, based on their intellect and understanding, they are also trying to make their lives easier and more comfortable. Remove all pain from life. This thought and worry have overcome him so much that gradually he is unable to even think about which inventions can be beneficial and which can be harmful for him.

Some inventions are truly enviable and have saved human lives, including agriculture, transportation, and especially the medical field, and some inventions are those whose negative use is causing irreparable damage to society, and this list still goes on. For example, lethal weapons, atomic bombs, hydrogen bombs, etc. are included.

One of the most dangerous and harmful inventions that appeared in the economic sphere in the 21st century is "virtual currency".

Currency is directly related to every human being, and almost every human need is related to food, clothing, living, dying, etc., but currency also plays an important role in the development and decline of nations. Currency is divided into three periods. The first period is the individual existential status of the currency, the second period is the central currency, and the third period is the individual non-existent non-sensual currency.

**First Period:** Individual Existence Currency: In this period everything was used as currency, this period was very beneficial for the common people, people were making great economic progress. Getting daily needs were not dependent on currency or coins. They could get anything in exchange for commodities.

**Second period:** The central development system was introduced by controlling individual economic development. Coins and currency notes were issued instead of commodity exchange, and the entire system of currency issuance was left to governments. Government banks came into existence and the pace of public development began to slow down and the capitalists became richer and richer.

**Third period:** In this period, which has been around 15 years since its introduction, the currency is trying to be implemented with the concept of complete independence and decentralization, this currency is called virtual currency. The use of deadly weapons is in a few hands, perhaps its harm can be avoided, but the use and control of virtual currency is not in the hands of anyone, it is gradually becoming difficult to avoid and control it. Currently, there are more than 2100 virtual currencies in the market. According to global statistics, 14 trillion frauds has been done to the public in just 15 years, and it is still going on.

While there is an element of fraud, there is also an element of gambling and speculation. There is also economic exploitation of the public. Virtual currency has no personal value, it is pegged to the dollar. The consumer will sell it in the country where he gets a good dollar rate.

There is no economic process behind the creation of virtual currency. It is created by solving hidden mathematical expressions in the computer. When virtual currency is converted into paper currency and used, irreparable inflationary losses occur, as paper currency is not printed by virtual currency. Regarding virtual currency, religious, economic, and economic circles have different opinions.

#### **Opinions of Shariah Experts on Virtual Currency:**

##### **1.1 Mufti Muhammad Shoaib Khan Sahib. (Bangalore)**

"My opinion is with Darul Uloom Deoband, India, and Bitcoin and virtual currency. Are not allowed".<sup>(1)</sup>

##### **1.2 Dr. Mubasher Hussain Rahman (Rick Institute of Technology, Ireland)**

"Virtual currency is not a currency, subject to justification and government permission, but digital assets are recognized as property in some cases."<sup>(2)</sup>

##### **1.3 Mufti Faraz Adam (England).**

"Virtual itself is permissible, but its business is not permissible due to some additional reasons. Moreover, it is an asset or money, but business is not permissible due to the purposes of Shariah or losses.<sup>(1)</sup> Later, Mufti Faraz Adam Sahib issued Shariah certificates to various crypto exchanges, indicating that he had changed his mind that using virtual currency is permissible.

##### **1.4 Mufti Muhammad Abu Bakr (Malaysia):**

"Bitcoin is permissible with conditions.

**1.5 Mufti Abdul Qayyum Hazarvi.** thinks that it is legally permissible in countries where it is legally permissible. Germany has recognized Bitcoin as a legal currency, so it is legal in Germany. As an 'Islamic currency', various individuals and merchants have accepted Bitcoin as a transaction in their transactions while it can be considered as an Islamic traditional currency.<sup>(2)</sup>

