

## STATE GOVERNMENT FINANCES - Weekly SGS

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**SGS cut-off rises by 10 bps to 7.44%;  
spread between 10-year SGS and  
G-sec yield narrows to 69 bps**

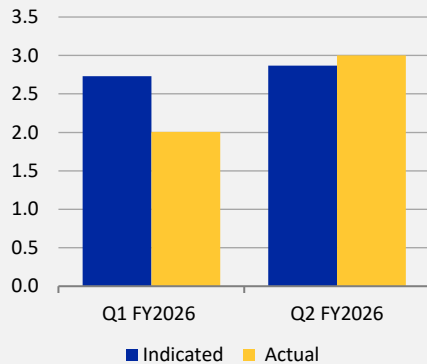
**SEPTEMBER 30, 2025**





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



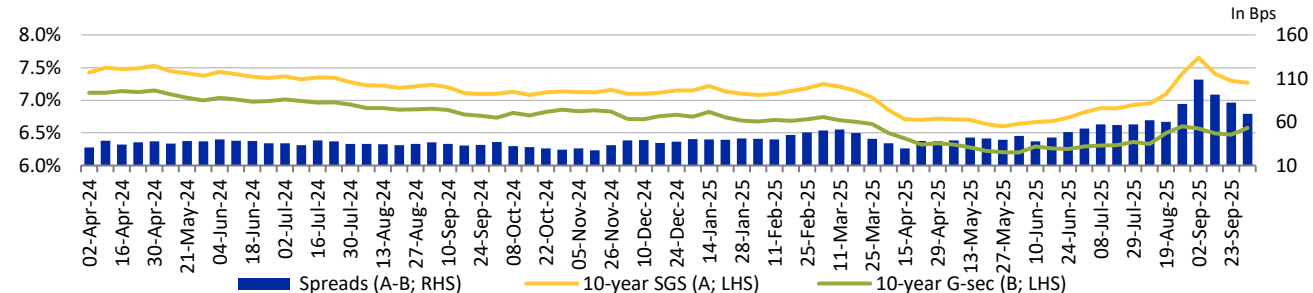
Source: Reserve Bank of India (RBI); ICRA Research

In the last weekly auction of Q2 FY2026, 13 state governments raised Rs. 341 billion through state government securities (SGS) on September 30, 2025, more than double the amount indicated in the Q2 FY2026 auction calendar for this week. Consequently, the weighted average SGS cut-off hardened to 7.44% on September 30, 2025 from 7.34% last Tuesday, amid a rise in the weighted average tenor to 19 from 16 years. However, the spread between the cut-off yield of the 10-year SGS and the 10-year G-sec (6.33 GS 2035) eased to 69 bps as on September 30, 2025, from 82 bps in the last weekly auction.

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

Amount in Rs. billion	Indicated	Notified	Raised	Cumulative till this week
Week of September 30, 2025	151	346	341	5,008
Week of September 24, 2024	270	344	344	3,856
Growth	-44.0%	0.6%	-0.9%	29.9%

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





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