

DEBT MARKET SNAPSHOT

Q3 FY26 Report

Executive Summary

As we settle into the new year, I extend warm wishes to our valued customers and partners in the financial ecosystem.

In the past quarter, India's debt market showed resilience amid shifting global macro-financial conditions. This report on the Q3 FY26 performance of debt market captures a phase of relative stability in fund mobilisation. Overall debt fundraising remained steady, with the government continuing to lead issuances. This highlights the central role government plays in the primary debt market. The quarter also saw strong participation from the financial sector, seeking funds to meet the rising demand for credit.

In terms of instruments, certificates of deposit and state government securities dominated the issuance landscape. The maturity profile showed clear preference for short-term instruments, which anchored overall debt mobilisation. While the debt profile was largely focused on top-grade issuers, few unrated issuances also managed to garner substantial amount of funds.

From a macro perspective, benign inflation, calibrated monetary policy actions and ample liquidity created a favourable environment. However, global uncertainties impacted the secondary debt market performance. Going forward, balancing growth support and financial stability will remain key to the debt market dynamics.

My team and I remain committed to providing timely, data-driven insights to support informed decision-making. Thank you for your continued trust and support.

We look forward to working together in the year ahead with clarity, discipline and confidence.



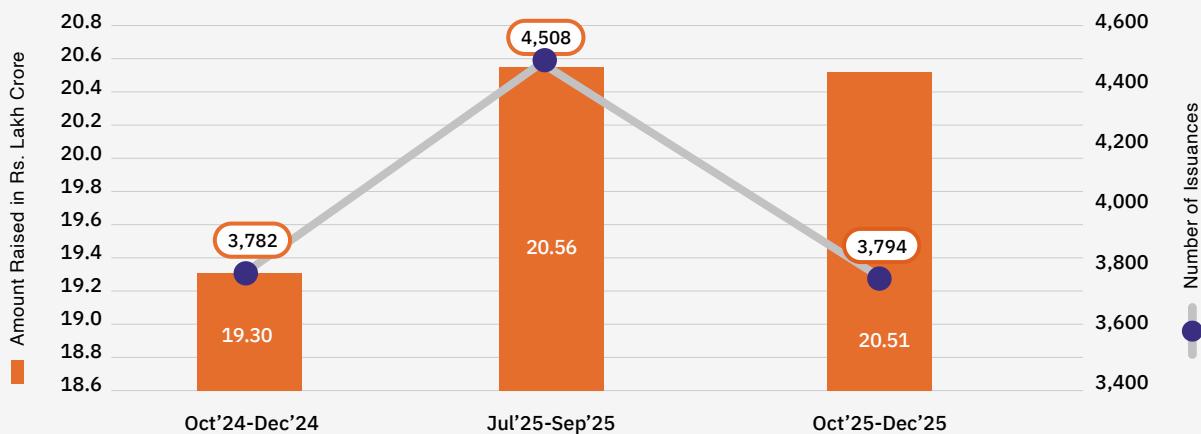
Warm Regards,
Aniruddha Chatterjee
CEO- NSE Indices, Data and Cogencis

Q3 FY26 Debt Fundraising Stable, Finance Companies Lead

Fund mobilisation in the primary debt market in India remained broadly stable in Q3 FY26. The debt raised, at Rs.20.5 lakh crore, was marginally lower by 0.2% compared to the preceding quarter, but higher by 6.3% than the year-ago quarter.

General Government borrowings remained virtually unchanged at Rs.10.5 lakh crore, in line with the calibrated borrowing programme and backed by cash balances. While finance companies recorded a strong participation, non-financial corporates pulled back.

Fund Raising in Primary Debt Market



During this period, finance companies raised nearly Rs.7.74 lakh crore, marking a quarter-on-quarter (QoQ) increase of 14.5% and a year-on-year (YoY) rise of nearly 23%. The growth was supported by sustained credit demand and attractive interest rates for short tenors, amid surplus systemic liquidity. On the other hand, non-financial corporates issued substantially less debt – Rs.2.25 lakh crore, down 30.9% QoQ and 22.3% YoY. This reflected cautious capex plans, stubbornly high borrowing cost at the long-end and preference for internal accruals.

Total Debt Raised (Amount in Rs. Crore)

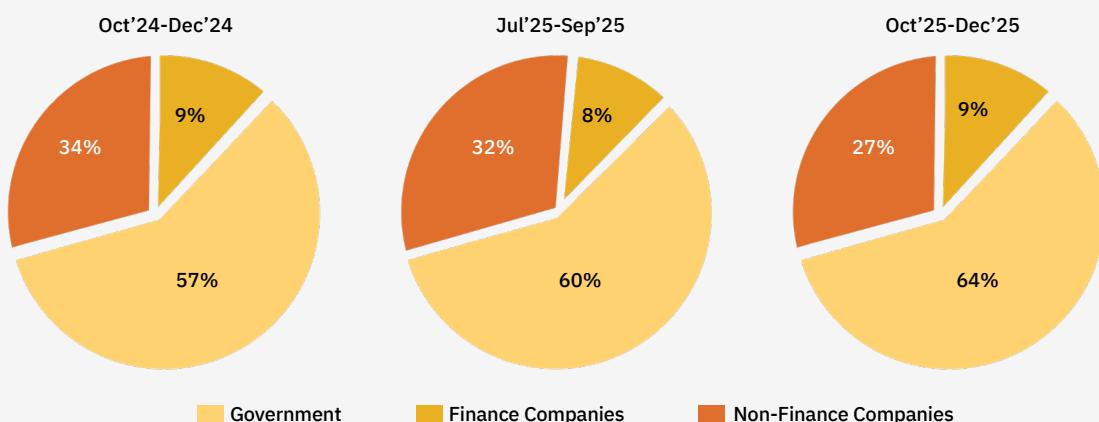
Debt Raised	Oct'24 - Dec'24	Jul'25 - Sep'25	Oct'25 - Dec'25	QoQ % Change	YoY % Change
Government	10,10,829	10,54,756	10,52,463	-0.22	4.12
Finance Companies	6,29,323	6,75,617	7,73,522	14.49	22.91
Non-finance Companies	2,89,360	3,25,374	2,24,788	-30.91	-22.32
Total	19,29,512	20,55,747	20,50,773	-0.24	6.28

Note: Debt issuances include fresh as well as re-issuances of instruments during the period under consideration.

Fewer Issuances, Higher Ticket Size

The primary debt market saw a contraction in the issuance activity in Q3 FY26. Number of issuances, at 3,794, decreased QoQ by 15.8%, while remaining stable in comparison to the year-ago quarter. The QoQ fall was broad-based. Issuances by non-finance companies dropped sharply by nearly 30% QoQ to 1,007. These were weaker by 21.1% when compared YoY. Issuances by finance companies too moderated to 2,441, down 10.1% QoQ after putting up a strong show in Q2 FY26. However, when compared to the year-ago quarter, these marked an increase of 13.3%. Government issuances declined marginally to 346 in Q3 FY26, indicating stable but calibrated borrowing.

Number of Issuances



The ticket size increased on both counts. Average size of overall instruments issued increased to about Rs.540 per instrument in Q3 FY26, supported by higher mobilisation by finance companies and sustained government borrowing. Government securities continued to dominate in ticket size, with average debt raised per instrument of over Rs.3,000 crore. Finance companies raised around Rs.317 crore per instrument, higher than the previous quarter. On the other hand, non-finance companies remained small ticket issuers with an average ticket size in Q3 FY26 amounting to Rs.220 crore.

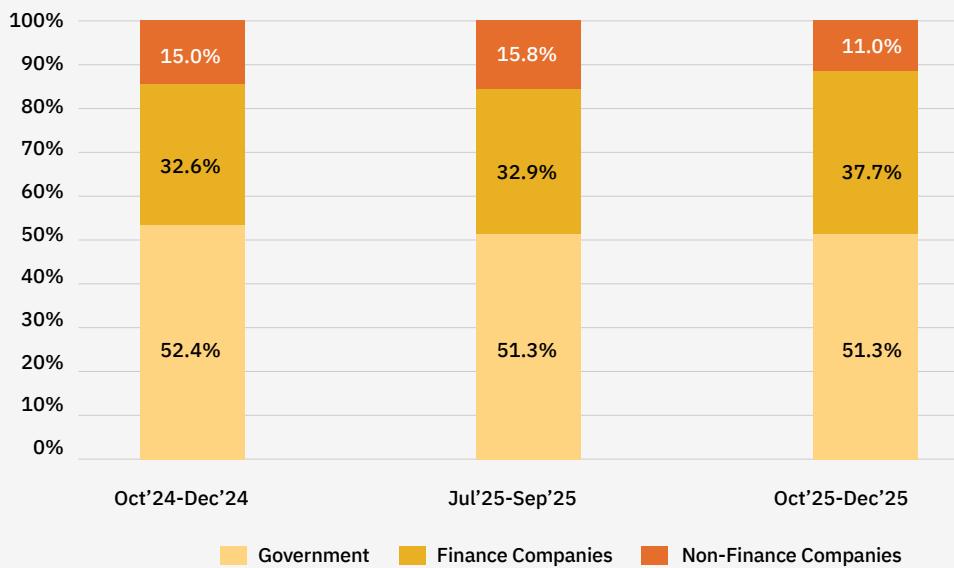
Issuer	Oct'24 - Dec'24	Jul'25 - Sep'25	Oct'25 - Dec'25	QoQ % Change	YoY% Change
Government	351	357	346	-3.08	-1.42
Finance Companies	2,154	2,715	2,441	-10.09	13.32
Non-finance Companies	1,277	1,436	1,007	-29.87	-21.14
Total	3,782	4,508	3,794	-15.84	0.32

CDs and SGS Dominate Q3 FY26 Debt Landscape

Government-led borrowings displayed a diverse trend in Q3 FY26. Issuance of Government Securities (G-Secs and other approved securities) moderated to Rs.3.55 lakh crore, marking a QoQ fall of 10.4% and a YoY contraction of 7.2%. This reflected calibrated execution of the Centre's borrowings programme and comfortable cash balances.

