



STATE GOVERNMENT FINANCES - Weekly SGS

**Spread between 10-year G-sec and
SGS yields firms up to 48 bps amid a
large-sized auction**

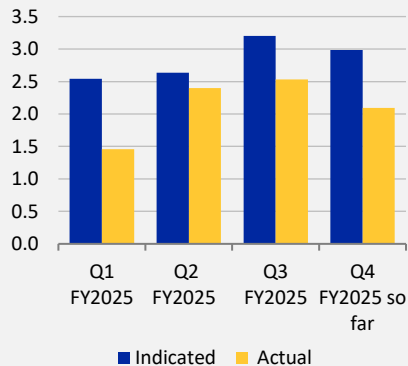
FEBRUARY 25, 2025





[Click to see full report](#)

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



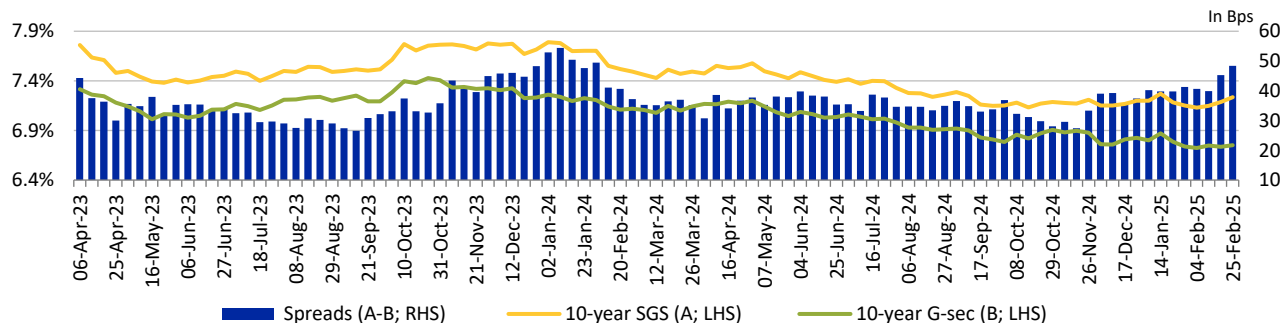
Source: Reserve Bank of India (RBI); ICRA Research

In the largest auction so far in FY2025, 17 states raised Rs. 411 billion through state government securities (SGS) on February 25, 2025. However, it was still ~18% below the amount indicated for this week in the Q4 FY2025 auction calendar. The weighted average SGS cut-off increased to 7.19% on February 25, 2025, from 7.14% last week, with the weighted average tenor remaining stable at 14 years. Additionally, the spread between the cut-off yield of the 10-year SGS and the 10-year G-sec (6.79 GS 2034) firmed up to 48 bps on February 25, 2025, from 45 bps last week, the highest since February 2024.

Exhibit: SGS issuances during FY2025 (so far)

Amount in Rs. Billion	Indicated	Notified	Raised	Cumulative till this week
Week of February 25, 2025	499	411	411	8,484
Week of February 27, 2024	452	328	328	8,143
Growth	10.5%	25.0%	25.0%	4.2%

Exhibit: Spread between weighted average cut-off of 10-year State and Govt 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	Assistant 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
Neha Agarwal	Head – Research Sales	neha.agarwal@icraindia.com	022-61693338
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 – Corporate Sector - West & East	vinita.baid@icraindia.com	033-71501131
Shivam Bhatia	Head Business Development – Corporate Sector - North & South	shivam.bhatia@icraindia.com	0124-4545803
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!