

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1363**  
TO BE ANSWERED ON 11.03.2025/ Phalguna 20, 1946 (Saka)

**Status of CBDC**

1363. Shri Sujeet Kumar:

Will the Minister of FINANCE be pleased to state:

- (a) the current status of the implementation of Central Bank Digital Currency (CBDC) in the country;
- (b) the key objectives and benefits expected from its introduction, especially in enhancing financial inclusion and reducing cash dependence; and
- (c) the major challenges faced in adopting CBDC, including technological, regulatory and infrastructural issues, and the measures being undertaken to address them?

**ANSWER**

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

(a): The Reserve Bank of India (RBI) has launched pilots in Central Bank Digital Currency (CBDC) in the Wholesale segment e₹-W on November 1, 2022 and in the Retail segment (e₹-R) on December 1, 2022. Currently, 16 banks are part of the e₹ retail pilot and around 5 million users have been onboarded. The pilot started with the initial use case of payment to persons (P2P) and payment to merchant (P2M). Recently, multiple pilots exploring offline and programmability features have also been rolled out. The e₹-W pilot, initially, involved nine banks and focused on the settlement of secondary market transactions in government securities. In October 2023, the use case was expanded to include settlement of call money market transactions. Currently, 10 banks and 4 standalone primary dealers (non-banks) are part of the CBDC Wholesale pilot.

(b): CBDC, being a sovereign currency, holds unique advantages of central bank money viz. trust, safety, liquidity, settlement finality and integrity. The key motivations for exploring the issuance of CBDC in India among others include moving towards a less cash economy, bringing resilience, efficiency, and innovation in payments system, adding efficiency to the settlement system, boosting innovation in cross-border payments space, fostering financial inclusion.

(c): Currently, CBDC is in pilot stage and the purpose is to have extensive experimentation and sufficient feedback from the participants in order to crystallise the technical architecture and policy considerations. Conducting extensive pilots with various use cases and technology architecture helps provide necessary learnings on possible challenges. From a regulatory perspective, the necessary legal provisions were established, after the government amended the RBI Act and enabled the Reserve Bank of India (RBI) to issue digital currency.

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