

**November 24, 2025**

## **Maharishi Markandeshwar Trust: Rating reaffirmed**

### **Summary of rating action**

<b>Instrument*</b>	<b>Previous rated amount (Rs. crore)</b>	<b>Current rated amount (Rs. crore)</b>	<b>Rating action</b>
<b>Long-term – Fund-based – Overdraft</b>	254.56	254.56	[ICRA]A+ (Stable); reaffirmed
<b>Long-term – Unallocated limits</b>	35.44	35.44	[ICRA]A+ (Stable); reaffirmed
<b>Total</b>	<b>290.00</b>	<b>290.00</b>	

*\*Instrument details are provided in Annexure I*

### **Rationale**

The rating reaffirmation factors in the sustenance of a steady operational and financial risk profile of Maharishi Markandeshwar Trust (MMT or the Trust), driven by stable growth in admissions across courses, including the large-ticket and long-duration medical courses, coupled with periodic fee revisions. The revenue receipts of the Trust grew by ~15% to Rs. 803 crore in FY2025 and are estimated to grow at a healthy pace of ~10-15% in FY2026, aided by the increase in fee and student strength. The overall student strength (including 3 schools) rose to ~20,809 in AY2025 from ~18,126 in AY2024, reflecting a growth of ~15%. Further, its financial profile is robust, characterised by a conservative capital structure (gearing of 0.1 times as on March 31, 2025), healthy operational surpluses and strong liquidity position, despite regular capex. While the Trust undertakes regular capex for renovation of college as well as for construction of student/faculty accommodations as depicted by Rs. 125 crore incurred over FY2023-2025 and Rs. 80-100 crore expected over FY2026, it continues to enjoy healthy financial flexibility, backed by low debt on books and sizeable cash and cash equivalents of ~Rs. 1,200 crore as on March 31, 2025.

The rating, however, remains constrained by the significant concentration risk arising from the Trust's heavy reliance on medical courses, which contributed to over 80% of its tuition fee receipts in FY2025. Further, the Trust exhibits a pronounced dependence on its flagship Mullana (Haryana) campus, which accounted for approximately 60% of the total revenue and 69% of student enrolment. While the gradual scale-up of the Solan campus and the hospital-cum-college at the Ambala campus is expected to mitigate this dependence over the medium term, the concentration risk persists in the near term. The rating also reflects the inherent vulnerability to adverse regulatory developments, given the highly regulated nature of the higher education sector in India. Additionally, ICRA believes that attracting and retaining qualified faculty, as well as sustaining student enrolments, will remain critical challenges amid intensifying competition in the sector. The Trust's ability to maintain stable admission and placement track record and achieve targeted operational metrics will be important from the credit perspective.

ICRA notes the ongoing litigation pertaining to the directives issued by the Himachal Pradesh Private Educational Institutions Regulatory Commission (HPPEIRC), which mandated the Trust to refund excess fees and pay a penalty. As per the management, the regulatory action has been stayed by the High Court of Himachal Pradesh. Any adverse outcome of this litigation or the issuance of additional unfavourable regulatory orders, leading to material impact on the Trust's repute or liquidity position, will remain a key monitorable.

The Stable outlook reflects ICRA's opinion that MMT will maintain its revenue growth, while gradually reducing its concentration on courses as well as on a single campus. Further, ICRA expects the Trust's liquidity position and credit metrics to remain strong, led by surplus cash flows from operations.

## Key rating drivers and their description

### Credit strengths

**Established brand presence in northern region and long operational track record** – MMT is a well-established education trust with a proven track record in the education sector since 1993. Through its institutions, the Trust has maintained a strong presence in higher education in Haryana for over three decades and has successfully extended its brand footprint to adjoining states such as Himachal Pradesh, where it operates a dedicated campus. At present, the Trust manages three universities, primarily focused on medical education, which have consistently achieved healthy enrolment levels, ensuring adequate revenue visibility for the Group. This is reflected in the sustained high occupancy in medical courses and a sizeable student base of approximately 14,400 across its campuses in Mullana (Haryana), Sadopur (Ambala, Haryana), and Solan (Himachal Pradesh), in addition to around 3,947 students enrolled in its three schools within the state.

**Healthy operating metrics with consistent increase in student strength and diverse campus/course offerings** – MMT offers medical programmes across all three campuses, with medical courses contributing approximately 16% of the Trust's student strength and around 81% of revenue receipts in FY2025. The Mullana and Solan campuses have been offering MBBS programmes since 2003 and 2015, respectively. The newly established medical college at Ambala commenced operations in September 2023 and is expected to introduce postgraduate medical courses from AY2026. Enrolments in MBBS programmes at Mullana and Solan have remained robust, with consistently high occupancy levels. The Ambala campus achieved full occupancy in its second year of operations (AY2025). Given the substantially higher fee structure and longer duration of the MBBS programme (five years), strong occupancy provides medium-term revenue visibility. In addition to medical education, the Trust maintains a diversified portfolio of courses, including engineering, management, nursing, physiotherapy, agriculture and law, among others, which further supports its academic and revenue profile.

