

RPSG Ventures Limited

March 16, 2026

Facilities	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	817.50 (Enhanced from 520.00)	CARE BBB+; Stable	Reaffirmed

Details of facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation of ratings assigned to the bank facilities of RPSG Ventures Limited (RVL) draws comfort from financial flexibility it derives from being part of the established RP Sanjiv Goenka (RPSG) group and holding investments in strategically important entities of the group with the major one being Firstsource Solutions Limited (FSL; rated 'CARE A+; Stable/ CARE A1+'). The rating also derives comfort growth in revenue of RVL from IT-related services being provided to group entities and dividend income from FSL in FY25 (refers to April 01 to March 31) and 9MFY26 with high profitability margin and comfortable capital structure.

The rating factors in the adequate liquidity position and the market value of its investments in FSL (~₹17,300 crore as on February 16, 2026). Such investment provides comfortable debt cover against the existing borrowings (including comforts etc for debt availed by its subsidiaries). Going ahead, debt cover (including comforts extended) is expected to moderate with additional debt requirement of subsidiaries and support required to be extended by RVL. The rating is constrained by RVL's exposure to fluctuation in the market value of investment in FSL and high fund support required by some of its subsidiaries in their initial stages of operations.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in financial performance of its subsidiaries in high gestation period leading to reduction in fund support requirement to be extended by RVL.

Negative factors

- Moderation in cover of market value of investments in group companies over total external borrowings (including any comforts etc extended) of RVL to below 2x owing to decline in share price of investee company or rise in debt levels of RVL on a sustained basis.
- Deterioration in credit profile of group entities, where RVL has equity holdings.

Analytical approach: Standalone

RVL has been assessed based on its investment holdings across group entities and its strategic importance to the RP-Sanjiv Goenka (RPSG) group. Debt of RVL's subsidiary companies (RPSG Sports Private Limited [RSPL; rated CARE BBB; Stable/CARE A3], Guiltfree Industries Limited [GIL; rated CARE BBB-; Stable/CARE A3], Apricot Foods Private Limited and Herbolab India Private Limited) have also been considered in the analysis, where RVL has extended its comfort.

Outlook: Stable

CARE Ratings Limited (CareEdge Ratings) expects RVL to sustain its strong financial risk profile amidst healthy cash flow generation from operations and dividends, strong debt coverage due to its holdings, and comfortable debt indicators.

Detailed description of key rating drivers:

Key strengths

Strategic importance of being one of the holding companies with the RPSG group

The established RPSG group operates across power generation and distribution, carbon black, speciality black, retail, education, business process outsourcing, media and entertainment, sports, rubber and tea plantations, among others. RVL acts as one of the key holding companies and holds quoted and unquoted equity investments in number of companies of the group with the major operating ones being FSL, GIL, Quest Properties India Limited (QPIL; rated CARE A-; Stable), and RSPL. The group is spearheaded by Sanjiv Goenka, who has over three decades of professional experience.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Strong financial flexibility

Owing to its investment in FSL and being part of the RPSG group, the company enjoys strong financial flexibility. The company has adequate financial flexibility and cushion available. Being an investment holding company, RVL extends support to its group companies through investments, loans, advances, and comforts. Market value of investments (quoted) stood at ~₹12,300 crore, taking debt cover (market value of its unencumbered equity shares of listed companies to total external debt including comforts) to 3.51x as on September 30, 2025, and 3.63x as on March 31, 2025 (against 3.08x as on March 31, 2024). Significant rise in debt levels or substantial decline in market capitalisation will remain a key rating monitorable.

Stable revenue streams with high profitability margin

RVL provides IT consultancy, support services, and cybersecurity services to its group entities, which are engaged in power generation and distribution business. With gradual addition of new scope of services and increased IT security services, the service revenue increased over the years. Being a critical nature of service provided by RVL to its group entities, the risk of discontinuation remains low, providing good revenue visibility going forward. Total operating income (TOI) in FY25 improved significantly from FY24 with increase in service revenue and dividend income from FSL. Profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin, though moderated y-o-y with increase in employee and other expenses, it continued to remain healthy at ~54% in FY25 (~60% in F24). In 9MFY26, the company's TOI improved over 9MFY25 contributed by income from services. CareEdge Ratings expects RVL's operating profitability to remain strong in the near term, supported by steady service demand and recurring dividend inflows.