##### **1.6 Asim Al Hakeem (Saudi Arabia):**

Cryptocurrency is forbidden in Islam, as it is opaque and facilitates money laundering and other activities. Among other objections against cryptocurrency are fictitiousness, and its non-issuance by the state. Likewise, the legitimacy of any cryptocurrency is based on consensus among the participants of a particular network, and no sovereign country or government guarantees that its value is stable and fictitious. Bitcoin, Bitcoin Cash, Ripple, Ethereum, Zee Cash, Litecoin, Monero, and Dash are some of the more popular and widely used cryptocurrencies. However, there is no agreement among Muslim scholars regarding the legality of cryptocurrency due to the divergent views of Islamic law, and many Muslims consider it un-Islamic.<sup>(3)</sup>

##### **1.7 Mufti Ibrahim Desai (Durban, South Africa):**

If the virtual currency becomes a common name, it will be declared legitimate.<sup>(4)</sup>

##### **1.8 Dr Abdullah Al Aqeel:**

Bitcoin and Rochelle Currency are reviewed, and the decision of the Shariah Council of Malaysia is the same in that it is permissible.<sup>(5)</sup>

##### **1.9 Mufti Owais Pracha. Karachi, Pakistan**

Crypto-currency is blockchain-based, there is nothing extra illegal in it, and if it is not banned by the government for any expediency, then its transaction is legal". Looking at schemes (scams) like Bitcoin and One Coin, I have come to the opinion

that it is permissible in countries where it is not prohibited by law. If it is prohibited by law, whether the expediency is apparent or not, it is illegal. The use will also not be permissible".

Mufti Sahib is not a definite fatwa and investment advice for its legality. It is a very careful and patient business and not for everyone. The damage is also very high. Even if the lawyer says it is right, do the work thoughtfully. <sup>(6)</sup>

### **Obtaining Shariah Opinions:**

The first conclusion of these opinions can be drawn is that virtual currencies in current and prevailing form are not legal as currency, because there is no legal way of using them and if the currency is cheated or stolen from the user. The user has no legal protection whatsoever. However, if their situation changes, then the order will be valid according to it.

Another conclusion can be drawn that Shariah experts consider it permissible to use virtual currency as property.

## **2. A review of the views of economists and global economic institutions on virtual currency:**

### **2.1 Mark Carney's Analysis of Virtual Currency.**

Mark Carney was the Governor of the Bank of Canada from 2008 to 2013 and then the Governor of the Bank of England from 2013 to 2018. Mark Carney is known as the best global economist who received his PhD from the University of Oxford in 1995. He was also awarded Canada's second highest government honor, the Order of Canada, for his leadership in the development of monetary policy in Canada and around the world. Also, he was awarded the honorary degree of Doctor of Law i.e., LL. D by the University of Manitoba, Canada in 2013, the University of Alberta, Canada in 2016, and the University of Toronto, Canada in 2018.

Mark Carney, in his speech titled "The Future of Money" at the Scottish Economics Conference Edinburgh University, United Kingdom in March 2018, said in very clear words that "Cryptocurrency is pretty much a lottery" that is, in simple words, cryptocurrency gambling. Qamar is the form of Masar meaning Gambling. <sup>(7)</sup>

### **2.2 European Union:**

The first opinion of the European Union. The European Union EU, which is a group of 27 countries including France, Germany, Italy, Spain, Sweden, Denmark, Finland, Ireland, Poland and other countries, their financial regulatory bodies, EU Financial Regulators, has recently declared crypto assets (Cryptocurrencies, etc.) as speculation.

They are calling it volatile, and highly speculative and are warning more than 44 million people across Europe at the official level to avoid investing, trading, and buying cryptocurrency as much as possible. <sup>(8)</sup>

The second opinion of the European Union. Recently, European countries have decided to make laws related to this.

### **2.3 Monitoring Desk: EU Member States Order to Enact Crypto Laws**

After the rules were approved at a meeting of EU finance ministers in Brussels, the draft was sent to the EU Parliament, where the rules are likely to come into force in 2024 after approval.

Sweden's Minister of Finance "Elizabeth Swantison" said that after the bankruptcy of the crypto exchange firm "F, T, X" there is an urgent need to set rules and regulations for crypto, so that cryptocurrency money laundering, terror financing, and any misuse should also be prevented.