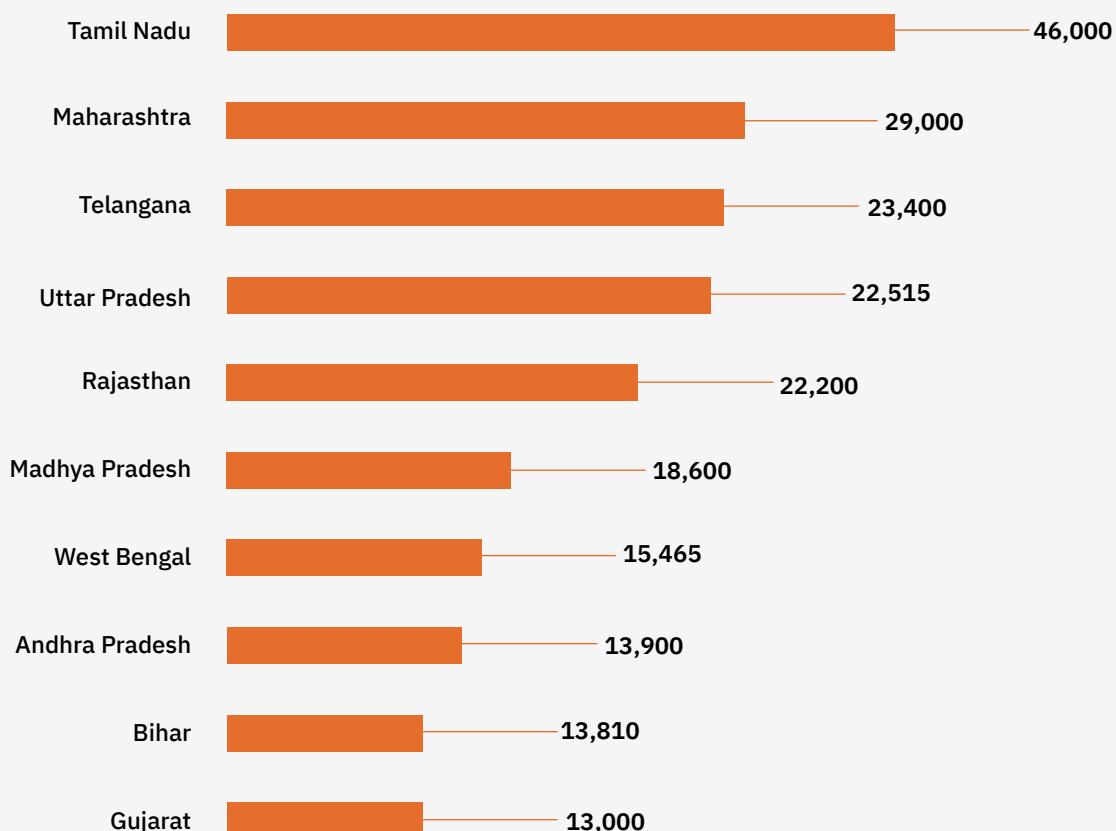
The Central Government relied more on short-term instruments. Its fund mobilisation through Treasury Bills (T-bills) increased sharply by 7.3% QoQ and 4.6% YoY to Rs.4.16 lakh crore.

Broad Category-wise Distribution of Debt Raised



State Government borrowings continued to scale up, underscoring higher capital expenditure requirements and stable demand from banks. Fund mobilisation through State Government Securities (SGS) increased by 4% QoQ and 22% YoY to Rs.2.82 lakh crore in Q3 FY26.

Top SGS Issuers in Q3 FY26



Note: Debt raised against SGS in Rs. Crore

Tamil Nadu (TN) gained the position of the largest borrower in Q3 FY26, mobilising Rs.46,000 through SGS in Q3 FY26. Maharashtra, which was the largest borrower in Q2, secured the second position in Q3, trailing TN by a large margin. It mobilised Rs.29,000 crore against issuance of SGS.

Telangana, Uttar Pradesh and Rajasthan featured in the top 5 borrowing states. Their borrowings ranged between Rs.22,200-23,400 crore. The top five states accounted for 57.2% of the total borrowings by State Governments via SGS in Q3 FY26.

India Inc's, medium and long-term fund raising through bonds and debentures contracted in Q3 FY26 to Rs.2.72 lakh crore, registering a QoQ fall of 8.4% and YoY fall of 18.6%. The contraction was led by muted capex needs and a shift towards bank credit due to higher secondary market yields. A bear-steepening yield curve, and intermittent liquidity tightness raised borrowing costs, prompting corporates to defer market borrowing or shift to bank credit.

Money market instruments, particularly Certificate of Deposits (CD), dominated the primary debt market activity in Q3 FY26. Deposits could not keep pace with the demand for credit, which increased Banks' reliance on external funds to support credit growth. Fund mobilisation through CDs recorded robust growth, rising QoQ by 40.1% and YoY by 53.1% to Rs.3.68 lakh crore. The amount mobilised through Commercial Paper (CP) issuances in Q3 FY26, at Rs.3.58 lakh crore, was similar to the CD issuances. While it was up YoY by 4.1%, it marked substantial easing sequentially, to the tune of 18.9%, from the record amount of Rs.4.41 lakh crore mobilised in Q2 FY26.

Instrument-wise (Amount in Rs. Crore)

Instrument	Oct'24 - Dec'24	Jul'25 - Sep'25	Oct'25 - Dec'25	QoQ % Change	YoY% Change
Government Securities (Gsec + Other approved)	3,82,727	3,96,220	3,55,000	-10.40	-7.24
Treasury Bills	3,97,591	3,87,692	4,15,802	7.25	4.58
State Development Loan	2,30,510	2,70,844	2,81,661	3.99	22.19
Bonds & Debentures	3,34,400	2,97,425	2,72,373	-8.42	-18.55
Non-Convertible Debentures	1,46,004	1,99,151	1,70,446	-14.41	16.74
Convertible Debentures	35,839	26,564	22,169	-16.54	-38.14
Non-Convertible Bonds	1,10,452	44,513	70,661	58.74	-36.03
Others	42,105	27,197	9,097	-66.55	-78.39
Foreign Currency Bond	117	142	62	-56.34	-47.01
Green Bond	0	670	150	-77.61	NA
Masala Bond	0	0	0	NA	NA
Pass Through Certificates	12,372	21,140	0	NA	NA
Security Receipts	0	0	0	NA	NA
Infrastructure Bond	29,516	5,245	8,460	61.30	-71.34
Municipal Bond	100	0	425	NA	325.00
Certificate of Deposit	2,40,645	2,62,900	3,68,380	40.12	53.08
Commercial Paper	3,43,639	4,40,665	3,57,556	-18.86	4.05
Total Debt Raised through Instruments	19,29,512	20,55,746	20,50,272	-0.24	6.28

Q3 FY26 Debt Credit Profile Skewed to Top Grades

Debt market fund mobilisation in Q3 FY26 remained highly concentrated in AAA or A1+ rated instruments, underscoring the market's preference for credit safety. Finance and non-finance companies collectively raised around Rs.10 lakh crore during Q3 FY26 of which 84.7% enjoyed the highest rating. Long-term instruments with AAA rating fetched Rs.1.22 lakh crore, while A1+ rated short-term instruments garnered Rs.6.94 lakh crore.

In Q3 FY26, finance companies dominated the long-term debt landscape. They raised Rs.1.56 lakh crore through long-term instruments, 51.2% of which enjoyed the highest rating AAA due to the strong presence of public sector banks such as Bank of India, State Bank of India and government-backed financial institutions like National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI) and National Bank for Financing Infrastructure and Development (NaBFID). Around 29% of the debt mobilised was rated AA (+/-) and 11% A (+/-).

Non-finance companies mobilised Rs.1.16 lakh crore through long-term instruments in Q3 FY26. A little more than Rs.42,000 crore received the highest AAA rating, accounting for 36.5% of the total long-term debt raised by finance companies during the quarter. About Rs.20,460 crore (17.7%) secured AA (+/-) rating and Rs.3,515 crore (3%) was rated A (+/-).

Around 40% of the long-term debt, amounting to Rs.46,958 crore, mobilised by non-finance companies was unrated. JSW Paints Ltd topped by raising Rs.5,300 crore against four zero coupon convertible debentures. The company also raised Rs.3,300 crore through AA- rated NCD at a coupon of 3.65% with 5-year maturity during the quarter. The funds were raised via private placement to finance business activities, including the recent acquisition of AkzoNobel India Limited.

The second largest unrated debt issuer was Anand Rathi Global Finance Ltd. with a total fund mobilisation of Rs.3,557 crore. It was closely followed by Vodafone Idea which raised Rs.3,300 crore through unlisted, secured non-convertible debentures (NCDs) for crucial network investments, improving service quality, and easing financial pressures.

Short-term debt mobilisation was overwhelmingly concentrated in the highest rating bucket, accounting for nearly 99.7% of the total amount mobilised. Finance companies raised short-term debt of Rs.6.17 lakh crore, while non-finance companies raised Rs.1.08 lakh crore in Q3 FY26.



