

# CS61065: Theory and Applications of Blockchain

## Basic Crypto Primitives - II

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# What We have Looked Into

- **Cryptographically Secured Hash Function**

- Collision Free
- Information Hiding
- Puzzle Friendly

- **Hash Pointers and Data Structures**

- Hashchain
- Hash Tree – Merkle Tree

# Digital Signature

- A **digital code**, which can be included with an electronically transmitted document to verify
  - The content of the document is authenticated
  - The identity of the sender
  - Prevent *non-repudiation* – sender will not be able to deny about the origin of the document

# Purpose of Digital Signature

- Only the **signing authority** can sign a document, but everyone can verify the signature
- Signature is **associated with** the particular document
  - Signature of one document cannot be transferred to another document



# Public Key Cryptography

- Also known as **asymmetrical cryptography** or **asymmetric key cryptography**
- **Key:** A parameter that determines the functional output of a cryptography algorithm
  - **Encryption:** The key is used to convert a plain-text to a cypher-text;  $M' = E(M, k)$
  - **Decryption:** The key is used to convert the cypher-text to the original plain text;  $M = D(M', k)$

# Public Key Cryptography

- Properties of a cryptographic key (you need to prevent it from being guessed)
  - Generate the key truly randomly so that the attacker cannot guess it
  - The key should be of sufficient length – increasing the length makes the key difficult to guess
  - The key should contain sufficient entropy, all the bits in the key should be equally random

# Public Key Cryptography

- Two keys are used
  - **Private key:** Only Alice has her private key
  - **Public key:** “Public” to everyone – everyone knows Alice’s public key



Encrypt the  
message with  
Bob's public key

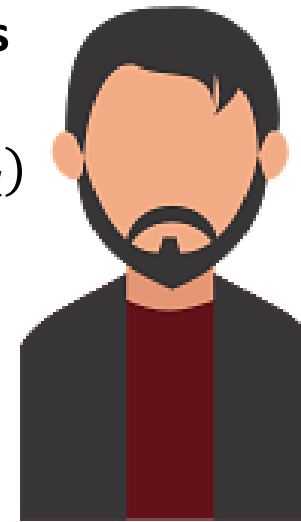
$$M' = E(M, K_{pub}^B)$$



$M'$

Decrypt the  
message with his  
private key

$$M = E(M', K_{pri}^B)$$



# Public Key Encryption - RSA

- Named over (Ron) Rivest – (Adi) Shamir – (Leonard) Adleman – inventors of the public key cryptosystem
- The encryption key is public and decryption key is kept secret (private key)
  - Anyone can encrypt the data
  - Only the intended receiver can decrypt the data



# RSA Algorithm

- Four phases
  - Key generation
  - Key distribution
  - Encryption
  - Decryption

