

February 10, 2026

Perfios Software Solutions Private Limited: Rating upgraded to [ICRA]A+ (Stable)

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long -term – Fund-based – Working capital limits	300.00	300.00	[ICRA]A+ (Stable); upgraded from [ICRA]A (Stable)
Total	300.00	300.00	

*Instrument details are provided in Annexure I

Rationale

The rating upgrade for Perfios Software Solutions Private Limited (Perfios) factors in the improvement in the business risk profile as reflected in its increasing scale and comfortable financial risk profile, supported by its established business position as a tech-enabled, software as a service (SaaS) based product and platform provider in the banking, financial services and insurance (BFSI) industry as well as its inorganic growth initiatives. The company acquired three startups in CY2025 – Clari5, engaged in fraud risk management, CreditNirvana, an artificial intelligence (AI) linked debt collection and management software provider and IHX, a healthcare insurance information exchange provider, for a total consideration of about Rs. 580 crore, funded by existing surplus liquidity. These acquisitions are expected to expand the company's presence in the international market and enhance product capabilities for its existing customer base of several reputed banks and financial institutions with which it shares a high repeat business.

In FY2025, Perfios achieved a healthy year-over-growth (YoY) growth of 20% and operating profit margins (OPM) of 23.3% (as against 19% in FY2024), led by its diversified product portfolio across financial data analysis and economies of scale. Moreover, healthy cash flow generation, limited reliance on external debt and an adequate liquidity position further support the financial risk profile. While one-time expenses related to the acquisitions, losses in the subsidiaries and high hiring costs are expected to result in the moderation of OPM in FY2026, revenue growth is anticipated to sustain, supported by expansion of services across customers, higher international sales and synergies from recent acquisitions. ICRA also notes that, as part of its business strategy, Perfios will continue to pursue inorganic growth opportunities to improve its scale, customer base, geographical footprint and business diversification. These investments are likely to be funded through a mix of debt and existing surplus liquidity and the impact of these on the company's credit profile will be monitored on a case-by-case basis. Additionally, Perfios continues to benefit from the experienced senior management, who have an extensive experience in the industry, and financial flexibility emanating from its reputed private equity (PE) investors such as Bessemer India Capital Holdings Limited (Bessemer), Pear Valley Investment Limited (Warburg Pincus), Kedaara Capital (Kedaara) and Ontario Limited (Ontario).

The rating is, however, constrained by Perfios' moderate scale of operations and sectoral concentration risks, with most of its revenue being generated by the BFSI segment. However, given that its products can be used for multiple other end-user industries such as healthcare, e-commerce and retail, the company is focussed on enhancing the revenue contribution from the same in the future. Further, its working capital intensity remains high owing to a long receivable cycle, since a considerable part of its revenue is generated by public and private sector banks and monthly billings, depending upon volumes of transactions. Additionally, like other industry participants, it continues to face challenges like competition, exposure to foreign currency fluctuations, talent acquisition and retention, and exposure to policies in key operating markets.

The Stable outlook on the long-term rating factors in ICRA's opinion that Perfios will continue to witness healthy revenue growth and accrual generation supported by its diverse solutions' portfolio, reputed client base and robust recurring revenues, thereby supporting its credit profile.

Key rating drivers and their description

Credit strengths

Experienced senior leadership team and strong financial flexibility emanating from reputed investor profile – Incorporated in 2008, Perfios is led by its founders, Mr. V R Govindarajan and Mr. Debashish Chakraborty, along with an experienced senior leadership team with extensive experience in the banking and IT products and services industry. Over the years, the company has raised funding from reputed investors, such as Bessemer, Warburg Pincus, Kedaara and Ontario, which collectively hold the majority stake of 80% as of November 2025. Given the successful track record of its investors in managing diverse businesses across the globe, Perfios benefits from their strategic inputs as well as strong financial flexibility emanating from its investors.

Diversified product/platforms for SaaS solutions for financial data analysis – Perfios offers various tech-enabled SaaS solutions spanning the entire customer life cycle which includes customer origination, onboarding, credit underwriting and decisioning, financial statement analysis, bank statement analysis, digital KYC, credit gateway, data aggregation, fraud check verification and account verification, among others. Its products and platforms vary across consumer lending, SME lending, financing and insurance segments. Through inorganic growth initiatives, the company has gained newer capabilities of enterprise fraud risk management, AI-based debt management and insurance healthcare provider solution/ platform as well.

Reputed and diversified client base with healthy repeat business – Perfios' clientele includes reputed domestic and international BFSI companies such as State Bank of India, ICICI Bank Limited, Axis Bank Limited, HDFC Bank, IDFC First Bank Limited, Yes Bank Limited, Kotak Mahindra Bank, IIFL Finance, Hero Fincorp, Piramal Capital & Housing Finance Limited, among others. Moreover, a healthy share of business with its existing customers and healthy growth in digitisation in the BFSI segment have led to healthy repeat business of more than 90% for the company over the years.