Debt Raised across Long Term Rating Scale (Amount in Rs. Crore)

Rating Scale	Finance	Non-Finance	Total	% of Total Raised
AAA	80,322	42,192	1,22,514	45.00
AA (+/-)	45,500	20,460	65,960	24.23
A (+/-)	17,334	3,515	20,849	7.66
BBB (+/-)	5,963	870	6,833	2.51
BB (+/-)	25	685	710	0.26
C	-	475	475	0.17
D	-	370	370	0.14
UR	7,610	46,958	54,568	20.04
Total	1,56,754	1,15,525	2,72,278	

Debt Raised across Short Term Rating Scale (Amount in Rs. Crore)

Rating Scale	Finance	Non-Finance	Total	% of Total Raised
A1+	6,15,000	1,08,481	6,94,252	99.66
A1	1,343	255	1,598	0.23
A2+	40	25	65	0.01
A2	112	50	162	0.02
A3+	211	-	211	0.03
A3	-	319	319	0.05
Total	6,16,706	1,09,130	6,96,607	

Debt Raised across Short Term Rating Scale (Amount in Rs. Crore)

Rating Scale	Up to 1 yr	Above 1-3 yrs	Above 3-5 yrs	Above 5-10 yrs	Above 10-15 yrs	Above 15-20 yrs	Above 20-30 yrs	Above 30 yrs	Perpetual
AAA	-	7.30	7.20	6.56	7.43	7.26	-	-	8.38
AA+	-	7.97	7.81	8.21	7.77	7.99	-	-	7.55
AA	-	8.71	8.49	8.97	9.08	-	-	-	-
AA-	-	8.75	8.84	8.82	-	-	-	-	-
A+	-	9.67	9.78	10.36	9.96	-	-	-	10.50
A	-	10.18	9.83	11.08	10.55	-	-	-	-
A-	-	11.08	11.62	11.08	-	-	-	-	-
BBB+	-	11.74	11.78	11.54	-	-	-	-	-
BBB	-	11.74	11.96	10.96	-	-	-	-	-
BBB-	-	11.74	11.98	12.20	-	-	-	-	-
BB+	-	12.18	11.00	11.00	-	-	-	-	-
BB-	-	-	12.00	-	-	-	-	-	-
B	-	16.17	17.25	-	-	-	-	-	-
C	-	-	12.00	-	-	-	-	-	-
UR*	18.50	25.44	20.00	18.00	15.00	15.00	14.00	-	9.90

Note*: Considered max in each bucket

Short-Term Instruments Anchor Debt Issuance

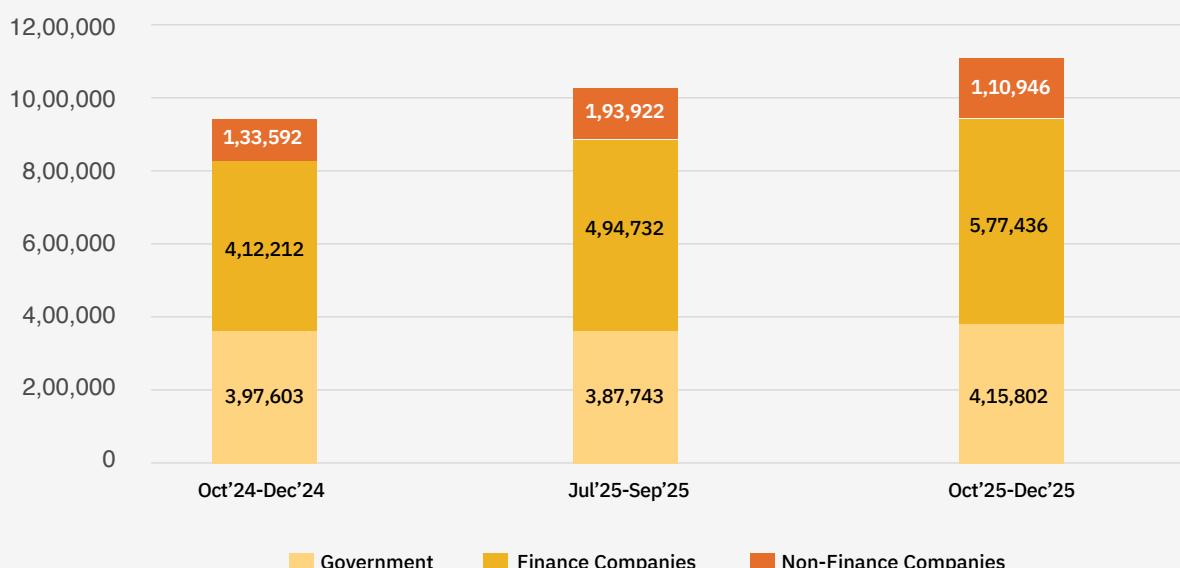
Instrument-wise issuance pattern in Q3 FY26 points to a clear preference for short-to-medium tenor instruments amid evolving liquidity and rate expectations. Treasury Bills remained the single largest contributor, with fund mobilisation rising QoQ by 7.3% and YoY by 4.6% to Rs.4.16 lakh crore, reflecting sustained government cash management needs and robust demand from banks and money market funds.

Among money market instruments, Certificates of Deposits (CD) stood out. Buoyed by banks' increased reliance on market borrowings to support credit, fund mobilisation through CDs surged to Rs.3.68 lakh crore in Q3 FY26. There was a marked growth observed 40% QoQ and 53% YoY. The amount mobilised through Commercial Paper (CP) issuances in Q3 FY26, at Rs.3.58 lakh crore, was almost indistinguishable from the CD issuances. While it was up 4.1% YoY, it marks a substantial easing sequentially of 18.9% from the record amount of Rs.4.41 lakh crore mobilised in Q2 FY26.

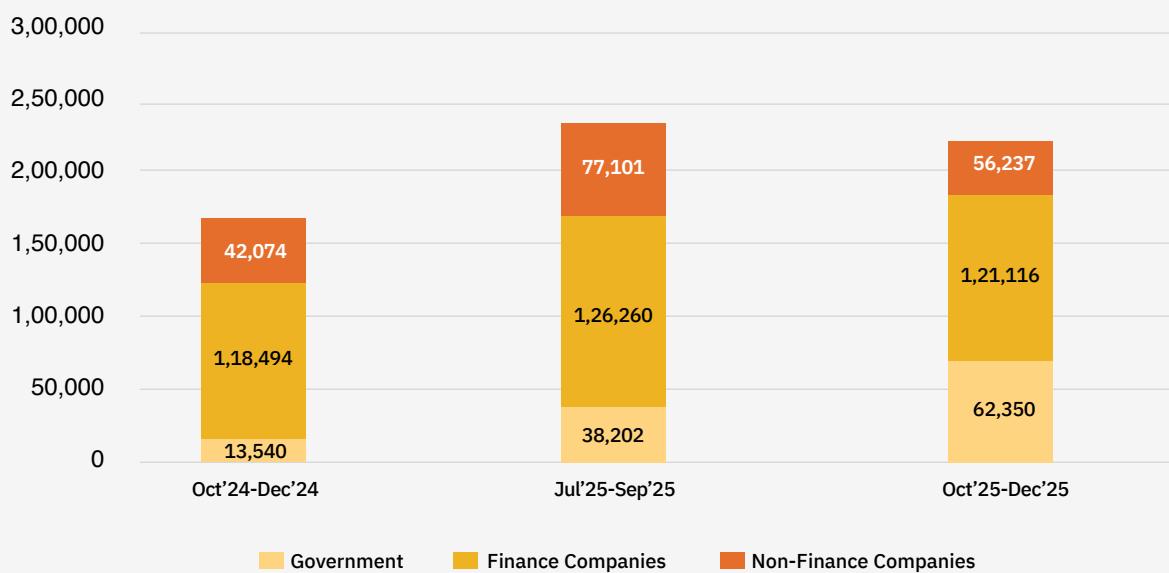
Longer-duration instruments such as government securities and bonds & debentures saw a moderation, partly reflecting cautious duration positioning amid elevated term premia. Debt raising against bonds & debentures shrank to Rs.2.72 lakh crore, registering a QoQ fall of 8.4% and a YoY decline of 18.6%. Fund mobilisation through issuance of G-secs and other approved securities, at Rs.3.55 lakh crore, was also down QoQ by 10.4% and YoY by 7.2%. Loans through State Government Securities (SGS), on the other hand, recorded a steady growth to Rs.2.82 lakh crore, supported by stable spreads over G-Secs. The mobilisation, however, was within the limits of the state schedules.

