4th December, 2025

National Stock Exchange of India Limited Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai– 400051

Dear Sir/Madam,

Sub: Intimation regarding rating communication received from India Ratings for Clix Capital Services Pvt Ltd.

We are pleased to inform you that India Ratings, during its annual surveillance, has reaffirmed the long term **rating of the company as "A+" and the short-term rating as A1+, with Stable outlook.**

The affirmation reflects the comprehensive development seen in Clix spanning across parameters – Stable business momentum, controlled portfolio quality and positive profitability trajectory.

*According to the India Ratings report, "*The ratings also reflect the continued profitable growth in Clix's franchise and a visibility regarding its growth plans, with a focus on secured micro, small and medium enterprises (MSMEs) and geographical diversification. Clix also has a diversified borrowing mix, with a healthy share of funding from banks and other financial institutions. "

Details of Ratings in the prescribed format are as follows:

NCD

Sr. No.	ISIN	Name of the Credit Rating Agency	Credit Rating Assigned	Outlook (Stable/Positive/ Negative/No Outlook)	Rating Action (New/Upgrade /Downgrade/Re-affirm/Other)	Specify Other Rating Action	Date of Credit Rating	Verification Status of Credit Rating by Agency	Date of Verification
1	INE157D07EP1	India Ratings	A+	Stable	Reaffirmed	NA	3-Dec-25	yes	3-Dec-25

CP

Sr. No.	ISIN	Name of the Credit Rating Agency	Credit Rating Assigned	Outlook (Stable/Positive/ Negative/No Outlook)	Rating Action (New/Upgrade /Downgrade/Re-affirm/Other)	Specify Other Rating Action	Date of Credit Rating	Verification Status of Credit Rating by Agency	Date of Verification
1	INE157D14EN2	India Ratings	A1+	Stable	Reaffirmed	NA	3-Dec-25	yes	3-Dec-25

Please find detailed rating rationale enclosed with this letter.

Kindly take the above-information on record.

For Clix Capital Services Private Limited

VINU RAJAT KALRA Digitally signed by VINU RAJAT KALRA Date: 2025.12.04 18:06:14 +05'30'

Vinu R Kalra
Company Secretary

Clix Capital Services Private Limited
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India Ratings & Research
A Fitch Group Company

India Ratings Assigns CLIX Capital Services's Additional NCDs 'IND A+'/Stable; Affirms Existing Ratings

Dec 03, 2025 | Non Banking Financial Company (NBFC)

India Ratings and Research (Ind-Ra) has taken the following actions on CLIX Capital Services Private Limited's (Clix) debt instruments:

Details of Instruments

Instrument Description	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating Assigned along with Watch	Rating Action
Commercial Paper	-	-	Up to 365 days	INR1,000	IND A1+	Affirmed
Non-convertible debentures #	-	-	-	INR1,000	IND A+/Stable	Assigned
Non-convertible debenture #	-	-	-	INR2,000	IND A+/Stable	Affirmed

Details in Annexure

Analytical Approach

Ind-Ra continues to fully consolidate Clix's subsidiaries - Clix Housing Finance Limited (CHFL; 100% held by Clix) and Tezzract Fintech Private Limited (61.94% held by Clix) for the ratings, given the strong financial and operational linkages among the entities and the use of a common brand name.

Detailed Rationale of the Rating Action

The ratings reflect Clix's adequate capital position, with a modest leverage ratio, and the considerable experience of the company's promoter and senior management team. The ratings also reflect the continued profitable growth in Clix's franchise and a visibility regarding its growth plans, with a focus on secured micro, small and medium enterprises (MSMEs) and geographical diversification. Clix also has a diversified borrowing mix, with a healthy share of funding from banks and other financial institutions.

Ind-Ra has also factored in Clix's adequate liquidity, with cumulative surplus in all-time buckets up to five years at end-September 2025. However, the ratings remain constrained by moderate profitability in 1HFY26, which is likely to improve further over FY26-FY27 and deterioration in the asset quality amid challenges in the operating environment, particularly in the unsecured lending space, limited seasoning in the secured loan book and discontinuation of the healthcare segment.

List of Key Rating Drivers

Strengths

- Capital buffers adequate to manage growth
- Growing franchise
- Diversified funding profile

Weaknesses

- Moderate profitability
- Asset health shows slight weakness: seasoning remains limited in secured book

Detailed Description of Key Rating Drivers

Capital Buffers Adequate to Manage Growth: Clix has built adequate capital buffers, with a consolidated capital base of INR18.9 billion in FY25 (FY24: INR15.5 billion; FY23: INR14.6 billion), and a standalone tangible capital base of INR19.58 billion at end-1HFY26 (FYE25: 19.15 billion; end-1HFY25: INR18.58 billion; FYE24: INR15.68 billion) with a capital adequacy ratio of 28.09% (27.28%; 31.03%; 28.22%). The consolidated leverage ratio (debt/tangible networth) stood at 2.4x at FYE25 (FYE24: 2.7x; FYE23: 2.3x). Clix targets to keep its leverage under 3.5x at the consolidated level. The existing shareholders infused INR2.2 billion in FY25, and the agency believes the current capital is adequate to support growth over the next six-to-seven quarters. The company caters to the MSME segment, and the agency believes this segment could be impacted disproportionately during an economic slowdown. However, as per Ind-Ra's stress test, the capital buffers of Clix will remain adequate to absorb asset quality pressure in the near-to-medium term.

