

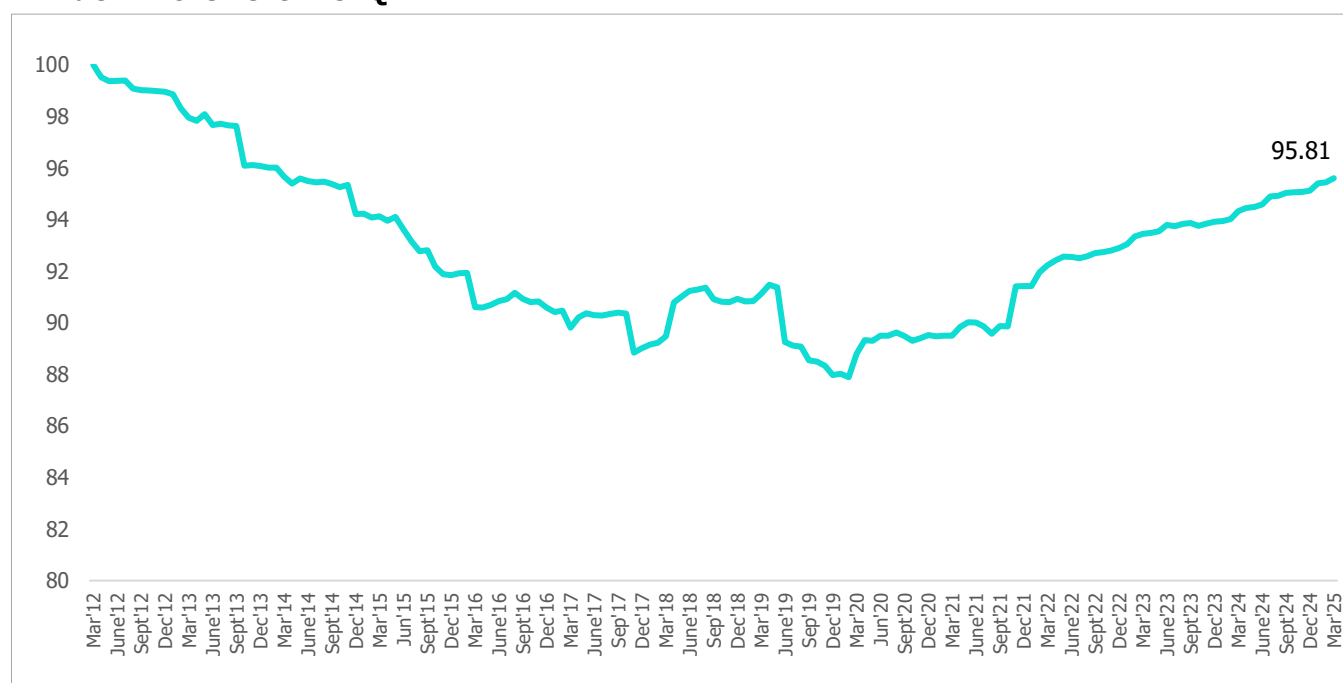
CareEdge Debt Quality Index: April 2025



May 21, 2025 | Ratings

The CareEdge Debt Quality Index (CDQI) has witnessed an upward trend since November 2021. This index inched upwards to 95.81 in April 2025, compared to 95.60 in March 2025, due to a rise in the rated debt and upgrades in the investment-grade rating categories.

Exhibit 1: Movement in CDQI



Source: CareEdge calculations

About CDQI

The CareEdge Debt Quality Index (CDQI) measures the quality of debt, which can be interpreted over time and compared 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 minimal time lags, the health of the debt and credit markets is encapsulated on a near real-time basis.

The dataset comprises 1,690 companies from our portfolio of 2,980 companies as of March 2012. The dataset is revisited at regular intervals and is replaced with a new set of companies that have a similar rating and an approximate volume of outstanding debt, in case an entity ceases to have a rating coverage. As of April 2025, the total debt of the sample companies stands at Rs 55.39 lakh crore.

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
May-23	93.54	+0.06	May-24	94.49	+0.04
Jun-23	93.79	+0.25	Jun-24	94.58	+0.09
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

Source: CareEdge calculations

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