

March 24, 2026

Oxyzo Financial Services Limited (erstwhile Oxyzo Financial Services Private Limited): [ICRA]A+ (Stable) assigned to NCD programme; ratings reaffirmed and rated amount enhanced

Summary of rating action

Instrument*	Previous rated	Current rated	Rating action
	amount (Rs. crore)	amount (Rs. crore)	
Non-convertible debenture	0.00	500.00	[ICRA]A+ (Stable); assigned
Non-convertible debenture	1,491.75	1,491.75	[ICRA]A+ (Stable); reaffirmed
Long term/Short term fund based	3,208.00	3,408.00	[ICRA]A+ (Stable)/[ICRA]A1+; reaffirmed and assigned for enhanced amount
Commercial paper programme	485.00	485.00	[ICRA]A1+; reaffirmed
LT – Market linked debenture	11.00	11.00	PP-MLD[ICRA]A+ (Stable); reaffirmed
LT borrowing programme	2.00	2.00	[ICRA]A+ (Stable); reaffirmed
Issuer rating	-	-	[ICRA]A+ (Stable); reaffirmed
Total	5,197.75	5,897.75	

*Instrument details are provided in Annexure-I

Rationale

The ratings for Oxyzo Financial Services Limited (Oxyzo) factors in its demonstrated ability to grow its business while maintaining good control over the asset quality, its healthy earnings profile and comfortable capitalisation for its near-to-medium-term growth. While the asset quality has remained under control with gross stage 3 assets of 1.0% as on December 31, 2025, risk arises on account of high pace of growth in relation to the existing scale of operations and the inherent vulnerability of its target segments. The leverage is expected to increase with the further scale-up of operations. ICRA expects Oxyzo to maintain a prudent capitalisation level with the gearing not exceeding 4x in the near term.

The ratings consider Oxyzo's parentage, OFB Tech Private Limited (OFB; rated [ICRA]A+ (Stable)/[ICRA]A1+), given the majority shareholding (70% as on December 31, 2025), and the track record of significant financial and operational support from OFB, which has previously included access to capital, management and systems, and supervision by the board. While the ratings do not envisage any need for financial support from OFB, ICRA expects the parent to maintain significant ownership as Oxyzo acts as the financial services lending arm of the Group.

The Stable outlook factors in ICRA's expectation that the company will maintain adequate earnings while keeping its managed gearing and asset quality under control, which shall support its credit profile in the near to medium term.

Key rating drivers and their description

Credit strengths

Comfortable capitalisation – Oxyzo's capitalisation profile is characterised by a net worth of Rs. 3,195 crore with a capital adequacy ratio (capital-to-risk weighted assets ratio; CRAR) of 32.1% and a managed gearing of 2.2x as on December 31, 2025. ICRA expects the capital to be sufficient for the envisaged growth in the near to medium term. While the leverage is expected to increase over the medium term due to the targeted growth plans, Oxyzo is likely to maintain a prudent capitalisation profile (managed gearing below 4x) with sufficient capital buffers.

Good asset quality – The asset quality indicators have been under control so far with the gross and net stage 3 at 1.0% and 0.4%, respectively, as on December 31, 2025 (1.1% and 0.4%, respectively, as on March 31, 2025) supported by the company's established underwriting. Oxyzo, however, has seen high growth in the last few fiscals. Thus, its ability to manage the asset quality through multiple economic cycles would remain monitorable.

Healthy earnings profile – Oxyzo's net interest margin (NIM; 8.2% in 9M FY2026 and 8.3% in FY2025) and credit costs (1.0% in 9M FY2026 vis-à-vis 1.1% in FY2025) remained stable in 9M FY2026. However, the increase in operating expenses to 2.4% in 9M FY2026 from 1.9% in FY2025 due to higher legal and professional expenses resulted in a moderation in the return on average assets (RoA) to 3.6% in 9M FY2026 from 4.0% in FY2025, though it remains healthy. Going forward, although margins may decline from the current level with the gradual rise in leverage, improvement in the operating efficiency, while keeping control over the asset quality, will remain imperative for maintaining healthy profitability.

