

RBI allowed invoicing & payments for international trade in Indian Rupee: MoS

By TIOL News Service

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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)". This was stated by Union Minister of State Finance Dr Bhagwat Kisanrao Karad in a written reply to a question in Rajya Sabha yesterday.

Giving more information, the Minister stated that 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 Authorised 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, the Minister stated.