

DFCC Bank Establishes Indian Rupee Nostro Account with HDFC Bank India



Prins Perera, Senior Vice President – Treasury and Investment Banking, DFCC Bank.

DFCC Bank has announced the opening of an Indian Rupee-denominated Nostro Account with HDFC Bank in India. The move follows the Central Bank of Sri Lanka (CBSL) classifying the Indian Rupee as a designated foreign currency. “With the opening of the INR Nostro account, we see great potential for trade, tourism, and investments between the two nations,” says Prins Perera, SVP of Treasury and Investment Banking at DFCC Bank.

By establishing a Nostro Account in Indian Rupees, DFCC Bank is acting as a facilitator to enable Sri Lankan and Indian importers and exporters to carry out

trade transactions in Indian rupees in a manner that is beneficial to both parties. India has traditionally been among Sri Lanka's largest trade partners in the SAARC region, with ties in infrastructure, connectivity, transportation, housing, health, livelihood and rehabilitation, education, and industrial development.

In the present context, where Sri Lanka is facing a dollar shortage, traders can now resort to Indian Rupees for settlements. This move also allows hotels to invoice in INR and accept INR currency notes in the future. As per available statistics, Indian tourists make up 13 percent of new arrivals in the first two months of 2023. This means this effort will help better facilitate and promote tourism between the two countries.

DFCC Bank was ranked amongst Business Today's Top 40 Corporates in Sri Lanka.