

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
RAJYA SABHA

UNSTARRED QUESTION NO. 1827

ANSWERED ON TUESDAY, 2nd August, 2022/ **Sravana 11, 1943 (Saka)**

International trade in Indian Rupee

1827. Shri Neeraj Shekhar:

Will the Minister of FINANCE be pleased to state:

- (a) whether RBI has allowed invoicing and payments for international trade in Indian Rupee:
- (b) if so, the details thereof; and
- (c) the details of countries which have agreed for international invoicing and payments for international trade in Indian Rupee as on date?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(DR. BHAGWAT KARAD)

(a) to (c): Yes, Sir. The Reserve Bank of India (RBI) has allowed invoicing and payments for international trade in Indian Rupee vide A.P (DIR Series) Circular No. 10 RBI/2022-2023/90 dated 11.07.2022 on “International Trade Settlement in Indian Rupees (INR)”. In terms of Para 10 of the Circular, the approval process is that for opening of Special INR Vostro accounts, banks of partner countries may approach Authorized Dealer (AD) banks in India which may seek approval from RBI with details of the arrangement. The AD bank maintaining the Special INR Vostro Account is required to ensure that the correspondent bank is not from a country or jurisdiction in the updated FATF Public Statement on High Risk & Non Co-operative Jurisdictions on which FATF has called for counter measures.
