

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
**LOK SABHA**

**UNSTARRED QUESTION NO-209**

ANSWERED ON – MONDAY, DECEMBER 4, 2023/ AGRAHAYANA 13, 1945 (SAKA)

**BLOCKCHAIN TECHNOLOGY**

**209. MS. RAMYA HARIDAS:**

Will the Minister of Finance be pleased to state:

- (a) whether banks are creating prototypes for using blockchain technology, independent of each other;
- (b) if so, whether the inter-operability of such blockchain based applications between different banks may pose a problem in the future;
- (c) whether the Government intends to set up guidelines or prescribe a model common blockchain technology platform for the banks to ensure standardization and inter-operability in the use of blockchain technology in the banking sector; and
- (d) if so, the details thereof and if not, the reasons therefor?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(DR. BHAGWAT KARAD)

(a) and (b): Indian Banks' Association (IBA) has informed that at present, only a few banks are using blockchain technology at a small scale. As such, the issue pertaining to interoperability of such a platform between banks is not present.

Further, Indian Banks' Digital Infrastructure Company (IBDIC) Private Limited formerly Indian Banks' Blockchain Infrastructure Company (IBBIC) Private Limited, incorporated with an objective of providing a platform for exploring, building, and implementing digital solutions for the Indian financial services sector, is currently working on scoping the implementation of domestic Letter of Credit (LC) issuance on blockchain as one of its use cases. The consortium consists of 18 banks including leading public and private sector banks of India.

Reserve Bank Innovation Hub (RBIH) conceptualized the idea of an interoperable Distributed Ledger Technology (DLT) platform for the financial ecosystem and conducted a successful proof of concept (POC) exercise in June 2022 with banks, DLT fabric partners, DLT application layer partners, and fintech startups.

(c) and (d): There is no proposal to set up guidelines or prescribe a model common blockchain technology platform for the banks.

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