She left a partner's chair at McKinsey. Last year, the lender she runs made ₹375 crore in profit.

WOMEN WHO BUILT IT

OfBusiness / Oxyzo

Ruchi Kalra
Co-founder & CEO, Oxyzo
Founded 2016*

THE ZERO	THE BET	THE PEAK	THE NOW
A McKinsey partner's chair, traded for steel and diesel	**Sell raw material to small factories, then lend to them**	**Oxyzo: a unicorn in 2022 on a $200 M first round**	**FY26 Oxyzo profit ₹375.5 cr; IPO prep under way**

ABOUT THE FOUNDER

Ruchi Kalra studied chemical engineering at **IIT Delhi**, then became a partner at **McKinsey**, advising financial institutions. She met her husband, **Asish Mohapatra**, there.

In 2016, with Asish and other co-founders, she started **OfBusiness**: bulk steel, chemicals and fuel for small manufacturers most people never see. **Oxyzo**, the group's lending arm, followed in 2017. She runs it.

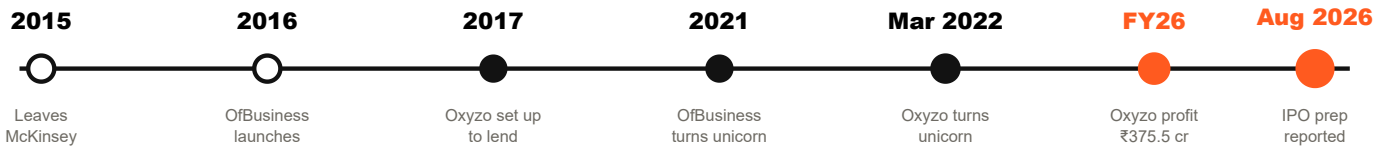
THE TURNING POINT Inside small factories the orders were there; the cash was not. OfBusiness saw every order and who paid on time. Selling gave them the data; the data made lending safer.

IN THE NEWS NOW 5 Aug 2026

OfBusiness is reportedly preparing its IPO paperwork.

Inc42 reports draft papers are expected by mid-November, with Axis Capital, Morgan Stanley, JPMorgan and Citi as advisers. **Nothing has been filed.** FY26 group profit: **₹724 cr (+21%)** on revenue of about ₹20,645 cr, largely flat.

THE ROAD, IN SEVEN STOPS



IN HER WORDS

"We both had an itch to go out and build something."
On leaving McKinsey with her husband · Bloomberg via Gulf News, 2022

"We always joke that we had twins."
On her daughter and OfBusiness arriving together · Business Today, Aug 2026

"Valuation is determined by the market. Value creation is whether you could create employment, bring wealth to the people who believed in you, and build an enterprise."
Business Today, Aug 2026

01
Look where everyone else walked past.
The orders were in the factories. So was the missing cash.

02
The data is the asset.
Selling the steel was how they learned who pays.

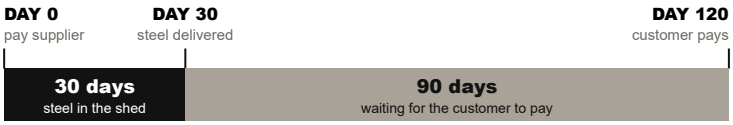
03
Volume isn't profit.
The group sells ₹20,645 cr; the lender keeps far more of each rupee. Page 5 shows how much profit rides on it.

* Sources differ on start dates (OfBusiness end-2015 / 2016; Oxyzo 2016 / 2017). FY26 = year to March 2026.

Don’t count the sales. Count the days the money is gone.

■ QUESTION 1 · FROM THE SCRIPT

How much cash does a small factory need just to stay open?



MONEY STUCK = 4 months (120 days)

4 MONTHS × ₹1 CRORE **= ₹4 crore locked**

Illustrative — teaching numbers (₹1 cr of steel a month, paid for on day one), not any real company’s data.

WATCH THE TWO CLOCKS

A factory can be **profitable on paper** and still short of cash. Profit counts when the sale is made. Cash counts when the customer pays. The gap between the two clocks is the **120 days**.

30-SECOND SANITY CHECK

Baseline: 120 days ÷ 30 = 4 months × ₹1 cr = **₹4 cr**.

TEST Customer pays in 60 days, not 90: 90 days → 3 months → ₹3 cr **(−25%)**. At 120 days: 150 days → 5 months → ₹5 cr **(+25%)**.

