

March 18, 2026

Maharashtra Academy of Engineering and Educational Research: Rating reaffirmed

Summary of rating action

Instrument	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based – Term loan	696.00	688.0	[ICRA]A+ (Stable); reaffirmed
Long-term – Fund based – Cash credit	42.00	50.0	[ICRA]A+ (Stable); reaffirmed
Long-term – Non-fund based – Others	30.00	30.0	[ICRA]A+ (Stable); reaffirmed
Total	768.00	768.00	

Rationale

While arriving at the rating, ICRA has considered the consolidated financial profile of Maharashtra Academy of Engineering and Educational Research (MAEER or the Trust) and its five universities – MIT World Peace University (MIT WPU; rated [ICRA]A (Stable)), MIT Art Design and Technology University (MIT ADT; rated [ICRA]A(Stable)), Awantika University Ujjain, MIT University, Shillong and MIT Vishwapravag University, Solapur (collectively referred to as the MAEER Group henceforth). MAEER is the sponsoring body of these universities and there are strong management, operational and financial linkages among these entities.

The rating reaffirmation factors in the MAEER Group’s healthy operating and financial performance in FY2025 as reflected in sustained scale-up in enrolments and healthy operating profitability, and expectation of sustenance of the same in the near term. The consolidated revenue receipts grew by ~17% to Rs. 1,856.2 crore in FY2025, supported by an increase in total student strength (including universities and schools) to ~78,460 in AY2025 from ~67,846 in AY2024. The Group continues to benefit from its self-financed university model (MIT-WPU, MIT-ADT, Awantika University, MIT University Shillong and MIT Vishwapravag University), which provides flexibility on intake, programme offerings and fee structuring, along with strong brand equity of flagship institutions and healthy seat occupancy of 95–100% in key courses, lending revenue visibility. The financial risk profile remains comfortable, reflected in gearing of 0.5 times and interest coverage of over 7.0 times as on March 31, 2025.

The rating is, however, constrained by the Group’s exposure to execution and ramp-up risks associated with its sizeable debt-funded capex plan. It has been undertaking significant capex for new universities/colleges and facility upgrades, with consolidated capex estimated at Rs. 380–460 crore per annum during FY2027–FY2028. The timely completion and generation of commensurate operating surplus from incremental capacity remain key rating monitorable. The debt levels are expected to increase on account of the capex planned, which may impact the debt metrics in the interim; however, given the healthy profitability levels of the running operations, the coverage metrics are expected to sustain at healthy levels. ICRA, however, will continue to monitor the scale-up and stabilisation of capex related to new institutes and its impact on the overall financial profile. Further, the Group remains exposed to potential cash flow mismatches, given the seasonality and concentration in fee inflows, although liquidity is supported by healthy unencumbered cash balances of ~Rs. 380 crore (consolidated) as on March 31, 2025. The rating also factors in the intense competition in the higher education sector (having implications for student enrolments and faculty retention) and inherent regulatory risks associated with stringent compliance requirements.

The Stable outlook reflects ICRA’s expectations that the Trust’s debt protection metrics will remain comfortable over the medium term, supported by generation of healthy cash flow from operations, on the back of growing enrolments and established reputation in Maharashtra.

Key rating drivers and their description

Credit strengths

Established track record with presence of over 43 years since incorporation – The rating factors in MAEER’s presence of over four decades in the education sector and its established reputation across Maharashtra. The Group has a diversified academic portfolio spanning medical, engineering, management, design, architecture, arts, commerce, law, allied health sciences, and schools/junior colleges, supporting revenue diversity. The student strength increased to ~78,460 in AY2025 from ~67,846 in AY2024, reflecting ~16% growth. A strong brand recognition of flagship institutions — MIT, MITSOM, and MIT Institute of Design — along with healthy seat occupancy of 95–100% in key courses, provide revenue visibility. The established operational track record provides comfort, however, sustaining admission momentum, placements, and targeted operating metrics remains critical from a credit perspective.

