

## **ABSTRACT**

While India being one of the top developing countries in Asia successfully establishing a world-class active equity market and a stable banking system, the debt market has been sluggish through the years. With India facing unprecedented inflation and fiscal deficit problems simultaneously, it is increasingly important to have an active and a competent debt market. This study analyses the prominent barriers that stagnate the growth of the market, the key regulations and developments that have affected and influenced the Indian debt market from 1992 onwards. Special importance is given to the innovative instruments introduced to the market since then.