CONCEPT Cash conversion cycle

PLAIN WORDS	MBA TERM	OFBUSINESS
How many days your money is stuck before it comes back.	Cash conversion cycle (CCC); working-capital requirement.	30 days in stock + 90 days to get paid = 120 days. ₹1 cr a month → ₹4 cr locked.

CONCEPT Trade credit · the kirana-udhaar rule

PLAIN WORDS	MBA TERM	OFBUSINESS
Lend to people you have watched pay.	Trade credit; underwriting on transaction data.	Selling the steel showed who paid on time. Oxyzo lends to those same buyers, like the kirana uncle’s udhaar.

■ QUESTION 2 · THE CTA

You’re running OfBusiness. The IPO money — commerce, or credit?

	COMMERCE (OFBUSINESS)	CREDIT (OXYZO)
Revenue, FY26 *(reported)*	**₹19,174 cr**	₹1,489 cr
Profit per ₹100 of revenue *(derived)*	~₹3.5 (group figure*)	**~₹25**
Growth, FY26 *(reported)*	Revenue largely flat	**Revenue +23%, assets +28%**

THE CALL

Credit gets the bigger share — through a gate, and never by starving commerce, which feeds it the data.

Working split: ~65% credit / ~35% commerce *(illustrative)*. **Gate:** release each tranche only while gross NPA stays under 1% (0.74% in March 2026, reported). **Change my mind:** if commerce volume stalls, credit loses its data feed — shift money back. **Group profit already includes Oxyzo’s; the two overlap.*

Your comment template: **my call → the framework I used → an example I’ve seen work → what I’d be worried about.**

FRAMEWORK 1 The Ansoff Matrix: where does the next rupee grow?

PLAIN WORDS	MBA TERM	OFBUSINESS
Growth has two levers: who you sell to, and what you sell. Mix them and you get four boxes.	Ansoff Matrix (1957).	Oxyzo itself was Box 2 — a new product (credit) for existing customers. The IPO question is Box 1 against Box 2 again.

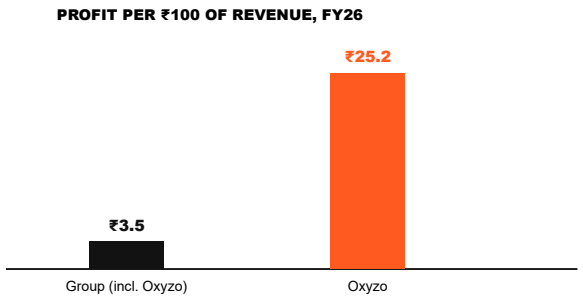
EXISTING PRODUCTS	NEW PRODUCTS
Box 1 · Market penetration LOW RISK More steel, chemicals and fuel to SMEs already buying. **Commerce.**	**Box 2 · Product development** MEDIUM More credit products for the same SMEs, on data OfBusiness already holds. **Credit.**
Box 3 · Market development MED-HIGH Same materials, new buyer types or regions.	**Box 4 · Diversification** HIGHEST New product, new customers. Two unknowns at once.

Rows: Existing customers (top) / New customers (bottom).

Box positions only, no sizes. The placement is our own classification.

FRAMEWORK 2 Margin vs volume: what stays of each rupee?

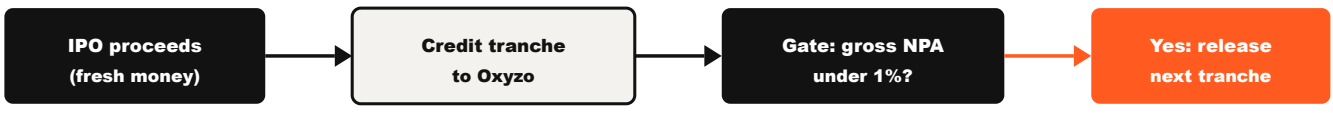
PLAIN WORDS	MBA TERM	OFBUSINESS
Big sales don't mean big profit. Ask how much of each rupee stays.	Net profit margin (the first lever in DuPont analysis: margin × turnover).	Group ₹724 cr on ₹20,645 cr. Oxyzo ₹375.5 cr on ₹1,488.8 cr.



The maths *(derived)*: 724 ÷ 20,645 = 3.5%. 375.5 ÷ 1,488.8 = 25.2%. 25.2 ÷ 3.5 ≈ **7×**. Caution: a lender's revenue is interest; a trader's is the whole sale price, so compare with care. Oxyzo sits inside the group figure.

Commerce moves the volume. Credit keeps the rupee.