Credit challenges

High pace of growth in relation to existing scale of operations – The company achieved sharp growth in its scale of operations till FY2025 (3-year compound annual growth rate (CAGR) of 49% during FY2022-FY2025) along with a year-on-year (YoY) increase of 31% to ~Rs. 9,501 crore as on December 31, 2025 (Rs. 8,351 crore as on March 31, 2025). Given the high growth in relation to the scale of operations, its ability to manage the asset quality through multiple cycles would remain a key monitorable. ICRA expects Oxyzo to grow the loan book at 20-25% per annum over the medium term.

Exposure to vulnerable borrowing profile – ICRA takes note of the inherent vulnerability of the target borrower profile with a significant share of the portfolio comprising loans to micro, small and medium enterprises (MSMEs) for the purpose of raw material procurement and other secured and unsecured business loans. As on December 31, 2025, secured loans accounted for 64% of the portfolio, followed by unsecured loans (36%). Within the secured book, facilities are backed by bank guarantees, fixed deposits, loan against property (LAP)/tangible assets, and current assets. However, the performance has remained comfortable over the years with portfolio at risk 30+ (PAR 30+) and PAR 90+ at 2.7% and 1.0%, respectively, as on December 31, 2025.

ICRA notes that the target borrower segment has existing borrowing relationships. Hence, the risk of high competition from banks and/or the replication of the lending model by other non-banking financial companies (NBFCs) cannot be ruled out. Nevertheless, comfort is drawn from the synergies with OFB, facilitating enhanced connect because of various touchpoints with small and medium enterprises (SMEs), and the company's early-mover advantage with OFB's presence in multiple supply chains.

Liquidity position: Strong

Given the low leverage and short-tenor loans extended by Oxyzo, its asset-liability maturity (ALM) profile is characterised by positive cumulative mismatches across all buckets. As on December 31, 2025, the total debt obligations over the next one year stood at ~Rs. 3,366 crore against expected inflows from advances of ~Rs. 6,428 crore. Oxyzo's liquidity profile is supported by the availability of sufficient on-balance sheet liquidity buffers with an unencumbered cash and bank balance and unencumbered liquid investments of Rs. 1,058 crore and the availability of unutilised funding lines of ~Rs. 937 crore as on December 31, 2025.

Rating sensitivities

Positive factors – The company's ability to scale up its secured lending operations profitably, while maintaining healthy asset quality, on a sustained basis would be a credit positive. Further, an improvement in the parent's credit profile could be a credit positive for Oxyzo.

Negative factors – Pressure on Oxyzo's ratings could arise if the leverage increases significantly (managed gearing of more than 4x) or the asset quality weakens on a sustained basis, putting pressure on the profitability. A significant change in the likelihood of support from the parent or a deterioration in the parent's credit profile could be a credit negative.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Non-Banking Finance Companies (NBFCs)
Parent/group Support	OFB Tech Private Limited Oxyzo's ratings consider its parentage, OFB, given the majority shareholding (70% stake as on December 31, 2025) and the track record of significant financial and operational support from the parent, which has previously included access to capital, management and systems, and supervision by the board. While Oxyzo's ratings do not envisage any need for financial support from OFB, ICRA expects OFB to maintain significant ownership in the company
Consolidation/standalone	Standalone

About the company

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. 9,501 crore as on December 31, 2025 compared to Rs. 8,351 crore as on March 31, 2025. It comprised tenured loans (68%) and working capital (32%) as on December 31, 2025. Oxyzo reported a profit after tax (PAT) of Rs. 267 crore on total income of Rs. 1,048 crore in 9M FY2026 against Rs. 329 crore and Rs. 1,129 crore, respectively, in FY2025. Its net worth stood at Rs. 3,195 crore as on December 31, 2025 with a gearing of 2.2x. It reported a gross stage 3% of 1.04% as on December 31, 2025 (1.09% as on March 31, 2025).