Self-financed universities provide revenue stability and financial autonomy to MAEER Group – Self-financed universities contributed to around 60% of the Trust’s consolidated revenues in FY2025 (against 58% in FY2024). These universities, being non-affiliated and self-financed, decide their course structure, examination pattern as well as fee structure. Besides, these universities are authorised to collect full fees from the reserved category students and do not rely on the recovery of receivables from any Government agency. Thus, the associated receivable risk remains limited for the universities.

Comfortable financial risk profile – The revenue receipts of the Group grew by ~17% to Rs. 1,856.2 crore in FY2025, supported by ~16% growth in student strength (including universities and schools) to ~78,460. The operating leverage benefits reflected in the improvement in operating margins to 22.7% in FY2025 from 17.1% in FY2024. Despite the regular capex, given the adequate accruals, the leverage indicators remain comfortable, reflecting in TOL/TNW of 0.9 times and gearing of 0.5 times as on March 31, 2025. The debt protection metrics also remained strong, with interest cover of over 7 times and TD/OPBDITA of 1.6 times in FY2025. The rating derives comfort from sustained enrolment growth, resulting in healthy operating surplus and a satisfactory financial profile.

Credit challenges

Sizeable debt-funded capex exposes the Group to execution as well as scaling-up risks – The Group has undertaken significant debt-funded capex over the past few years towards setting up new universities/colleges and upgrading its existing facilities. The capex intensity is expected to remain high over the medium term as well, with Rs. 380-460 crore of capex per annum in FY2027 and FY2028 at the consolidated level, including Rs. 150-200 crore planned at the standalone level (primarily towards setting up of a new university in Goa and expanding its current academic facilities in Alandi, Solapur, and Latur in Maharashtra). The timely execution of these projects and the Group’s ability to ramp-up enrolments and generate adequate operating surplus from the new capacities remain key rating monitorable factors.

Exposed to cash flow mismatch risks – The Trust, like other entities of the education sector, remains exposed to the risk of cash flow mismatch, given the concentrated nature of revenue inflow. The fees are primarily received in July-August and the expenses (including debt repayments, etc.) are spread over the fiscal year. Also, there are delays in receipt of fees from the state government for reserved category students (majorly for medical courses), resulting in sizeable receivables as of March every year. This phenomenon is expected to continue due to the nature of business. ICRA, however, draws comfort from the Group’s long track record in managing these risks.

Exposed to intense competition from other reputed universities and regulatory risks – The rating factors in the Trust’s exposure to stiff competition in the higher education sector, which puts pressure on attracting students and retaining talented faculty members. MAEER faces competition from an increased number of educational institutes that have been set up in Maharashtra, Madhya Pradesh, and Meghalaya. However, MAEER’s demonstrated ability to maintain stable student strength over the years, supported by its large and diversified course offerings and infrastructure, provides some comfort. MAEER, 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. Any adverse future regulatory orders, impacting the Trust’s financial and liquidity profile will be a credit concern.

Liquidity position: Adequate

The liquidity position remains Adequate with cash and bank balance of ~Rs. 380 crore (consolidated) as on March 31, 2025, in addition to steady cash flows from operations and buffer available in working capital limits. Against the same, the annual debt repayments at the consolidated level are estimated at ~Rs. 160 crore in FY2027. Besides, capex of ~Rs. 460 crore is expected (including discretionary capex), which will be funded by a mix of debt and internal accruals. Aided by increasing student enrolments in key courses, ICRA expects MAAER's cash flow during FY2027 to remain healthy with retained cash flows of over Rs. 350 crore against its repayment obligations and equity commitment for the ongoing capex.

Rating sensitivities

Positive factors - The rating may be upgraded in case of sustained increase in the Trust's revenue, supported by increased student intake and fee hikes, leading to an improvement in the overall financial risk profile and liquidity position on a sustained basis.

