

July 17, 2023

Clix Capital Services Private Limited: Rating withdrawn for PTC backed by merchant loan receivables transactions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 |
|---------------------|--------------|----------------------------------|--|--|-------------------------|
| Nimbus 2022 ML Benn | Series A PTC | 29.97 | 29.97 | 0.00 | [ICRA]AA(SO); Withdrawn |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ICRA has withdrawn the rating for the pass-through certificates (PTCs) issued under the merchant loan securitisation transactions originated by Clix Capital Services Private Limited (Clix), as tabulated above. All the payouts to the investors in the above-mentioned instrument 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liquidity position, and rating sensitivities have not been captured as the rating assigned to the instruments has been withdrawn.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:

Nimbus 2022 ML Benn – [Click here](#)

Analytical approach

| Analytical Approach | Comments |
|---------------------------------|--|
| Applicable rating methodologies | Policy on Withdrawal of Credit Ratings |
| Parent/Group support | Not Applicable |
| Consolidation/Standalone | Not Applicable |

About the originator

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 offering 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) | FY2023 (Audited) |
|----------------------|------------------|------------------|------------------|
| Total income | 494.8 | 663.5 | 703 |
| Profit after tax | 3.9 | -93.9 | 45 |
| Total managed assets | 3,027 | 3,650 | 4,375 |
| Gross NPA | 3.6% | 4.9% | 2.4% |
| Net NPA | 1.5% | 1.4% | 1.5% |

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 (FY2024) | | | | Chronology of Rating History for the Past 3 Years | | | |
|---------------------|-------------------------|--------------------------|--------------------------------|-------------------------|---|--------------------------|-------------------------|-------------------------|
| | Instrument | Amount Rated (Rs. crore) | Amount Outstanding (Rs. crore) | Date & Rating | Date & Rating in FY2023 | | Date & Rating in FY2022 | Date & Rating in FY2021 |
| | | | | Jul 17, 2023 | Oct 27, 2022 | Sep 8, 2022 | - | - |
| Nimbus 2022 ML Benn | Series A PTC | 29.97 | 0.00 | [ICRA]AA(SO); Withdrawn | [ICRA]AA(SO) | Provisional [ICRA]AA(SO) | - | - |

Complexity level of the rated instruments

| Trust Name | Instrument | Complexity Indicator |
|---------------------|--------------|----------------------|
| Nimbus 2022 ML Benn | 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 I: Instrument details

| Trust Name | Instrument Name | Date of Issuance / Sanction | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook |
|----------------------------|-----------------|-----------------------------|-------------|---------------|--------------------------|----------------------------|
| Nimbus 2022 ML Benn | Series A PTC | September 2022 | 9.25% | March 2024 | 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

Himanshi Doshi

+91 22 6114 3410

himanshi.doshi@icraindia.com

Advait Athavale

+91 22 6114 3433

advait.athavale@icraindia.com

Sachin Joglekar

+91 22 6114 34670

sachin.joglekar@icraindia.com

Mrugesh Trivedi

+91 22 6114 3436

mrugesh.trivedi@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar

+91 22 6169 3304

shivakumar@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

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ICRA Limited



Registered Office

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



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