**Strong financial risk profile** – Aided by sustained enrolment growth, MMT's revenues increased by 15% year-on-year in FY2025, reaching approximately Rs. 803 crore. At the consolidated level, the operating profit margin (OPM) remained healthy at 23.3% in FY2025, improving from ~22.2% in FY2024. The Trust's conservative capital structure, reflected in a gearing ratio of 0.5 times as on March 31, 2025, coupled with healthy surpluses, continues to underpin its strong liquidity position. This has facilitated the accumulation of sizeable cash and liquid investments, despite regular capital expenditure towards infrastructure development. While the Trust occasionally avails temporary overdraft facilities against fixed deposits at a marginal cost, it maintains a negative net debt position, with estimated cash and liquid balances of around Rs. 1,200 crore as on November 15, 2025. Although the seasonality of fee receipts necessitates maintaining adequate liquidity to meet the operational expenses throughout the year, consistent surplus generation has enabled the Trust to build substantial cash reserves over time, thereby strengthening its overall financial flexibility.

### Credit challenges

**Revenue concentration risk with more than 75% contribution from medical courses** – MMT offers medical programmes across all three campuses. However, these courses accounted for approximately 16% of the Trust's student strength in AY2025 and ~81% of tuition fee receipts in FY2025, underscoring a significant course concentration risk. Despite healthy growth in admissions at the Solan campus, along with incremental revenue and surplus contributions, the Trust remains heavily reliant on its flagship Mullana campus. This campus contributed to over 55% of total revenue, ~73% of surpluses, and ~69% of student strength in FY2025. The recently established medical college at Ambala is expected to ramp up operations and introduce postgraduate programmes from AY2026, thereby reducing concentration over the medium term. However, dependence on the Mullana campus remains a key credit sensitivity in the near term.

**Intense competition from other educational institutes in northern region** – MMT faces competition from an increased number of educational institutes that have been set up in Haryana, Punjab, Himachal Pradesh and other northern states in the recent years. The competition affects its ability to maintain a large student strength and attract qualified faculty members.

However, MMT's demonstrated ability to maintain stable student strength over the last few years, supported by its large and diversified course offerings and infrastructure, provides some comfort.

**Exposure to regulatory risks** – MMT, like other entities in the higher education segment, is exposed to regulatory risks owing to the substantially regulated nature of the sector in India. Any adverse regulatory changes related to various approvals could impact its student enrolment capability. The Trust has received adverse orders related to large refunds from the state fee regulatory authority in the past, which are now under litigation. Any adverse outcome of such ongoing litigations or future regulatory orders, impacting the Trust's repute and liquidity profile materially will be an ongoing monitorable.

### Liquidity position: Strong

MMT's liquidity position is strong, corroborated by significant unencumbered cash and bank balances maintained by the Trust on an ongoing basis, despite regular outlays towards capital expenditure and irregular nature of fee collection. The Trust's steady and healthy free cash and bank balance (including FDRs) of ~Rs. 1,261 crore as on November 15, 2025, with nil debt repayment obligations, strengthen its liquidity position.

### Rating sensitivities

**Positive factors** – A positive rating action could be driven by a significant revenue increase and greater diversification, while sustaining strong liquidity and healthy operating metrics.

**Negative factors** – A rating downgrade for the Trust could result from inability to maintain healthy occupancy across courses, adverse regulatory developments, or sizeable capex impacting its liquidity and debt coverage indicators. Specific credit metric for the rating downgrade would be Total Debt/OPBDITA above 1.5 times, on a sustained basis.

### Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology Higher Education</a>
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

### About the company

Maharishi Markandeshwar Trust (MMT), established in 1993 as Maharishi Markandeshwar Education Trust, offers more than 50 professional courses to over 20,000 students. The Trust's operations span across three universities at Mullana, Sadopur and Solan, under the brand, Maharishi Markandeshwar. The Trust operates three schools under the MM International School brand in Mullana, Karnal and Sadopur. While the Trust operates a deemed-to-be university in Mullana, the universities in Sadopur and Solan are state private universities, established in 2010 under the Government of Haryana and the Government of Himachal Pradesh, respectively, and approved by the University Grants Commission (UGC). The universities offer engineering, medical, dental sciences, management, hotel management, law and teacher education courses. The schools under the Trust's ambit are affiliated to the Central Board of Secondary Education (CBSE) and the Cambridge International Examinations (C.I.E). Moreover, a 1,140-bed hospital is attached to the medical college at the Mullana campus, and a 720-bed hospital is attached to the medical college at the Solan campus. Sadopur's new Medical College Ambala has a 730-bed hospital.

