

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

UNSTARRED QUESTION NO. 703

ANSWERED ON TUESDAY, 13th December, 2022/ **Agrahayana 22, 1944 (Saka)**

Internationalization of Indian Rupee

703. Shri Luizinho Joaquim Faleiro:

Will the Minister of FINANCE be pleased to state:

- (a) whether there is any proposal to internationalize the Indian Rupee (INR) so that it may be used both as a reliable currency for trade and as a currency that developing countries can keep as foreign exchange reserves; and
- (b) whether Government has any plans to stabilize the Rupee volatility and bumpy movements of INR against dollar?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(DR. BHAGWAT KARAD)

(a): 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)". The Circular lays down that all exports and imports under the arrangement may be denominated and invoiced in Rupee (INR) and the settlement of trade transactions under the arrangement shall take place in INR. RBI has put in place the arrangement to promote growth of global trade with emphasis on exports from India and to support the increasing interest of global trading community in INR.

(b): RBI constantly monitors the trend of Rupee movement and intervenes in the foreign exchange market to curb undue volatility in the exchange rate of INR against the US Dollar, if required.
