

September 13, 2023

Clix Capital Services Private Limited: Ratings withdrawn for PTC backed by merchant loan receivables transactions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 |
|----------------------|------------------|----------------------------------|--|--|-------------------------|
| ML Elixir Oct 2022 | Series A PTC | 68.94 | 68.94 | 0.00 | [ICRA]A+(SO); Withdrawn |
| ML Centaur July 2022 | PTC Series A1(b) | 5.05 | 5.05 | 0.00 | [ICRA]AA(SO); Withdrawn |

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the ratings for the pass-through certificates (PTCs) issued under the merchant loan securitisation transactions originated by Clix Capital Services Private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liquidity position, and rating sensitivities have not been captured as the rating assigned to the instruments has been withdrawn.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:

ML Elixir Oct 2022 – [Click here](#)

ML Centaur July 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 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 |
| | | | | Sep 13, 2023 | Feb 10, 2022 | Nov 10, 2022 | - | - |
| ML Elixir Oct 2022 | Series A PTC | 68.94 | 0.00 | [ICRA]A+(SO); Withdrawn | [ICRA]A+(SO) | Provisional [ICRA]A+(SO) | - | - |

| 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 |
| | | | | Sep 13, 2023 | Sep 9, 2022 | Sep 2, 2022 | - | - |
| ML Centaur July 2022 | PTC Series A1(b) | 5.05 | 0.00 | [ICRA]AA(SO); Withdrawn | [ICRA]AA(SO) | Provisional [ICRA]AA(SO) | - | - |

Complexity level of the rated instruments

| Trust Name | Instrument | Complexity Indicator |
|----------------------|------------------|----------------------|
| ML Elixir Oct 2022 | Series A PTC | Moderately Complex |
| ML Centaur July 2022 | PTC Series A1(b) | 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 |
|----------------------|------------------|-----------------------------|-------------|---------------|--------------------------|----------------------------|
| ML Elixir Oct 2022 | Series A PTC | November 2022 | 11.00% | May 2024 | 0.00 | [ICRA]A+(SO); Withdrawn |
| ML Centaur July 2022 | PTC Series A1(b) | August 2022 | 9.25% | November 2023 | 0.00 | [ICRA]AA(SO); Withdrawn |

Source: Company

Annexure II: List of entities considered for consolidated analysis

Not Applicable

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Branches



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