### Key financial indicators (audited)

MMT	FY2024	FY2025
Operating income	699.8	803.0
PAT	114.3	167.0
OPBDIT/OI	22.2%	23.3%
PAT/OI	16.3%	20.8%
Total outside liabilities/Tangible net worth (times)	0.6	0.5
Total debt/OPBDIT (times)	1.0	0.9
Interest coverage (times)	23.1	51.1

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

### Status of non-cooperation with previous CRA: Not applicable

Any other information: None

### Rating history for past three years

Instrument	Current rating (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Nov 24, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Fund-based – Overdraft	Long term	254.56	[ICRA]A+ (Stable)	Aug 23, 2024	[ICRA]A+ (Stable)	-	-	-	-
Unallocated limits	Long term	35.44	[ICRA]A+ (Stable)	Aug 23, 2024	[ICRA]A+ (Stable)	Aug 03, 2023	[ICRA]A+ (Stable)	-	-
			-	-	-	May 17, 2023	[ICRA]A+ (Stable)		

### Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Overdraft	Simple
Long-term – Unallocated limits	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	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Long-term – Fund-based – Overdraft	NA	NA	NA	254.56	[ICRA]A+ (Stable)
NA	Long-term – Unallocated limits	NA	NA	NA	35.44	[ICRA]A+ (Stable)

Source: Company

**Annexure II: List of entities considered for consolidated analysis – Not Applicable**

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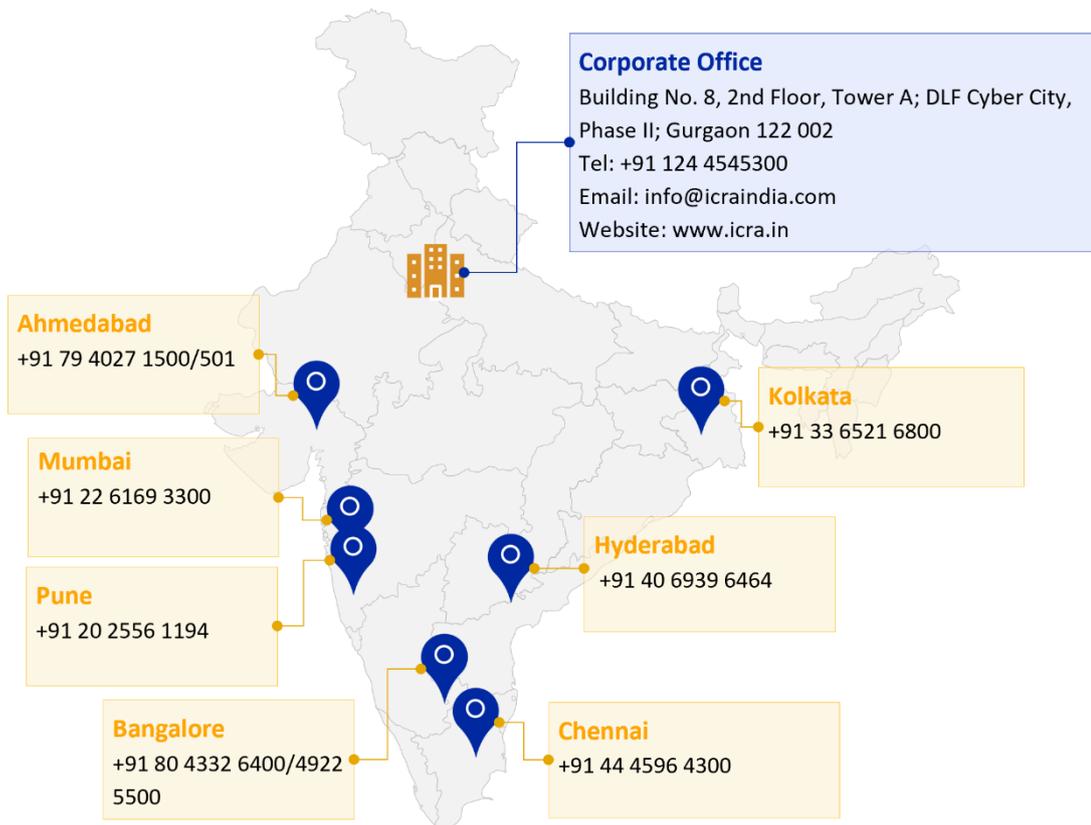
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