

NEWS | ENERGY

India: RBI opens special dollar window for IOC, HPCL, BPCL from Monday

RBI reopens dollar window for oil firms as rupee nears record low.

By **Manasee Kurlekar** | October 11, 2026



The Reserve Bank of India will supply the state oil companies' entire daily dollar needs directly, taking India's biggest source of dollar demand out of the open market to shield the rupee.

The facility covers the full daily dollar requirement of Indian Oil, Hindustan Petroleum and Bharat Petroleum. RBI will sell them dollars through designated banks from Monday, October 12, until further notice. The move echoes August 2013, when RBI opened a similar window for the three companies as the rupee hit a record low of 68.85. Back then they needed about \$8-8.5 billion a month for crude imports.

From Monday, the RBI will supply the entire daily dollar needs of IOC, HPCL and BPCL. That takes India's biggest source of dollar demand out of the open market as the rupee trades near ₹97 and forward markets price it above ₹100.

- RBI will sell dollars to Indian Oil, Hindustan Petroleum and Bharat Petroleum through designated banks from Monday, October 12, until further notice.

The rupee closed near 96.78 per dollar on October 7, after RBI's first rate hike in over three years, as Brent moved above \$101-102.

the rupee's 2026 slide

The rupee began the year at 89.96 per dollar. It hit a record low of 96.82 on May 20, ending fiscal 2026 down 11%. The same week, the one-year forward rate crossed ₹100 for the first time, a sign markets expect further weakness over the next 12 months. The spot rate has not crossed ₹100. After recovering to 94-95 in late summer, it slid back towards the high-96s this month, and analysts see 97 as the next key psychological level.

Additional context: what the window could mean for the rest of the market

- **Short term, it helps.** The oil companies buy an estimated \$500-550 million a day, so taking that out of the market eases pressure on the spot rate. When RBI used the same tool in April, the rupee opened 25 paise stronger the next day at 92.95.
- **The relief tends to fade.** Analysts said in April that lasting gains depend on capital inflows, oil prices and global risk sentiment, not the window alone. Within a month, the rupee hit its record low anyway.
- **Others still pay up.** Private refiners, electronics makers, airlines and other importers still buy dollars at market rates, and a forward rate above ₹100 makes locking in future payments expensive.

- **The cost lands on reserves.** India's reserves fell \$61.6 billion from February to \$666.9 billion by late June, and every dollar sold through the window comes out of them.

? **History:** in 2013, RBI shut its oil window in December once the rupee had stabilised near 62, down from a low of 68.85 in August. This time, the exit depends on how long oil stays above \$100.

Read online: <https://worldbusinesswatch.com/news/16/242/india-rbi-opens-special-dollar-window-for-ioc-hpcl-bpcl-from-monday.html>

© 2026 World Business Watch. All rights reserved.