PROJECT REPORT ON

"IMPACT OF FDI ON INDIAN STOCK MARKET"

Submitted By RAJENDRA PRASAD K B

4AL22BA070

Submitted To

VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGAVI

In partial fulfilment of the requirements for the award of the degree of

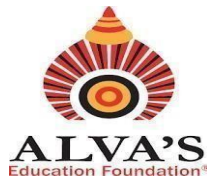**MASTER OF BUSINESS ADMINISTRATION**

Under the guidance of

DR. VISHNU PRASANNA K N

Professor,

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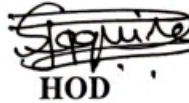Accredited by NBA (CSE & ECE)

Date: 09/09/2024

CERTIFICATE

This is to certify that **Rajendra Prasad. K. B.** bearing **USN 4AL22BA070**, is a *bona-fide* student of Master of Business Administration course of Alva's Institute of Engineering and Technology, Moodbidri for the batch 2022-2024, affiliated to Visvesvaraya Technological University, Belagavi. The Project report on **"A Study on Impact of FDI on Indian Stock Market"** is prepared by him under the guidance of Dr. Vishnu Prasanna K.N., Professor, in partial fulfilment of the requirements for the award of the degree of Master of Business Administration of Visvesvaraya Technological University, Belagavi, Karnataka.

INTERNAL GUIDE   **HOD**   **PRINCIPAL**

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Viva – Voce Examination

Signature of Internal Examiner   **Signature of External Examiner**

(Name & Affiliation)   **(Name & Affiliation)**

DECLARATION

I, **Mr. Rajendra Prasad K B., (USN: 4AL22BA070)** hereby declare that the project report entitled **"A STUDY ON IMPACT OF FDI ON INDIAN STOCK MARKET"** is prepared by me under the guidelines of Dr. Vishnu Prasanna K. N., Professor of Finance, PG Departments of Business Administration, Alva's Institute of Engineering and Technology, Mijar, Moodbidri.

I also declare that this project work is towards the partial fulfilment of the university regulations for degree of MASTER OF BUSINESS ADMINISTRATION by Visvesvaraya Technological University, Belagavi.

I have undergone a project for a period of 6 weeks. I further declare that this project is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University/Institution

Date: 09-09-2024

Place: Moodbidri

Signature of the student

ACKNOWLEDGEMENT

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I would like to express my sincere thanks to **Dr. Peter Fernandes,** Principal Alva's Institute of Engineering and Technology, Mijar, Moodabidiri.

I am grateful to **Mrs. Priya Sequeira,** HOD, MBA department, Alva's Institute of Engineering and Technology, Mijar, Moodabidiri. whose timely suggestions and encouragement support me to complete this project.

With regards,

Rajendra Prasad K B

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EXECUTIVE SUMMARY

Researchers are examining how foreign investment (FDI) affects India's stock market. They're focusing on major indexes like the Sensex and Nifty to see how FDI changes impact stock prices. They also want to identify which industries benefit most from FDI. The study uses data from 2014 to 2023 to analyze these relationships. Information taken from reliable sources like the RBI, NSE, and BSE. Statistical methods like correlation analysis and co-integration tests will be used to understand the connections.

The study found that more foreign investment (FDI) leads to a stronger stock market in India. As FDI rises up, also major indexes like the Sensex and Nifty. This shows that foreign investors bring confidence and help the economy grow. The research also showed that some industries, like retail, cars, and manufacturing, benefit the most from FDI. This means that stock prices in those sectors tend to rise when there is more FDI inflow.

The study highlights the need for welcoming foreign investment (FDI) with clear and simple rules. Making it easier for foreign businesses to operate in India that could attract more investment. This would be a big boost for the stock market and the entire economy. By showing how FDI affects different industries, the research helps policymakers and investors to make informed and smart decisions in India's ever-changing and developing economic environment.