

STATE GOVERNMENT FINANCES - Weekly SGS

**Weighted average SGS cut-off rose
by 4 bps to an 18-week high of
7.41%**

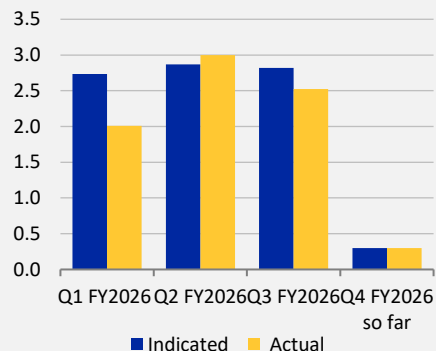
January 6, 2026





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



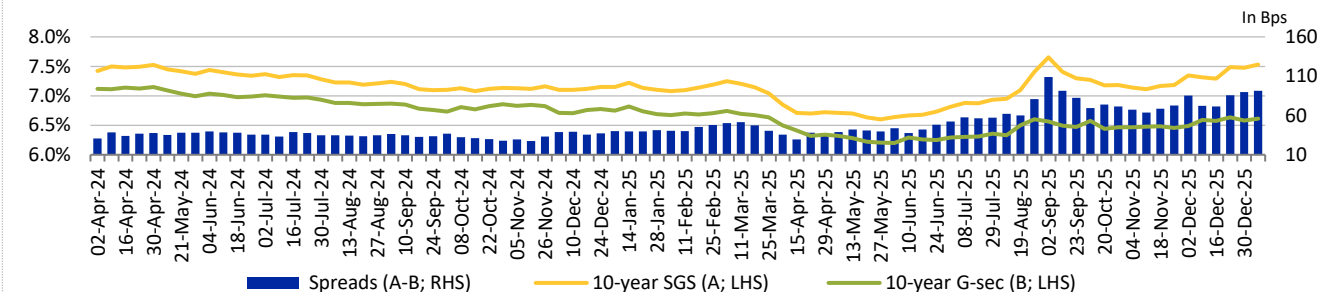
Source: Reserve Bank of India (RBI); ICRA Research

In the first weekly auction of Q4 FY2026, eight state governments and one Union Territory (UT) raised Rs. 301 billion through state government securities (SGS) on January 6, 2026, in line with the indicated amount. Partly reflecting the recent announcement of the indicative issuance of a sizeable Rs. 5.0 trillion by the states in Q4 FY2026, the G-sec yield has inched up. Accordingly, the weighted average SGS cut-off rose to 7.45% (highest in 18 weeks) on January 6, 2026 from 7.41% last week, while the weighted average tenor of all SGS increased mildly to 13 years from 12 years. However, the spread between the cut-off yield of the 10-year SGS and the 10-year G-sec (06.48 GS 2035) increased mildly to 91 bps as on January 6, 2026 from 90 bps last week.

EXHIBIT: SGS issuances in FY2026 so far

Amount in Rs. billion	Indicated	Notified	Raised	Cumulative till this week
Week of January 6, 2026	301	301	301	7,835
Week of January 7, 2025	370	215	195	6,584
Growth	-18.6%	40.0%	54.2%	19.0%

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





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