

Title: Recent Trends in the Stock Market in India: A Literature Review

The stock market in India has been an important contributor to the country's economic growth over the past few decades. With the increasing interest of retail investors and the introduction of new financial products, the Indian stock market has undergone significant changes. This literature review aims to provide an overview of the recent trends and developments in the Indian stock market.

According to a report by the National Stock Exchange (NSE), the Indian stock market witnessed a significant increase in the number of dematerialized (Demat) accounts in recent years. As of March 2021, there were more than 59 million Demat accounts in India, a growth of 16% from the previous year. This indicates the growing interest of retail investors in the stock market.

Another trend in the Indian stock market is the increasing use of financial technology (fintech) platforms. These platforms provide retail investors with access to financial products such as mutual funds, exchange-traded funds (ETFs), and initial public offerings (IPOs). A study by Chakrabarty and Mohan (2021) found that the use of fintech platforms has increased significantly in the past few years, with more than 80% of retail investors using these platforms for investing in the stock market.

The Indian stock market has also witnessed significant changes in terms of regulatory reforms. In 2020, the Securities and Exchange Board of India (SEBI) introduced several measures to improve transparency and investor protection. One of the key reforms was the introduction of a framework for the listing of commercial paper on stock exchanges, which has made it easier for companies to raise short-term funds.

However, the Indian stock market is not without its challenges. One of the major concerns is the impact of the COVID-19 pandemic on the market. A study by Bose and Debnath (2021) found that the pandemic

had a significant negative impact on the Indian stock market, with the Nifty 50 index falling by more than 35% in the first few months of 2020.

In conclusion, the Indian stock market has undergone significant changes in recent years, with the growing interest of retail investors, the increasing use of fintech platforms, and the introduction of regulatory reforms. However, the market is still vulnerable to external shocks such as the COVID-19 pandemic. It is important for policymakers and market participants to continue to work towards improving transparency and investor protection in the Indian stock market.

References:

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