Debt Raised by Maturity Bucket (Amount in Rs. Crore)

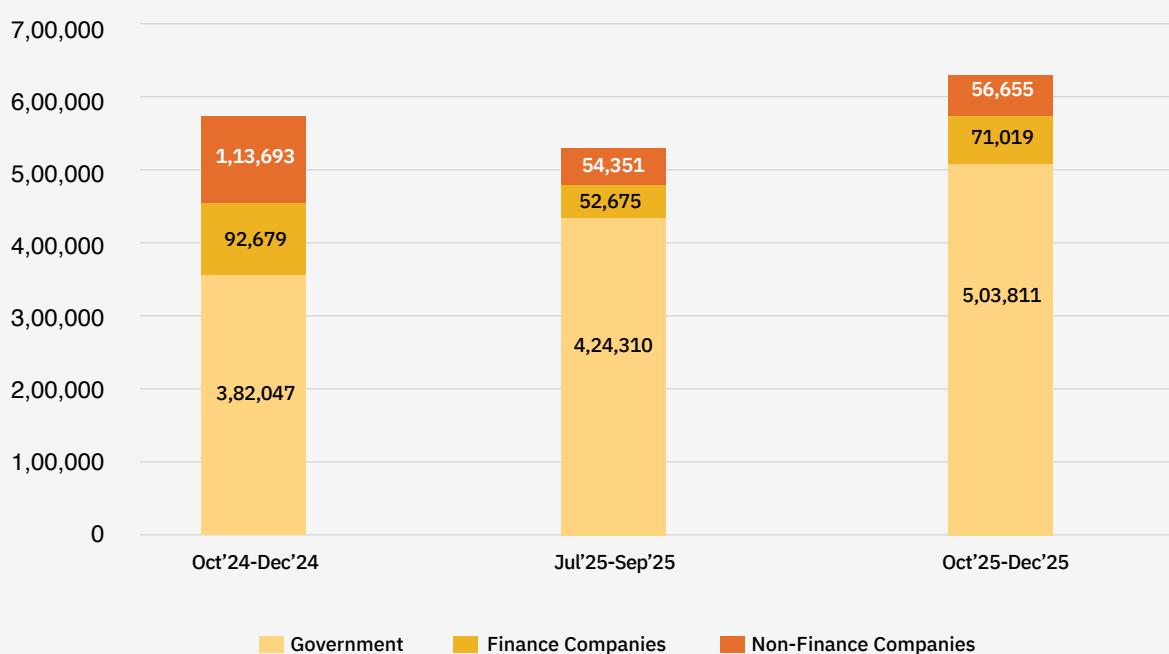
Short Term Debt (Less than 1 Year Maturity)



Medium Term Debt (1-5 Year Maturity)



Long Term Debt (More than 5 Year Maturity)

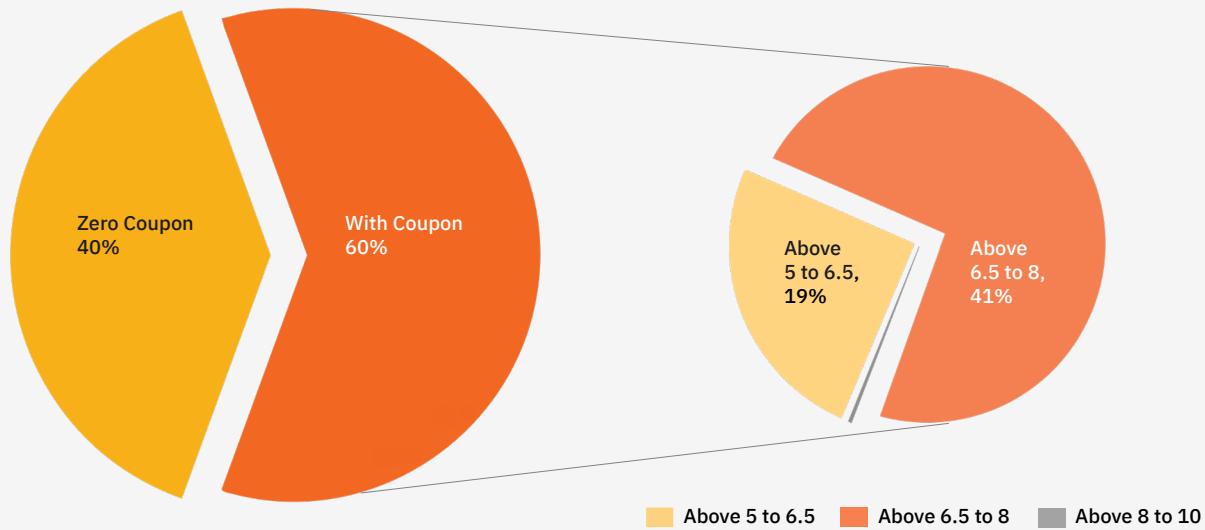


Debt by Maturity Bucket (Amount in Rs. Crore)

Government	Oct'24 - Dec'24	Jul'25 - Sep'25	Oct'25 - Dec'25	QoQ % Change	YoY% Change
Up to 1Year	3,97,603	3,87,743	4,15,802	7.24	4.58
Above 1Year to 3Years	24,523	19,101	28,500	49.21	16.22
Above 3Year to 5Years	36,517	38,601	63,350	64.11	73.48
Above 5Year to 10Years	1,59,956	2,01,478	1,60,496	-20.34	0.34
Above 10Year to 15Years	1,63,161	98,953	1,55,060	56.70	-4.97
Above 15Year to 20Years	50,119	59,853	55,260	-7.67	10.26
Above 20Year to 30Years	67,558	1,02,826	89,995	-12.48	33.21
Above 30Years	1,11,393	1,46,200	84,000	-42.54	-24.59
Finance Companies					
Up to 1Year	4,12,212	4,94,732	5,77,436	16.72	40.08
Above 1Year to 3Years	76,165	62,692	81,822	30.51	7.43
Above 3Year to 5Years	42,329	63,568	39,294	-38.19	-7.17
Above 5Year to 10Years	42,631	36,911	27,174	-26.38	-36.26
Above 10Year to 15Years	26,023	15,764	32,879	108.57	26.35
Above 15Year to 20Years	24,025	0	10,966	NA	-54.36
Above 20Year to 30Years	0	0	0	NA	NA
Above 30Years	0	0	0	NA	NA
Perpetual	5,940	1,950	3,950	102.56	-33.50
Non-Finance Companies					
Upto 1 Year	1,33,592	1,93,922	1,10,946	-42.79	-16.95
Above 1Year to 3Years	18,920	28,955	27,527	-4.93	45.49
Above 3Year to 5Years	23,154	48,146	28,710	-40.37	24.00
Above 5Year to 10Years	34,921	15,107	23,127	53.09	-33.77
Above 10Year to 15Years	64,424	18,239	25,256	38.47	-60.80
Above 15Year to 20Years	9,359	10,986	801	-92.71	-91.44
Above 20Year to 30Years	3,545	8,239	7,353	-10.75	107.42
Above 30 Years	1,444	1,780	118	-93.37	-91.83
Perpetual	0	0	950	NA	NA
Total					
Upto 1 Year	9,43,407	10,76,397	11,04,184	2.58	17.04
Above 1Year to 3Years	1,05,608	92,748	1,09,349	17.90	3.54
Above 3Year to 5Years	68,500	1,48,815	1,30,354	-12.41	90.30
Above 5Year to 10Years	2,07,518	1,60,496	2,06,797	28.85	-0.35
Above 10Year to 15Years	2,35,108	1,23,456	2,12,195	71.88	-9.75
Above 15Year to 20Years	83,003	68,839	67,027	-2.63	-19.25
Above 20Year to 30Years	29,953	96,565	97,348	0.81	225.00
Above 30 Years	32,837	81,980	48,118	-41.31	46.54
Perpetual	5,940	1,950	4,900	151.28	-17.51

Debt Raised by Coupon Rate - Government Securities

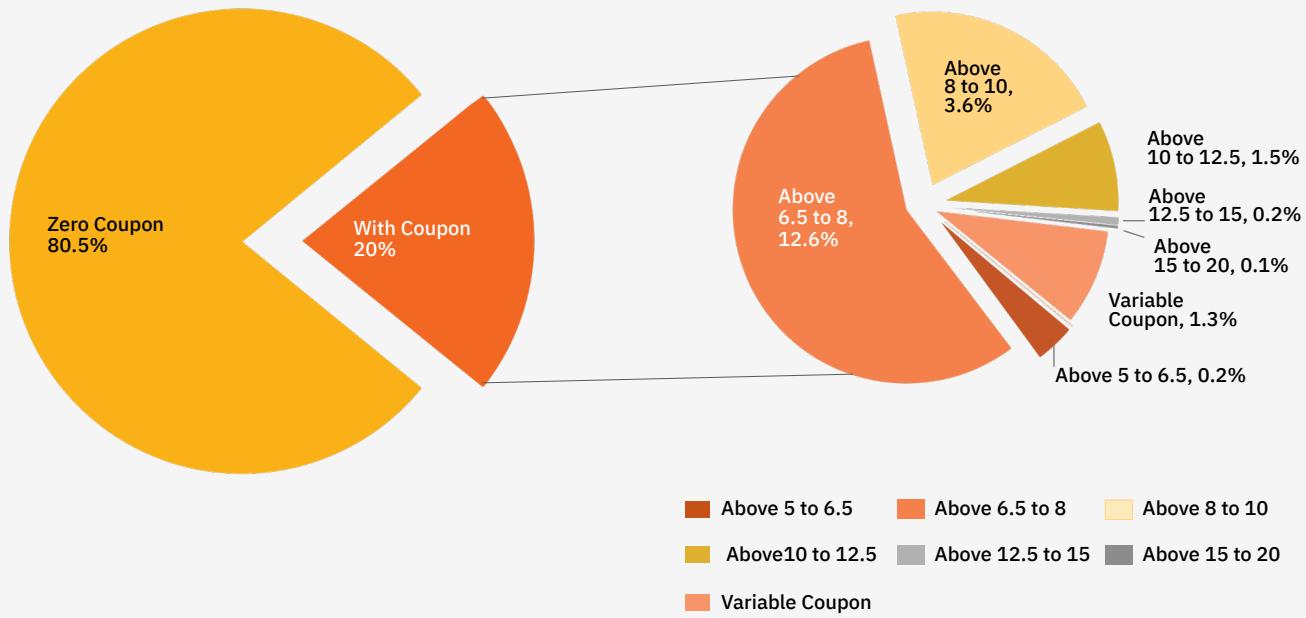
Debt By Coupon - Government (Q3 FY26)