According to the new cryptocurrency rules, to get a license from the 27-nation block of the European Union, firms issuing cryptocurrencies will have to tokenize assets and stabilize value while providing security for crypto assets and trading.

The finance ministers meeting also agreed on a proposal to prevent and trace the easy transactions of crypto assets for tax evasion and money laundering, under new rules from January 2026 for service providers to keep the names of crypto asset senders and receivers safe. Will be bound. The new rules also clarify the cooperation mechanism of the EU member states with each other, that the member states will be obliged to cooperate on the transaction, taxation, and exchange of crypto assets. <sup>(9)</sup>

### **2.4 Central Bank of Ireland:**

The Central Bank of Ireland has also declared cryptocurrency as speculation and has launched an awareness campaign for the public to avoid buying, selling, and trading in crypto.

"The Central Bank has today (22 March 2022) issued a fresh warning on the risk of investing in crypto assets, as part of a European-wide campaign by the European Supervisory Authorities.

The Central Bank again emphasized that crypto assets are hazardous and speculative and may not be suitable for retail customers. In particular, people must be alert to the risks of misleading advertisements, particularly on social media, where influencers are being paid to advertise crypto assets." <sup>(10)</sup>

**2.5 Economic and Financial Affairs Committee of the European Union.** The Committee on Economic and Financial Affairs of the European Union, which consisted of the world's top global economists, submitted its report to the European Parliament in November 2019 after a lot of scientific research, according to global economic experts, cryptocurrencies, currencies do not meet the basic characteristics of

These cryptocurrencies are not being used as a medium of exchange and cannot be used, nor can cryptocurrencies be used as a unit of account. <sup>(11)</sup>

According to another scientific study, about two to five percent of people used Bitcoin to buy things and commodities, while

ninety-five percent of people used it as an investment. <sup>(12)</sup>

### **3. Legal Status of Crypto or Virtual Currency in Different Countries:**

As the world has adopted or accepted crypto or real currency in their country, there is serious hesitation as to what status to give it. currency, asset, barter, legal, trade. In countries that have not accepted it, it has two statuses, controversial and illegal.

#### **3.1 Cryptocurrency Status in Saudi Arabia:**

In Saudi Arabia and the United Arab Emirates, the central bank warned its citizens of the dangers of cryptocurrency but did not ban it. Its status in Saudi Arabia is controversial.

#### **3.2 Legal Status of Virtual or Cryptocurrency in Pakistan:**

According to the Federal Investigation Agency (FIA) of Pakistan, about 37,000 Pakistanis have been victims of a \$100 million (roughly eighteen billion rupees) cryptocurrency scam. Fakes like MCX, HFC, HT Focus, FX Copy, OK Money, BB001, AVG 86C, BX66, 91FP, UG, and Task Tok associated with 'K wallets' Used apps.

State Bank of Pakistan on 12 January 2022, Wednesday. Recommends banning cryptocurrency. The bank argues that allowing it will shift capital abroad.

Following the recommendations of a committee formed by the Sindh High Court, the above recommendations have come out from the State Bank. The committee also called for a "total ban" on cryptocurrencies. The recommendations come as court proceedings continue to hear a constitutional petition to be filed in 2019. The petition seeks the withdrawal of the central bank's 2018 directive barring banks and payment system operators from processing and investing in virtual currencies. <sup>(13)</sup> Its status is illegal in Pakistan.

#### **3.3 India:**

The Parliament of India announced on Tuesday, Nov 23, 2021, that a bill will be introduced to ban the use of cryptocurrencies and create a framework for central bank digital currency. According to the Indian organization "AFP", India A proposed bill will be introduced in the House of Representatives Lok Sabha to ban the private use of cryptocurrency. <sup>(14)</sup> Its status is illegal in India.

#### **3.4 Cryptocurrency Legality in China:**

The Central Bank of China has declared all cryptocurrency transactions illegal on September 24, 2021. According to a statement on the website of the People's Bank of China, business activities related to virtual currency will be considered illegal financial activities. China will ban all financial institutions, payment companies, and internet platforms that trade cryptocurrencies.

