**Abstract**

Macroeconomic performance plays crucial role in emerging economies and acts as the reflection of the economic performance of the country. Economic growth in turn depends on well structured financial market, vice-versa well structured and stable financial market will also fuel the economic growth of the country. In this dependent scenario it is quite imperative to study the impact of macroeconomic forces on the Indian stock market to have deeper understanding about the influence of macroeconomic forces on stock market returns. In this research article an attempt has been made to study the impact of macroeconomic variables such as consumer price index, industrial production, money supply, oil prices, exchange rate and global stock prices reflected by MSCI index on broad Indian stock market index BSE SENSEX and various sectoral indices of BSE. The main objective of the study is to study the impact of macroeconomic variable on Indian stock market and to examine the long-run and short-run relationship of the chosen macroeconomic variables on the returns of the broad stock market index BSE SENSEX and various sectoral indices of BSE. The period of study is from April 2014 to July 2018. The major macroeconomic forces that significantly impacts most of the sectors of the Indian stock market are CPI, crude oil price, exchange rate and MSCI index. Macroeconomic variable namely IPI significantly influences production sectors like basic materials, consumer discretionary goods and services, metal, oil and gas, teck and utilities. Macroeconomic variable money supply significantly impacts high capital intensive sector and finance sector. The analysis also shows that there exist a long-run and as well as short-run relationship between Indian stock market and macroeconomic variables chosen for the study.