

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 1373
TO BE ANSWERED ON 11.03.2025

ADVERSE EFFECTS OF DEPRECIATION OF INDIAN RUPEE

1373#. Shri Ramji Lal Suman:

Will the Minister of FINANCE be pleased to state:

- (a) the details of the measures taken to address the adverse effects of the depreciation of the Indian Rupees against the US Dollar, on the economy;
- (b) the details of steps taken to achieve long-term economic stability;
- (c) the percentage depreciation recorded in Rupee against the Dollar until now in comparison to the last three years; and
- (d) the value of the Rupee against the Dollar as on date?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a): The depreciation of currency is likely to enhance the export competitiveness, which in turn impacts the economy positively. On the other hand, depreciation may raise the prices of imported goods. The overall impact of exchange rate depreciation on domestic prices depends on the extent of the pass-through of international commodity prices to the domestic market.

The value of the Indian Rupee (INR) is market-determined, with no target or specific level or band. The Reserve Bank of India (RBI) monitors key developments across the globe which may have an impact on USD-INR exchange rate. Among others, it includes monetary policy actions of the major Central Banks, major economic data releases across the globe and their impacts thereof, OPEC+ meeting decisions, tracking, and analysing geo-political events, daily movements in G-10 and EME currencies etc.

(b): There is no adverse impact of recent depreciation of the INR on the long-term economic stability of the Indian economy.

(c): The value of INR vis-à-vis US Dollar (USD) over the last three years is presented below:

Last date of Calander Year	USD/INR exchange rate	Appreciation (+)/ Depreciation (-) of INR against USD(Percent)
30-Dec-2022	82.74	-10.2%
29-Dec-2023	83.21	-0.6%
31-Dec-2024	85.61	-2.8%
28-Feb-2025	87.51	-2.2%

(d): The exchange rate of the INR against the USD was ₹ 87.51 on February 28, 2025.
