

July 11, 2025

Oxyzo Financial Services Limited (erstwhile Oxyzo Financial Services Private Limited): Rating confirmed as final for PTCs backed by unsecured business loan receivables issued by Lindt 03 2025

Summary of rating action

Trust Name	Instrument*	Initial rated amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Lindt 03 2025	Series A1 PTCs	95.47	95.47	[ICRA]AA(SO); provisional rating confirmed as final

*Instrument details are provided in Annexure I

Rationale

ICRA had assigned a provisional rating to the pass-through certificates (PTCs) issued by Lindt 03 2025 Trust under a securitisation transaction originated by Oxyzo Financial Services Limited {Oxyzo/Originator; rated [ICRA]A+ (Stable)}. The PTCs are backed by a pool of unsecured business loan receivables originated by Oxyzo with an aggregate principal outstanding of Rs. 107.27 crore (pool receivables of Rs. 137.74 crore).

Since the executed transaction documents are in line with the rating conditions and the legal opinion for the transaction has been provided to ICRA, the said ratings have now been confirmed as final.

Pool performance summary

Parameter	Lindt 03 2025
Payout month	June 2025
Months post securitisation	3
Pool amortisation	15.8%
Series A1 PTC amortisation	17.7%
Cumulative prepayment rate	1.2%
Cumulative collection efficiency	99.6%
Loss cum 0+ dpd	0.7%
Loss cum 30+ dpd	0.1%
Loss cum 90+ dpd	0.0%
Cumulative CC utilisation	0.0%

Transaction structure

As per the transaction structure, the monthly cash flow schedule comprises the promised interest payout. The principal is expected to be paid on a monthly basis (100% of the pool principal billed) but is promised on the final maturity date. 25% of the surplus excess interest spread (EIS), after meeting the promised and expected payouts, will be used for the prepayment of Series A1 PTC principal and balance will flow back to the Originator on a monthly basis. Any prepayment in the pool would be used for the prepayment of Series A1 PTCs principal.

If the cumulative collection efficiency in respect of the pool is less than 90% for any three consecutive payouts and/or the portfolio at risk (PAR)>90 of the pool exceeds 6% of the initial principal outstanding and/or rating of Series A1 PTCs is downgraded by one notch or more, then 100% EIS shall be utilised towards the repayment of the principal payout to the Series A1 PTC investors.

The credit enhancement available in the structure is in the form of (i) a cash collateral (CC) of 4.00% of the initial pool principal, amounting to Rs. 4.29 crore, provided by the Originator, (ii) subordination in the form of an equity tranche of 6.00% of the pool principal and over-collateralisation of 5.00% of the pool principal for Series A1 PTCs, (iii) the EIS of 21.19% of the pool principal for Series A1 PTCs.

Key rating drivers and their description

Credit strengths

Granular pool supported by the presence of credit enhancement – The pool is granular in nature, with top 10 obligors forming less than 0.5% of the initial pool principal, thereby reducing the exposure to any single borrower. Further, the credit enhancement available in the form of the CC, subordination in the form of equity tranche and overcollateral and EIS would absorb some amount of the losses in the pool and provide support in meeting the investor payouts.

No overdue contracts in the pool –The pool has been filtered in such a manner that there are no overdue contracts as on the cut-off date which is a credit positive.

Adequate servicing capability of the originator- The originator has adequate processes for servicing of the loan accounts in the securitised pool. It has a satisfactory track record of regular collections across multiple geographies.

Credit challenges

High geographical concentration: The pool has high geographical concentration with the top state Rajasthan contributing ~50% to the initial pool principal amount. The pool's performance would thus be exposed to any state-wide disruption that may occur due to natural calamities, political events, etc.

Risks associated with lending business: The performance of the pool would remain exposed to macro-economic shocks, business disruptions and natural calamities that may impact the income-generating capability of the borrowers and their ability to make timely repayments of their loans. Further, pool will be exposed to the inherent credit risk associated with the unsecured nature of the asset class. Moreover, recoveries from delinquent contracts tend to be lower.

