

## STATE GOVERNMENT FINANCES - Weekly SGS

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**SGS cut-off rises by 7 bps to 6.89%  
after MPC hints at pause**

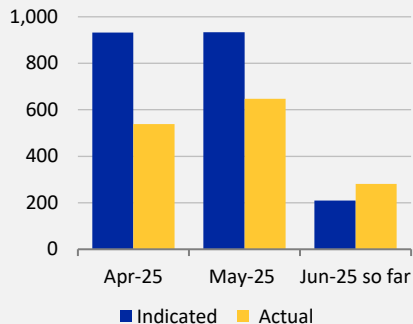
**JUNE 10, 2025**





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**EXHIBIT: Actual and indicated SGS issuances (Rs. billion)**



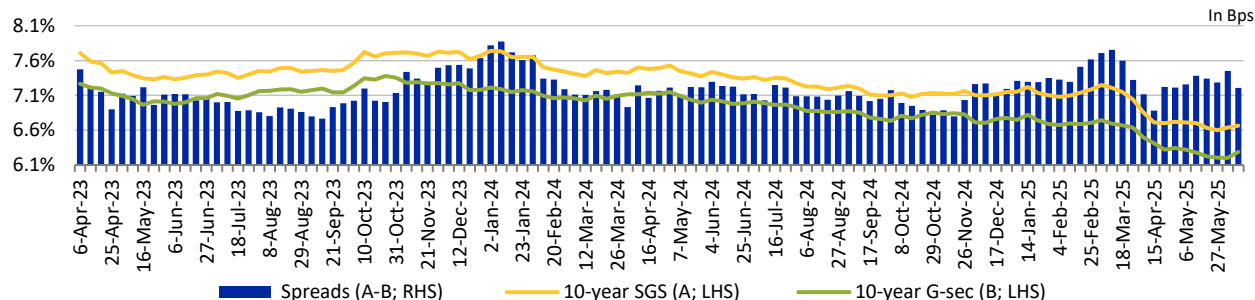
Source: Reserve Bank of India (RBI); ICRA Research

Six state governments and two Union Territories (UTs) together raised Rs. 183 billion through state government securities (SGS) on June 10, 2025, a sizeable ~59% above the amount indicated for this week in the Q1 FY2026 auction calendar. The weighted average cut-off of the SGS rose to 6.89% on June 10, 2025, from 6.82% last week, with the Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) signaling a pause in rate easing. There was a mild decline in the weighted average tenor to 17 years from 18 years. The spread between the cut-off yield of the 10-year SGS and the 10-year G-sec (6.33 GS 2035) eased to 37 bps on June 10, 2025, from 44 bps last week.

**EXHIBIT: SGS issuances in FY2026 so far**

Amount in Rs. billion	Indicated	Notified	Raised	Cumulative till this week
Week of June 10, 2025	115	183	183	1,651
Week of June 11, 2024	122	78	58	1,193
Growth	-5.7%	136.5%	218.8%	38.5%

**EXHIBIT: Spread between weighted average cut-off of 10-year state and GoI G-sec yield**





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