

## STATE GOVERNMENT FINANCES - Weekly SGS

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**SGS cut-off rises to a 10-week high  
of 7.41%, despite lower than  
indicated issuance**

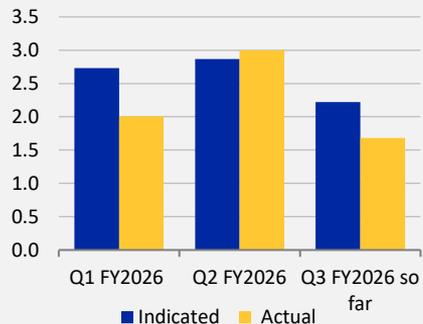
**December 9, 2025**





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



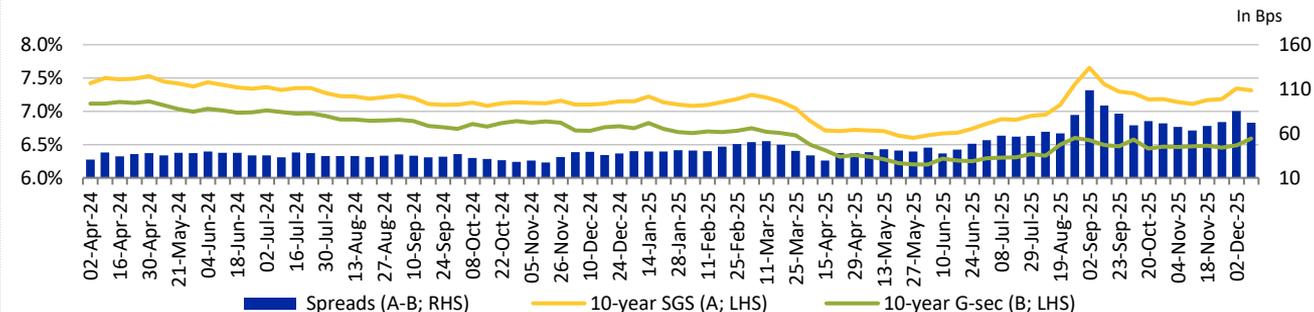
Source: Reserve Bank of India (RBI); ICRA Research

Nine state governments and one Union Territory (UT) raised Rs. 155 billion through state government securities (SGS) on December 9, 2025, ~29% below the amount indicated for this week in Q3 FY2026 auction calendar. Uttar Pradesh partially accepted bids for its 8-year paper (Rs. 5 billion against Rs. 10 billion). The weighted average SGS cut-off jumped to a 10-week high of 7.41% (highest in Q3 FY2026) on December 9, 2025 from 7.39% last week, despite a decline in the auction size and in the weighted average tenor of all the SGS to 12 years from 14 years during the same period. Nevertheless, spread between the cut-off yield of the 10-year SGS and the 10-year G-sec (06.48 GS 2035) narrowed to 72 bps as on December 9, 2025 from 85 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 December 9, 2025	217	160	155	6,689
Week of December 10, 2024	151	114	114	5,627
Growth	43.6%	40.0%	36.0%	18.9%

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





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