Negative factors – Pressure on the rating could arise if there is any significant decline in revenue receipts and operating surplus or any large debt-funded capex, thus weakening the overall financial risk profile. The weakening of the consolidated Total debt/OPBITDA of above 2 times, on a sustained basis, would be a negative rating factor.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Higher Education
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the rating, ICRA has considered the consolidated financials of MAEER Trust and the five universities — MIT WPU, MIT ADT, Awantika University, Ujjain, MIT University, Shillong and MIT Vishwaprayag University, Solapur. MAEER is the sponsor to these universities. The details are given in Annexure II.

About the company

MAEER, established in 1983, is a well-known educational trust with over 10 campuses in Maharashtra spanning across almost 1,200 acres. The Trust provides higher education in the fields of engineering, management, pharmacy, medical, teaching and other non-conventional courses like telecom management, naval engineering, design institute, film institute, and railway engineering, among others, along with distance and school education. The Trust offers education through institutes under its own board and through five self-financed universities of MIT World Peace University, MIT Art Design and Technology University, Awantika University in Ujjain, MIT University, Shillong and MIT Vishwaprayag University, Solapur.

Key financial indicators (audited)

MAEER Consolidated	FY2024	FY2025
Operating income	1,585.4	1,856.2
PAT	126.1	223.3
OPBDIT/OI	17.1%	22.7%
PAT/OI	8.0%	12.0%
Total outside liabilities/Tangible net worth (times)	1.1	0.9
Total debt/OPBDIT (times)	2.2	1.6
Interest coverage (times)	5.2	7.4

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

Current (FY2026)			Chronology of rating history for the past 3 years						
Instrument	Type	Amount rated (Rs. crore)	Mar 18, 2026	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Term loans	Long-term	688.00	[ICRA]A+ (Stable)	Jan 27, 2025	[ICRA]A+ (Stable)	Nov 16, 2023	[ICRA]A+ (Stable)	Aug 10, 2022	[ICRA]A+ (Stable)
				-	-	Dec 18, 2023	[ICRA]A+ (Stable)	-	-
Fund-based limits	Long-term	50.00	[ICRA]A+ (Stable)	Jan 27, 2025	[ICRA]A+ (Stable)	Nov 16, 2023	[ICRA]A+ (Stable)	Aug 10, 2022	[ICRA]A+ (Stable)
				-	-	Dec 18, 2023	[ICRA]A+ (Stable)	-	-
Non-fund based limits	Long-term	30.00	[ICRA]A+ (Stable)	Jan 27, 2025	[ICRA]A+ (Stable)	Nov 16, 2023	[ICRA]A+ (Stable)	Aug 10, 2022	[ICRA]A+ (Stable)
				-	-	Dec 18, 2023	[ICRA]A+ (Stable)	-	-
Unallocated limits	Long-term	-	-	-	-	Nov 16, 2023	[ICRA]A+ (Stable)	Aug 10, 2022	[ICRA]A+ (Stable)
				-	-	Dec 18, 2023	[ICRA]A+ (Stable)	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Term loan	Simple
Long-term – Fund-based – Cash credit	Simple
Long-term – Non-fund based – Others	Simple

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 – Term loan	FY2017	-	FY2030	688.00	[ICRA]A+ (Stable)
NA	Long-term – Fund-based – Cash credit	NA	NA	NA	50.00	[ICRA]A+ (Stable)
NA	Long-term – Non-fund based – Others	NA	NA	NA	30.00	[ICRA]A+ (Stable)

Source: Company

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

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
MIT World Peace University, Pune	100%	Full Consolidation
MIT Art Design and Technology University, Loni Kalbhor	100%	Full Consolidation
Awantika University, Ujjain	100%	Full Consolidation
MIT University, Shillong	100%	Full Consolidation
MIT Vishwaprayag University, Solapur	100%	Full Consolidation

Source: Consolidated audited report

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