

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
LOK SABHA UNSTARRED QUESTION NO. 173  
TO BE ANSWERED ON 29.11.2021

Cryptocurrency

173. SHRI THIRUMAAVALAVAN THOL

Will the Minister of FINANCE

be pleased to state:

- (a) whether the Government is aware of the cryptocurrencies that are traded in India;
- (b) if so, whether trading in cryptocurrency is legally permitted in India and if so, the details thereof;
- (c) whether the Government has allowed the cryptocurrency exchanges as a legally permitted entity in India; and
- (d) if so, the details of Acts that are applicable to cryptocurrency and cryptocurrency exchanges?

ANSWER

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

(a): Government does not collect information on trading in cryptocurrency.

(b) to (d): Cryptocurrencies are unregulated in India. RBI has vide its circular dated May 31<sup>st</sup>, 2021, advised its regulated entities to continue to carry out customer due diligence processes in line with regulations governing standards for Know Your Customer (KYC), Anti-Money Laundering (AML), Combating of Financing of Terrorism (CFT) and obligations of regulated entities under Prevention of Money Laundering Act, (PMLA), 2002 in addition to ensuring compliance with relevant provisions under Foreign Exchange Management Act (FEMA) for overseas remittances.

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