

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
RAJYA SABHA
UNSTARRED QUESTION NO. 2127

ANSWERED ON TUESDAY, 8th August, 2023/ **Sravana 17, 1945 (Saka)**

Trade transactions in Rupees

2127. Shri M. Shanmugam:
Shri Vaiko:

Will the Minister of FINANCE be pleased to state:

- (a)** the details of the countries with which the proposal to make trade transactions in Rupee, as a part of reducing dependence on US dollar and strengthening regional currency and trade, has been finalized in the last three years;
- (b)** the trade volume and rupee value, in terms of US dollar, transacted in trade with those countries in the last two years, as on date;
- (c)** whether such agreement has been signed with Bangladesh as a part of economic cooperation between the two countries; and
- (d)** if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(DR. BHAGWAT KARAD)

(a) and (b): To promote growth of global trade with emphasis on exports from India and to support the increasing interest of global trading community in INR, Reserve Bank of India (RBI) has put in place the arrangement for invoicing, payments, and settlement of exports/imports 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 framework put in place by RBI is applicable for any partner country seeking to undertake trade with India in INR in terms of RBI's Circular dated 11.07.2022. As on date, RBI has permitted 20 Authorised Dealer (AD) banks in India for opening of Special Rupee Vostro Accounts (SRVAs) of partner banks from 22 countries namely Bangladesh, Belarus, Botswana, Fiji, Germany, Guyana, Israel, Kazakhstan, Kenya, Malaysia, Maldives, Mauritius, Myanmar, New Zealand, Oman, Russia, Seychelles, Singapore, Sri Lanka, Tanzania, Uganda, and United Kingdom.

(c) and (d): RBI has permitted two AD banks in India for opening of SRVA of two correspondent banks from Bangladesh in terms of instructions of RBI's Circular dated 11.07.2022.