Comfortable financial risk profile – Perfios' financial risk profile is healthy, supported by increasing cash flow generation, comfortable capital structure, strong coverage metrics and adequate liquidity position. Over the years, the company has reported healthy revenue growth reflected in a 4-year CAGR of 74% over FY2022-FY2025, supported by increasing penetration of its diverse product portfolio in the industry and inorganic growth initiatives. Through sizeable fundraising in the past, it has expanded through multiple capability-driven acquisitions in recent past: KYC-provider, Karza Technologies Pvt Ltd in March 2022, followed by acquisition of Clari5 (enterprise fraud risk management company), CreditNirvana (AI-based debt management platform) and IHX (healthcare insurance information provider) in CY2025. Further, the operating profitability of the company has improved to 23% in FY2025 from 19% in FY2024, backed by diverse product mix and increasing economies of scale. The increasing cash reserves have led to a limited reliance on external debt, which coupled with a strong net worth base translates into healthy capital structure and coverage metrics. Perfios is likely to maintain its healthy financial profile over the near-to-medium term, aided by steady cash flow generation.

Credit challenges

Moderate scale of operations with relatively high receivable position – With an operating income of Rs. 669.5 crore in FY2025, Perfios' scale of operations remains moderate. Moreover, the company's greater than six months' debtor levels are still relatively high on account of sizeable revenue generated from both public sector and private sector banks with its monthly billing cycle dependent on the volume of transactions. However, ICRA notes that it has not reported any significant bad debts in the past and has, in fact, reported healthy revenue growth in recent years, with the momentum expected to sustain, going forward.

Exposed to sectoral concentration risk – The company is exposed to sectoral concentration risk, with the BFSI industry driving most of its revenues since inception. While its end-user industries also include non-BFSI sectors such as e-commerce, healthcare, retail, consumer goods, securities and investments, utilities, legal, consulting, HR-tech, etc., and a part of its revenues are also generated from the same, its concentration in the BFSI sector is expected to remain high over the near-to-

medium term, given its lending-focussed digital solutions. However, Perfios caters to banks, fintechs, insurance companies, asset management companies, stock broking firms and payment services companies, etc., which provides some comfort.

Industry-specific challenges like competition, foreign exchange (forex) risk, employee attrition and exposure to policies in key operating markets – The company faces competition from other players in the industry, which limits pricing flexibility to some extent. Perfios’ profit margins are also marginally exposed to forex risks as part of its revenues are derived from international markets. However, its exposure to foreign markets is less than 15% of overall revenues, which provides some comfort. Further, the availability and retention of a skilled workforce continue to be a key challenge. The company also remains exposed to macroeconomic uncertainties and any adverse regulatory/ legislative changes in its key operating markets of Southeast Asia, West Asia and Africa.

Liquidity position: Adequate

The liquidity position for Perfios is adequate, supported by free cash and bank balances and mutual fund investments of Rs. 225-230 crore, and cushion of Rs. 30-40 crore against drawing power in the working capital limits as of November 2025. Further, it has minimal capex plans over the near-to-medium term, which coupled with the absence of major debt repayment liability further supports its liquidity. However, the company continues to scout for investment/ acquisition opportunities to support its inorganic growth initiatives, and a substantial part of its surplus liquidity could get consumed for funding the same. Hence, the impact of such investments on its liquidity profile will remain monitorable.

Rating sensitivities

Positive factors – The rating could be upgraded if the company demonstrates healthy growth in revenue and earnings, supported by growth across verticals and improvement in diversification along with a healthy, sustained liquidity position.

Negative factors – Negative pressure on the rating could arise in case of sharp decline of revenues and profits and/or sizeable debt-funded acquisitions, which could significantly impact its credit metrics and liquidity position. Specific credit metrics that could result in a rating downgrade include total debt/OPBDITA of more than 1.5 times on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies 9 Bold	Corporate Credit Rating Methodology IT - Software & Services
Parent/Group support	Not applicable
Consolidation/Standalone	To arrive at the ratings, ICRA has considered the consolidated financials of Perfios. As on March 31, 2025, the company had four subsidiaries, which are listed in Annexure-II.

About the company

Incorporated in 2008, Perfios is a product-technology company with diverse SaaS-based solutions and platforms across the customer life cycle of financial institutions. The company’s product profile includes customer origination, onboarding (KYC), decisioning and underwriting-KYC, credit assessment and verification, bank statement analysis, financial statement analysis, fraud check and verification, account aggregation, etc. for various financial institutions. The company was founded by Mr. V R Govindarajan and Mr. Debashish Chakraborty, who collectively hold 9-10% stake, and it is headquartered in Bangalore, India. Over the years, the scale-up of operations has been funded through various reputed PE investors such as Bessemer, Warburg Pincus, Kedaara and Ontario, which together hold 80% stake.

Key financial indicators (audited)

Perfios (consolidated)	FY2024	FY2025
Operating income (OI)	557.8	669.5
PAT	71.7	104.3
OPBDIT/OI	19.1%	23.3%
PAT/OI	12.8%	15.6%
Total outside liabilities/Tangible net worth (times)	0.2	0.3
Total debt/OPBDIT (times)	0.9	1.2
Interest coverage (times)	15.3	27.7

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2026)					Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Feb 10, 2026	FY2026		FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund-based – Cash credit	Long term	300.00	[ICRA]A+ (Stable)	-	-	Dec 11, 2024	[ICRA]A (Stable)	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term – Fund-based – Working capital limits	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 are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Fund-based – Working capital limits	-	-	-	300.00	[ICRA]A+ (Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company name	Perfios' ownership	Consolidation approach
Perfios Technology Solutions SDN BHD, Malaysia	100.00%	Full Consolidation
CustomerXPs Software Private Limited (Clari5)	95.51%	Full consolidation
Clari5 Technologies Middle East Limited	95.51%	Full consolidation
Statlabs Analytics Ventures Private Limited (CreditNirvana)	100.00%	Full consolidation

Source: Annual Report FY2025

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