OFB Tech Private Limited

Incorporated in 2015, OFB provides raw material fulfilment and value addition and marketing services through its tech-enabled business-to-business (B2B) platform under the brand, OfBusiness. Through its platform, the company primarily trades in bulk raw materials and does basic processing in sectors such as steel, non-ferrous metals, agri-commodities, polymers, chemicals and cement, with a focus on SME-centric B2B business entities and corporates. It has raised equity capital of Rs. 5,370 crore through multiple rounds till date and the promoters continue to hold a 27.76% stake in the company. The rest is primarily held by private equity investors including SoftBank Group, Z47, Tiger Global, Creation Capital, Alpha Wave, and Norwest Venture Partners.

Key financial indicators (audited)

Oxyzo (Standalone)	FY2024	FY2025	9M FY2026
	Audited	Audited	Audited
Total Income	853	1,129	1,048
Profit after Tax	286	329	267
Total Assets	7,353	9,212	10,500
Return on assets	4.4%	4.0%	3.62%
Gearing (times)	1.8	2.07	2.2
Gross Stage 3	1.0%	1.1%	1.0%
CRAR	36.8%	33.5%	32.1%

Source: Company, ICRA Research; All ratios are as per ICRA's calculations; Amount in Rs. Crore.

PAT: Profit after tax; OPBDITA: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for past three years

Instrument	Current rating(FY2026)					Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs crore)	Mar-24-2026	FY2026		FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
Commercial paper	Short term	485.00	[ICRA]A1+	Sep-29-2025	[ICRA]A1+	Nov-19-2024	[ICRA]A1+	Nov-29-2023	[ICRA]A1+	Mar-21-2023	[ICRA]A1+
						Dec-19-2024	[ICRA]A1+			Mar-30-2023	[ICRA]A1+
						Mar-27-2025	[ICRA]A1+	-	-	-	-
						Mar-28-2025	[ICRA]A1+	-	-	-	-
Non-convertible debenture	Long-term	500.00	[ICRA]A+(Stable)								
Non-convertible debenture	Long-term	1491.75	[ICRA]A+(Stable)	Sep-29-2025	[ICRA]A+ (Stable)	Nov-19-2024	[ICRA]A+ (Stable)	Nov-29-2023	[ICRA]A+ (Stable)	Mar-21-2023	[ICRA]A+ (Stable)
						Dec-19-2024	[ICRA]A+ (Stable)			Mar-30-2023	[ICRA]A+ (Stable)
						Mar-27-2025	[ICRA]A+ (Stable)	-	-	-	-
						Mar-28-2025	[ICRA]A+ (Stable)	-	-	-	-
Issuer	Long term	-	[ICRA]A+(Stable)	Sep-29-2025	[ICRA]A+ (Stable)	Nov-19-2024	[ICRA]A+ (Stable)	29-Nov-23	[ICRA]A+ (Stable)	Mar-21-2023	[ICRA]A+ (Stable)
						Dec-19-2024	[ICRA]A+ (Stable)			Mar-30-2023	[ICRA]A+ (Stable)
						Mar-27-2025	[ICRA]A+ (Stable)	-	-	-	-
						Mar-28-2025	[ICRA]A+ (Stable)	-	-	-	-
Fund-based bank facilities	Long term/Short term	3,408.00	[ICRA]A+(Stable)/[ICRA]A1+	Sep-29-2025	[ICRA]A+(Stable)/[ICRA]A1+	Dec-19-2024	[ICRA]A+(Stable)/[ICRA]A1+				
						Mar-27-2025	[ICRA]A+(Stable)/[ICRA]A1+	-	-	-	-
						Mar-28-2025	[ICRA]A+(Stable)/[ICRA]A1+				
Borrowing Programme	Long term	2.00	[ICRA]A+(Stable)	Sep-29-2025	[ICRA]A+ (Stable)	Nov-19-2024	[ICRA]A+ (Stable)	29-Nov-23	[ICRA]A+ (Stable)	Mar-21-2023	[ICRA]A+ (Stable)
						Dec-19-2024	[ICRA]A+ (Stable)			Mar-30-2023	[ICRA]A+ (Stable)
						Mar-27-2025	[ICRA]A+ (Stable)	-	-	-	-
						Mar-28-2025	[ICRA]A+ (Stable)	-	-	-	-
Market Linked Debenture	Long term	11.00	PP-MLD [ICRA]A+(Stable)	Sep-29-2025	[ICRA]A+ (Stable)	Nov-19-2024	PP-MLD [ICRA]A+(Stable)	29-Nov-23	PP-MLD [ICRA]A+(Stable)	Mar-21-2023	PP-MLD [ICRA]A+(Stable)
						Dec-19-2024	PP-MLD [ICRA]A+(Stable)			Mar-30-2023	PP-MLD [ICRA]A+(Stable)
						Mar-27-2025	PP-MLD [ICRA]A+(Stable)			Mar-30-2023	[ICRA]A+
						Mar-28-2025	PP-MLD [ICRA]A+(Stable)				

