

STATE GOVERNMENT FINANCES - Weekly SGS

**SGS cut-off eased by 8 bps to 7.33%
amid continued lower-than-
indicated issuance**

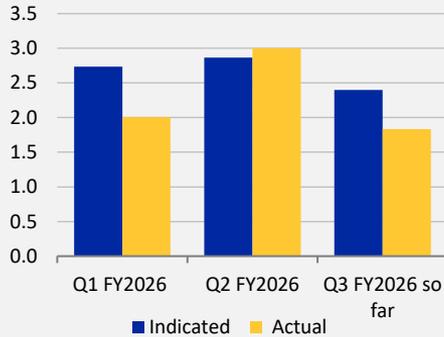
December 16, 2025





[Click to see full report](#)

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



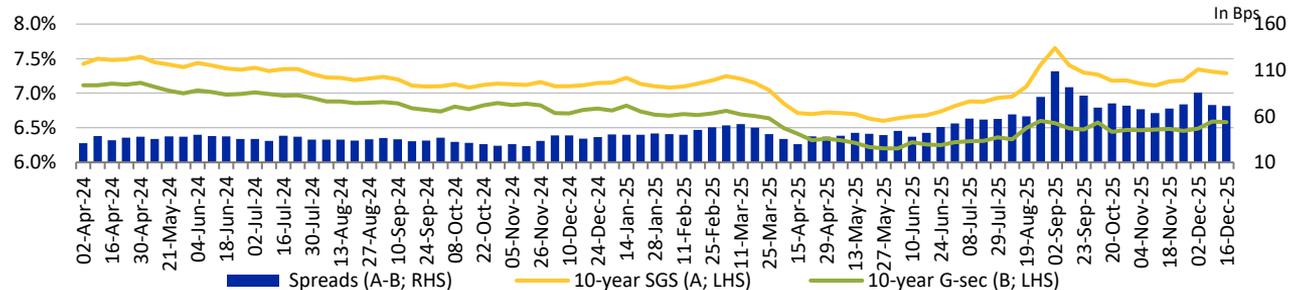
Source: Reserve Bank of India (RBI); ICRA Research

Nine state governments and one Union Territory (UT) raised Rs. 153 billion through state government securities (SGS) on December 16, 2025, ~13% below the amount indicated for this week in the Q3 FY2026 auction calendar. Gujarat and Tamil Nadu did not accept bids for their 15 and 11-year papers, respectively, while Uttar Pradesh partially accepted bids for its 14-year paper, reducing the actual issuance by Rs. 25 billion from the notified amount. The weighted average SGS cut-off eased to 7.33% on December 16, 2025 from 7.41% last week, while the weighted average tenor of all SGS remained unchanged at 12 years during the same period. Nevertheless, the spread between the cut-off yield of the 10-year SGS and the 10-year G-sec (06.48 GS 2035) narrowed mildly to 71 bps as on December 16, 2025 from 72 bps in the last weekly auction, amid a surprisingly wide inter state variation.

EXHIBIT: SGS issuances in FY2026 so far

Amount in Rs. billion	Indicated	Notified	Raised	Cumulative till this week
Week of December 16, 2025	177	179	153	6,842
Week of December 17, 2024	213	208	208	5,835
Growth	-17.1%	-14.3%	-26.4%	17.2%

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	aditin@icraindia.com	0124- 4545 385
Neetika Shridhar	Vice President	neetika.shridhar@icraindia.com	0124 – 4545 305
Jaspreet Kaur	Senior Analyst	jaspreet.kaur@icraindia.com	0124 – 4545 853





ICRA

Business Development/Media Contact Details

Name	Designation	Email	Contact Number
L Shivakumar	Chief Business Officer	shivakumar@icraindia.com	022-61693304
Sai Krishna	Head - Research Sales and Investor Connect	sai.krishna1@icraindia.com	9840774883
Rohit Gupta	Head Business Development – Infrastructure Sector	rohitg@icraindia.com	0124-4545340
Vivek Bhalla	Head Business Development – Financial Sector	vivek.bhalla@icraindia.com	022-61693372
Vinita Baid	Head Business Development – East	vinita.baid@icraindia.com	033-65216801
Shivam Bhatia	Head Business Development – Corporate Sector – North & South	shivam.bhatia@icraindia.com	0124-4545803
Sanket Kulkarni	Head Business Development – Corporate Sector – West	sanket.kulkarni@icraindia.com	022-6169 3365
Naznin Prodhani	Head - Group Corporate Communications & Media Relations	communications@icraindia.com	0124-4545860





© Copyright, 2025 ICRA Limited. All Rights Reserved.

All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies, while publishing or otherwise disseminating other reports may have presented data, analyses and/or opinions that may be inconsistent with the data, analyses and/or opinions in this publication. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.



ICRA

Thank You!