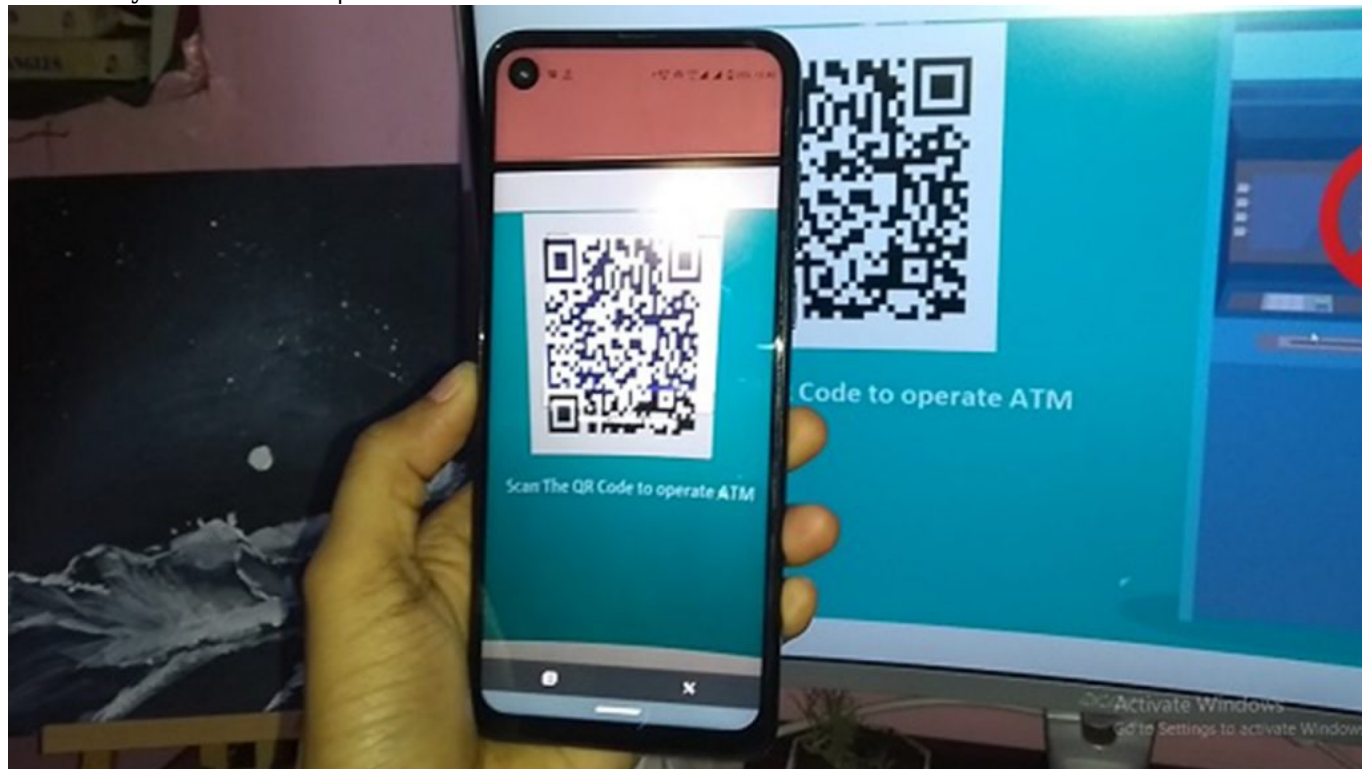


QR-code Based Coin Vending Machine (QCVM)

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Context- A pilot project to evaluate the operation of a QR-code-based coin vending machine (QCVM) is about to begin at RBI (Reserve Bank of India).

Key Highlights

- At first, the pilot was to be implemented in 19 locations in 12 cities across the country. The machines are designed to be installed in public places like markets, shopping malls, and railway stations, with an emphasis on ease of use and accessibility.

QCVM: What is it?

- The QCVM is a cashless coin dispenser that uses UPI (Unified Payment Interface) to debit the customer's bank account for coins.
- Customers would have the option to withdraw coins in the required denominations and quantities.
- Coins will be more easily accessible as a result.
- The QCVM, in contrast to a cash-based conventional Coin Vending Machine, would require no physical banknote tendering or authentication.

What is the Need QCVM?

- The earlier machines that used to feed fake currencies in order to collect coins had

issues.

- There is a tremendous amount of coin supply, but it is not being distributed appropriately, and there is also a demand for coins in pockets.
- As of December 30, 2022, according to the most recent RBI bulletin, the total value of rupee coins in circulation was Rs 28,857 crore, an increase of 7.2% from the previous year.
- India's coins come in denominations of 50 paise, one rupee, two rupees, five rupees, ten rupees, and twenty rupees, to put things in perspective. Small coins are those worth less than 50 paise, while rupee coins are those worth more than one rupee.
- Therefore, supply can be absorbed by making coins accessible in locations where there is demand.
- At this time, a person must go to a bank branch and exchange currency notes for coins in order to get coins.
- But with QCVM, coins can be taken out with a UPI QR code, and the amount will be taken out of the person's bank account.