Complexity level of the rated instruments

Instrument	Complexity indicator
Non-convertible debentures	Simple
LT-Market linked debentures	Highly Complex
Commercial paper programme	Simple
Long term/Short term fund based	Simple
LT borrowing programme	Simple
Issuer rating	Not Applicable

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 / sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating And outlook
INE04VS07321	NCD	11-Mar-24	9.90%	15-Feb-27	25.00	[ICRA]A+ (Stable)
INE04VS07339	NCD	15-Mar-24	9.75%	12-Mar-27	24.00	[ICRA]A+ (Stable)
INE04VS07347	NCD	16-Sep-24	9.25%	16-Mar-26	10.00	[ICRA]A+ (Stable)
INE04VS07354	NCD	11-Nov-24	9.45%	11-Nov-26	50.00	[ICRA]A+ (Stable)
INE04VS07362	NCD	18-Feb-25	9.75%	18-Feb-27	100.00	[ICRA]A+ (Stable)
INE04VS07370	NCD	19-Mar-25	9.75%	19-Mar-27	110.00	[ICRA]A+ (Stable)
INE04VS07412	NCD	27-Mar-25	9.75%	27-Mar-28	75.00	[ICRA]A+ (Stable)
INE04VS07404	NCD	27-Mar-25	9.75%	27-Mar-27	58.00	[ICRA]A+ (Stable)
INE04VS07388	NCD	27-Mar-25	9.75%	27-Mar-27	50.00	[ICRA]A+ (Stable)
INE04VS07396	NCD	27-Mar-25	9.75%	26-Mar-28	100.00	[ICRA]A+ (Stable)
INE04VS07370	NCD	17-Apr-25	9.75%	19-Mar-27	140.00	[ICRA]A+ (Stable)
INE04VS07420	NCD	13-Jun-25	9.50%	14-Dec-26	50.00	[ICRA]A+ (Stable)
INE04VS07438	NCD	13-Jun-25	9.60%	14-Jun-27	60.00	[ICRA]A+ (Stable)
INE04VS07446	NCD	24-Jul-25	9.90%	14-Jul-28	25.00	[ICRA]A+ (Stable)
INE04VS07453	NCD	26-Sep-25	9.70%	26-Sep-28	110.00	[ICRA]A+ (Stable)
INE04VS07461	NCD	30-Sep-25	9.80%	30-Sep-28	150.00	[ICRA]A+ (Stable)
INE04VS07479	NCD	24-Dec-25	9.83%	24-Dec-27	100.00	[ICRA]A+ (Stable)
INE04VS07487	NCD	31-Dec-25	T-bill reset	3-Jan-28	125.00	[ICRA]A+ (Stable)
Yet to be placed#	NCD	NA	NA	NA	129.75	[ICRA]A+ (Stable)
Yet to be placed#	NCD	NA	NA	NA	500.00	[ICRA]A+ (Stable)
Yet to be placed#	Long-term borrowing programme	NA	NA	NA	2.00	[ICRA]A+ (Stable)
Yet to be placed#	MLD	NA	NA	NA	11.00	PP-MLD[ICRA]A+ (Stable)
NA	Issuer rating	-	-	-	-	[ICRA]A+ (Stable)
INE04VS14301	Commercial paper	22-Sep-25	NA	6-Apr-26	25.00	[ICRA]A1+
INE04VS14319	Commercial paper	16-Dec-25	NA	15-Jun-26	25.00	[ICRA]A1+
INE04VS14327	Commercial paper	9-Jan-26	NA	8-Jul-26	25.00	[ICRA]A1+
INE04VS14335	Commercial paper	4-Feb-26	NA	3-Aug-26	20.00	[ICRA]A1+
Yet to be placed#	Commercial paper	NA	NA	NA	390.00	[ICRA]A1+
NA	Long-term/Short-term fund-based bank facilities	NA	NA	NA	3,408.00	[ICRA]A+ (Stable)/[ICRA]A1+

