EFFICIENT MARKET HYPOTHESIS: 
A STUDY OF INDIAN CAPITAL MARKET

S. D. VASHISHTHA*; KALPANA HOODA**

*PROFESSOR & DEAN, 
DEPT. OF COMMERCE, 
M.D.U. ROHTAK, HARYANA.

**PHD RESEARCH SCHOLAR, 
DEPT. OF COMMERCE, 
M.D.U. ROHTAK, HARYANA

ABSTRACT
Market efficiency was developed in 1970 by Economist Eugene Fama whose theory, efficient market hypothesis (EMH), stated that it is not possible for an investor to outperform the market because all available information is already adjusted into stock prices. In such market situation anyone who is involved in trading activity is able to make use of the information to assess the past performance of the security in question and can accurately spot the reasons for the current unit price and assess the future performance of the security. Present study has been conducted to examine to what extent our Indian Capital market is efficient. For present study work primary information (data) was required for meeting the objective which was collected from the people who invest in Capital Market with the help of questionnaire. After analysis of data, researchers can say that Indian capital market is semi-strong form efficient since majority of the investors takes into consider historic as well as publically available information for making investment in shares of companies but still there is possibility for insiders to earn superior return.

KEY WORDS: Market Efficiency, Efficient Market Hypothesis, Security, Capital Market, Primary Data, Questionnaire, Semi-strong Form.