

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1052**  
TO BE ANSWERED ON DECEMBER 9, 2025/ 18 Agrahayana, 1947 (Saka)

**Impact of unregulated Cryptocurrency on financial stability**

1052. Shri Rajinder Gupta:

Will the Minister of **Finance** be pleased to state:

- (a) whether the Ministry has assessed the risks and impact of unregulated Cryptocurrency on the country's financial stability;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) the details of approach and strategy towards investor protection and technological innovation in crypto segment; and
- (d) the proposed measures to be taken in this respect thereon?

**ANSWER**

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

(a) to (b): The Reserve Bank of India (RBI) periodically assesses the risks and potential impact of crypto-assets on financial stability. These assessments are reflected in the Bank's public communications and in its Financial Stability Reports. The RBI's Financial Stability Report (December 2024) notes that the linkages between the crypto sector and the regulated financial system remain limited at present.

(c) to (d): The Reserve Bank of India has issued advisories cautioning users, holders, and traders of crypto assets about economic, financial, operational, legal, and security risks. Further, through its circular of May 31, 2021, the RBI advised regulated entities to continue full customer due diligence for crypto assets, consistent with Know Your

Customer (KYC), Anti-Money Laundering (AML), Combating Financing of Terrorism (CFT), obligations under the Prevention of Money Laundering Act (PMLA), 2002, etc.

On the innovation side, while crypto assets are often presented as inseparable from their underlying technology, the technology itself has independent applications across banking and financial services, real estate, media, supply chain management, counterfeit detection, mobility, health, education, and energy. These opportunities can be harnessed without dealing in crypto assets. The Ministry of Electronics and Information Technology promotes blockchain through the National Blockchain Framework (NBF), which is developed by a consortium of institutions, including the Centre for Development of Advanced Computing (C-DAC), National Informatics Centre (NIC), Institute of Development and Research in Banking Technology (IDRBT) and academic partners to provide a trusted and secure national blockchain stack. The framework is focused on permissioned blockchain-based citizen-centric applications. Further, the existing regulators are also examining potential applications of the underlying technology, including tokenisation, programmability, and other emerging use cases. The RBI is accelerating the adoption of the Central Bank Digital Currency (CBDC), with the overarching goal of maintaining public trust in money and striking an appropriate balance between innovation and financial stability. The enabling framework for the RBI's Regulatory Sandbox also promotes testing of use cases using blockchain technologies.

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