

[To be published in the Gazette of India Extraordinary Part-II, Section-3, Sub-Section (II)]

Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade

Notification No. 33 /2015-2020
New Delhi, Dated: 16th September, 2022

Subject: Insertion of Para 2.52(d) under the Foreign Trade Policy in sync with RBI A.P.(DIR Series) Circular No.10 dated 11th July 2022.

S.O.(E): In exercise of powers conferred by Section 3 read with Section 5 of the Foreign Trade (Development and Regulation) Act, 1992, read with paragraph 1.02 of the Foreign Trade Policy, 2015-2020, as amended from time to time, the Central Government hereby inserts sub-para (d) under Para 2.52 'Denomination of Export Contracts' of the Foreign Trade Policy in sync with the RBI's A.P. (DIR Series) Circular No.10 dated 11th July, 2022:

Para 2.52(d) is introduced as under:

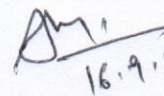
(d) Invoicing, payment and settlement of exports and imports is also permissible in INR under RBI's A.P.(DIR Series) Circular No.10 dated 11th July, 2022. Accordingly, settlement of trade transactions in INR may also take place through the Special Rupee Vostro Accounts opened by AD banks in India as permitted under Regulation 7(1) of Foreign Exchange Management (Deposit) Regulations, 2016, in accordance to the following procedures:

(i) Indian importers undertaking imports through this mechanism shall make payment in INR which shall be credited into the Special Vostro account of the correspondent bank of the partner country, against the invoices for the supply of goods or services from the overseas seller /supplier.

(ii) Indian exporters, undertaking exports of goods and services through this mechanism, shall be paid the export proceeds in INR from the balances in the designated Special Vostro account of the correspondent bank of the partner country.

Effect of this Notification: Para 2.52(d) is notified, to permit Invoicing, payment and settlement of exports and imports in INR in sync with RBI's A.P. (DIR Series) Circular No. 10 dated 11th July, 2022. This shall come into force with immediate effect.

This issues with the approval of Minister of Commerce & Industry.


16.9.2022

(Santosh Kumar Sarangi)
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