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”.