# RPSG Ventures Limited

September 10, 2026

| Facilities | Name of the Regulator[1] | Amount (₹ crore) | Rating[2] | Rating Action |
|---|---|---|---|---|
| Long-term bank facilities | RBI | 817.50 | CARE A-; Stable | Upgraded from CARE BBB+; Stable |

Details of facilities in Annexure-1.

## Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has upgraded the rating on bank facilities of RPSG Ventures Limited (RVL) from CARE BBB+; Stable to CARE A-; Stable, considering RVL's position as one of the key holding companies of the RP Sanjiv Goenka (RPSG) group and its consequent strategic importance within the group structure. The group's credit profile has strengthened, and RVL being strategically important to the group's overall standing is expected to continue receiving sustained support from the RPSG group. CareEdge Ratings has also revised its rating approach from a standalone holding company assessment to standalone factoring linkages with the RPSG group, recognising the benefit of the group's ongoing operational and strategic support and the resultant enhanced financial flexibility available to RVL.

The rating revision factors in proposed amalgamation of the group's healthcare business (which shall be subsequently demerged into a subsidiary), apart from the presence in high visibility sports business. The rating revision also factors in growth in revenue and operating profit of RVL from IT-related services being provided to group entities and dividend income from Firstsource Solutions Limited (FSL; rated 'CARE A+; Stable/ CARE A1+') in FY26 (refers to April 01 to March 31).

Ratings continue to draw comfort from financial flexibility it derives from being part of the established RPSG group and holding investments in strategically important entities of the group with major ones being FSL and RPSG Sports Pvt Ltd (RSPL; rated CARE A-; Stable/CARE A2+), and demonstrated fund support to RVL from group entities in the form of regular fund infusion. Going forward, the support is expected to continue when required.

The rating factors in the adequate liquidity position and the market value of its investments in FSL and RSPL. Such investment provides comfortable debt cover against existing borrowings (including comforts among others, 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 funding 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.
- Improvement in credit profile of RPSG group.

### Negative factors

- Significant moderation in cover of market value of investments in group companies over total external borrowings (including comforts, among others, extended) of RVL, owing to decline in share price of investee company or rise in debt levels of RVL.
- Deterioration in the credit profile of RPSG group.
- Change in funding support stance from RPSG group to RVL.

**Analytical approach:** Standalone, factoring linkages with the RPSG group

RVL has been assessed based on its investment holdings across group entities and its strategic importance to the RPSG group. Debt of RVL's subsidiary companies RSPL, 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.

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority.
[2]Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Change in approach – The rating approach has changed from standalone holding company assessment to standalone factoring linkages with the RPSG group in line with the strategic importance of RVL to the group.

The rating factors in strong management, operational, and financial linkages with RPSG group, owing to shared name, logo, operational, and financial linkages with group companies and financial support it has received in the past from the group and shall continue to receive on need basis going forward.

**Outlook:** Stable

The stable outlook reflects that the company shall continue to benefit from financial flexibility available to it as a part of the RPSG group and demonstrated support from the group to the company, which is expected to continue going forward.

## 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 presence of Dr. Sanjiv Goenka and his son, Shashwat Goenka, on RVL's board reflects the company's strategic importance within the RPSG Group. RVL has also received financial support from other RPSG group companies in past in form of compulsorily convertible preference shares of ₹234 crore in FY22, proceeds from a Qualified Institutional Placement of ₹284 crore in FY24, and an unsecured loan of ₹200 crore in FY26, from other RPSG group entities.

Such demonstrated support underpins RVL's financial flexibility. CareEdge Ratings expects timely financial support from the RPSG group to continue in the medium term, supporting RVL's liquidity profile and overall credit strength.

**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 ~₹8,500 crore, taking debt cover (market value of quoted investments held and estimated value of Indian Premier League (IPL) franchise to total external borrowings including Letter of comfort) of the company stood at 2.99x as on June 30, 2026, and 2.82x as on March 31, 2026, which provides financial flexibility and liquidity cushion. Significant rise in debt levels or substantial decline in market capitalisation will remain a key rating monitorable. RVL also hold 51% stake in RSPL, which is the franchise owner of Lucknow Super Giants (LSG) in the IPL. This provides significant financial flexibility, considering recent high value transactions in the IPL unlocking valuation of teams, and expiry of lock-in period for stake sale in LSG.

