

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 3597
TO BE ANSWERED ON 16th March 2018/Phalguna 25, 1939 (SAKA)**

Trade in Bitcoin

**3597. SHRI KODIKUNNIL SURESH:
SHRI PASUNOORI DAYAKAR:**

QUESTION

Will the Minister of FINANCE be pleased to state:

- a) whether the Government has been equating trade in bitcoins to ponzi schemes that render uncharacteristically high returns and if so, the details thereof;
- b) whether the Government is aware that Bitcoins could be the root cause behind terror funding, money laundering and hawala transactions in the country, if so, the details thereof; and
- c) the steps taken or proposed to be taken for controlling unlawful activities through bitcoins in the country?

ANSWER

**MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI Pon. RADHAKRISHNAN)**

- (a): The Government, vide Press Release dated 29.12.2017 has warned against risks in investing in Virtual Currencies describing these as ponzi schemes which can result in sudden and prolonged crash.
- (b) & (c): There are no credible inputs to indicate that Bitcoins are being used for terror funding. Security agencies keep a close watch on the issues regarding funding of terrorism as well as other illegal activities.
