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India Urged to Adopt Bitcoin as Strategic Reserve Amid Global Digital Shift

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India is being urged to consider incorporating Bitcoin into its strategic reserves, as more global economies shift toward digital assets for economic resilience and diversification. The recommendation comes amid increasing international adoption, with countries like the United States and Bhutan already taking formal steps to integrate Bitcoin into national policy frameworks.

Pradeep Bhandari, national spokesperson for the Bharatiya Janata Party (BJP), called on policymakers to pilot a limited, regulated Bitcoin reserve, citing developments such as the **U.S. Strategic Bitcoin Reserve**, which was formalized through an executive order in March 2025. Bhutan, too, has mined over \$1 billion worth of Bitcoin using hydropower, positioning itself as a regional leader in digital finance.

“India cannot afford to be a bystander in the evolving global financial order,” Bhandari said, emphasizing that a well-regulated Bitcoin reserve could enhance India’s economic sovereignty.

The proposal suggests allocating around 1–2% of India’s foreign exchange reserves toward Bitcoin. Proponents argue this would serve as a hedge against inflation and geopolitical risks while signaling India’s leadership in financial innovation. Currently, India’s foreign reserves stand near \$600 billion, making a 2% allocation worth approximately \$12 billion.

Globally, nations such as Brazil, Germany, Poland, and Russia are reported to be expanding their digital asset holdings. The United States now controls around 200,000 BTC, valued at over \$20 billion. Analysts compare Bitcoin to “digital gold,” highlighting its potential to diversify traditional reserves.

Despite growing interest, the Reserve Bank of India (RBI) remains cautious, citing risks related to volatility, cybersecurity, and monetary stability. The RBI continues to prioritize the rollout of its own central bank digital currency (CBDC), the e₹, for safer sovereign digital finance.

Industry experts suggest a pilot Bitcoin reserve could begin using confiscated crypto assets held by enforcement agencies, secured via institutional-grade custody solutions. This would enable India to assess the risks and benefits without immediate large-scale exposure.

India currently imposes a 30% tax on crypto gains and a 1% TDS on transactions but lacks a unified regulatory framework. With global crypto strategies evolving rapidly, advocates warn that inaction may cause India to fall behind technologically and economically.