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STATE GOVERNMENT FINANCES - Weekly SGS

SGS cut-off rose by 3 bps to 7.36% amid increase in share of longer-tenor issuances

November 4, 2025

Highlights

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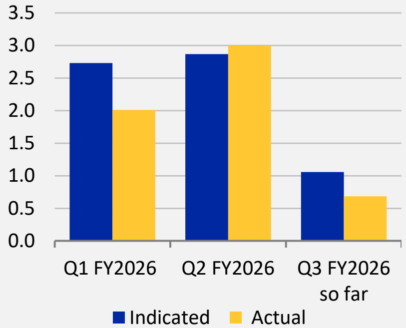
Seven state governments raised Rs. 116 billion through state government securities (SGS) on November 4, 2025, a substantial ~40% below the amount indicated in the Q3 FY2026 auction calendar for this week. Notably, Maharashtra did not accept any bids for its notified amount of Rs. 20 billion for 25-30-year securities. The weighted average SGS cut-off rose by 3 bps to 7.36% on November 4, 2025 from 7.33% last week, amid an uptick in the weighted average tenor of all SGS to 19 years from 17 years during the same period. Nevertheless, the spread between the cut-off yield of the 10-year SGS and the old 10-year G-sec (6.33 GS 2035) eased to 61 bps as on November 4, 2025 from 65 bps in the last weekly auction. The spread with the new 10-year G-sec (06.48 GS 2035) yield declined to 67 bps from 72 bps in the same period.

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

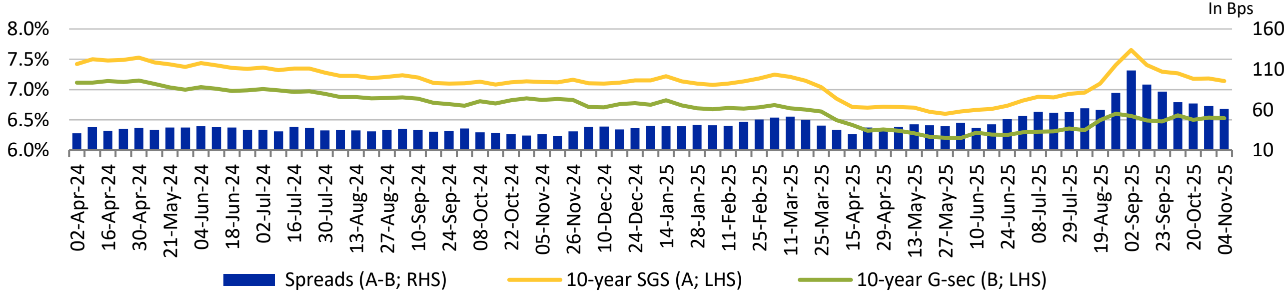


Source: Reserve Bank of India (RBI); ICRA Research

EXHIBIT: SGS issuances in FY2026 so far

Amount in Rs. billion	Indicated	Notified	Raised	Cumulative till this week
Week of November 4, 2025	195	136	116	5,694
Week of November 5, 2024	192	95	95	4,799
Growth	1.4%	43.7%	22.5%	18.6%

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



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Thank You!