**Digital rupee (e₹), also known as Central Bank Digital Currency (CBDC), is a digital form of currency notes issued by the central bank, Reserve Bank of India. The Reserve Bank of India (RBI) has launched its pilot project on digital rupee from 1 November.**

**Digital Currency is a payment method which exists only in electronic form and is not tangible. It can be transferred between entities or users with the help of technology like computers, smartphones and the internet.Although it is similar to physical currencies, digital money allows borderless transfer of ownership as well as instantaneous transactions. Digital currency is also known as digital money and cybercash. Digital rupee (e₹) will be used for issuing virtual currency for transactions in government securities. The money will be in virtual form just like other cryptocurrencies but the digital rupee will not be decentralised, it will be regulated by the Reserve Bank of India (RBI).**

**Digital Rupee provides an opportunity for India to establish the dominance of Digital Rupee as a superior currency for trade with its strategic partners, thereby reducing dependency on the dollar.The creation of a Digital Rupee will provide an opportunity for India to empower its citizens and enable them to use it freely in our ever-expanding digital economy and break free from an outdated banking system.**