

STRATEGIC INSURGENCE OF FIIs IN INDIAN STOCK MARKET

TWINKLE PRUSTY¹ & RACHANA VISHWAKARMA²

¹Associate Professor, Faculty of Commerce, BHU, Varanasi, Uttar Pradesh, India

²Research Scholar, Faculty of Commerce, BHU, Varanasi, Uttar Pradesh, India

ABSTRACT

The Foreign Institutional Investors (FIIs) have emerged as important players in the Indian Stock Market in the recent past. It's a general belief that Foreign Institutional Investments (FII's) has widespread effect on Indian Stock Market. This study makes an attempt to develop an understanding of the factors influencing FIIs while making investment in Indian stock market along with the relationship between FII investments and stock market. We found that there is positive association between FII investments and BSE sensex and showing direct relationship between each other. FIIs have tremendous power to determine & decide the direction of Indian stock market. Regulation and Trading Efficiencies, New Issuance Attractive Markets, Infrastructure, Outsourcing, Capital expenditure Cycle, Dollar Weakness, Rising Commodity Prices and Consolidation are some factors which are significantly contributed to causes of FII investments in India.

KEYWORDS: Foreign Institutional Investors (FIIS), Indian Stock Market, Determinants of FII Flows