

Lecture: 5

Introduction to Indian Foreign Exchange Market

Short Questions:

- 1. Briefly explain, “What are the significant changes in FEMA compared to FERA”.**
- 2. What is FEDAI and what role it plays in Indian forex market?**
- 3. What is difference between currency depreciation and devaluation?**
- 4. What could be the motive behind “under invoicing of imports” and “over invoicing of exports”.**
- 5. What is difference between a currency being convertible in “current account” vs. currency being convertible in “capital account”.**