Coupon Rate	Oct'24-Dec'24		Jul'25-Sep'25		Oct'25-Dec'25	
	Number of Issuances	Amount (In Rs. Crore)	Number of Issuances	Amount (In Rs. Crore)	Number of Issuances	Amount (In Rs. Crore)
Zero Coupon	140	3,98,319	100	3,89,912	62	4,15,802
Upto 5	0	0	0	0	0	0
Above 5 to 6.5	1	1,000	17	1,90,000	11	1,99,000
Above 6.5 to 8	209	6,10,510	238	4,72,844	272	4,36,661
Above 8 to 10	1	1,000	2	2,000	1	1,000
Total	351	10,10,829	357	10,54,756	346	10,52,463

Debt Raised by Coupon Rate - Finance Companies

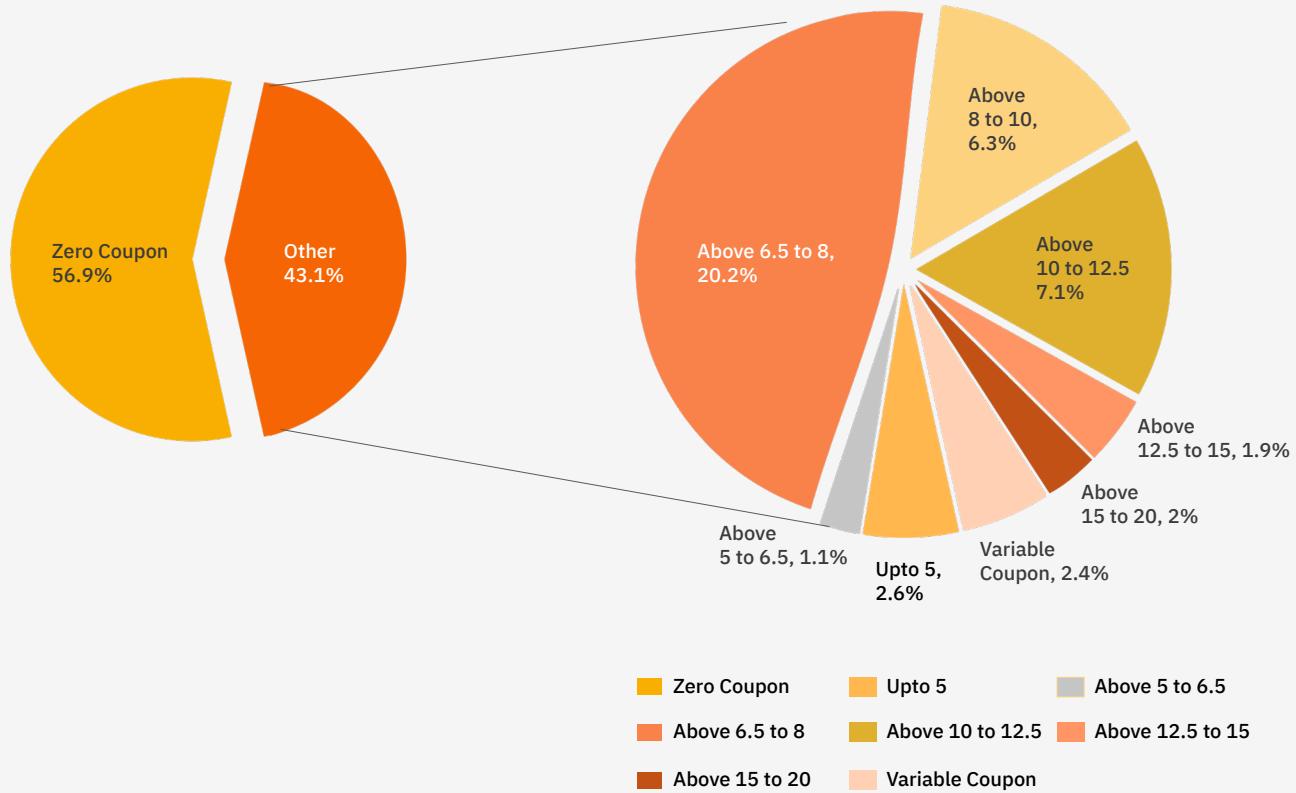
Debt by Coupon- Finance (Q3 FY26)



Coupon Rate	Oct'24-Dec'24		Jul'25-Sep'25		Oct'25-Dec'25	
	Number of Issuances	Amount (In Rs. Crore)	Number of Issuances	Amount (In Rs. Crore)	Number of Issuances	Amount (In Rs. Crore)
Zero Coupon	1,042	4,52,514	1,238	5,17,530	1,466	6,22,455
Upto 5	5	181	4	102	7	138
Above 5 to 6.5	8	984	28	5,455	12	1,655
Above 6.5 to 8	97	1,27,184	119	99,677	117	97,218
Above 8 to 10	252	38,488	258	30,092	180	28,031
Above 10 to 12.5	318	3,308	489	12,453	326	11,382
Above 12.5 to 15	100	803	127	1,345	63	1,837
Above 15 to 20	39	260	38	581	27	422
Above 20	0	0	0	0	2	119
Variable Coupon	293	5,603	414	8,382	241	10,266
Total	2,154	6,29,325	2,715	6,75,617	2,441	7,73,523

Debt Raised by Coupon Rate - Non-Finance Companies

Debt by Coupon- Non Finance (Q3 FY26)



Coupon Rate	Oct'24-Dec'24		Jul'25-Sep'25		Oct'25-Dec'25	
	Number of Issuances	Amount (In Rs. Crore)	Number of Issuances	Amount (In Rs. Crore)	Number of Issuances	Amount (In Rs. Crore)
Zero Coupon	600	1,50,818	724	2,18,195	543	1,27,998
Upto 5	125	16,608	126	15,006	58	5,831
Above 5 to 6.5	13	3,759	7	2,985	10	2,482
Above 6.5 to 8	38	52,133	53	27,750	49	45,333
Above 8 to 10	121	42,593	74	15,430	52	14,165
Above 10 to 12.5	101	5,939	114	12,148	82	16,015
Above 12.5 to 15	145	6,899	142	6,315	100	4,208
Above 15 to 20	47	3,667	69	7,471	49	3,261
Above 20	7	173	9	500	2	26
Variable Coupon	80	6,771	118	19,573	62	5,469
Total	1,277	2,89,360	1,436	3,25,373	1,007	2,24,788

Top 10 Issuers by Issue Size (Amount in Rs. Crore)

Issuer Names	Oct'25 - Dec'25	% of Total Debt Raised Excluding Government
Small Industries Development Bank Of India	65,800	6.59
Punjab National Bank	57,825	5.79
HDFC Bank Ltd.	50,650	5.07
Bank Of Baroda	40,670	4.07
Bank Of India	38,225	3.83
Union Bank Of India	30,000	3.01
Canara Bank	28,115	2.82
Axis Bank Ltd.	27,930	2.80
Bharti Telecom Ltd.	19,000	1.90
ICICI Securities Ltd.	17,864	1.79
Sum of Top 10	3,76,079	37.67
Total Debt Raised Excluding Government	9,98,310	

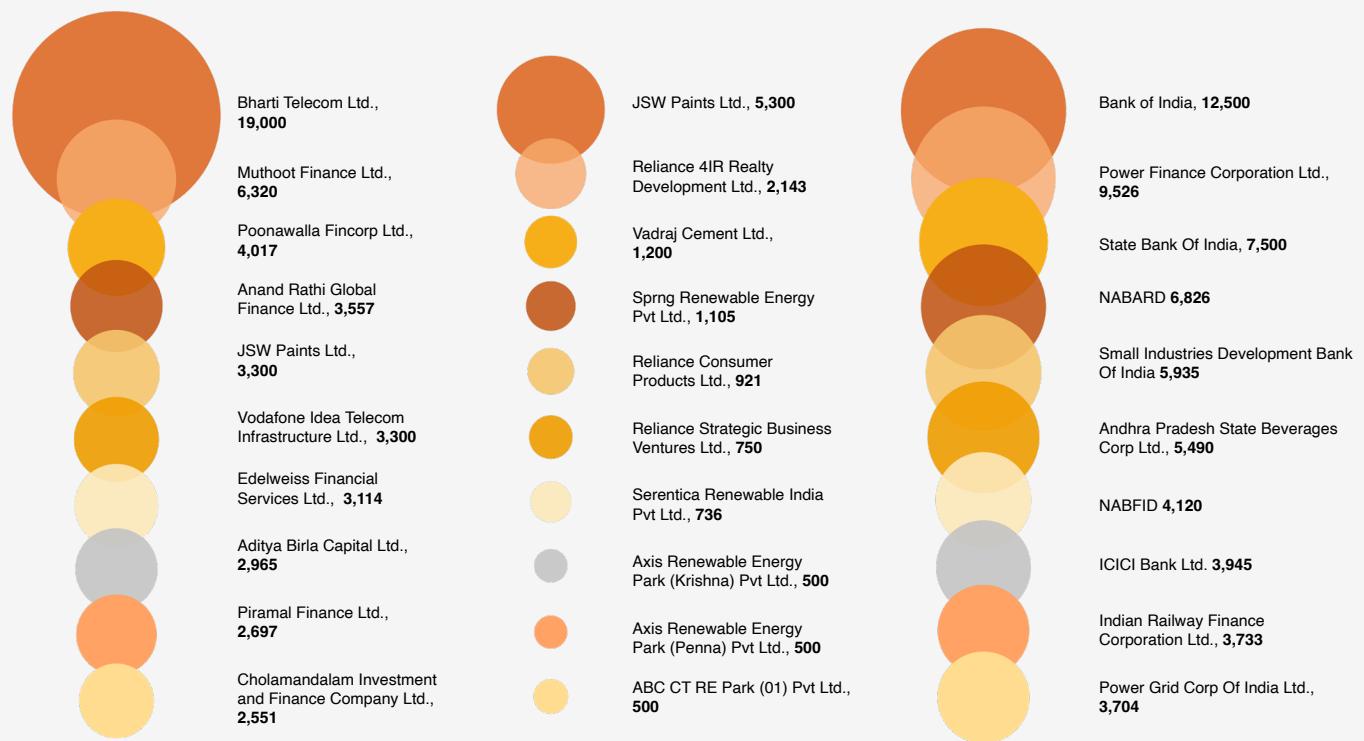
Top 10 States by Issue Size (Amount in Rs. Crore)

