

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 2507
TO BE ANSWERED ON 15.12.2025

DEPRECIATION VALUE OF INDIAN RUPEE

2507. Shri Anand Bhadauria:

Shri V K Sreekandan:

Shri Amra Ram:

Will the Minister of Finance be pleased to state:

(a) whether it is fact that Indian Rupee has fallen to record low of Rs. 89.64 per US dollar during third week of November, 2025, if so, the details thereof;

(b) whether it is also true that this had happened due to huge demand for the US Currency in the domestic foreign exchange market amid widespread selling pressure in local and global equities and trade related uncertainties, if so, the details thereof;

(c) the reasons for unprecedented fall in Indian currency and the measures taken/being taken so far by the Government to prevent the same;

(d) the reasons for the inability of the Government to arrest the decline in Indian currency against US dollar;

(e) the details of US dollar and other foreign currency reserves liquidated during the last one year to stabilise the Indian Rupee against US dollar;

(f) the exchange rate between Rupee and the US Dollar in the year 2014 and the present exchange rate in 2025; and

(g) whether the Government is concern depreciation is affecting country's global standing and if so, the response of the Government thereto?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a): The exchange rate of Indian Rupee (INR) vis-à-vis USD closed at ₹89.41/USD on 21 November, 2025. It was at the level of ₹89.64/USD on 1 December, 2025. Further, INR reached ₹90.42/USD on 4 December, 2025.

(b), (c) & (d): Various domestic and global factors influence the exchange rate of the INR, such as the movement of the Dollar Index, trend in capital flows, level of interest rates, movement in crude prices, current account deficit etc. During the current financial year 2025-26, the depreciation of the INR has been influenced by the increase in trade deficit and prospects arising from the ongoing developments in India's trade agreement with the US, amid relatively weak support from the capital account.

The value of the INR is market-determined, with no target or specific level or band. The Reserve Bank of India (RBI) regularly monitors the foreign exchange market and intervenes in situations of excess volatility. Further, the RBI monitors key developments across the globe which may have an impact on USD-Rupee 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. Some of the measures taken by the RBI recently to enhance foreign exchange inflows, *inter-alia*, include:

- Relaxation in repayment of export credit was provided to exporters in November 2025 whereby the maximum credit period was enhanced from one year to 450 days for pre-shipment and post-shipment export credit disbursed till March 31, 2026.
- In October 2025, the time period for forex outlay was increased from four months to six months in case of Merchanting trade transactions. Separately, Authorised Dealer banks were allowed to lend in Indian Rupees to a person resident outside India in Bhutan, Nepal or Sri Lanka, including a bank in these jurisdictions for cross border trade transactions.
- In August 2025, persons resident outside India that maintain a Special Rupee Vostro Account for international trade settlement in Indian Rupees were permitted to invest their rupee surplus balance in the aforesaid accounts in Central Government Securities (including T-Bills)
- In May 2025, the requirement on Foreign Portfolio Investors' (FPIs) to comply with the short-term investment limit and concentration limit for their investments in corporate debt securities, was withdrawn.

(e) The details of the RBI's foreign exchange market interventions during the period October 2024 to September 2025, are given below:

Month	Net sale (-) / purchase (+) of USD (in USD Million)	₹ equivalent (₹ Crores)
October 2024	-9,275	-77,969
November 2024	-20,228	-1,70,630
December 2024	-15,150	-1,28,753
January 2025	-11,139	-95,388
February 2025	-1,621	-14,024
March 2025	14,355	1,24,586
April 2025	-1,660	-14,635
May 2025	1,764	14,562
June 2025	-3,661	-31,808
July 2025	-2,540	-22,267
August 2025	-7,695	-67,456
September 2025	-7,910	-69,884

Source: RBI

(f) The exchange rate of INR against the USD was ₹63.04/USD as on 31 December 2014 and ₹89.99/USD as on 5 December, 2025.

(g) The depreciation of the currency can increase export competitiveness while posing upward pressure on the prices of imported goods. However, the overall impact of exchange rate depreciation depends on the extent of the pass-through of international commodity prices to the domestic market.

The Government closely tracks the trends in key economic parameters, including exchange rate movements, along with their implications for economic growth and fiscal stability. At present, the macroeconomic fundamentals of the Indian economy remain strong, supported by robust domestic demand, moderating inflation, improved corporate balance sheets and sustained fiscal discipline.
