

**MAJOR BASED ELECTIVE – II – FOREIGN EXCHANGE MANAGEMENT**

**UNIT I:**

Introduction – Foreign trade & Foreign Exchange – Balance of payments

**UNIT II:**

Exchange System – Exchange rate system prior to IMF and under IMF – External value of Rupee – Convertibility of Rupee.

**UNIT III:**

Exchange Control – Objectives – Methods – Foreign Exchange Management Act – Administration of Foreign Exchange – Functions of Foreign Exchange Department.

**UNIT IV:**

Foreign Exchange Transaction – Exchange Quotations – Spot & Forward Transaction – Forward Exchange contracts. Introduction to currency – features and options.

**UNIT V:**

International Financial Institution – International Monetary Fund – Special Drawing Rights – International Bank for Reconstruction and Development – International Finance Corporation – International Development Association.

**TEXT BOOKS RECOMMENDED:**

1. Surendra.S.Yadav, P.K.Jain and Max peyrard, Foreign Exchange Markets understanding derivatives & other instruments, Macmillan.
2. Yadav, Foreign Exchang