State Names	Oct'25 - Dec'25	% of Total Debt Raised by State Government
Government of Tamil Nadu	46,000	16.33
Government of Maharashtra	29,000	10.30
Government of Telangana	23,400	8.31
Government of Uttar Pradesh	22,515	7.99
Government of Rajasthan	22,200	7.88
Government of Madhya Pradesh	18,600	6.60
Government of West Bengal	15,465	5.49
Government of Andhra Pradesh	13,900	4.94
Government of Bihar	13,810	4.90
Government of Gujarat	13,000	4.62
Sum of Top 10	2,17,890	77.36
Total Debt Raised by State Government	2,81,661	

Top 10 Trustees (Raised Solely or Jointly) (Amount in Rs. Crore)

Trustee Names	Oct'25 - Dec'25	% of Total Debt Raised Excluding Government
IDBI Trusteeship Services Ltd.	72,040	3.64
Catalyst Trusteeship Ltd.	48,544	2.45
Axis Trustee Services Ltd.	47,466	2.40
Beacon Trusteeship Ltd.	32,537	1.64
Vistra ITCL (India) Ltd.	14,776	0.75
SBICAP Trustee Company Ltd.	14,456	0.73
Vardhaman Trusteeship Pvt Ltd.	4,960	0.25
Mitcon Trusteeship Services Ltd.	3,552	0.18
Orbis Trustee Services Pvt Ltd.	139	0.01
Axis Bank Ltd.	17	0.00
Sum of Top 10	2,38,487	12.04
Total Debt Raised Excluding Government	19,80,273	

Bonds and Debentures Issued by Top 10 Issuers



Top 10 Non-Convertible Debenture Issuers by Issue Size (Amount in Rs. Crore)

Issuer Names	Oct'25 - Dec'25	% of Total Debt Raised by Non-Convertible Debentures
Bharti Telecom Ltd.	19,000	11.15
Muthoot Finance Ltd.	6,320	3.71
Poonawalla Fincorp Ltd.	4,017	2.36
Anand Rathi Global Finance Ltd.	3,557	2.09
JSW Paints Ltd.	3,300	1.94
Vodafone Idea Telecom Infrastructure Ltd.	3,300	1.94
Edelweiss Financial Services Ltd.	3,114	1.83
Aditya Birla Capital Ltd.	2,965	1.74
Piramal Finance Ltd.	2,697	1.58
Cholamandalam Investment and Finance Company Ltd.	2,551	1.50
Sum of Top 10	50,821	29.82
Total Debt Raised by Non-Convertible Debentures	1,70,446	

Top 10 Convertible Debenture Issuers by Issue Size (Amount in Rs. Crore)

Issuer Names	Oct'25 - Dec'25	% of Total Debt Raised by Convertible Debentures
JSW Paints Ltd.	5,300	23.91
Reliance 4IR Realty Development Ltd.	2,143	9.67
Vadraji Cement Ltd.	1,200	5.41
Sprng Renewable Energy Pvt Ltd.	1,105	4.98
Reliance Consumer Products Ltd.	921	4.16
Reliance Strategic Business Ventures Ltd.	750	3.38
Serentica Renewables India Pvt Ltd.	736	3.32
ABC CT RE Park (01) Pvt Ltd.	500	2.26
Axis Renewable Energy Park (Andhra Pradesh) Pvt Ltd.	500	2.26
Axis Renewable Energy Park (Krishna) Pvt Ltd.	500	2.26
Axis Renewable Energy Park (Penna) Pvt Ltd.	500	2.26
Axis Renewable Energy Park (Tungabhadra) Pvt Ltd.	500	2.26
Vedathma Properties Pvt Ltd.	500	2.26
Sum of Top 10	15,155	68.36
Total Debt Raised by Convertible Debentures	22,169	

Top 10 Non-Convertible Debenture Issuers by Issue Size (Amount in Rs. Crore)

Issuer Names	Oct'25 - Dec'25	% of Total Debt Raised by Non-Convertible Bonds
Bank of India	12,500	17.69
Power Finance Corporation Ltd.	9,526	13.48
State Bank of India	7,500	10.61
National Bank for Agriculture and Rural Development	6,826	9.66
Small Industries Development Bank of India	5,935	8.40
Andhra Pradesh State Beverages Corp Ltd.	5,490	7.77
National Bank for Financing Infrastructure and Development	4,120	5.83
ICICI Bank Ltd.	3,945	5.58
Indian Railway Finance Corporation Ltd.	3,733	5.28
Power Grid Corp of India Ltd.	3,704	5.24
Sum of Top 10	63,278	89.55
Total Debt Raised by Corporate Bonds	70,661	

CPs and CDs Issued by Top 10 Issuers



Top 10 Commercial Paper Issuers by Issue Size (Amount in Rs. Crore)

Issuer Names	Oct'25 - Dec'25	% of Total Debt Raised by Commercial Paper
Small Industries Development Bank of India	37,045	10.36
ICICI Securities Ltd.	17,364	4.86
Bajaj Finance Ltd.	15,000	4.20
Kotak Securities Ltd.	14,675	4.10
HDFC Securities Ltd.	13,900	3.89
Reliance Retail Ventures Ltd.	13,165	3.68
L&T Finance Ltd.	11,790	3.30
Bajaj Financial Securities Ltd.	11,533	3.23
Export Import Bank of India	11,500	3.22
Tata Steel Ltd.	9,875	2.76
Sum of Top 10	1,55,847	43.59
Total Debt Raised by Commercial Paper	3,57,556	

Top 10 Certificate of Deposit Issuers by Issue Size (Amount in Rs. Crore)

Issuer Names	Oct'25 - Dec'25	% of Total Debt Raised by Certificate of Deposit
Punjab National Bank	57,825	15.70
HDFC Bank Ltd.	50,650	13.75
Bank Of Baroda	40,670	11.04
Union Bank of India	30,000	8.14
Bank Of India	25,725	6.98
Canara Bank	24,615	6.68
Axis Bank Ltd.	22,930	6.22
Small Industries Development Bank of India	22,820	6.19
Indian Bank	17,250	4.68
IndusInd Bank Ltd.	11,750	3.19
Sum of Top 10	3,04,235	82.59
Total Debt Raised by Certificate of Deposit	3,68,380	

Top 10 Traded Government Securities (Amount in Rs. Crore)

Security	Traded Volume (In Crore)	% of Total Traded
06.33 GS 2035	11,04,925	39.83
06.48 GS 2035	6,48,205	23.37
06.68 GS 2040	2,63,010	9.48
06.01 GS 2030	1,21,520	4.38
06.79 GS 2034	70,255	2.53
06.75 GS 2029	58,645	2.11
06.90 GS 2065	58,645	2.11
07.24 GS 2055	36,255	1.31
07.18 GS 2033	33,895	1.22
07.09 GS 2074	22,605	0.81
Total Traded in Quarter	27,73,980	

Top 10 Traded Corporate Securities (Amount in Rs. Crore)

Security	Traded Volume (In Crore)	% of Total Traded
NABARD - Corporate Bond - 7.48% - 15-Sep-2028	16,843	1.97
Apex Homes Pvt Ltd. - NCD - 30-Oct-2027	15,812	1.85
NABARD - Corporate Bond - 7.40% - 30-Jan-2026	11,812	1.38
NABARD - Corporate Bond - 7.53% - 24-Mar-2028	9,780	1.14
SIDBI - Corporate Bond - 7.54% - 12-Jan-2026	9,074	1.06
NABARD - Corporate Bond - 7.58% - 31-Jul-2026	8,755	1.02
Grand Canyon Sez Pvt Ltd. - Convertible Debentures - 11-Sep-2030	7,095	0.83
Bharti Telecom Ltd. - NCD - 7.35% - 15-Oct-2027	6,380	0.74
NABARD - Corporate Bond - 7.80% - 15-Mar-2027	6,260	0.73
SIDBI - Corporate Bond - 6.74% - 10-Jan-2029	6,175	0.72
Total Traded in Quarter	8,56,525	

