

**JYOTI NIVAS COLLEGE AUTONOMOUS
SYLLABUS FOR 2018 BATCH AND THEREAFTER**

Programme: B.Voc. (Banking and Finance)

Semester: IV

FOREIGN EXCHANGE

Course Code: 18BVB404

No. of Hours: 60

COURSE OBJECTIVES:

- To make the students familiar with various foreign exchange facilities available for individuals.
- To be well versed with schemes which are available for NRI'S
- To understand the reasons for adopting FEMA

LEARNING OUTCOMES:

- To know the different concept of NRI, PIO and overseas citizenship cardholder
- To understand the powers of RBI and FEMA in regulating foreign exchange
- To know the various foreign exchange instruments facilitating foreign exchange

UNIT1: Introduction to foreign exchange management act,1999

14HRS

Evolution of FEMA-comparative study of FERA1973 and FEMA 1999.

UNIT 2: Foreign Exchange Market:

12HRS

Foreign exchange market, structure and organization-types of transaction and settlement dates-exchange rate quotations and arbitrage-Arbitrage with and without transaction cost-Swaps and deposit markets-option forward-forward swaps-interest rate parity theory-calculation of spread.

UNIT 3: Foreign currency accounts in India:

14HRS

Objectives, eligibility, procedures, types of accounts, permitted credits and debits, repatriation, rate of interest, manner of payment of interest.

UNIT 4: NRI and Foreign Exchange Schemes:

14HRS

Objectives, general provisions, various schemes available for non-resident Indians, procedures for opening of non-resident accounts, guarantees by non-residents. objectives, eligibility, general provisions, currency of account, types of account, permitted credits and debits, repatriation, rate of interest.

UNIT 5: Money changers:

6HRS

Individual and professional currency trading, trading in foreign exchange markets, Foreign exchange remittances. Trends in foreign exchange market: Forex on the move.

SKILL COMPONENT

- Obtain an application form for opening an NRI account and complete the form.
- Meet an expatriate and understand how he operates his foreign currency account.
- Observe the foreign exchange market transactions on the internet for two days and write a report.
- Write the procedure for trading in the foreign exchange market.
- Obtain an application to be an authorized person under FEMA and complete the form.
- Write a note on resident foreign currency account, EEFc deposits, loan product for NRIs, export finance and foreign exchange associations.

BOOKS FOR REFERENCE

1. Foreign Exchange Facilities for Individuals- Indian Institute of Banking and Finance- MacMillan publishers India Limited, 1st edition 2012
2. Foreign Exchange Management, Esha Sharma, Laxmi Publication, 1st Edition