

Reserve bank of india talked about bitcoin

[Finance](#), [Banks](#)



The governor and two deputy governors of the Reserve Bank of India have been discussing digital currency in various events that took place earlier this month.

On 25th of August 2015, the deputy governor of the Reserve Bank of India, Shri R Gandhi talked about technological disruption and financial inclusion at the FIBAC 2015 banking conference which was held in Mumbai.

At the end of his speech, Shri R Gandhi addressed two topics - crypto currency and crowdfunding.

He stated, " Digital currencies and crowdfunding have the potential to support criminal, anti- social activities like money laundering, terrorist funding and tax evasion.

While we do not have any reported instances of crowdfunding in this respect, crypto currencies have been widely suspected to finance criminal activities. We have to be carefully and critically watching these developments."

Last year it was reported that there has been a rising interest in bitcoin in India. Bitcoin companies joined hands together in order to form Bitcoin Alliance India, following which venture capitalists and Angel investors in the country have approached startups, lawyers and, bitcoin experts.

Their main goal is to lobby for practicality and legality of bitcoin in India and raise awareness about bitcoin along with helping the bitcoin startups and other companies to adopt bitcoin.

Subhash Sheoratan Mundra, the deputy governor of Reserve Bank of India stated at the FIBAC summit, “ Crowd sourcing and peer to peer transactions are near impossible to regulate, hence the Reserve Bank wants to push for appropriate legislative changes to regulate the aggregator’s electronic platform.”

He further pointed out that the innovative and disruptive technologies are just at the beginning stage, “ Though as regulator we are not concerned about the manner in which finance is raised, we are concerned about grievance redressed and disaster recovery plans so that an orderly growth of the new system can be ensured.”

According to Raghuram Rajam, the governor of Reserve Bank of India, he reflected on the policy of the central bank toward digital currencies by stating that more investigation is necessary before the central bank takes any action.

He stated, “ We have to examine and I would say we shouldn’t intervene strongly until we understand it better.

But we have to watch it, which means we have to be much more active in gathering market intelligence and situation where it is clear that it is illegal, to bring it to the notice of law enforcement authorities.”