

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS  
RAJYA SABHA UNSTARRED QUESTION NO. 713  
TO BE ANSWERED ON 13.12.2022

**Salient features of CBDC**

713 # **Shri Brijlal:**

Will the Minister of *Finance* be pleased to state:

- (a) the salient features of Central Bank Digital Currency (CBDC) launched on pilot basis by Government/Reserve Bank of India (RBI);
- (b) the areas where its use has been initially allowed by Government and the areas likely to be allowed in the future; and
- (c) the steps taken or proposed to be taken by RBI to attract and popularise digital currency like cash?

ANSWER

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

(a) & (b): RBI has launched pilots in CBDC in both Wholesale and Retail segments. The pilot in wholesale segment, known as the Digital Rupee - Wholesale (e₹-W) was launched on November 1, 2022, with the use case being limited to settlement of secondary market transactions in government securities. Subsequently the pilot in retail segment, known as digital Rupee-Retail (e₹-R) was launched on December 01, 2022 within a closed user group (CUG) comprising participating customers and merchants.

The e₹-R is in the form of a digital token that represents legal tender. It is being issued in the same denominations as the paper currency and coins. It is being distributed through banks. Users will be able to transact with e₹- R through a digital wallet offered by the participating banks. Transactions can be both Person to Person (P2P) and Person to Merchant (P2M). The e₹-R offers features of physical cash like trust, safety and settlement finality. As in the case of cash, it does not earn any interest and can be converted to other forms of money, like deposits with banks.

(c): Various use cases, technological architecture and design features are being tested during the pilots. Use cases may include cross border payments (wholesale and retail), offline functionality etc. Further steps, including expansion of use case, has to be through a phased implementation strategy on the basis of feedback received during the pilots.

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