

December 21, 2022

Clix Capital Services Private Limited: Rating withdrawn for PTCs backed by personal and business loan receivables transactions

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Northern Arc 2019 PL Lincoln	PTC Series A1	39.34	6.10	0.00	[ICRA]AA(SO); Withdrawn
PL Haddock June 2020	PTC Series A1	22.33	5.23	0.00	[ICRA]AA(SO); Withdrawn
Northern Arc 2021 BL Hermes	PTC Series A1	52.80	12.01	0.00	[ICRA]AA(SO); Withdrawn

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the rating for the pass-through certificates (PTCs) issued under the personal and business loan securitisation transactions originated by Clix Capital Services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liquidity position, and rating sensitivities have not been captured as the rating assigned to the instruments has been withdrawn. The detailed rating rationale of the previous rating exercise is available at the following link:

- Northern Arc 2019 PL Lincoln – [Click here](#)
- PL Haddock June 2020 – [Click here](#)
- Northern Arc 2021 BL Hermes – [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 Private Limited (Clix) is a non-banking financial company (NBFC) registered with the Reserve Bank of India (RBI). It provides retail financing products (personal loans, business loans, micro, small and medium enterprise (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. In April 2022, Clix Finance India Private Limited (CFIPL; erstwhile GE Capital) was merged with Clix. Following the merger, Clix's portfolio comprises 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, primarily provides housing/mortgage finance products.

Key financial indicators

	FY2021 (Audited)	FY2022 (Audited)*	H1 FY2023 (Provisional)
Total income	494.76	663.5	325.08
Profit after tax	3.97	-93.91	10.07
Total managed assets	3,027	3,560	3,904
Gross NPA	3.59%	4.95%	2.90%
Net NPA	1.46%	1.42%	1.31%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; *Data from FY2022 pertains to merged entity

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Trust Name	Current Rating (FY2023)				Chronology of Rating History for the Past 3 Years			
	Instrument	Initial Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2022	Date & Rating in FY2021		Date & Rating in FY2020
				Dec 21, 2022		Jan 15, 2021	Jul 31, 2020	
Northern Arc 2019 PL Lincoln	PTC Series A1	39.34	0.00	[ICRA]AA(SO); withdrawn	[ICRA]AA(SO)	[ICRA]AA(SO)	[ICRA]AA(SO)	Provisional [ICRA]AA(SO)

Trust Name	Current Rating (FY2023)				Chronology of Rating History for the Past 3 Years				
	Instrument	Initial Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2022	Date & Rating in FY2021			Date & Rating in FY2020
				Dec 21, 2022		Jan 15, 2021	Dec 1, 2020	Jul 7, 2020	
PL Haddock June 2020	PTC Series A1	22.33	0.00	[ICRA]AA(SO); withdrawn	[ICRA]AA(SO)	[ICRA]AA(SO)	[ICRA]AA(SO)	Provisional [ICRA]AA(SO)	-

Trust Name	Current Rating (FY2023)				Chronology of Rating History for the past 3 years			
	Instrument	Initial Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020
				Dec 21, 2022				
Northern Arc 2021 BL Hermes	PTC Series A1	52.80	0.00	[ICRA]AA(SO); withdrawn	[ICRA]AA(SO)	[ICRA]AA(SO)	Provisional [ICRA]AA(SO)	-

Complexity level of the rated instruments

Trust Name	Instrument	Complexity Indicator
Northern Arc 2019 PL Lincoln	PTC Series A1	Moderately Complex
PL Haddock June 2020	PTC Series A1	Moderately Complex
Northern Arc 2021 BL Hermes	PTC Series A1	Simple

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 [Click here](#)

Annexure I: Instrument details

Trust Name	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
Northern Arc 2019 PL Lincoln	PTC Series A1	December 2019	10.25%	November 2023	0.00	[ICRA]AA(SO); Withdrawn
PL Haddock June 2020	PTC Series A1	June 2020	9.80%	June 2023	0.00	[ICRA]AA(SO); Withdrawn
Northern Arc 2021 BL Hermes	PTC Series A1	November 2020	9.50%	May 2025	0.00	[ICRA]AA(SO); Withdrawn

Source: Company

Annexure II: List of entities considered for consolidated analysis

Not Applicable

ANALYST CONTACTS

Abhishek Dafria

+91 22 6114 3440

abhishek.dafria@icraindia.com

Samriddhi Chowdhary

+91 22 6114 3400

samriddhi.chowdhary@icraindia.com

Mrugesh Trivedi

+91 22 6114 3436

mrugesh.trivedi@icraindia.com

Ritu Rita

+91 22 6114 3409

ritu.rita@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee

+91 80 4332 6401

jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



© Copyright, 2022 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While 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 may have provided services other than rating to the issuer rated. 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.