

G20 travellers can use UPI at select Indian airports

RBI to pilot QR code-based coin vending machines in 12 cities, 19 locations

SUBRATA PANDA

Mumbai, 8 February

The Reserve Bank of India (RBI) intends to provide travellers to India access to the Unified Payments Interface (UPI) to make merchant payments while they are in the country. This comes close on the heels of the central bank allowing non-resident Indians with international mobile phone numbers access to the instant real-time payment system developed by the National Payments Corporation of India (NPCI) by linking it to their non-residential external/non-resident ordinary accounts.

To begin with, this facility will be extended to travellers from the Group of Twenty nations, arriving at select international airports. This facility will soon be enabled across other entry points, said the RBI.

UPI has become a ubiquitous payment instrument as regards retail digital payments. Allowing access to travellers will not only add to the volume of transactions on UPI but also make it easier for tourists to make payments and reduce their dependence on cash.

“This is a great move to scale up the use of digital payments in India, as well as improve their payment experience,” said Rajsri Rengan, head of banking and payments, India and Philippines, FIS.

UPI transactions touched a record high of 8.03 billion transactions in January, adding up to ₹12.98 trillion.

In Calendar 2022, the UPI processed over 74 billion transactions at ₹125.94 trillion, reveals NPCI. In 2021, the platform processed over 38 billion transactions, worth ₹71.54 trillion.

The RBI is also preparing a pilot project on quick response code-based coin vending machines (QCVMs) in collaboration with banks to improve the distribution of coins among people.

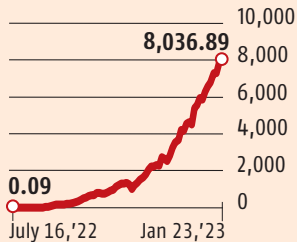
Initially, the pilot project will be rolled out at 19 locations in 12 cities. QCVMs will be installed at public places, such as railway stations, shopping malls, and marketplaces, to enhance the ease and accessibility. Based on the learnings from the pilot programmes, guidelines will be issued to banks to promote better distribution of coins using QCVMs, said the RBI.

The QCVM will be a cashless coin dispensation machine handing out coins against a debit to the customer's bank account using UPI. The supply of coins is very high, but needs storage space. Nonetheless there is demand in pockets. One way of

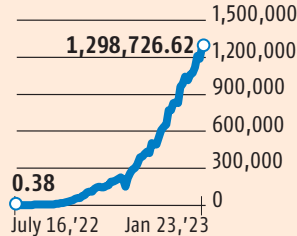
increasing their absorption is to make them available where there is demand, said RBI Deputy Governor T Rabi Sankar. “We earlier had coin vending machines placed strategically at marketplaces. But the currency being fed into these machines was often found to be counterfeit. We are scrapping the function of feeding currency. Since we have UPI, customers can transfer money from their bank account and withdraw change,” said Sankar.

THE UPI SURGE

No. of transactions (In mn)



Value of transactions (In ₹ crore)



Sources: NPCI & RBI