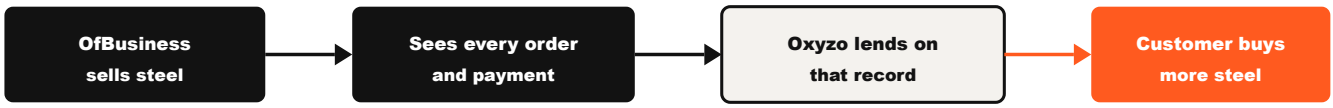
APPLY IT How the IPO money gets released



The gate is our suggestion. Gross NPA was 0.74% at March 2026 (reported). If the gate breaks, the money flows back to commerce.

FRAMEWORK 3 The data flywheel: why selling makes lending safer

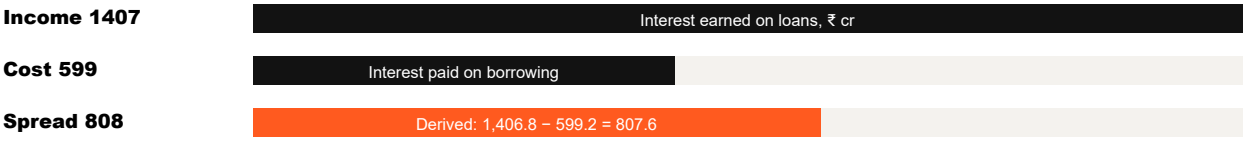
PLAIN WORDS	MBA TERM	OFBUSINESS
Each sale teaches you who pays. That makes the next loan safer, which wins the next sale.	Reinforcing feedback loop; data-driven underwriting advantage.	Orders and payment history from OfBusiness feed Oxyzo's credit decisions.



Verdict: the loop only spins while both halves stay healthy.

FRAMEWORK 4 How a lender makes money: the spread

PLAIN WORDS	MBA TERM	OFBUSINESS
A lender earns interest on loans and pays interest on what it borrowed. What is left is the spread.	Net interest income (NII) and net interest margin (NIM).	Oxyzo FY26: interest income ₹1,406.8 cr; finance cost ₹599.2 cr.



Verdict: the spread is about ₹807.6 cr, ~7.7% of the year-end loan book (derived). Finance cost eats ~40% of revenue — cheap funding is the real lever.

FRAMEWORK 5 Leverage: what can ₹100 crore of new equity carry?

PLAIN WORDS	MBA TERM	OFBUSINESS
A lender can lend several rupees for every rupee of its own.	Financial leverage; debt-to-equity; capital adequacy ratio (CRAR).	Oxyzo: net worth ₹3,327 cr, debt-to-equity 2.2×, CRAR 29% (all reported).

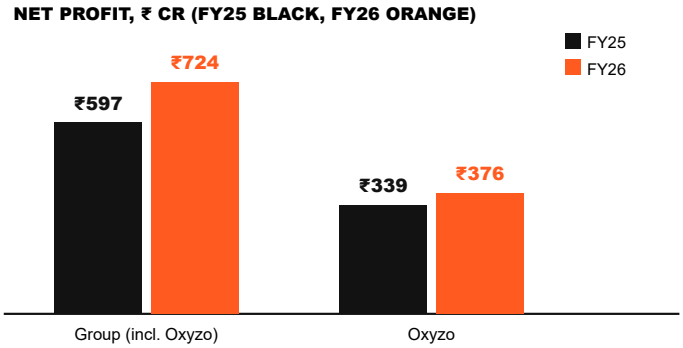
	₹100 CR OF NEW EQUITY, AT FY26 RATIOS
New equity	**₹100 cr**
Assets it can carry at 3.55× *(derived: 11,822 ÷ 3,327)*	**₹355 cr**
Profit at FY26's 3.2% return on assets *(derived: 375.5 ÷ 11,822)*	**≈ ₹11 cr a year**

What-if only: the IPO's use of funds is not known, and the table assumes FY26 ratios hold *(illustrative)*.

Equity doesn't just fund a loan. It unlocks three and a half.

NII, margins and ratios are derived from reported figures. The Ansoff placement and our reading of the data loop are our own assessment, not company-reported.

WHERE THE GROUP STANDS TODAY



Reported. Oxyzo's profit sits inside the group's — do not add the two.

THE PROBLEM THEY FACE RIGHT NOW

1. **No IPO yet.** Listing plans were shelved last year. Draft papers are reportedly expected by mid-November, not filed.
2. **Commerce is flat.** Revenue stayed near ₹20,645 cr, with a ~4% EBITDA margin (reported).
3. **Half the profit rides on one lender.** Oxyzo's ₹375.5 cr is ~52% of the group's ₹724 cr (derived; overlapping figures).
4. **Funding is getting dearer.** Oxyzo's finance cost rose 37% in FY26, revenue 23%, profit 11% (reported).

