

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 1261
TO BE ANSWERED ON 9TH FEBRUARY, 2018 / 20TH MAGHA 1939 (SAKA)

Virtual Currencies

QUESTION

1261. SHRI M.I. SHANAVAS.

Will the Minister of FINANCE be pleased to state :

- (a) : whether the Government proposes any consultations with various stakeholders in finance sector about addressing issues rising from the increase in the price of virtual currencies including Bitcoin, in the country, if so, the details thereof;
- (b) : whether the virtual currencies including Bitcoin hold no intrinsic value and are not backed by any kind of assets, increasing its risk as a volatile instrument susceptible to speculation and fraudulent trading;
- (c) : if so, the details thereof including awareness creation exercises undertaken in this regard;
- (d) : whether the Government has alerted the clients of virtual currencies through the Reserve Bank of India regarding the potential of financial and security-related risks of investing in Bitcoin and other virtual currencies; and
- (e) : if so, the details thereof ?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PON. RADHAKRISHNAN)

- (a) to (e) : A Committee under the Chairmanship of Secretary, Department of Economic Affairs is deliberating over issues related to virtual currencies as crypto assets. The Government issued a statement on December 29, 2017 cautioning the people against the risks of investing in virtual currencies. The Reserve Bank of India has cautioned the users, holders and traders of Virtual Currencies vide their Press Release dated December 24, 2013, February 1, 2017 and December 5, 2017, about the potential financial, operational, legal, customer protection and security related risks.
