

STATE GOVERNMENT FINANCES - Weekly SGS

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

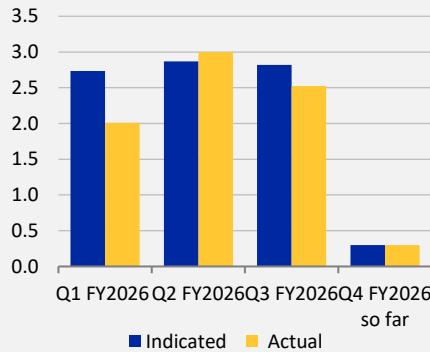
January 6, 2026





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



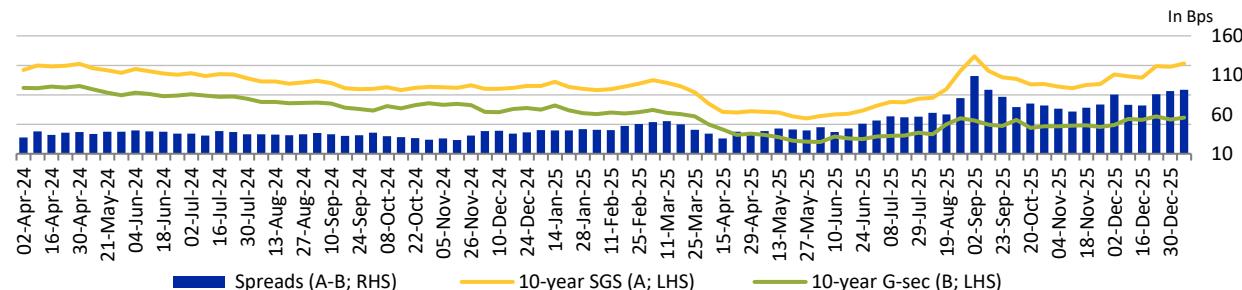
Source: Reserve Bank of India (RBI); ICRA Research

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, 2025 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 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





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