FIVE TAKEAWAYS

1. Count the days the money is gone, not just the sales.
2. Cash locked up = monthly spend × days stuck ÷ 30.
3. The best credit report is the one you write by watching people pay.
4. Margin, not volume, shows where a group keeps its rupee.
5. A lender's limit is capital and funding cost. Equity unlocks several times itself.

THE MISTAKE MUSEUM

- ✖ **Mistaking sales for cash.** Full order books still ran out of cash.
- ✖ **Adding overlapping numbers.** Oxyzo's profit sits inside the group's ₹724 cr.
- ✖ **Comparing margins without a caveat.** A lender's revenue is interest; a trader's is the full sale price.

Full loop. In the script you chose where the IPO money goes. The group's reported plan — a fresh issue plus sales by existing investors — makes a public version of that same call. The numbers favour credit's margin. They don't prove credit is the right answer. They show the question was worth asking.

WHAT TO WATCH NEXT

SIGNAL 1

Does the DRHP land, and where does the fresh money go?

Draft papers are reported for mid-November. Nothing is filed.

SIGNAL 2

Does credit keep growing as funding gets dearer?

FY26 revenue +23%, finance cost +37%.

SIGNAL 3

Does commerce growth restart?

Revenue is flat at about ₹20,645 cr. Commerce is the data feed.

Sources: Inc42 (2026); BW Businessworld; Bloomberg via Gulf News (2022); Fortune (2022); Business Today (2026). Illustrative numbers labelled. Not investment advice.

Every term, formula and full form used in this PDF — one page to keep.

FULL FORMS & MEANINGS

SME	**Small and Medium Enterprise.**
NBFC	**Non-Banking Financial Company.** A lender that is not a bank.
IPO	**Initial Public Offering.** First sale of shares to the public.
DRHP	**Draft Red Herring Prospectus.** The draft IPO papers filed with the regulator.
CCC	**Cash conversion cycle.** Days money is stuck before it returns.
Working capital	Cash tied up in running the business day to day.
EBITDA	**Earnings Before Interest, Tax, Depreciation and Amortisation.**
PAT	**Profit After Tax.**
NII	**Net Interest Income.** Interest earned minus interest paid.
NIM	**Net Interest Margin.** NII as a share of the loan book.
NPA	**Non-Performing Asset.** A loan that has stopped being repaid.
CRAR	**Capital to Risk-weighted Assets Ratio.** A lender's cushion of own capital.
D/E	**Debt-to-Equity.** Borrowing for each rupee of own capital.
Udhaar	Credit given on trust.
FY26	Financial Year 2025–26 (April 2025 to March 2026).

INDIAN NUMBER UNITS

1 lakh = 1,00,000 · 1 crore = 100 lakh = 1,00,00,000
₹4 crore = ₹40 million.

₹20,645 crore ≈ ₹206 billion
₹375.5 crore ≈ ₹3.76 billion.

FORMULAS USED

CASH LOCKED UP
Monthly spend × (days in stock + days to be paid) ÷ 30
₹1 cr × (30 + 90) ÷ 30 = ₹4 cr

NET PROFIT MARGIN
PAT ÷ revenue × 100
724 ÷ 20,645 = 3.5% · 375.5 ÷ 1,488.8 = 25.2%

NET INTEREST INCOME
Interest income − finance cost
1,406.8 − 599.2 = ₹807.6 cr

NET INTEREST MARGIN (YEAR-END BOOK)
NII ÷ loan book
807.6 ÷ 10,545 = 7.7%

LEVERAGE AND RETURN ON EQUITY
Assets ÷ net worth · PAT ÷ net worth
11,822 ÷ 3,327 = 3.55× · 375.5 ÷ 3,327 = 11.3%

PERCENTAGE CHANGE
(New − old) ÷ old × 100
Group profit: (724 − 597) ÷ 597 = 21.3%

THE FRAMEWORKS, IN ONE LINE EACH

Cash cycle	**How long is money stuck?** Days in stock plus days to be paid.
Trade credit	**Who can we lend to?** Those we have watched pay.
Ansoff Matrix	**Where does the next rupee grow?** Who you sell to × what you sell.
Net margin	**How much of each rupee stays?**
Data flywheel	**Why does it compound?** Sales feed data, data feeds safer loans.
NII / NIM	**How does a lender earn?** Interest earned minus interest paid.
Leverage	**What can equity carry?** Several times itself.