

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA  
UNSTARRED QUESTION NO. 2336**

**ANSWERED ON MONDAY, THE 8<sup>th</sup> JULY, 2019/ ASHADHA 17, 1941  
(SAKA)**

**CRYPTO CURRENCY BAN  
QUESTION**

**2336: SHRI GNANATHIRAVIAM S.:**

**Will the Minister of CORPORATE AFFAIRS  
be pleased to state:**

**कॉर्पोरेट कार्य मंत्री**

- (a) whether the Government has any proposal to ban Crypto currency in India;**
- (b) if so, the details thereof; and**
- (c) the details of such companies/legal entities along with the name of their proprietors?**

**ANSWER**

**THE MINISTER OF STATE FOR FINANCE  
AND CORPORATE AFFAIRS**

**(SHRI ANURAG SINGH THAKUR)**

**वित्त एवं कॉर्पोरेट कार्य मंत्रालय में राज्य मंत्री**

**(श्री अनुराग सिंह ठाकुर)**

**(a) to (c): (The Government has not recognised crypto currencies as legal tender). The issue of permitting trading in crypto currencies is currently under examination by an Inter-Ministerial Committee. The Government has constituted an Inter-Ministerial Committee (IMC) under the Chairmanship of Secretary, Department of Economic Affairs with representatives from concerned Departments to study all aspects of crypto currencies and crypto-assets including Bitcoin. The Committee, with representation from MeitY, RBI, SEBI and CBDT is working to develop a framework for regulating crypto currencies. However, in absence of a globally acceptable solution and the need to devise technically feasible solution, the Department is pursuing the matter with due caution. It is difficult to state a specific timeline to come up with clear recommendations. The Inter-Ministerial Committee (IMC) under the Chairmanship of Secretary, Department of Economic Affairs is examining all issues, including the pros and cons of the introduction of an official digital currency in India. No decision on licensing and authorising any entity or company to operate such schemes or deal with Bitcoins or any virtual currency has been made as yet.**

**The Government and the RBI has been warning the users of crypto-currencies of the dangers posed by such virtual currencies. Government vide press release dated 29/12/2017 clarified that Virtual Currencies/Crypto Currencies are not legal tender and cautioned the members of public against the Risks involved in investing Crypto Currencies. RBI vide press releases dated 24th Dec, 2013, 01st Feb, 2017 and 05th Dec, 2017 cautioned the public about risks and dangers with Virtual currencies including potential financial, operational, legal, customer protection and security related risks that they are exposing themselves to by investing in Bitcoin and/or other Virtual currencies. RBI has also clarified that it has not given any license/authorization to any entity/company to operate such schemes or deal with Bitcoins or any virtual currency. Further, Department of Financial Services, MOF, has informed that as per Reserve Bank of India's Notification dated 06.04.2018 on "Prohibition on dealing in Virtual Currencies", RBI has cautioned users, holders and traders of virtual currencies, including Bitcoins regarding various risks associated in dealing with such virtual currencies and RBI has directed that in view of the associated risks, with immediate effect, entities regulated by the Reserve Bank shall not deal in VCs or provide services for facilitating any person or entity in dealing with or setting VCs and that regulated entities which already provide such services shall exit the relationship. Accordingly, this ban came into force w.e.f. 6th July, 2018.**

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