

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO. 1918

TO BE ANSWERED ON MONDAY, THE 14th MARCH, 2022

Use of Cryptocurrency for Money Laundering

1918. SHRI RAKESH SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware of the use of cryptocurrency for money laundering by cyber criminals and if so, the details thereof;
- (b) whether there is an apprehension of money laundering activities in the country through this and if so, the details thereof; and
- (c) whether the Government has identified people involved in such activities in the country and if so, the details thereof?

ANSWER

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

(a) & (b): Yes Sir. Reports have been received from Law Enforcement Agencies (LEAs) in connection with usage of cryptocurrency by cyber criminals. Directorate of Enforcement (ED) is investigating 07 cases under PMLA, 2002 in which cryptocurrency has been used for Money Laundering. Cases investigated by ED under PMLA, reveals that accused have laundered Proceeds of Crime (PoC) through cryptocurrency.

(c): Yes Sir, investigations conducted by Enforcement Directorate so far, revealed that some foreign nationals and their Indian associates have laundered the PoC through cryptocurrency accounts at certain exchange platforms. In one of such case an accused has been arrested by ED in the year 2020 for facilitating the foreign related accused companies to launder the PoC by converting money generated out of crime into cryptocurrency and thereafter transfer to foreign countries. Prosecution Complaint has been filed in this case before the Special Court, PMLA. So far, ED has attached PoC amounting to Rs. 135 Crore (approx.) under PMLA in above mentioned cases.
