GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 248
TO BE ANSWERED ON 21.07.2026

UNPRECEDENTED DECLINE IN THE VALUE OF INR

248 Shri R. Girirajan:

Will the Minister of Finance be pleased to state:

(a) whether Government has taken serious note on the unprecedented decline in the value of INR against US Dollar since 2014, if so, the details thereof;
(b) whether the value of INR was below ₹60 per US Dollar in 2014 and it is above ₹96 per US Dollar in July 2026; and
(c) if so, the details thereof and the remedial measures taken by Government to stabilize the value of INR against US Dollar?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) & (b) The exchange rate of the Indian Rupee (INR) is market-determined, with no target or specific level or band. In general, the factors that influence the exchange rate of INR include a host of domestic and global factors such as the movement in Dollar Index, trend in capital flows, level of interest rates, movement in crude prices, current account deficit, etc.
In calendar year (CY) 2014, INR traded in the range of ₹58.34 - ₹63.89 per USD and was ₹63.33 per USD as at the end of CY 2014. In July 2026, INR traded in the range of ₹94.97 - ₹96.26 per USD and closed at ₹96.26 per USD on July 15, 2026.

(c) The RBI regularly monitors the foreign exchange market and intervenes in situations of excess volatility. Various measures taken by RBI to boost forex inflows, which in turn may ease the depreciation pressure on INR, *inter-alia*, include:

- The External Commercial Borrowings (ECB) framework was amended in February 2026 through expansion of eligible borrower and recognised lender base, rationalisation of borrowing limits and restrictions on average maturity period, removal of restrictions on the cost of borrowing for ECBs, review of end-use restrictions and simplification of reporting requirements.
- Several measures were announced on June 5, 2026, which include:
  a. The universe of 'specified securities' under the Fully Accessible Route (FAR) has been expanded by including all new issuances of 15-year, 30-year and 40-year tenor Government securities, as well as Sovereign Green bonds in FAR eligible tenors. Limits pertaining to short-term investment, concentration and individual securities on FPI investment under the General Route have also been removed.
  b. The limits for investment by Non-Resident Indians (NRIs) and Overseas Citizens of India (OCIs) in equity instruments traded on the stock market without SEBI registration have been increased. Further, the same facility is being extended to all individual Persons Resident Outside India (PROIs) at par with NRIs and OCIs.
  c. A facility for bearing the full hedging cost incurred by Authorised Dealer (AD) banks for raising fresh 3 to 5 year Foreign Currency Non-Resident (Bank) [FCNR (B)] deposits was announced. This swap facility has already come into effect and will remain open till October 16, 2026.
  d. A facility of concessional forex swap has been announced to incentivise the External Commercial Borrowing by Public Sector Undertakings and overseas foreign currency borrowings with a minimum maturity of three years raised by AD banks, wherein the concessional rate of the swap was fixed at 1.5 per cent per annum compounded semi-annually. The swap facility has already come into effect and will remain open till January 15, 2027.
  e. The time period for realisation of exports has been restored to nine months from 15-month period stipulated earlier.
- In addition to the above, Memorandum of Understanding on Local Currency Arrangements with trading partners, i.e., UAE, Indonesia, Maldives, and Mauritius, have been signed.

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