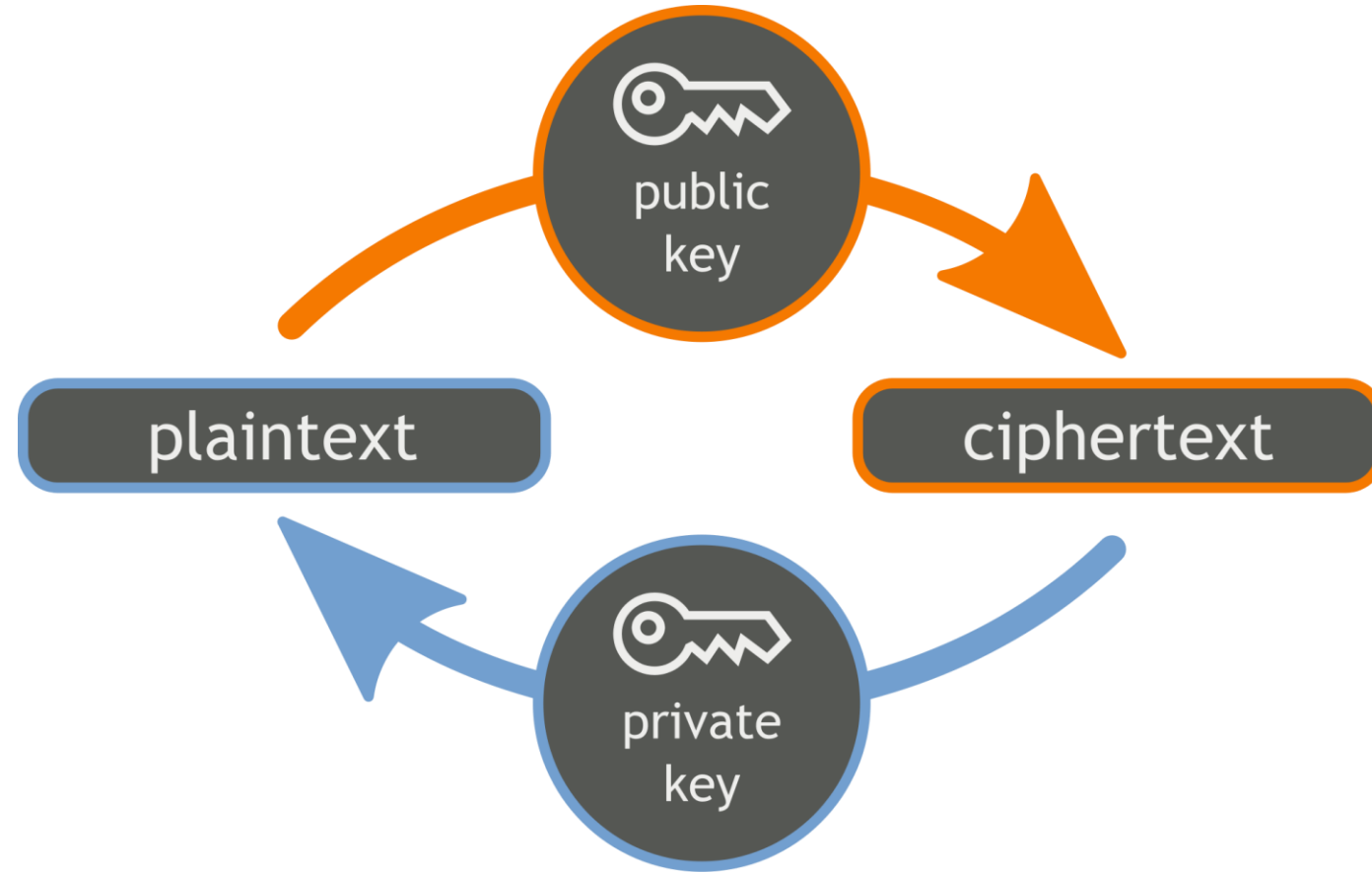


Image source:

<https://commons.wikimedia.org/>

# Public and Private Keys in RSA

- It is feasible to find **three very large positive integers**  $e$ ,  $d$  and  $n$ ; such that *modular exponentiation* for integers  $m$  ( $0 \leq m < n$ ):

$$(m^e)^d \equiv m \pmod{n}$$

- Even if you know  $e$ ,  $n$  and  $m$ ; it is extremely difficult to find  $d$
- Note that

$$(m^e)^d \equiv m \pmod{n} = (m^d)^e \equiv m \pmod{n}$$

- $(e, n)$  is used as the public key and  $(d, n)$  is used as the private key.  $m$  is the message that needs to be encrypted.

# RSA Key Generation and Distribution

- Chose two distinct prime integer numbers  $p$  and  $q$ 
  - $p$  and  $q$  should be chosen at random to ensure tight security
- Compute  $n = pq$ ;  $n$  is used as the modulus, the length of  $n$  is called the key length
- Compute  $\phi(n) = (p - 1)(q - 1)$  – *Euler totient function*
- Choose an integer  $e$  such that  $1 < e < \phi(n)$  and  $\gcd(e, \phi(n)) = 1$ ;  $e$  and  $\phi(n)$  are co-prime
- Determine  $d = e^{-1}(\text{mod } \phi(n))$  :  $d$  is the *modular multiplicative inverse* of  $e(\text{mod } \phi(n))$  [Note  $d \cdot e = 1(\text{mod } \phi(n))$ ]

# RSA Encryption and Decryption

- Let  $m$  be the integer representation of a message  $M$ .
- **Encryption with public key  $(e, n)$**   
$$c \equiv m^e \pmod{n}$$
- **Decryption with private key  $(d, n)$**   
$$m \equiv c^d \pmod{n} \equiv (m^e)^d \pmod{n}$$