**Improving revenue backed by high revenue visibility and robust profitability**

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 FY26, improved significantly from FY25 with increase in service revenue and dividend income from FSL. Profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin, has also improved year-over-year (y-o-y) at ~60% in FY26 (~54% in F25). In Q1FY27, the company’s TOI improved in Q1FY26, 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 0.33x as on March 31, 2026. Interest coverage was also healthy at 5.14x in FY26 (9.54x in FY25). The company also extended comforts for debt availed by its subsidiary companies amounting to ₹3,913 crore as on March 31, 2026 (₹3,225 crore as on March 31, 2025). Considering the comforts among others, extended, adjusted overall gearing ratio moderated to 1.63x as on March 31, 2026, from 1.24x as on March 31, 2025. 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 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 ~₹550 crore in FY27, to finance the acquisition of Manchester Originals Limited and to support its subsidiaries in form of equity investment and unsecured loans. 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 raised debt of ₹700 crore in FY26, of which support of ~₹600 crore was extended to group entities. Liquidity improved with free cash and bank balance of ₹363.77 crore as on March 31, 2026 (₹145.07 crore as on March 31, 2025).

In FY27, the company has debt repayment obligation of ₹66.25 crore, against which the company is expected to generate sufficient cash accruals of ~₹150 crore, of its operations. The fund support to its subsidiary entities shall be majorly met of the dividend income, which is received by the company from FSL, available liquidity surplus, and fresh term debt. CareEdge Ratings has also factored in the financial flexibility and continued support extended by the RPSG group to RVL, enabling it to meet funding requirements of its subsidiaries and business segments going forward.

## 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 as 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 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, sports, and real estate, among others. The company provides IT consultancy and support services to group entities in the power vertical (engaged in electricity generation and distribution) and generates stable income. The company also entered luxury fashion and lifestyle segment in FY26, through acquisition of 40% stake in FSP Design Pvt Ltd (FSP design). It has also proposed to amalgamate a group entity Woodland Multispeciality Healthcare Ltd (WMHL), which shall subsequently be demerged into a wholly owned subsidiary.

| Brief Financials (₹ crore) | March 31, 2025 (A) | March 31, 2026 (A) | Q1FY27 (UA) |
|---|---|---|---|
| Total operating income | 408.98 | 527.66 | 81.84 |
| Profit after tax (PAT) | 148.37 | 180.09 | 1.04 |
| Tangible net-worth (TNW) | 2,857.88 | 3,008.25 | NA |
| Overall gearing (x) | 0.10 | 0.33 | NA |
| Interest coverage (x) | 9.54 | 5.14 | 1.20 |

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

**For complexity level of instruments rated refer to Annexure-1.**

**Lender details**: Annexure-4

**Disclosure on facilities/instruments and name of regulators:**
A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

## Annexure-1: Details of facilities

| Name of the Instrument | Name of the Regulator | Complexity Level | 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 | RBI | Simple | - | | - | 30-11-2031 | 517.50 | CARE A-; Stable |
| Non-fund-based - LT-Bank Guarantee | RBI | Simple | - | | - | - | 300.00 | CARE A-; 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 2026-2027 | 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 |
| 1 | Non-fund-based - LT-Bank Guarantee | LT | 300.00 | CARE A-; Stable | - | 1)CARE BBB+; Stable (16-Mar-26)<br><br>2)CARE BBB+; Stable | 1)CARE BBB+; Stable (26-Nov-24) | 1)CARE BBB+; Stable (06-Mar-24) |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | (25-Feb-26) | | |
| 2 | Fund-based - LT-Term Loan | LT | 517.50 | CARE A-; Stable | - | 1)CARE BBB+; Stable (16-Mar-26)<br><br>2)CARE BBB+; Stable (25-Feb-26) | 1)CARE BBB+; Stable (26-Nov-24) | 1)CARE BBB+; Stable (06-Mar-24) |

LT: Long term

**Annexure-3: Detailed explanation of covenants of rated facilities -** Not applicable

**Annexure-4: 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.

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**About us:**

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com



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