

GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
(DEPARTMENT OF COMMERCE)

**LOK SABHA**  
**UNSTARRED QUESTION NO. 5580**  
**TO BE ANSWERED ON 06<sup>th</sup> APRIL, 2022**

**TRADE WITH RUSSIA**

5580. SHRI A. GANESHAMURTHI:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether any proposal has been mooted with Russia to work out a mechanism using other currencies like Indian rupee for settlement of trade with that country, in view of payments stuck due to sanctions on Russian banks;
- (b) if so, the details thereof;
- (c) the total volume of bilateral trade with Russia during the last two years and the current year;
- (d) whether India would adopt floating exchange rate instead of fixed exchange rate since it is a fact that ruble has crashed recently; and
- (e) if so, the details thereof?

**ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY  
(SMT. ANUPRIYA PATEL)

- (a) & (b) : The regulatory framework for settlement of trade in INR and other currencies is governed by the Foreign Exchange Management (Deposit) Regulations, 2016, which permit a branch or correspondent outside India to open Vostro account with Authorised Dealer (AD) bank in India. Vide AP DIR Circular No.09 dated 22.11.2019, the scope of Special Non-Resident Rupee (SNRR) Accounts was enhanced by RBI by permitting persons resident outside India (overseas buyers/sellers) to open a non-interest-bearing SNRR account with AD Category-1 banks in India for undertaking bonafide transactions pertaining to trade/trade credits in INR.

(c): Bilateral trade with Russia during the last two years and the current year is given below:

Value in USD million

Years	Russia		
	Exports	Imports	Total Trade
2019-2020	3,017.75	7,093.01	10,110.76
2020-2021	2,655.84	5,485.75	8,141.58
April-February 2022 (P)	3,180.48	8,688.52	11,869.00

(d) & (e) : The exchange rate of the Rupee is largely determined by demand and supply conditions in the foreign exchange market. RBI maintain stability in the foreign market by ensuring orderly conditions without targeting a pre-specified level or band for Rupee's exchange rate.

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