

May 09, 2022

Clix Capital Services Private Limited: Rating withdrawn for PTCs backed by two-wheeler loan receivables transaction

Summary of rating action

Trust Name	Instrument*	Initial Amount Rated (Rs. crore)	Amount Outstanding after Last Surveillance (Rs. crore)	Current Amount Outstanding (Rs. crore)	Rating Action
Northern Arc 2020 2W Nash	PTC Series A	35.24	1.36	0.00	[ICRA]AA+(SO); Withdrawn

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the rating for pass through certificates (PTCs) backed by a pool of two-wheeler loan receivables originated by Clix Capital Services Private Limited (Clix), as tabulated above. All the payouts to the investors in the above-mentioned instruments have been made and no further payments are due to the investors.

The key rating drivers, liquidity position, rating sensitivities have not been captured as the rating assigned to the instruments have been withdrawn. The previous detailed rating rationale of surveillance exercise is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Policy on Withdrawal of Credit Rating
Parent/Group Support	Not Applicable
Consolidation/Standalone	Not Applicable

About the company

Clix Capital Services Limited (Clix) is a non-banking finance company (NBFC) registered with the Reserve Bank of India (RBI) engaged in providing retail financing products (personal loans, business loans, MSME, housing finance etc). The company, which was incorporated as GE Money Financial Services Pvt Ltd (GE Money) in 1994, formed the 'non-banking business' of the General Electric (GE) Group along with its group company GE Capital Services India (GE Capital). In September 2016, this business was acquired by a consortium comprising AION Capital Partners, Mr. Pramod Bhasin and Mr. Anil Chawla and rebranded as 'Clix'¹. In April-2022, Clix Finance India Private Limited (CFIPL, erstwhile GE Capital), was merged with Clix. Following the merger, Clix's offering portfolio comprises micro, small & medium enterprise (MSME), and consumer lending along with healthcare and equipment finance and digital lending (onboarded from CFIPL). Additionally, Clix Housing Finance Private Limited, a wholly owned (subsidiary of Clix), is primarily engaged in housing/mortgage finance products

¹ GE Money was rechristened as Clix Capital Services Limited while GE Capital was rechristened as Clix Finance India Private Limited

Key Financial Indicators

Consolidated	FY2020 (Audited)	FY2021 (Audited)	H1 FY2022 (Provisional)
Total Income	506.44	494.76	229.01
Profit after tax	20.75	3.97	-45.06
Total Managed Assets	2,539	3,027	2,604
Gross NPA%	1.10%	3.59%	3.97%
Net NPA%	0.52%	1.46%	1.45%

Amounts in Rs. crore; Source: Company & ICRA Research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2023)				Chronology of Rating History for the Past 3 Years			
	Type	Initial Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2022		Date & Rating in FY2021	Date & Rating in FY2020
				May 9, 2022	January 31, 2022	January 18, 2021	October 05, 2020	-
Northern Arc 2020 2W Nash	PTC Series A	35.24	0.00	[ICRA]AA+(SO); withdrawn	[ICRA]AA+(SO);	[ICRA]AA(SO)	Provisional [ICRA]AA(SO)	-

Complexity level of the rated instrument

Trust Name	Instrument	Complexity Indicator
Northern Arc 2020 2W Nash	PTC Series A	Moderately Complex

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website www.icra.in

Annexure-1: Instrument details

Trust Name	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Amount Rated (Rs. Crore)	Maturity Date	Current Rating and Outlook
Northern Arc 2020 2W Nash	PTC Series A	September 2020	9.85%	0.00	January 2024	[ICRA]AA+(SO); Withdrawn

Source: Company

Annexure-2: List of entities considered for consolidated analysis

Not Applicable

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