

# Policy Amended, International Trade can Now be Settled in Re

## Our Bureau

**New Delhi:** The government has amended the Foreign Trade Policy to allow international trade invoicing, payment and settlement in the Indian rupee, activating the mechanism announced by the Reserve Bank of India (RBI) to facilitate trade in the domestic currency.

The Directorate General of Foreign Trade (DGFT) under the Ministry of Commerce and Industry on Friday notified the changes to the policy.

The central bank allowed authorised banks in India to open special rupee Vostro accounts of correspondent banks of any partner trading country to facilitate trade in the Indian currency.

Under the arrangement, Indian importers

will make payment in rupees into the special Vostro account of the partner country bank against the invoices for the supply of goods or services from the overseas seller or supplier, the trade policy said.

“Indian exporters undertaking exports of goods and services through this mechanism shall be paid the export proceeds in Indian Rupees from the balances in the designated special Vostro account of the correspondent bank of the partner country,” it added.

Finance minister Nirmala Sitharaman had last week held a meeting to review the proposed trade in rupee and asked banks to speed up the process of opening special rupee Vostro accounts.

The department of commerce has also been asked to reach out to traders to encourage them to adopt this route.

**RUPEE FALLS  
7 PAISE TO  
CLOSE AT  
79.78 PER  
DOLLAR  
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