# RSA Encryption and Decryption - Example

## Key Selection

- Select 2 prime numbers:  $p=17$ ,  $q=11$
- Calculate  $n=pq=17\times 11=187$
- Calculate  $\phi(n)=(p-1)(q-1)=16\times 10=160$
- Select  $e$  such that  $e$  is relatively prime to  $\phi(n)=160$  and less than  $\phi(n)$ ; Let  $e=7$
- Determine  $d$  such that  $d.e \equiv 1 \pmod{160}$  and  $d<160$ ; Can determine  $d = 23$  since  $23\times 7 = 161 = 1\times 160 + 1$

## Encryption of Plaintext $M = 88$

- $C=88^7 \pmod{187}$
- $= [(88^4 \pmod{187}) \times (88^2 \pmod{187}) \times (88^1 \pmod{187})] \pmod{187} = (88 \times 77 \times 132) \pmod{187} = 11$

## Decryption of Ciphertext $C = 11$

- $M=11^{23} \pmod{187}$
- $= [(11^1 \pmod{187}) \times (11^2 \pmod{187}) \times (11^4 \pmod{187}) \times (11^8 \pmod{187}) \times (11^8 \pmod{187})] \pmod{187}$
- $= (11 \times 121 \times 55 \times 33 \times 33) \pmod{187} = (79720245) \pmod{187} = 88$

# RSA Encryption and Decryption - Demo

- <https://www.devglan.com/online-tools/rsa-encryption-decryption>

# Digital Signature using Public Key Cryptography

- **Sign the message using the Private key**
  - Only Alice can know her private key
- **Verify the signature using the Public key**
  - Everyone has Alice's public key and they can verify the signature



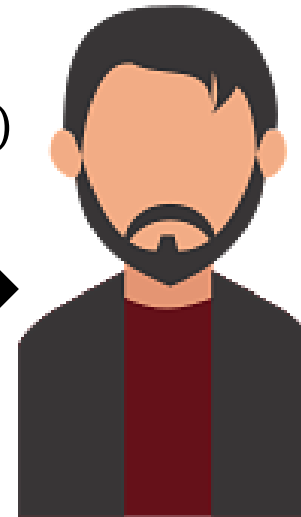
Sign the message  
with her private  
key