Key rating assumptions

ICRA's cash flow modelling for rating securitisation transactions involves the simulation of potential losses, delinquencies and prepayments in the pool. The losses and prepayments are assumed to follow a log-normal distribution. The assumptions for the losses and the coefficient of variation are considered on the basis of the values observed from the analysis of the past performance of the Originator's loan portfolio as well as the characteristics of the specific pool being evaluated. The resulting collections from the pool, after incorporating the impact of the losses and prepayments, are accounted for in ICRA's cash flow model, in accordance with the cash flow waterfall of the transaction.

For the current pool, ICRA has estimated the shortfall in the pool principal collection during its tenure at 4.75% of the initial pool with certain variability around it. The average prepayment rate for the underlying pool is modelled in the range of 3% to 12% per annum. Various possible scenarios have been simulated at stressed loss levels and prepayment rates and the incidences of default to the investor as well as the extent of losses are measured after factoring in the credit enhancement to arrive at the final rating for the instrument.

Details of key counterparties

The key counterparties in the rated transaction are as follows:

Transaction Name	Lindt 03 2025
Originator	Oxyzo Financial Services Limited
Servicer	Oxyzo Financial Services Limited
Trustee	Catalyst Trusteeship Limited
CC holding Bank	DCB Bank Limited
Collection and payout account Bank	ICICI Bank Limited

Liquidity position: Strong

The liquidity for Series A1 PTCs is strong after factoring in the credit enhancement available to meet the promised payouts to the investor. The total credit enhancement is ~5.50 times the estimated loss in the pool.

Rating sensitivities

Positive factors – The rating could be upgraded on the sustained strong collection performance of the underlying pool of contracts (monthly collection efficiency >95%), leading to lower-than-expected delinquency levels, and on an increase in the cover available for future investor payouts from the credit enhancement.

Negative factors – The rating could be downgraded on the sustained weak collection performance of the underlying pool of contracts (monthly collection efficiency <90%), leading to higher-than-expected delinquency levels and credit enhancement utilisation levels. Weakening in the credit profile of the servicer could also exert pressure on the rating.

Analytical approach

The rating action is based on the trustee confirming compliance with the terms of the transaction and the executed transaction documents being in line with the terms initially shared with ICRA.

Analytical Approach	Comments
Applicable rating methodologies	Rating Methodology for Securitisation Transactions
Parent/Group support	Not Applicable
Consolidation/Standalone	Not Applicable

About the Originator

Oxyzo is a Gurgaon-based non-banking financial company (NBFC), which commenced lending operations in November 2017. It primarily provides secured and unsecured purchase finance loans to small and medium enterprises (SMEs) for financing the purchase of raw materials that are used in their core business.

As on March 31, 2025, ~66% of the loan book was secured while ~34% was unsecured. The loan book comprised business loans (65%) and purchase financing (35%) as on March 31, 2025. Oxyzo's net worth stood at Rs. 2,923 crore as on March 31, 2025 with a gearing of 2.1 times.

Key financial indicators

Oxyzo	FY2023	FY2024	FY2025
Total income	562	854	1,129
PAT	197	286	329
Total managed assets	5,578	7,353	9,212
Gross stage 3 assets	0.9%	1.0%	1.1%
CRAR	42.7%	36.8%	33.5%

Source: Company, ICRA Research; Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Sr. no.	Trust name	Current Rating (FY2026)				Chronology of rating history for the past 3 years		
		Instrument	Initial amount rated (Rs. crore)	Current amount rated (Rs. crore)	Date & Rating in FY2026	Date & rating in FY2025	Date & rating in FY2024	Date & rating in FY2023
					July 11, 2025	March 28, 2025	-	-
1	Lindt 03 2025	Series A1 PTCs	95.47	95.47	[ICRA]AA(SO)	Provisional [ICRA]AA(SO)	-	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Series A1 PTCs	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 are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

