

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
RAJYA SABHA UNSTARRED QUESTION NO. 200  
TO BE ANSWERED ON 30.11.2021

CRYPTOCURRENCY CRAZE

200 SHRI SANJAY RAUT:

Will the Minister of FINANCE

be pleased to state:

- (a) whether it is a fact that the craze of cryptocurrencies has increased among Indian investors and unlawful activities have increased through cryptocurrencies in the country;
- (b) if so, the details thereof and Government's response thereto;
- (c) whether the Reserve Bank of India (RBI) has raised alarm on cryptocurrencies and cautioned investors on potential pitfalls of digital currency; and
- (d) if so, the details of steps taken or proposed to be taken by Government to regulate bitcoins and cryptocurrencies in the country?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PANKAJ CHAUDHARY)

(a) & (b): Currently, Cryptocurrencies are unregulated in India. The Government does not collect such data on cryptocurrencies.

(c): Yes, Sir. RBI has been cautioning users, holders and traders of Virtual Currencies (VCs) vide public notices on December 24, 2013, February 01, 2017 and December 05, 2017 that dealing in VCs is associated with potential economic, financial, operational, legal, customer protection and security related risks. RBI, vide its circular dated May 31, 2021 has also advised its regulated entities to continue to carry out customer due diligence processes for transactions in VCs, in line with regulations governing standards for Know Your Customer (KYC), Anti-Money Laundering (AML), Combating of Financing of Terrorism (CFT), obligations under Prevention of Money Laundering Act (PMLA), 2002, etc.

(d) A Bill on Cryptocurrency and Regulation of Official Digital Currency has been listed for introduction in the Lok Sabha Bulletin-Part II as part of Government Business expected to be taken up during the Seventh Session of Seventeenth Lok Sabha, 2021.

\*\*\*\*\*