

- 5) Net FII has declined from 17.66 in US billion dollar in 2008 to 11.97 in US billion dollar.
- 6) Four indicators namely foreign exchange reserve, foreign exchange rate, sensex index and foreign capital inflow in terms of FII were shows negative change during global recession time. Hence it can be concluded that the impact of global recession on Indian capital market was negative. Thus it is a myth that the global financial crisis left India virtually unseated. In fact India is the biggest victim of the slump induced poverty.

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Abstract

An attempt is made in the present paper to assess the impact of global crisis or recession on Indian capital market on the basis of secondary data for 2007-2009 period. The impact is assessed on foreign exchange reserve, foreign exchange rate, stock market and foreign capital inflow, assuming that they had the positive effect. It was found out the impact of global crisis or recession on Indian Capital market was negative.