China's central bank will also target foreign exchanges, which offer virtual currency services to Chinese citizens over the Internet, as this has also been outlawed under the new rules, the Chinese bank said in a statement. Cryptocurrency trading affects economic and financial affairs, while promoting illegal and criminal activities such as gambling, illegal fund raising, fraud and money laundering, according to the statement, thereby protecting people's property. <sup>(15)</sup> Its status is illegal in China.

#### **3.5 Cryptocurrency Legality in Iran:**

Iran accounts for 4.5 percent of the total global bitcoin mining. Iran has imposed a four-month ban on mining of bitcoin and other cryptocurrencies due to unexpected power outages in cities. That cryptocurrency mining, 85 percent of which is done illegally, is drawing two gigawatts of electricity from the grid every day. Iran accounts for 4.5% of the world's total Bitcoin mining. Bitcoin works on the principle of the blockchain, which is a digital ledger or account of transactions. The job of miners is to verify transactions in bitcoins in exchange for which they receive bitcoins. It takes a lot of computing energy which requires a lot of electricity.

The Iranian government legalized cryptocurrency mining in 2019 and has since introduced a licensing process that requires miners to register themselves, consumers to pay higher electricity costs, and you to sell your mined bitcoins to the Central Bank of Iran. Its status in Iran is controversial. <sup>(16)</sup>

#### **3.6 El Salvador:**

Despite the opposition of the IMF, El Salvador declared it as legal tender on September 7, 2021<sup>(17)</sup>. The move was criticized by many economists, including the International Monetary Fund (IMF), who said it would increase financial instability. Its status in El Salvador is Legal Tender.

#### **3.7 Ukraine:**

In February 2022, the government of Ukraine also recognized Bitcoin as legal but did not give it the status of legal tender. <sup>(18)</sup>

#### **3.8 Legal Status of Virtual Currency in Turkey:**

Virtual currencies have been declared un-Islamic by the Directorate of Religious Affairs in Turkey because they have a fictitious value and can be used in illegal activities such as money laundering and are not subject to state audit and supervision. Its status is illegal in Turkey.

#### **3.9 Cryptocurrency Legality in Egypt:**

Major scholars in Egypt have banned cryptocurrencies and say that cryptocurrencies are like gambling and can facilitate money laundering and illicit activities. They said that cryptocurrencies also weaken the state. Because the 'sole right' to 'issue currency'

belongs only to the monetary institutions which are the most important part of the state. Cryptocurrency status is illegal in Egypt.

### **3.10 Cryptocurrency Legality in Russia:**

Bitcoin mining in Russia is very stable. However, the restrictions could affect coin miners who are connected to the traditional financial system to convert crypto into cash. The countries USA, Kazakhstan, and Russia are at the top. According to the Cambridge Center for Alternative Finance, Russia accounts for 11% of the bitcoin hash rate mined worldwide. Crypto or virtual currency status is legal in Russia.

### **3.11 Legality of Cryptocurrencies in Kazakhstan:**

Currently, Kazakhstan's share of the global cryptocurrency mining network is about 18%. Crypto mining in Kazakhstan became popular in 2019. There were two reasons for this, one is cheap electricity, and the other is soft government policies. Crypto or virtual currency is legal in Kazakhstan.

### **3.12 Cryptocurrency Legality in the Central African Republic (CAR):**

The Central African Republic (CAR) has become the second country in the world to adopt Bitcoin as its legal currency. A close ally of Russia, the country is one of the poorest countries in the world despite being rich in diamonds, gold, and uranium. The CAR has been in the grip of armed conflict for decades, and fighters from the Russian paramilitary organization Wagner Group are also helping the government fight against the rebels. A statement from the presidential palace said that the country's Parliament has unanimously approved the declaration of Bitcoin as legal tender.

### **3.13 Cryptocurrency Status in Japan:**

Japan accepted it as tender only in March 2014, and later as legal tender on 1 April 2017. Below is a brief overview of various countries regarding the legality of virtual currency.