$$M' = E(M, K_{pri}^A)$$



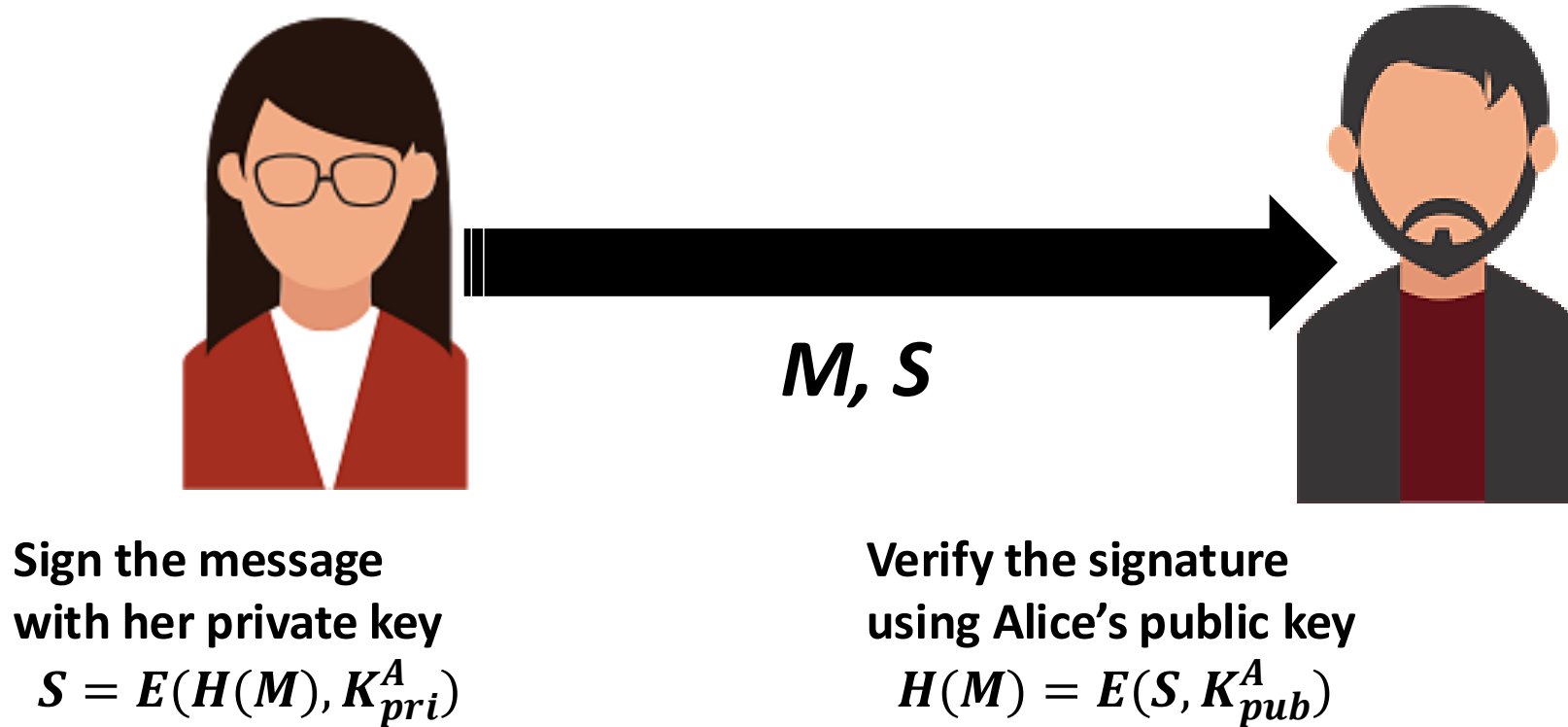
$M, M'$

Verify the  
signature using  
Alice's public key  
 $M = E(M', K_{pub}^A)$



# Reduce the Signature Size

- Use the message digest to sign, instead of the original message





# Digital Signature in Blockchain

- Used to validate the origin of a transaction
  - Prevent non-repudiation
    - Alice cannot deny her own transactions
    - No one else can claim Alice's transaction as his/her own transaction
- Bitcoin uses *Elliptic Curve Digital Signature Algorithm (ECDSA)*
  - Based on elliptic curve cryptography
  - Supports good randomness in key generation

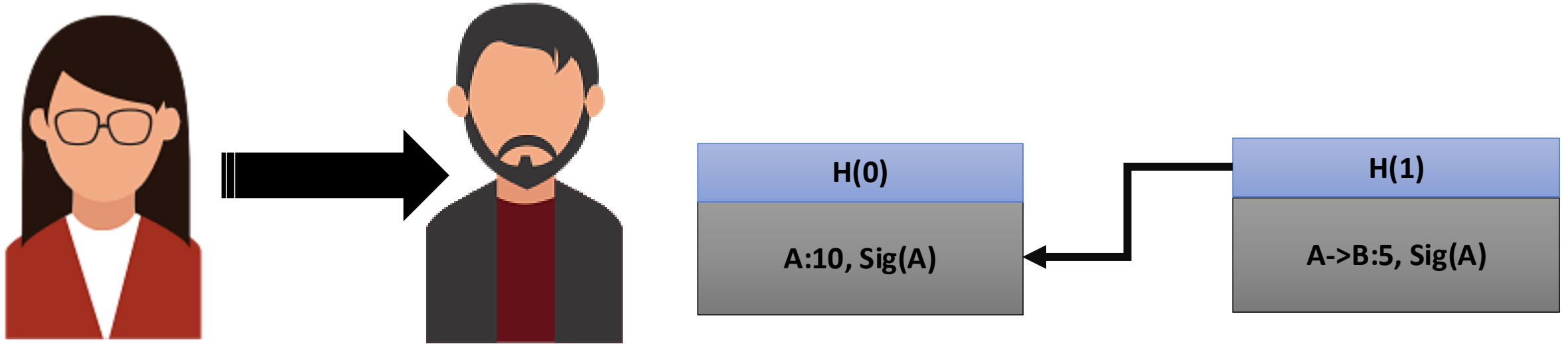
# A Cryptocurrency using Hashchain and Digital Signatures



A:10, Sig(A)

- Alice generates 10 coins
- Sign the transaction A:10 using Alice's private key and put that in the blockchain

# A Cryptocurrency using Hashchain and Digital Signatures



- Alice transfers 5 coins to Bob
- Sign the transaction A-B:5 using Alice's private key and put that in the blockchain

# A Cryptocurrency using Hashchain and Digital Signatures

- Maintain the economy
  - Generate new coins with time
  - Delete old coins with time
- A central authority like bank can create and destroy coins based on economic policies
- **Crucial Question:** How can we distribute coin management (creation and destroy)

thank you!