

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 2437
TO BE ANSWERED ON MONDAY, AUGUST 4, 2025/SRAVANA 13, 1947 (SAKA)**

IMPACT OF FLUCTUATIONS IN THE STOCK MARKET

**2437. SHRI TANGELLA UDAY SRINIVAS
SHRI SRIBHARAT MATHUKUMILLI:**

Will the Minister of Finance be pleased to state:

- (a) whether the Government has conducted any survey/study on the impact of recent fluctuations in the Indian stock market on investors, if so, the details thereof;
- (b) the details of total losses suffered by the domestic and foreign investors during the last six months due to stock market volatility, sector-wise and category-wise;
- (c) the total amount withdrawn by Foreign Institutional Investors during the last twelve months, month-wise;
- (d) the measures taken by the Government to stabilise the stock market and address the concerns of investors, particularly retail and small investors;
- (e) whether the Government has taken any awareness initiatives or financial literacy campaigns to educate citizens about the risks and investment strategies in the stock market, if so, the details thereof; and
- (f) the steps being taken by the Government to enhance investor protection and promote confidence in the Indian stock market amidst global economic uncertainties?

**ANSWER
MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)**

Ans (a) and (b): Stock market movements are a function of investor perceptions along with other factors which may include, inter-alia, global economic and geo-political uncertainties affecting foreign capital flows, domestic macro-economic parameters, and corporate performance.

The Indian stock markets have consistently performed positively for long term investments. During 2024-25, Indian benchmark indices Nifty 50 and Sensex increased by 5.34% and 5.11% respectively. The all-India Market Capitalization also rose by 6.9% to Rs. 413.76 trillion as on March 31, 2025, from Rs. 386.98 trillion as on March 31, 2024.

Determining the extent of investor losses requires a granular analysis of the trades and transactions carried out by crores of investors. This data is not readily maintained or consolidated by Securities and Exchange Board of India (SEBI).

Ans (c): Monthly trend in FPI investment over the last 12 months is as follows:

(Amount in Rs. Crore)

Month	Total*
Jul-24	48,796
Aug-24	25,493
Sep-24	93,538
Oct-24	-96,358
Nov-24	-21,444
Dec-24	25,938
Jan-25	-77,211
Feb-25	-24,301
Mar-25	32,981
Apr-25	-20,190
May-25	30,950
Jun-25	-7,563
Total	10,629

**Data pertains to FPI net investment across equity, debt, hybrid, and mutual funds segments.*

Ans (d) to (f): Securities and Exchange Board of India (SEBI) has put in place regulatory and surveillance frameworks for effecting market stability and for the protection of interests of investors from volatility in the stock market.

1. It conducts regular surveillance of trends in the securities markets to enhance market integrity and safeguard interest of investors. Surveillance systems are put in place to check the abnormal rises in the prices of securities which are not aligned with fundamentals of companies.
2. The alerts generated by SEBI's surveillance mechanism along with complaints alleging non-compliance with above Regulations are treated as inputs for market intelligence by SEBI.
3. Trading members have also been mandated to disseminate scrip specific cautionary messages so as to increase awareness and caution the investors.
4. SEBI, in co-ordination with stock exchanges and depositories, also carries out regular investor education and awareness programs across different parts of the country. These free of cost programs, inter-alia, cover various topics such as basic investing principles, product features, risks involved, investor rights and responsibilities, common features of investment scams etc.
5. In FY 2024-25 SEBI, along with Association of Mutual Funds in India (AMFI) and Asset Management Companies (AMC), conducted investor awareness programs in 724 districts across 36 States and Union Territories, covering nearly 32 lakh investors. SEBI has also launched the Saaṛthi Mobile App, readily offering educational resources and investment information.
6. Various measures have been taken up to increase investor protection and market stability with respect to the risks and volatility associated with the Futures & Options (F&O) segment.
