

STATE GOVERNMENT FINANCES - Weekly SGS

**Weighted average SGS cut-off
increased by 23 bps to 7.92%,
highest since August 2022**

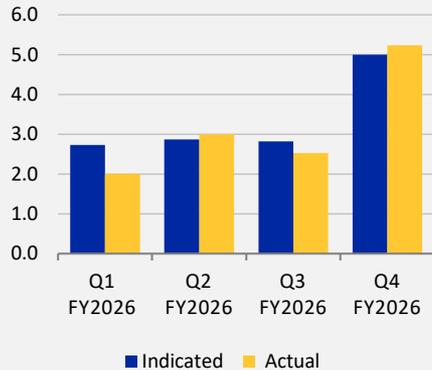
March 27, 2026





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



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

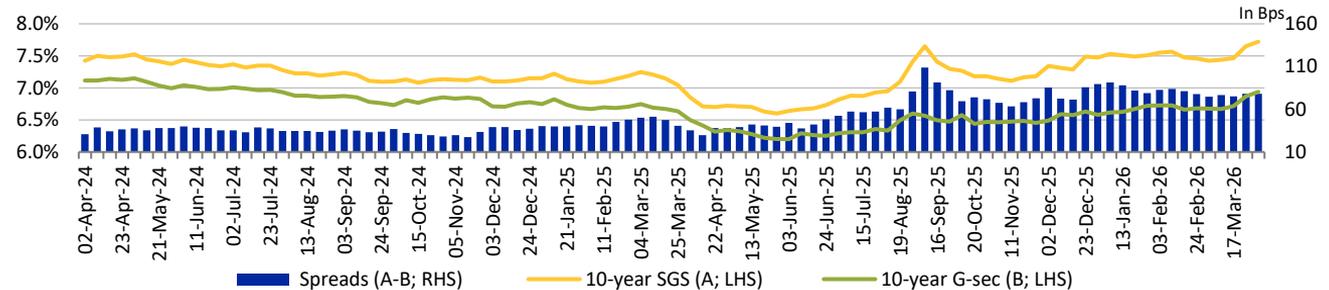
In the last weekly auction of FY2026, 11 state governments raised Rs. 400 billion (including greenshoe) through state government securities (SGS) on March 27, 2026, 3.3x the amount indicated in the Q4 FY2026 auction calendar. The issuance was lower than the notified amount on account of non-acceptance/partial acceptance of bids by Assam, Gujarat, Tamil Nadu, Uttar Pradesh, Uttarakhand and West Bengal. Overall, the gross SGS issuance for FY2026 stands at Rs. 12.8 trillion, modestly above ICRA's expectations of Rs. 12.5 trillion. On a YoY basis, gross SGS issuance rose by 18.9% in FY2026, while being a mild ~5% below the indicated amount of Rs. 13.4 trillion.

The weighted average SGS cut-off rose by 23 bps to 7.92% (highest since Aug 2022) on March 27, 2026 from 7.69% last week, amid the weighted average tenor rising to 18 years from 14 years. However, the spread between the cut-off yield of the 10-year SGS and the 10-year G-sec (06.48 GS 2035) was unchanged at 78 bps as on March 27, 2026 from last auction.

EXHIBIT: SGS issuances in FY2026

Amount in Rs. billion	Indicated	Notified (including green shoe)	Raised	Cumulative till this week
Week of March 27, 2026	120	434	400	12,764
Week of March 25, 2025	541	747	723	10,733
Growth	-77.8%	-41.8%	-44.7%	18.9%

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





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