Trust name	Instrument name	Date of issuance/ Sanction	Coupon rate (p.a.p.m.)	Maturity date	Amount rated (Rs. crore)	Current rating
Lindt 03 2025	Series A1 PTCs	March 27, 2025	9.90%	March 15, 2028	95.47	[ICRA]AA(SO)

Source: Company

Annexure II: List of entities considered for consolidated analysis

Not Applicable

ANALYST CONTACTS

Manushree Sagar

+91 124 4545 316

manushrees@icraindia.com

Sachin Joglekar

+91 22 6114 3470

sachin.joglekar@icraindia.com

Himanshi Doshi

+91 22 6114 3410

Himanshi.doshi@icraindia.com

Priya Gounder

+91 22 6114 3450

priya.gounder@icraindia.com

Abhishek Jena

+91 22 6114 3432

abhishek.jena@icraindia.com

RELATIONSHIP CONTACT

L.Shivakumar

+91 22 6114 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

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



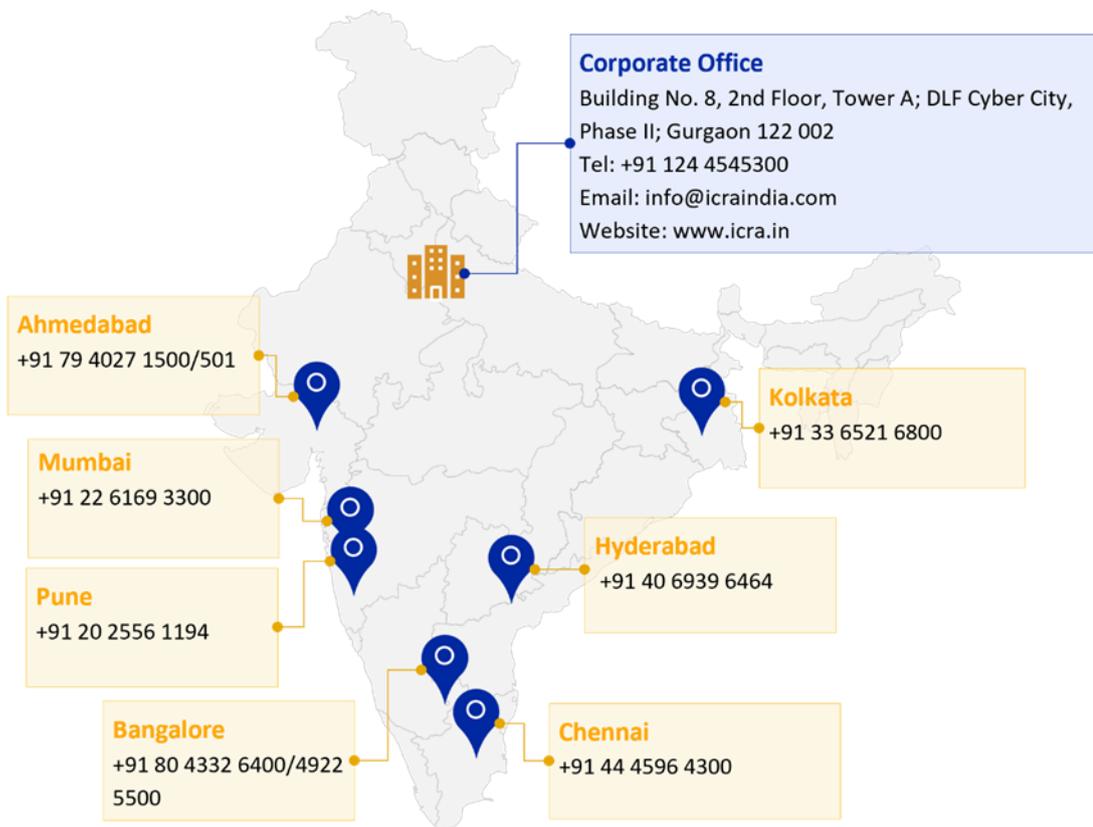
Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



© Copyright, 2025 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.