NABARD National Bank for Agriculture and Rural Development

SIDBI Small Industries Development Bank of India

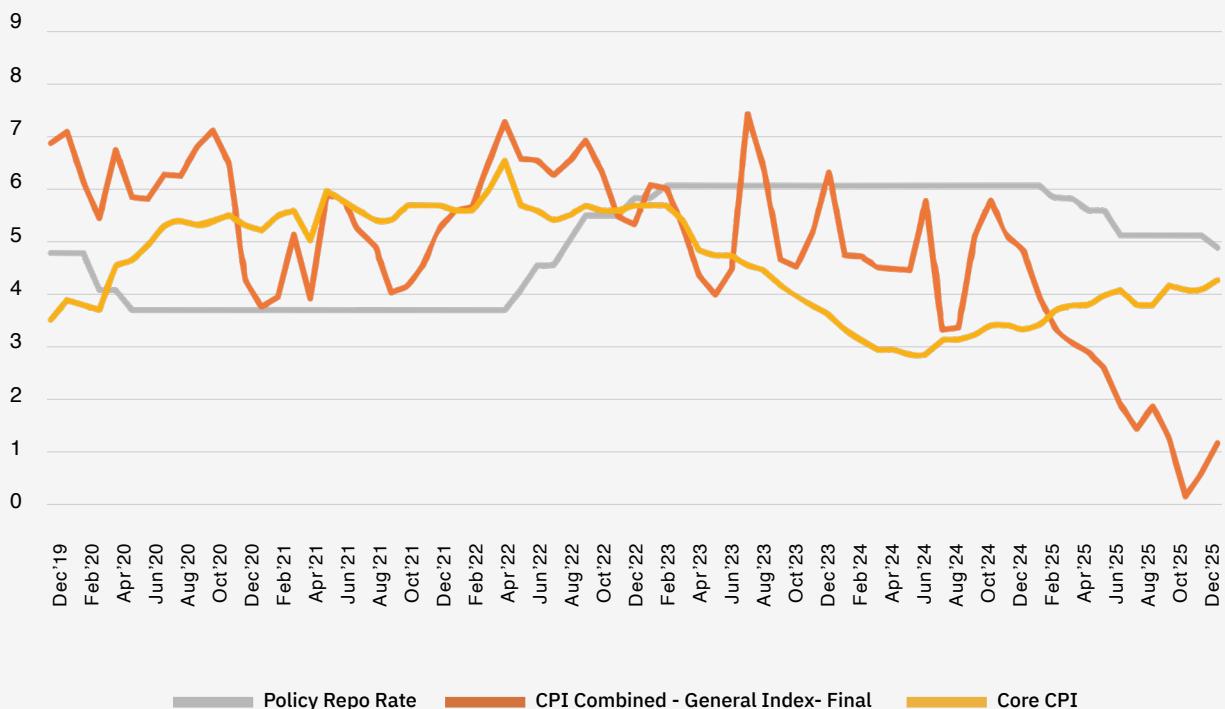
NCD Non-Convertible Debentures

Inflation stays anchored

India's CPI inflation edged up modestly in December 2025 to 1.33%, climbing up gradually from more than a decadal low of 0.25% touched in October 2025. The firming reflects partial normalisation in vegetables, higher fuel-linked costs and some pass-through from imported inputs after a sharp disinflationary phase. Core inflation, excluding the volatile price items – food and fuel, increased to 4.6% from 4.4%, yet was well aligned with the RBI's 4% medium-term Monetary Policy Committee (MPC) target.

Going forward, the RBI expects inflation to rise temporarily before easing again. The latest projections of the RBI place average CPI inflation for FY26 at 2.1%, well within the MPC's headline inflation target of 4%. Professional forecasters broadly echo this view. Risks stem from rupee depreciation and volatile global commodity prices, particularly crude oil, which could lift imported inflation. However, comfortable food stocks, improving supply conditions and calibrated monetary policy should help anchor inflation expectations around the MPC's target over the medium term.

Policy Repo Rate, CPI and CPI Core Inflation (%)



Bear steepening of Yield Curve

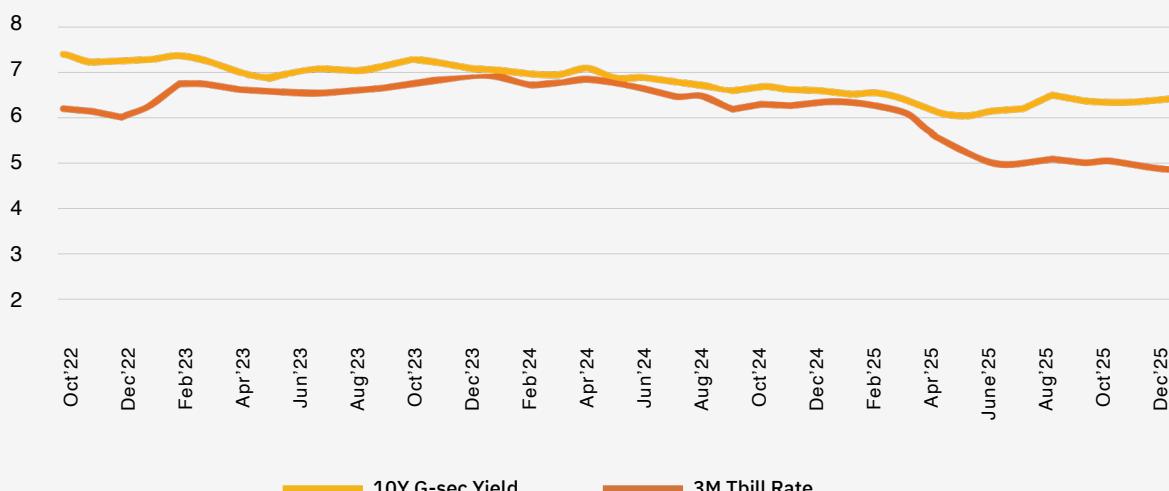
The RBI's MPC reduced the repo rate further by 25 basis points to 5.25% in December 2025, taking the cumulative easing to 125 basis points. In the money market, Weighted Average Call Rate (WACR) remained closely aligned with the policy repo rate during majority of the quarter, indicating effective transmission of RBI's monetary policy actions and money market operations.

While short-term rates remained well anchored by favourable liquidity conditions, long-term yields hardened due to global spillovers, thereby causing bear-steepening of the yield curve. Long-term yields remained elevated in the advanced economies on risk aversion triggered by geopolitical developments and crude price volatility. These episodes tend to increase sovereign risk premia in the emerging markets, particularly at longer term maturities.

Yields on G-secs with 1 year maturity softened, albeit marginally from 5.56% at the end of Q2 FY26 to 5.52% by the end of Q3 FY26. Notwithstanding the cumulative policy rate cuts of 125 basis points over the past one year, benchmark G-sec yields across medium and long-term maturities displayed an upward movement in Q3 FY26. Yield on 5-year G-sec increased by 16 basis points – from 6.25% at the end of September 2025 to 6.41% by the end of December 2025. Yield on the 10-year G-sec hardened by 6 basis points – from 6.61% to 6.67% during the same period.

While the term premia increased influenced by global sentiments, AAA-rated bond and G-sec yield spread moderated, reiterating the investor confidence in strong fundamentals of India Inc. Average daily yield spread on 10-year AAA-rated corporate bond moderated from 71 basis points in September 2025 to 68.9 basis points. The fall was steeper for PSU, FIs & Banks - from 50.8 basis points to 47 basis points - and for NBFCs - from 78.2 basis points to 70 basis points.

10 Year G-sec and 3 Month T-bill Yield (%)

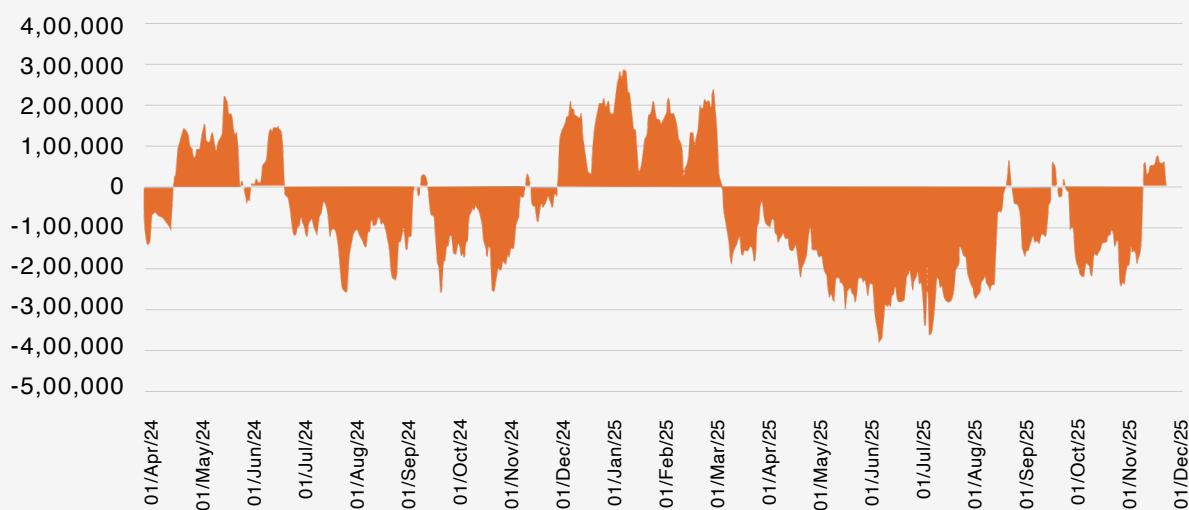


RBI Actions Ensure Ample Liquidity in Q3 FY26

System liquidity remained in surplus through Q3 FY26. The phased Credit Reserve Ratio (CRR) reduction, RBI's Liquidity Adjustment Facility (LAF) operations and Open Market Operation (OMO) purchases mitigated pressure arising from intermittent foreign portfolio investment (FPI) outflow and advance tax payments. The quarter witnessed a gradual transition from a modest daily average liquidity surplus of about Rs.0.86 lakh crore in October to Rs.1.78 lakh crore in November and further to Rs.2.06 lakh crore till mid- December. A significant tightness in the system liquidity was observed in the second fortnight of December (Rs.0.58 lakh crore) due to advance tax outflows.

RBI executed three CRR cuts of 25 basis points (bps) each between October 4 and November 29, 2025, in line with the announcement made during the June 2025 Monetary Policy Review. This, along with the first 25 basis points CRR cut delivered on September 6, 2025, released Rs.2.5 lakh crore of liquidity into the system. This durable increase in system liquidity was supplemented by OMOs of Rs.1 lakh crore, in two tranches of Rs.50,000 crore each on December 11 and 16, 2025, and USD/INR buy-sell swap of USD 5 billion on December 16, 2025.

