

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 2782

TO BE ANSWERED ON TUESDAY, MARCH 17, 2026/ 26 PHALGUNA, 1947 (SAKA)

Growing menace of online investment scams

2782. Shri Sat Paul Sharma;

Will the Minister of FINANCE be pleased to state:

(a) whether Government is aware of the growing menace of online investment scams, including those involving Treasure NFTs, digital currencies and other cryptocurrency-related schemes, where people are lured with promises of high returns on investments;

(b) is so, the steps taken by Government to tackle such scams and protect investors, including any measures to regulate online investment platforms, NFT marketplaces and educate the public about the risks involved; and

(c) the number of cases reported and the amount lost by investors in such scams in the last three years and the action taken against the perpetrators.

ANSWER

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

(a) & (b): Cryptocurrencies and Non-Fungible Tokens (NFTs) are unregulated in India. Online scams/frauds are dealt with under the extant laws against scams/frauds and cybercrime. The Ministry of Home Affairs has a portal at <http://cybercrime.gov.in> where scams involving Treasure NFTs, digital currencies and other cryptocurrency-related schemes can be reported to the Cyber & Information Security Division.

The Ministry of Home Affairs has set up the Indian Cyber Crime Coordination Centre (I4C) as an attached office to deal with all types of cybercrime. A toll-free Helpline number '1930' has been launched to assist citizens in lodging online cyber complaints. The 'Citizen Financial Cyber Reporting and Management System' under I4C has been launched for immediate reporting of financial frauds and to stop siphoning of funds by the fraudsters. I4C has launched widespread awareness initiatives to educate the public about risks of online investment scams, fake apps, cryptocurrency frauds and promises of high returns. Further, I4C has trained a total

of 13,800 law enforcement personnel from Central and State/UTs agencies for the investigation of cryptocurrency-related crimes. I4C has also procured advanced forensic tools for the forensic analysis of cryptocurrencies during investigations by Law Enforcement Agencies (LEAs). A dedicated team within I4C has been constituted to assist LEAs in their investigations, and the team has assisted LEAs in more than 300 cases related to cryptocurrencies.

The Reserve Bank of India has issued advisories cautioning users, holders, and traders of crypto assets about economic, financial, operational, legal, customer protection and security 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 cryptocurrencies, in line with regulations governing standards for Know Your Customer (KYC), Anti- Money Laundering (AML), Combating of Financing Terrorism (CFT), obligations under Prevention of Money Laundering Act (PMLA), 2002, etc.

(c) 'Police' and 'Public Order' are State subjects as per the Seventh Schedule of the Constitution of India. States/UTs are primarily responsible for the prevention, detection, investigation and prosecution of such crimes, including financial frauds/scams, through their LEAs.

The Government, vide notification dated 07.03.2023, has brought cryptocurrencies/Virtual Digital Assets (VDAs) under the purview of the Prevention of Money-Laundering Act, 2002 (PMLA) to bring transactions involving VDAs within the ambit of PMLA. At the national level, the Enforcement Directorate has taken up around 61 cases related to online investment scams, including digital currencies & other cryptocurrency-related scams, for investigation under the PMLA. In such cases, necessary action as per the provisions of PMLA has been taken by attaching/seizing/freezing proceeds of crime amounting to 6242.24 crore. Further, 28 persons have been arrested, and 33 Prosecution Complaints, including 16 Supplementary PCs, have been filed in these cases. Moreover, the 01 accused has been declared as a Fugitive Economic Offender under the provisions of the Fugitive Economic Offenders Act, 2018.