Source: Company

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

Annexure II: List of entities considered for consolidated analysis

Not Applicable

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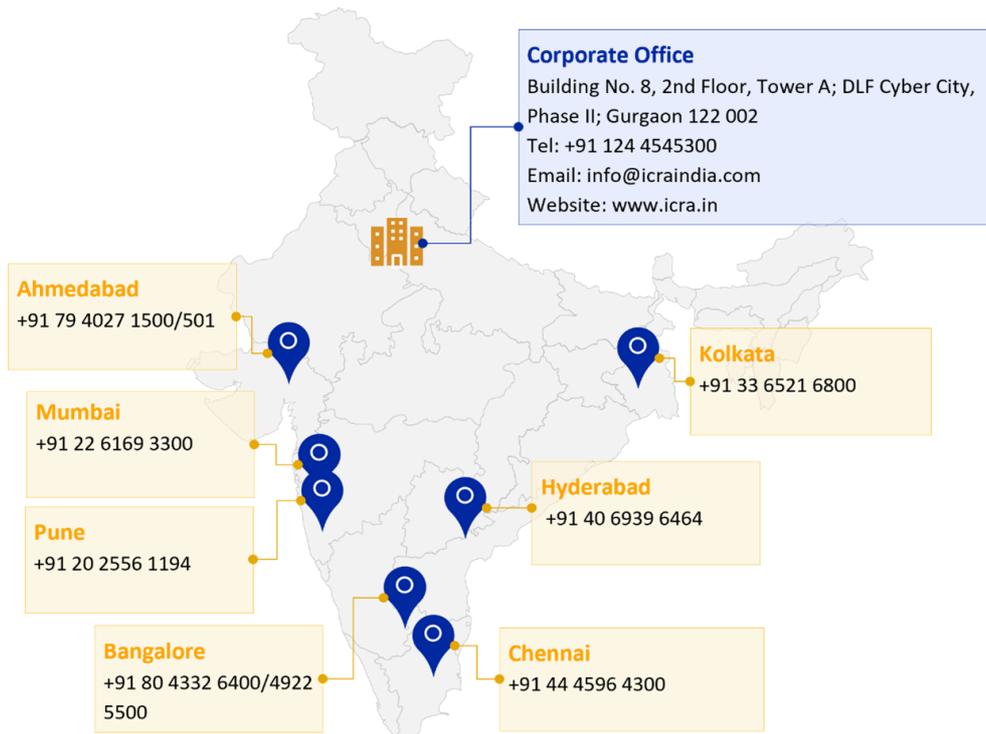


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