Growing Franchise: Clix's consolidated assets under management (AUM) grew to INR74.13 billion at end-1HFY26 (FYE25: INR70.25 billion, end-1HFY25: INR62.3 billion, FYE24: INR56.8 billion). The product portfolio comprises business loans (29.4% of total on book AUM), including a book backed by credit guarantee fund trust for micro and small enterprises, school finance K-12 (29.1%), loan against properties (LAP: 14.4%), and personal loan book (having credit loss protection; 20.7%), with a fintech acting as sourcing partner for the company. The remaining portion of the AUM consists of products that had been discontinued including health finance solutions (HFS: 5.7%) at end-1HFY26. The consolidated off-book AUM of the company stood at INR14.9 billion at end-1HFY26, constituting 20.1 % of the total consolidated AUM, considering direct assignment, co-lending, and operating lease. Clix benefits from its seasoned management team, which consists of professionals having almost two decades of experience in lending to the MSME sector. Clix has added one branch since end-1HFY25, and the total number of branches stood at 30 at end-1HFY26. Furthermore, the company has been cautiously identifying new geographies to expand its footprint. At end-September 2025, the top five states contributed 60.24% to the total on-book AUM, out of which four southern states accounted for about 47.09%. The company has been gradually diversifying its geographical mix.

Diversified Funding Profile: At end-September 2025, Clix had a funding relationship with 41 lenders; within this, the company receives about 70.6% of its term loan funding ex-pass-through certificate from the public sector, private sector and small finance banks, 7.7% from non-banking financial companies, 10.3% from development financial institutions, 1.2% from commercial papers and the rest from others non-convertible debenture investors. Clix had an outstanding debt of INR48.06 billion at end-September 2025. The company has onboarded new lenders; this would enable it to comfortably avail new debt at a competitive pricing to support its loan book growth and the management expects the funding costs to reduce further, driven by the repo rate cut, with the marginal cost of fund based lending rate (MCLR)-linked borrowings likely to benefit as most portion of the funding is tied to floating rates. Given the scale at which Clix operates, the number of lending relations is adequate, and the liability mix is diversified. Clix's focus on co-lending with five partners also acts as an additional source of fund-raising.

Moderate Profitability: The entity has reported a positive consolidated profit after tax since FY23 (FY25: INR0.77 billion; FY24: INR0.6 billion, FY23: INR0.3 billion, FY22: negative INR0.98 billion), though it has been at modest levels. Clix's standalone profit after tax was INR0.31 billion in 1HFY26 (FY25: INR0.84 billion, 1HFY25: INR0.47 billion; FY24: INR0.62 billion), impacted by elevated credit costs, primarily on account of a one-off provisioning in the partnership portfolio and higher write-offs in HFS. The net interest margins were also compressed in 1HFY26 due to the strategic shift toward secured lending; however, the impact was partly offset by a decline in the overall funding costs following the repo rate cut.

The cost-to-income ratio remained elevated at 50.7% at end-1HFY26 (FY25: 49%; 1HFY25: 46.2%; FY24: 50.8%). The operating cost-to-average-AUM moderated to 4.1% in 1HFY26 (FY25: 4.3%; 1HFY25: 4.6%; FY24: 5.1%), while the return on assets decline to 0.85% (1.27%, 1.47%,1.08%). Clix's collection efficiency declined in 1HFY26, delinquencies in the K-12 portfolio increased during the off-season, while the HFS faced stress due to inherent repayment challenges. Clix has since discontinued the HFS portfolio, and to manage elevated stress, the company undertook write-offs. Business loans

(BL), which are fully unsecured but covered under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme, also witnessed higher slippages. The on-book portfolio comprised secured and unsecured book of 47% and 53%, respectively at end-1HFY26. However, there is a credit loss protection to a certain extent in the partnership book (which is unsecured in nature). The credit costs stood at 3.9% in 1HFY26 (FY25: 3.5%, FY24: 4.4%), including the write-off from the partnership loan book (unsecured). Maintaining asset quality amid franchise expansion, along with the company's ability to replicate its business model across new geographies while effectively managing credit costs and net interest margins, will remain key rating monitorable.

Asset Health Shows Slight Weakness: Seasoning Remains Limited in Secured Book: Clix began operations in 2016 and has built an AUM of INR74.13 billion since then until 1HFY26. While its portfolio has been witnessing strong growth, the franchise size remains medium. Also, the seasoning in the secured segment is low, as a large portion of the AUM was generated in the 24 months ended September 2025. The company's asset quality has deteriorated slightly, with gross non-performing assets (GNPA) at 2.12% in 1HFY26 (FY25: 1.91%; FY24: 1.8%, FY23:2.4%, FY22:4.9%). The company has kept its delinquencies under check. Ind-Ra believes control over softer bucket migration needs to be actively monitored with the rising scale.

