

India Inc's credit quality to improve further: S&P

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Credit quality and financial profile of Indian rated companies are expected to improve further on the back of declining leverage and broad-based earnings growth, according to S&P Global Ratings.

Leverage will decline marginally even though average capital expenditure is up 30 per cent on pre-pandemic levels. The absolute debt reduced more in non-infrastructure sectors.

Not much debt reduction was witnessed in infrastructure entities due to higher capex, including energy transition initiatives.

Debt levels will decline modestly while earnings growth drives leverage lower. Aggregate Ebitda is set to grow at 10 per cent in 2024, driven by telecoms, airports, commodities, and chemicals, according to the agency's report "India Corporate And Infrastructure Ratings: The Momentum Is Positive".