GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
RAJYA SABHA UNSTARRED QUESTION NO.1805
TO BE ANSWERED ON 02.08.2022

RBI Governor's statement on cryptocurrency

1805: Shri John Brittas:

Will the Minister of Finance be pleased to state:
(a) whether Government has taken note of RBI Governor’s statement on cryptocurrency that the same is a major threat to the economy and financial stability of the country;
(b) if so, the stand of Government thereon; and
(c) whether Government will draw up a policy on cryptocurrency?

ANSWER

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

(a) to (c): The specific statement referred to in the question is not clear. However, RBI has registered its concern over the adverse effect of Cryptocurrency on the Indian Economy.

Currently cryptocurrencies are unregulated in India. However, Government Vide Finance Act, 2022, brought a comprehensive taxation regime for transfer of virtual digital asset (VDA) including gifting of VDA. Cryptocurrencies are by definition borderless and require international collaboration to prevent regulatory arbitrage. Therefore, any policy framework on cryptocurrency can be effective only after significant international collaboration on evaluation of the risks and benefits and evolution of common taxonomy and standards.

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