



# STATE GOVERNMENT FINANCES - Weekly SGS

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**SGS cut-off eases by 3 bps to 6.95%,  
amid lower-than-indicated issuance  
and decline in tenor**

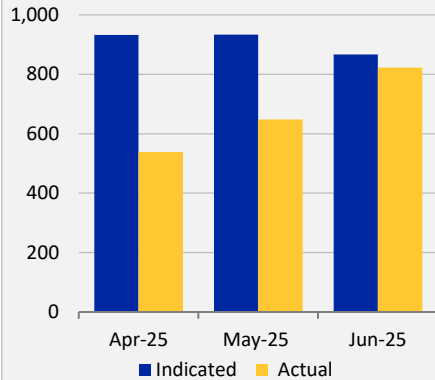
**JUNE 24, 2025**





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



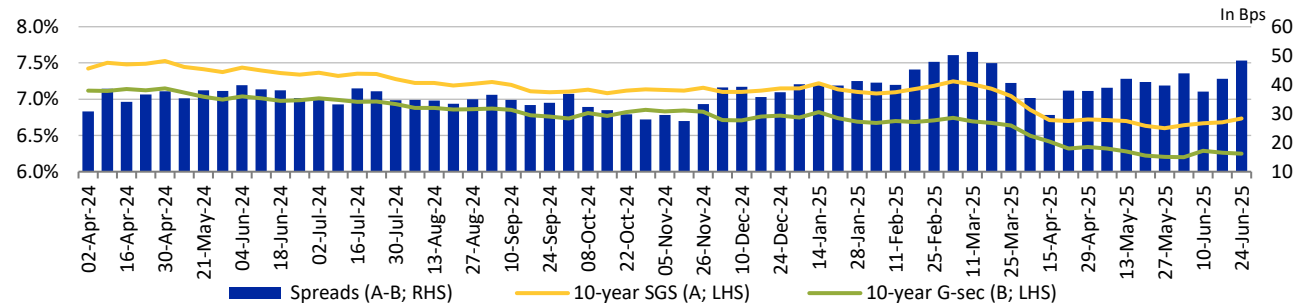
Source: Reserve Bank of India (RBI); ICRA Research

Eight state governments and one Union Territory (UT) together raised Rs. 272 billion through state government securities (SGS) on June 24, 2025, ~10% below the amount indicated for this week in the Q1 FY2026 auction calendar. The weighted average cut-off of the SGS eased to 6.95% on June 24, 2025 from 6.98% last week, with the sharp decline in the weighted average tenor to 16 years from 24 years. However, the spread between the cut-off yield of the 10-year SGS and the 10-year G-sec (6.33 GS 2035) widened to 48 bps on June 24, 2025, from 42 bps last week.

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

Amount in Rs. billion	Indicated	Notified	Raised	Cumulative till this week
<b>Week of June 24, 2025</b>	301	272	272	2,008
<b>Week of June 25, 2024</b>	223	171	171	1,458
<b>Growth</b>	35.0%	59.3%	59.3%	37.7%

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





# ICRA Analytical Contact Details

Name	Designation	Email	Contact Number
Aditi Nayar	Chief Economist, Head – Research & Outreach	<a href="mailto:aditin@icraindia.com">aditin@icraindia.com</a>	0124- 4545 385
Neetika Shridhar	Vice President	<a href="mailto:neetika.shridhar@icraindia.com">neetika.shridhar@icraindia.com</a>	0124 – 4545 305
Jaspreet Kaur	Senior Analyst	<a href="mailto:jaspreet.kaur@icraindia.com">jaspreet.kaur@icraindia.com</a>	0124 – 4545 853





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# Business Development/Media Contact Details

Name	Designation	Email	Contact Number
L Shivakumar	Chief Business Officer	<a href="mailto:shivakumar@icraindia.com">shivakumar@icraindia.com</a>	022-61693304
Neha Agarwal	Head – Research Sales	<a href="mailto:neha.agarwal@icraindia.com">neha.agarwal@icraindia.com</a>	022-61693338
Rohit Gupta	Head Business Development – Infrastructure Sector	<a href="mailto:rohitg@icraindia.com">rohitg@icraindia.com</a>	0124-4545340
Vivek Bhalla	Head Business Development – Financial Sector	<a href="mailto:vivek.bhalla@icraindia.com">vivek.bhalla@icraindia.com</a>	022-61693372
Vinita Baid	Head Business Development – East	<a href="mailto:vinita.baid@icraindia.com">vinita.baid@icraindia.com</a>	033-65216801
Shivam Bhatia	Head Business Development – Corporate Sector – North & South	<a href="mailto:shivam.bhatia@icraindia.com">shivam.bhatia@icraindia.com</a>	0124-4545803
Sanket Kulkarni	Head Business Development – Corporate Sector – West	<a href="mailto:sanket.Kulkarni@icraindia.com">sanket.Kulkarni@icraindia.com</a>	022 – 61693365
Naznin Prodhani	Head – Group Corporate Communications & Media Relations	<a href="mailto:communications@icraindia.com">communications@icraindia.com</a>	0124-4545860





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