

December 27, 2022

Clix Capital Services Private Limited: Rating withdrawn for PTCs backed by merchant loan securitisation transaction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
ML Thestral Nov 2022	Series A PTC	49.99	NA	49.99	Provisional [ICRA]AA(SO); Withdrawn

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the ratings for pass through certificates (PTCs) issued under merchant loan securitisation transaction originated by Clix Capital Services Private Limited (Clix), as tabulated above rated in November-22. The provisional rating assigned has been withdrawn as the transaction was not placed as informed by Clix.

The key rating drivers, liquidity position, rating sensitivities have not been captured as the rating assigned to the instrument has been withdrawn. The previous detailed rating rationale of previous rating exercise is available at the following link:

- ML Thestral Nov 2022 – [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	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating		Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020
				December 27, 2022	December 2, 2022			
ML Thestral Nov 2022	Series A PTC	49.99	49.99	Provisional [ICRA]AA(SO); Withdrawn	Provisional [ICRA]AA(SO)	-	-	-

Complexity level of the rated instruments

Trust Name	Instrument	Complexity Indicator
ML Thestral Nov 2022	Series A PTC	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 [Click here](#)

Annexure-1: Instrument details

Trust Name	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
ML Thestral Nov 2022	Series A PTC	November 2022	9.35%	April 2024	49.99	Provisional [ICRA]AA(SO); Withdrawn

Source: Company

Annexure-2: List of entities considered for consolidated analysis

Not Applicable

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