

**November 07, 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 Subra 07 2025**

**Summary of rating action**

Trust Name	Instrument*	Initial rated amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Subra 07 2025	Series A1 PTCs	33.24	33.24	[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 Subra 07 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. 37.35 crore (pool receivables of Rs. 47.43 crore). Oxyzo is the servicer for the transaction.

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	Subra 07 2025
Payout month	October 2025
Months post securitisation	3
Pool amortisation	14.9%
Series A1 PTC amortisation	16.8%
Cumulative prepayment rate	1.3%
Cumulative collection efficiency	99.7%
Loss cum 0+ dpd	0.4%
Loss cum 30+ dpd	0.3%
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. Any surplus EIS after meeting the promised and expected payouts, will flow back to Originator on a monthly basis. Any prepayment in the pool would be used for the prepayment of the Series A1 PTC 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, then the entire 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. 1.49 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 19.81% 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, consisting of 3,587 contracts, with top 10 contracts forming less than 0.6% 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 overcollateralization 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 Oxyzo** - Oxyzo 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 Uttar Pradesh contributing ~40% 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 and that recovery from delinquent contracts tends 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 5.50% of the initial pool principal 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	Subra 07 2025
Originator	Oxyzo Financial Services Limited
Servicer	Oxyzo Financial Services Limited
Trustee	Catalyst Trusteeship Limited
CC holding Bank	The Federal 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 ~4.50 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	<a href="#">Rating Methodology for Securitisation Transactions</a>
Parent/Group support	Not Applicable
Consolidation/Standalone	Not Applicable

## About the Originator

Oxyzo is a Gurgaon-based NBFC, which commenced lending operations in November 2017. It primarily provides secured and unsecured term loans and working capital loans to small and medium enterprises (MSMEs) for financing their core business requirements.

At the standalone level, Oxyzo's loan book stood at ~Rs. 8,060 crore as on June 30, 2025 compared to Rs. 8,351 crore as on March 31, 2025. It comprised business loans (66%) and working capital (34%) as on June 30, 2025. Oxyzo reported a profit after tax (PAT) of Rs. 88 crore on total income of Rs. 339 crore in Q1 FY2026 against Rs. 329 crore and Rs. 1,129 crore, respectively, in FY2025. Its net worth stood at Rs. 3,012 crore as on June 30, 2025 with a gearing of 1.9x. It reported a gross stage 3% of 0.96% as on June 30, 2025 (1.09% as on March 31, 2025).

### Key financial indicators

Oxyzo (standalone)	FY2024 Audited	FY2025 Audited	Q1 FY2026 Unaudited
Total income	853	1,129	339
Profit after tax	286	329	88
Total assets	7,353	9,212	9,087
Gross stage 3	1.0%	1.1%	1.0%
CRAR	36.8%	33.5%	36.5%

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
					November 07, 2025	July 16, 2025			
1	Subra 07 2025	Series A1 PTCs	33.24	33.24	[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
<b>Subra 07 2025</b>	Series A1 PTCs	July 16, 2025	9.55%	December 15, 2027	33.24	[ICRA]AA(SO)

Source: Company

**Annexure II: List of entities considered for consolidated analysis**

Not Applicable

## ANALYST CONTACTS

**Manushree Saggar**

+91 124 4545 316

[manushrees@icraindia.com](mailto:manushrees@icraindia.com)

**Sachin Joglekar**

+91 22 6114 3470

[sachin.joglekar@icraindia.com](mailto:sachin.joglekar@icraindia.com)

**Himanshi Doshi**

+91 22 6114 3410

[himanshi.doshi@icraindia.com](mailto:himanshi.doshi@icraindia.com)

**Priya Gounder**

+91 22 6114 3450

[priya.gounder@icraindia.com](mailto:priya.gounder@icraindia.com)

**Harsh Lohia**

+91 22 6114 3404

[harsh.lohia@icraindia.com](mailto:harsh.lohia@icraindia.com)

## RELATIONSHIP CONTACT

**L.Shivakumar**

+91 22 6114 3304

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto: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](http://www.icra.in)

## ICRA Limited



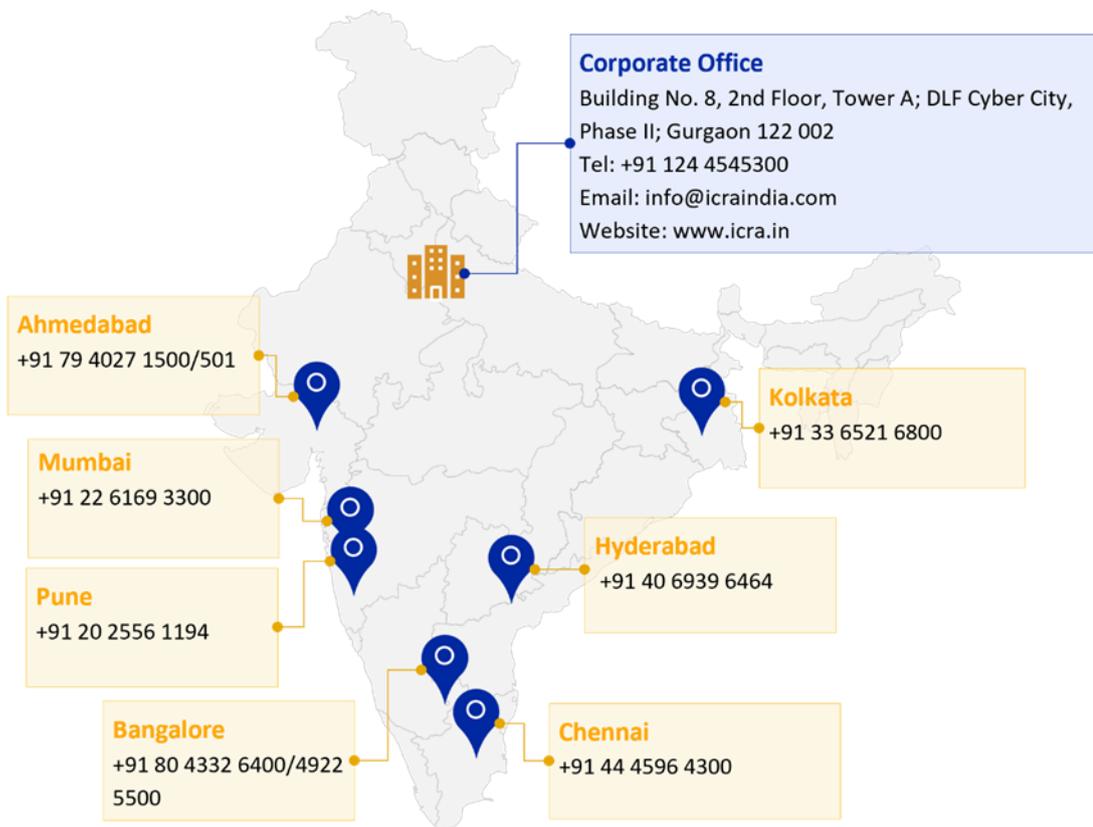
### Registered Office

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](http://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.