In terms of the restructured portfolio too, the book remains negligible, with the outstanding restructured book accounting for 0.5% of the consolidated AUM at end-1HFY26, of which most is secured. In CHFL, the disbursements have been discontinued since the last couple of years, with the book being run down by repayment and direct assignments. CHFL's AUM reduced to INR0.89 billion at end-September 2025 from INR2.5 billion at end-March 2022.

Liquidity

Adequate: The company generally maintains two months of debt repayment obligations and operating expenses in the form of un-encumbered liquidity. As per the asset liability statement for September 2025, which is prepared on a contractual basis, the total debt obligation for October to December 2025 was around INR6.67 billion, which was met through cash and liquid investments of INR5.56 billion and un-utilised lines of INR5.19 billion, without considering the collection and disbursements. As per the asset-liability management statement at end-September 2025, the company was in a surplus position in the all-time buckets up to five years, with a cumulative surplus (excess of short-term assets over short-term liabilities in the up-to-one-year bucket) of 4.4% of the total assets. Its ability to raise funds by securitising its assets provides additional comfort on liquidity. Even under Ind-Ra's stress case, which assumes a delay in inflows, the liquidity profile is reasonable.

Rating Sensitivities

Positive: A continued expansion in the franchisee while improving the profitability towards 2.5% return on average assets (ROA), control over asset quality, diversification in non-southern geographies could lead to a positive rating action.

Negative: The following factors can, individually or collectively, lead to a negative rating action:

- the consolidated leverage exceeding 4.0x on a sustained basis
- a weakened operating performance
- significant deterioration in the asset quality, with a sustained rise in credit cost, exceeding Ind-Ra's expectations
- dilution in the liquidity profile

Any Other Information

Not applicable

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on Clix, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click here. For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click here.

About the Company

Clix was originally set up by the General Electric (GE) group, and at FYE16, the GE group entered a management buy-in arrangement with ex-GE top executives, Pramod Bhasin and Anil Chawla, backed by funding from the private equity firm, AION Capital Partners (85% stake), which was a joint venture between Apollo Global Management and ICICI Ventures Funds Management Company. However, in June 2020, Apollo Global Management and ICICI Ventures Funds Management Company announced that they were ending the joint venture. At present, Plutus Wealth Management, a Mauritius-based special purpose vehicle, holds almost 100% in Clix (consolidated); Apollo Global Management holds 85% stake in the special purpose vehicle and the balance stake is with the promoters. Clix is focused on MSME lending. At end-1HFY26, it had around 777 employees and 30 branches, spread across 15 states.

Key Financial Indicators

Particulars - Consolidated	FY25	FY24
Total assets (INR billion)	70.01	62.7
Total tangible equity (INR billion)	18.91	15.5
Net profit/loss (INR billion)	0.78	0.6
Equity/assets (%)	27	24.7
Leverage (x)	2.4	2.7
Source: Ind-Ra; Clix		

Particulars - Standalone	1HFY26	FY25	FY24
Total assets (INR billion)	73.6	70.1	62.7
Total equity (INR billion)	19.58	19.15	15.7
Net profit/loss (INR billion)	0.31	0.84	0.6
Equity/assets (%)	26.6	27.3	25
Gross NPAs (%)	2.12	1.91	1.8
Leverage (x)	2.45	2.36	2.65
Tier 1 ratio (%)	27.96	24.40	29.48
Source: Ind-Ra; Clix			

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook
	Rating Type	Rated Limits (million)	Rating/Outlook	5 December 2024
Commercial paper	Short-term	INR1,000	IND A1+	IND A1+
Non- convertible debentures	Long- term	INR 3,000	IND A+/Stable	IND A+/Stable

Complexity Level of the Instruments

Instrument Type	Complexity Indicator

Commercial Paper	Low
Non-convertible debentures	Low

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity- indicators.

Annexure

Instrument Type	ISIN	Date of Issue	Coupon (%)	Maturity Date	Rated Amount (million)	Rating/Outlook
Non-convertible debentures	INE157D07EP1	4 November 2025	9.85	24 April 2038	INR400	IND A+/Stable
Limits utilised					INR400	
Limits unutilised					INR2,600	
Total					INR3,000	

Source: Ind-Ra and Clix

Contact

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About India Ratings

India Ratings and Research (Ind-Ra) is India's SEBI registered credit rating agency committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance companies, urban local bodies, and structured finance and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Gurugram, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India and the Reserve Bank of India.

Ind-Ra is a 100% owned subsidiary of the Fitch Group.

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

APPLICABLE CRITERIA AND POLICIES

Evaluating Corporate Governance

Financial Institutions Rating Criteria

Non-Bank Finance Companies Criteria

The Rating Process