## **4. Countries Legalizing Crypto or Virtual Currency:**

Among them, Chile, Croatia, Denmark, Iceland, Luxembourg, Philippines, Poland, Slovenia, South Africa, Spain, USA, Belarus, Czech Republic, Thailand, etc. Remember, in these countries, they do not have the status of legal tender, that is, they do not have the status of a separate currency.

**5 A person who illegally lends crypto or virtual currency:** Includes Namibia, Bangladesh, Bolivia, Ecuador, Algeria, Kyrgyzstan, Vietnam, Nepal, etc.

**6 Asset Liabilities to Crypto or Virtual Currency:** Brazil, Finland, Israel, Morocco, Switzerland, Norway, etc. are included.

**7. Countries with the controversial status of crypto or virtual currency:** Nigeria, South Korea, Albania, Argentina, Australia, Belgium, Colombia, Cyprus, France, Greece, Hong Kong, Hungary, Indonesia, Ireland, Jordan, Portugal, and a long list of countries where this is controversial. Remember that only two countries in the world (Japan, and Central Africa) where crypto or virtual currency has legal tender status.

## **8. Objections to virtual currency and their overview:**

The problem of virtual currency is very advanced, and it belongs to such a field of computer that even ordinary computer users cannot penetrate it. To get to the bottom of it, the researcher must know the basics on which computers work. Also, he/she should have basic and essential knowledge of computer programming, hashing, and tools used for the same as well as detailed knowledge of how blockchain and virtual currency work. Although it is not difficult to get this knowledge since it is a completely different field, different opinions and objections of researchers have come out on these currencies. These objections can be divided into three categories.

1. Objections to Shariah status
2. Objections of a legal nature
3. Objections related to practical difficulties.

### **Shariah Objections to Virtual Currency:**

#### **8.1 Virtual currency is extinct, and buying and selling extinct:**

Virtual currency does not exist. It's a fictitious number that blockchain software creates when a miner outdoes others in solving an unknown complex math problem. That is, virtual currency users don't already own, mining. In a process that first solves the math problem, a few digits appear in the user's account through the blockchain software. Apart from this process, there is no way for these digits to appear. And it is not a physical existence.

A sale of something that does not exist is void. A sale in which something is bought and sold that is not valuable in the eyes of Shariat. Or such a thing should be paid at a price that is not valuable in the eyes of Shariat.

It is not permissible to sell the property which is not established. It means selling something that is not real.

"Mutaquvm" (موقوف) has two meanings:

One is the Shari'i Mutaquvm and the other is the Arfi' Mutaquvm. Mutaquvm-e-Sharia means that the Sharia has made it permissible to take advantage of this thing. And Mutaquvm-e-Urafi means "Mal-e-Moharz" means the wealth that is safe and easily accessible. Virtual currency does not exist.

#### **The existence of virtual currency is immaterial:**

The existence of cryptocurrency is intangible. However, some reasons are presented for its sensory existence.

1-All information stored in a computer is in the form of 0's and 1's.

2 -0 and 1 store information on electric charge.

3 -In a computer, this feature is caused by electricity.

4-Virtual currency is also stored in the same cases and on different devices.

5-Virtual currency can only be viewed by connecting different devices.

To prove these arguments, the battery and the electricity inside it have been presented as an example. If the different devices of the battery are separated, they cannot benefit from the electricity.<sup>(19)</sup>

A careful examination of these statements reveals that, in computers, 0 and 1 are used to represent information, which are electrical signals. There is no truth to them. According to the Cambridge Dictionary.

“Recording or storing information as a series of the numbers 1 and 0 to show that a signal. Present or absent using or relating to digital signals and computer technology. Using or relating to computers and the internet.”<sup>(20)</sup>

Merriam Webster Dictionary

"Being on or simulated on a computer or computer network".<sup>(21)</sup>Collins Dictionary

“Virtual objects and activities are generated by a computer to simulate real objects and activities.”<sup>(22)</sup>

It is clear from these definitions that "virtual" or "digital" is used for objects that are non-sensory and do not exist physically.

Now, the analogy with electricity is reasonable because electricity exists physically, it is not conceptual or imaginary. It is not correct to consider an imaginal or immaterial object as currency.

