



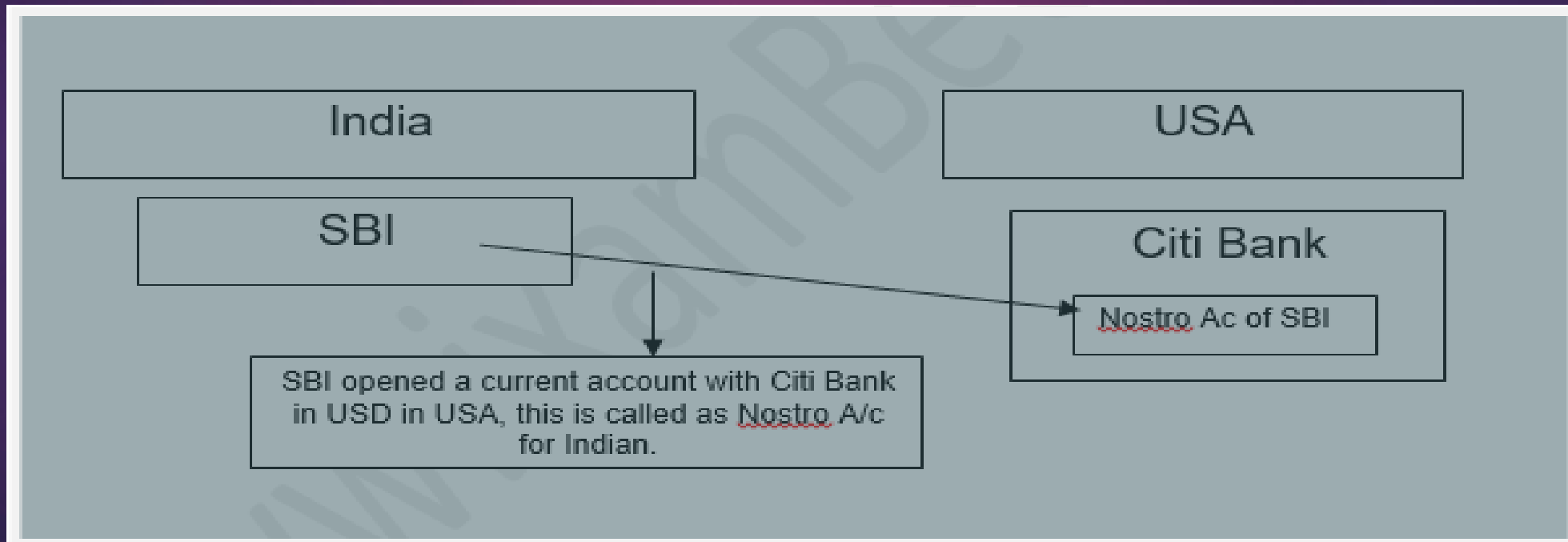
# Account Relationship

**DEPARTMENT OF ECONOMICS**  
**POORNAPRAJNA COLLEGE UDUPI**

# Foreign currency Accounts

## 1. Nostro Account- 'our'

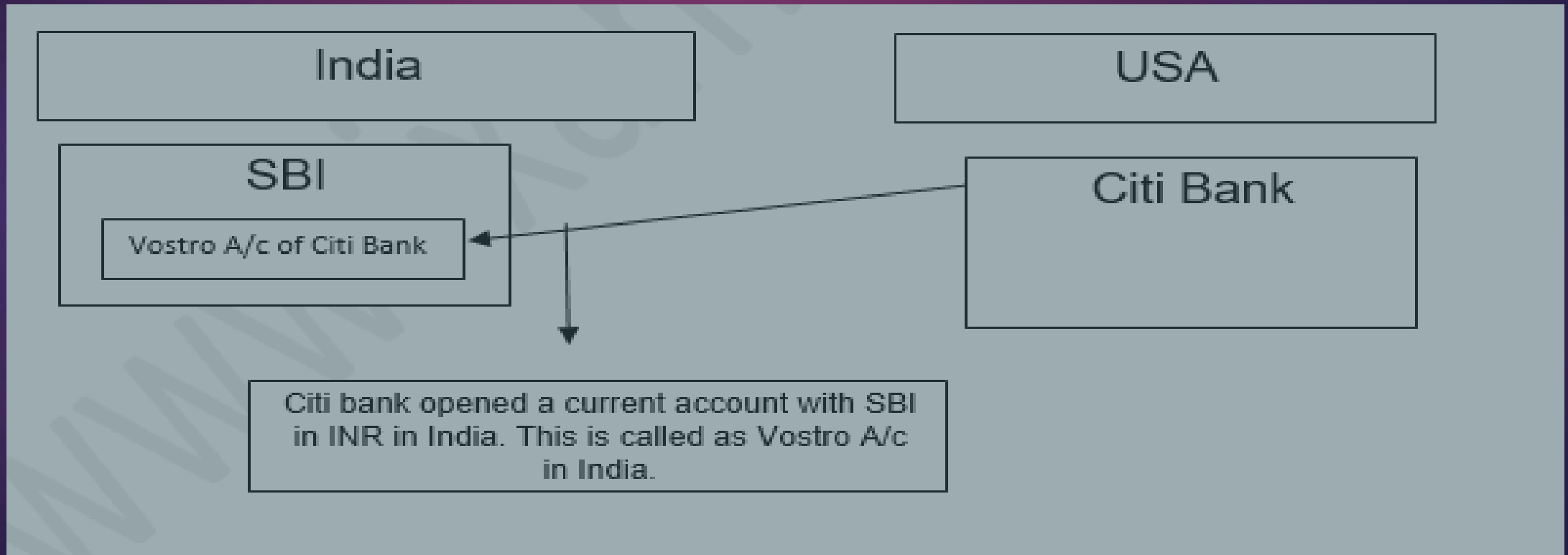
- 'Our account with you'
- Account maintained by Indian bank with foreign bank in foreign currency



# Foreign currency Accounts

## 2. Vostro Account- 'your'

- 'Your account with us'
- Account maintained in INR by foreign bank with Indian Bank in India



# Foreign currency Accounts

## 3. Loro Account- 'their'

- ▶ 'Their account with you'
  - ▶ Payment by one bank to another for the account of third bank
  - ▶ A bank remits funds in foreign currency to another bank for credit to an account of a third bank
- bank

