

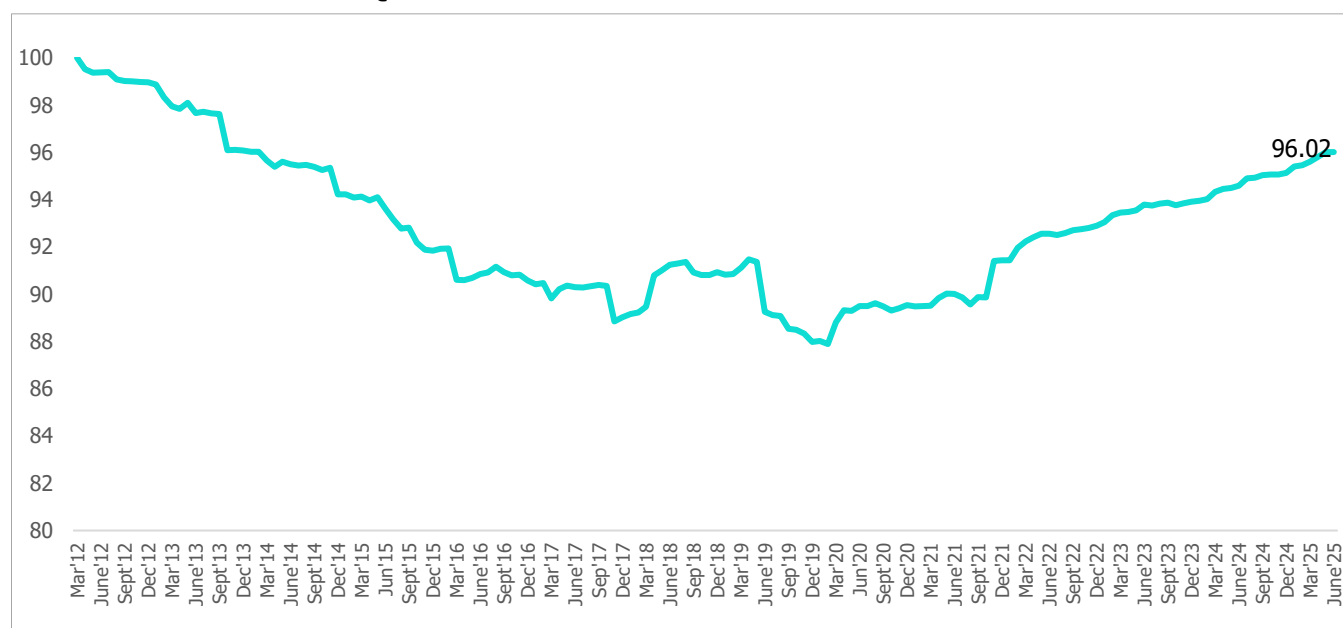
CareEdge Debt Quality Index: June 2025



July 21, 2025 | Ratings

The CareEdge Debt Quality Index (CDQI) has witnessed upward trend since November 2021. The index inched upwards to 96.02 in June 2025 as compared to the 96.01 in May 2025 with marginal rise in rated amount in higher rated categories.

Exhibit 1: Movement in CDQI



Source: CareEdge calculations

About CDQI

CareEdge Debt Quality Index (CDQI) denotes the quality of debt that can be interpreted over time and juxtaposed with other developments in the financial sector. The CDQI captures, on a scale of 100 (index value for the base year FY12), whether the quality of debt is improving or declining. Intuitively an upward movement indicates an improvement in the quality of debt benchmarked against the base year. As it is contemporary with minimum time lags, the health of the debt and credit markets is encapsulated on a near-real-time basis.

The dataset comprises 1,688 companies from our portfolio of 2,980 companies as of March 2012. The dataset is revisited at regular intervals and is replaced suitably with a new set of companies with a similar rating and an approximate volume of outstanding debt rated in case an entity ceases to have a rating coverage. Currently, the volume of debt of the sample companies stands at Rs 56.67 lakh crore in June 2025.

For detailed methodology see:

<http://www.careratings.com/pdf/Banner/CDQI%20PR%20&%20Report%20%20for%20website.pdf>

Annexure 1: Movement in CDQI

Month	CDQI – Index	Change	Month	CDQI - Index	Change
Jul-23	93.75	-0.04	July-24	94.90	+0.32
Aug-23	93.83	+0.08	Aug-24	94.92	+0.02
Sep-23	93.87	+0.04	Sep-24	95.04	+0.12
Oct-23	93.76	-0.11	Oct-24	95.06	+0.02
Nov-23	93.84	+0.08	Nov-24	95.07	+0.01
Dec-23	93.91	+0.07	Dec-24	95.13	+0.06
Jan-24	93.95	+0.04	Jan-25	95.41	+0.28
Feb-24	94.02	+0.07	Feb-25	95.45	+0.04
Mar-24	94.33	+0.31	Mar -25	95.60	+0.15
Apr-24	94.45	+0.12	Apr -25	95.81	+0.21
May-24	94.49	+0.04	May-25	96.01	+0.20
Jun-24	94.58	+0.09	Jun-25	96.02	+0.01

Source: CareEdge calculations

Contact

Padmanabh Bhagavath	Senior Director	ps.bhagavath@careedge.in	+91 - 22 - 6754 3407
Chaitanya Raut	Associate Director	chaitanya.raut@careedge.in	+91 - 22 - 6837 4696
Girish Patil	Assistant Director	girish.patil@careedge.in	+91 - 22 - 6754 3411
Mradul Mishra	Media Relations	mradul.mishra@careedge.in	+91 - 22 - 6754 3596

CARE Ratings Limited

Corporate Office: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022
Phone : +91 - 22 - 6754 3456 | CIN: L67190MH1993PLC071691

Connect:



Locations: Ahmedabad | Andheri-Mumbai | Bengaluru | Chennai | Coimbatore | Hyderabad | Kolkata | Noida | Pune

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