



## A STUDY ON SELECTED DETERMINANTS AFFECTING FIIS IN INDIA

*Dr. L. Srinivas Reddy*

*Principal, Aristotle P.G.College, Hyderabad, Telangana.*

*G.Swapna*

*Research Scholar, Osmania University, Hyderabad, Telangana.*

### ABSTRACT

*The present paper is an endeavor to recognize the elements influencing flow of FII funds to India. For distinguishing the elements influencing FII inflows in Indian securities exchange, we considered three ward factors specifically: FIIs sales (FIIS), Purchase (FIIP) and net investment (FIIN) and free factors including BSE SENSEX, NSE NIFTY 50, Federal rate, FDI, Exchange Rate, Inflation, and GDP. Different relapse examination such as multiple regression analysis was connected to accomplish the goal of the investigation by considering information for a time of 12 years from the earliest starting point of April 2005 to March end 2017. On running the regression with FIIN as the dependent variable, it was found that only 27 per cent of the variation in net FIIs is caused by the changes in independent variables. The variables like Nifty return, BSE return, FDI, Inflation and GDP have positive and significant regression coefficients. Thus, these variables put significant influence on the net investments made by FIIs in India. The remaining factors do not exert significant effect on FII Net investments.*

*Key Words: FIIs, BSE return, Determinants of FIIs, FDI, GDP, US Federal rate, Exchange rate*