Net Liquidity Injected (Amount in Rs. Crore)

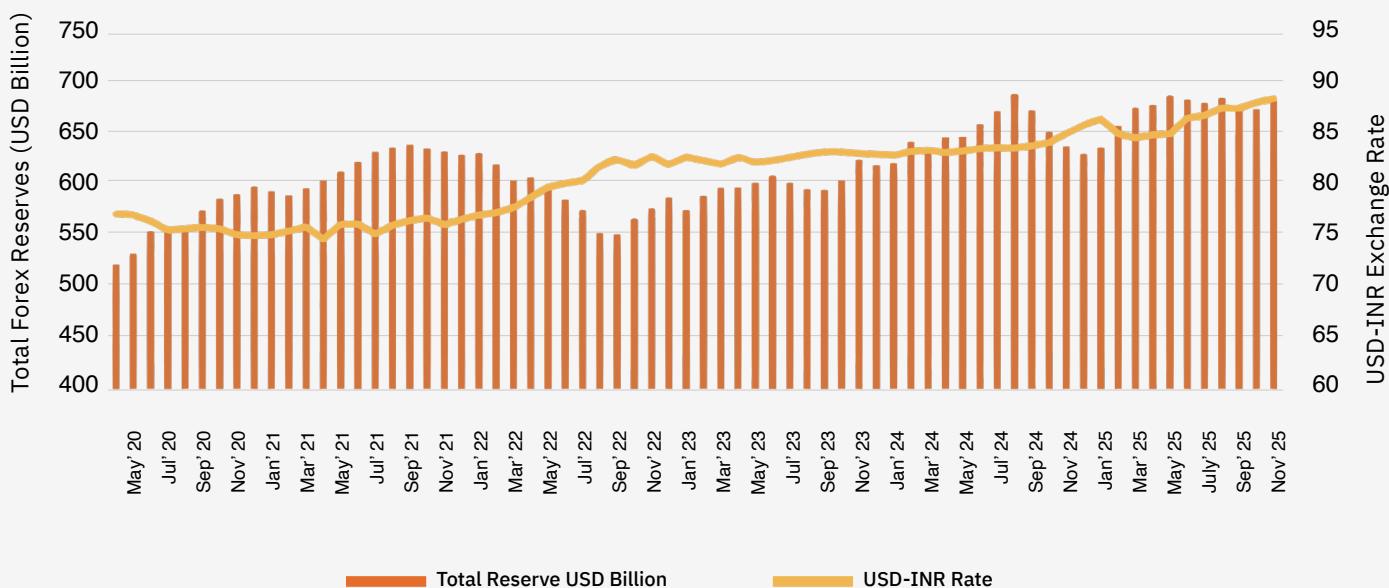


INR Pressured by External Headwinds

The Indian rupee remained under pressure during Q3 FY26 amid adverse external developments. After depreciating from Rs.88.79 per US dollar at end-September 2025, the currency touched a record low of Rs.91.02 on December 16, before recovering to Rs.89.92 by end-December. The weakening trend, evident since May 2025, was driven by reciprocal US tariff measures, sustained FPI outflows and relatively restrained forex intervention.

External pressures intensified in October 2025 as higher precious metal imports and the implementation of 50% tariffs on Indian exports widened the trade deficit to a record USD 21.8 billion. A sharp correction in November coupled with calibrated RBI spot market interventions helped stabilise the rupee. Additionally, the RBI announced a 3-year USD/INR buy-sell swap of USD 10 billion which would support short-term dollar liquidity. On a broader scale, the rupee depreciated against major advanced economy currencies during Q3 FY26. The 40-currency trade bases Real Effective Exchange Rate (REER) fell below 100, indicating improved external competitiveness.

USD-INR and Forex Reserve

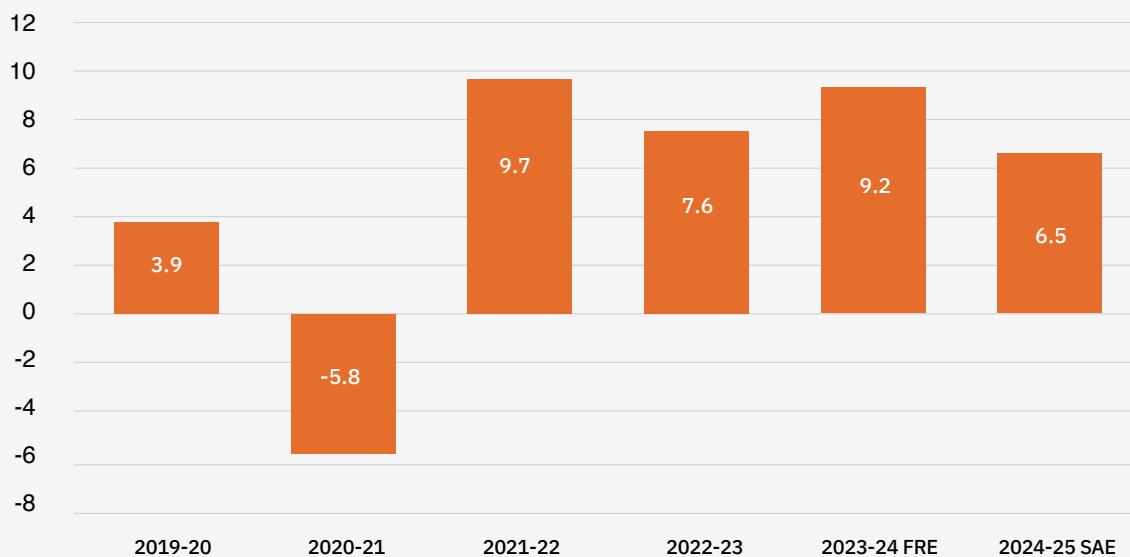


India's Growth Outlook Remains Strong

India's real GDP growth remained robust in the first half of FY26, anchored by a strong performance in both Q1 (7.8%) and Q2 (8.2%). The robust performance of the economy in the first half reflected broad-based growth momentum. Manufacturing activity increased by about 8.4%, supported by strong domestic demand, while construction expanded by 7.4%, driven by sustained public infrastructure spending. The services sector recorded a strong growth of over 9%, led by trade, transport and financial services activity.

The outlook for the full year remains favourable. The RBI projects real GDP growth of around 7.3% in FY26, while professional forecasters surveyed by the apex bank broadly foresee growth to range between 7.0–7.4%. Domestic demand is expected to remain the key driver, with private consumption supported by easing inflation and private investment showing a mild pick-up alongside continued government capex, even as external demand conditions stay uncertain.

GDP at 2011-12 Constant Prices (YoY % Change)



Fiscal Deficit, Financing Comfort Intact

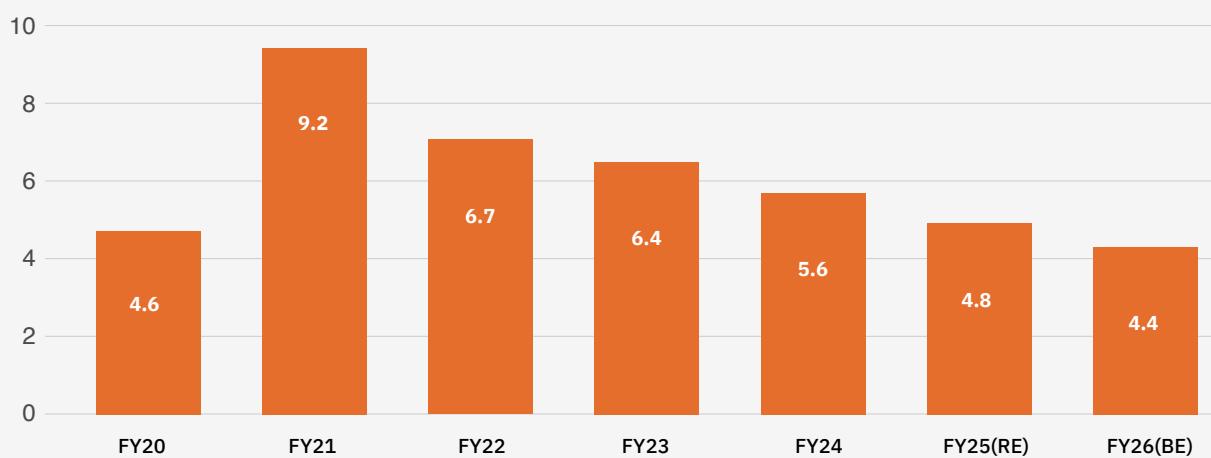
The Central Government's gross fiscal deficit reached Rs.9.76 lakh crore during April-November 2025, which was 62.3% of the FY26 Budget Estimate, higher than 52.5 per cent in the corresponding period of FY25. Non-debt receipts stood at Rs.19.49 lakh crore (55.7% of BE vs 59.1% same time last year), underpinning net tax revenue and strong non-tax receipts. Government's total expenditure during April-November 2025 was Rs.29.26 lakh crore (57.8% of BE vs 56.9%), with robust capital outlays sustaining infrastructure spending. However, net tax collections trailed last year, though non-tax revenue, including higher dividend payouts, cushioned the fiscal position.

The primary source of financing the deficit was market borrowings, with scheduled issuances aligned to the Debt Management Office calendar, complemented by small savings and provident fund inflows.

The Government has asserted confidence in revenue performance and achieving its fiscal deficit target for FY26.

In a significant move, the Centre has set a deadline of March 31, 2026, for states to claim pending 15th Finance Commission grants-about Rs.1.6 lakh crore so that the unclaimed amounts can lapse, thus creating fiscal savings for the Union effectively.

Fiscal Deficit (% to GDP)



**For previous editions of the
Debt Market Report, please refer to:**

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Notes

Notes

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