#### **Suspension of execution of sale on mining process:**

The contract to sell the virtual currency depends on the miner's mining.

In virtual currency, unless there is mining, currency will not be created. There is a lot of gambling and cheating in solving the math puzzle and because of cheating the marriage becomes invalid.

#### **Absence of government capitulation:**

Due to the lack of government backing behind virtual currencies, they cannot be considered legitimate currencies. Issuing currency in any country is the job of the government, and for this, each country should have a regular state bank. It deals with currency matters. Therefore, the use of currency which is issued without the permission of the government is not legally permissible.

#### **The virtual currency has no intrinsic value:**

The value of any country's currency is related to two things, the value of the country's economic market, and the second is the supply and demand of the currency. The value of virtual currency is determined by dollars, supply and demand, and the price and demand of Docker is different in each country, the element of gambling prevails, because in the country where the value of the dollar is higher, the user will sell the virtual currency there. Will

#### **Speculation Gambling:**

Speculation refers to the case in which neither the seller nor the buyer has the intention of actually occupying the seller, but in it, profit is made by equalizing the price difference. There are two defects in the speculation. Firstly, it involves the Beyah of a non-Mamluk, and secondly, it involves the pre-arrest of the Beyah, so there is a prohibition of Sita within the Shariat-i-Mutahira.<sup>(23)</sup>

After understanding the definition of betting and gambling, it should be clear that global economists and scientists around the world agree that (cryptocurrency), which is a type of virtual currency, is the ultimate gambling, gambling, or gambling. And counting in betting, and its impact on the economy and economy is mentioned now.

#### **Virtual currency as property:**

However, the value of digital assets is there and their purchase and sale are also valid to some extent, such as (speeches, naats, recitations, memes, etc.), however, whether or not it is acceptable as property, is more on this. Research is needed.

## 8.2 Objections of a legal nature

### Virtual currencies cause illegal financial transactions:

Many illicit and illegal transactions are carried out through virtual currencies, including the possibility of financial support for illegal activities through mining. In what illicit affairs has it been used?

### Use of Virtual Currencies in Money Laundering:

Virtual currencies are used for "money laundering and tax avoidance. There are a few countries in the world that have legalized it to be brought into the tax net to collect tax on the use of local energy, but user identification in the blockchain is a difficult process, so there are serious difficulties in the laws. For which reason it will be correct to say that it is not permissible for expediency.

### Virtual Currency and Tax Net:

Virtual currency also does not fall into the global tax net, i.e. it is subject to tax laws in a few countries, but global tax laws do not apply to it.

## 8.3 Objections related to practical difficulties:

### Virtual currency is limited to a certain class of society:

Virtual currency is used in a specific class, shops, and countries. Not everyone in society has access to it. Important electrical equipment and complex systems are beyond the understanding and use of the common man.

### The difference in reward to the miner is possible:

In the process of mining, the miner is not guaranteed to get a reward. That is, multiple people are solving a puzzle, consuming user and country energy, but only the miner who solves the puzzle first and the blockchain will verify it will get the reward (currency). Whether the miner deserves the coin or not, thus there is a difference.

### The price of virtual currency keeps changing:

The value of virtual currencies fluctuates widely.

Virtual is used in a staggered manner, which increases demand and increases the price due to demand and lowers the price when demand decreases. This has the potential to cause serious harm to consumers.

### Virtual currency can be hacked:

The nature of virtual currencies is such that there is no government behind them, and no government protects them. In the event of their breach, the consumer does not have any legal protection. Virtual currency is often attacked by hackers. After the hack, no legal action can be taken against the hackers because there are no laws.

### It is impossible to use virtual currency in case of forgetting the "Safety:"

If a user forgets the private "key" of the virtual currency, he can't use it under any circumstances. And no one can be held responsible for it. There is no system behind it so it cannot be recovered.

### Refunds are impossible when sending virtual currency to an incorrect address:

If the virtual currency is sent to the wrong address, it is not possible to get it back because there is no intermediary to cancel the transaction. cannot be.

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