Comfortable capital structure and debt coverage indicators

The company's capital structure stood comfortable with overall gearing ratio of 0.10x as on March 31, 2025. Interest coverage was also healthy at 9.54x in FY25 (12.56x in FY24). The company also extended comforts for debt availed by its subsidiary companies amounting to ₹3,225 crore as on March 31, 2025 (₹2,257 crore as on March 31, 2024). Considering the comforts etc extended, adjusted overall gearing ratio moderated to 1.24x as on March 31, 2025, from 0.88x as on March 31, 2024. The group is also expected to continue to support RVL in meeting its investment requirements.

Key weaknesses**Exposure to fluctuation in market value of investments and refinancing risk**

Market value of RVL's investment in FSL is exposed to volatility associated with economic activity. Hence, investment value could fluctuate in case of an economic downturn. Increase in market-related risks, leading to a sharp fall in the investment prices in FSL shall be a key rating factor. In case of substantial diminution in the investment value, RVL's financial flexibility may be impacted.

High fund support required by some of its subsidiaries

The company holds investments across unlisted group ventures, several of which are in early stages of operations and depend on funding support from the parent and other group entities. It is anticipated that the company will continue to extend direct and indirect financial assistance to these subsidiaries until they attain operational and financial self-sufficiency. RVL is expected to raise incremental term debt of over ₹700 crore in FY26 to finance the acquisition of Manchester Originals Limited and FSP Design Private Limited. In the medium term, the company's debt levels are likely to rise further, driven by ongoing support requirements for group entities and projected acquisition-related payments of ~₹250 crore each in FY27 and FY28 for Manchester Originals Limited. CareEdge Ratings expects RVL's capital structure to moderate in the near-to-medium term, driven by incremental acquisition debt and ongoing subsidiary support.

Liquidity: Adequate

The company has an adequate liquidity position with free cash and bank balance of ₹39.81 crore as on September 30, 2025 (₹145.07 crore as on March 31, 2025).

In FY26, the company has debt repayment obligation of ~₹35.00 crore, against which the company is expected to generate sufficient cash accruals from its operations. Fund support to its subsidiary entities shall be majorly met from dividend income, which is received by the company from FSL, additional term debt and available liquidity surplus. The company enjoys financial flexibility being part of the RPSG group and from its shareholding in FSL.

Applicable criteria

- [Definition of Default](#)
- [Notching by Factoring Linkages in Ratings](#)
- [Investment Holding Companies](#)
- [Liquidity Analysis of Non-financial sector entities](#)
- [Rating Outlook and Rating Watch](#)
- [Financial Ratios – Non financial Sector](#)
- [Services Sector](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial Services	Financial Services	Finance	Holding Company

RVL (formerly CESC Ventures Limited [CVL]) was incorporated on February 07, 2017, as part of the RPSG group. The group's IT, real estate business and fast-moving consumer goods (FMCG) businesses were transferred to CVL under the scheme of arrangement of the RPSG group to realign the business verticals. CVL was renamed as RVL in January 2021. RVL holds investments in group entities operating in sectors such as IT-related services, business process outsourcing, FMCG, and real estate, among others. The company also ventured into sports business in FY21 through its subsidiaries, owning teams in different sports, such as cricket, football, and table tennis. The company also provides IT consultancy and support services to group entities in the power vertical (engaged in electricity generation and distribution) and generates stable income.

Brief Financials (₹ crore)	FY24 (A)	FY25 (A)	9MFY26 (UA)
Total operating income	314.94	408.98	216.82
Profit after tax (PAT)	129.32	148.37	10.38
Tangible net-worth (TNW)	2,713.32	2,857.88	NA
Overall gearing (x)	0.05	0.10	NA
Interest coverage (x)	12.56	9.54	1.33

A: Audited UA: Unaudited; NA: Not Available; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	30-11-2031	517.50	CARE BBB+; Stable
Non-fund-based - LT-Bank Guarantee		-	-	-	300.00	CARE BBB+; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Non-fund-based - LT-Bank Guarantee	LT	300.00	CARE BBB+; Stable	1)CARE BBB+; Stable (25-Feb-26)	1)CARE BBB+; Stable (26-Nov-24)	1)CARE BBB+; Stable (06-Mar-24)	1)CARE BBB+; Stable (02-Feb-23)
2	Fund-based - LT-Term Loan	LT	517.50	CARE BBB+; Stable	1)CARE BBB+; Stable (25-Feb-26)	1)CARE BBB+; Stable (26-Nov-24)	1)CARE BBB+; Stable (06-Mar-24)	1)CARE BBB+; Stable (02-Feb-23)

LT: Long term

Annexure-3: Detailed explanation of covenants of rated facilities - Not applicable
Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Non-fund-based - LT-Bank Guarantee	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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