

## Nagar Yuwak Shikshan Sanstha Airoli

April 10, 2026

| Facilities/Instruments    | Amount<br>(₹ crore)             | Rating <sup>1</sup> | Rating Action |
|---------------------------|---------------------------------|---------------------|---------------|
| Long-term bank facilities | 155.74<br>(Enhanced from 79.63) | CARE BBB+; Stable   | Reaffirmed    |

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

Reaffirmation of the rating assigned to bank facilities of Nagar Yuwak Shikshan Sanstha Airoli (NYSSA) factors in its established market position and long track record in the education industry and its sustained scale of operations while maintaining healthy surplus on the back of stable enrolment levels throughout its six educational institutions. NYSSA reported total operating income (TOI) of ₹138.09 crore in FY25 (FY refers to April 01 to March 31) (PY: ₹120.94 crore) with surplus before interest, lease rentals, depreciation and taxation (SBILDT) margin of 19.43% (PY: 34.55%) and the revenue reported in 9MFY26 was ₹126.79 crore.

The rating continues to derive strength from long-standing experience of its promoters, wide spectrum of courses offered and adequate liquidity maintained by the trust. The trust also continues to maintain comfortable capital structure and debt coverage indicators.

However, the rating remains constrained considering limited geographical reach of the trust, intense competition from established and upcoming educational institutes, regulated nature of the education sector in India, project related risk and moderation in liquidity given the outgo of funds towards heavy capital advances given for purchase of land property to the tune of ₹174.25 crore in FY25.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Sustained improvement in enrolment rates across courses leading to improvement in surplus before interest and depreciation (SBID) margin above 40% on sustained basis.
- Increase in scale of operations with TOI exceeding ₹200.00 crore on sustained basis.

#### Negative factors

- Decline in scale of operations with TOI below ₹100 crore and operating surplus margin falling below 20% on sustained basis.
- Deterioration in capital structure with overall gearing exceeds 0.75x on sustained basis
- Any changes in government regulation which adversely impacts fee structure and/or student enrolment affecting the income and surplus of the trust.
- Any higher-than-envisioned withdrawal of funds through donation to support group entities.

### Analytical approach: Standalone

#### Outlook: Stable

The 'Stable' outlook reflects CARE Ratings Limited's (CareEdge Ratings') expectations that NYSSA will maintain its adequate capital structure while benefiting from its consistent enrolment levels throughout all educational institutes and established track record of operations.

### Detailed description of key rating drivers

#### Key strengths

##### Experienced promoters with established position in the education industry

Gauri Banerjee Bhattacharya, President, NYSSA, has over a decade of experience in the field of education and is associated with the trust from 2010. The other advisory board members have academic experience of over a decade. The secretary, treasurer, and trustees are professionally qualified and hold rich experience in their respective fields, which helps the trust in day-to-day operations and managing activities of the trust. The two-decade long track record of NYSSA has helped it attract reputed entities such as Godrej, IGate, Tech Mahindra, Reliance, TOYO Engineering, Tata Consultancy Services, Capgemini, HCL, Tata Power and

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

Burns McDonnell to provide placement opportunities to final-year students across streams. The trust's long-standing experience has enabled it to build brands such as 'New Horizon' and 'Datta Meghe'. The average enrolment levels, considering all educational institutions under the trust, have been persistent at ~86% in FY25 (PY: ~86%). The enrolment level stood at ~83% in 9MFY26. The slight reduction in the enrolment was due to intense competition in the vicinity of the schools leading to slightly lower enrolments reported in the current year.

### **Healthy profitability**

Profitability has remained healthy over the years, with a SBILDT margin of 19.43% in FY25 (PY: 34.55%). Despite being healthy, the SBILDT margin has reflected a dip in FY25 against FY24 owing to higher expenses incurred such as study material and education expenses, utility and services expenses, student activity expenses, admin expenses, property and asset management expenses and higher employee cost in the form of salaries to teaching and non-teaching staff, among others. Donations have also been given to the tune of ₹10.35 crore to other trusts and foundation also led to the reduction in SBILDT margin, however, the same remains the normal course of business profitability.

Surplus after taxation (SAT) of ₹49.29 crore is supported by non-operating income of ₹40.42 crore, which includes donations received from Datta Meghe College of Engineering of ₹35 crore. Hence, SAT margin stood at 35.69% in FY25 (PY: 34.18%).

### **Wide spectrum of courses offered by the trust**

NYSSA through its schools and colleges provides schooling for classes nursery to Higher Secondary Certificate (HSC) and undergraduate and postgraduate courses in diverse fields of education. Trust's colleges provide programmes in streams such as Engineering, Accounts and Finance, Banking, Insurance and Management. NYSSA operates two colleges, with one of the colleges offering Engineering courses in key fields such as chemical, civil, computers, electronics, Information Technology and mechanical. The other college offers courses in the Commerce stream, including Bachelor of Commerce, Master of Commerce, Bachelor of Accounting and Finance (BAF) and Bachelor of Management Studies (BMS). The educational institutes are approved by the All India Council for Technical Education, New Delhi (AICTE) and the University of Mumbai, and all schools are affiliated to the Central Board of Secondary Education (CBSE). The trust has been continuously engaged in upgrading its facilities to comply with the requirements of statutory bodies such as AICTE and has been enhancing its existing infrastructure facilities per the AICTE norms by renovating college infrastructure and adding new equipment and research material to provide better education facilities for its students. Now, with the addition of two new institutes offered by Suman Ramesh Tusiani Charitable trust, NYSSA shall have another engineering college affiliated to Savitribai Phule Pune University and one Maharashtra State Board English medium school under its umbrella.

### **Comfortable capital structure and debt matrix with considerable liquidity**

The capital structure and debt matrix continue to remain comfortable considering sizeable liquidity and sustained cash accruals. Overall gearing stood at 0.46x as on March 31, 2025 (PY: 0.41x). The slight moderation in capital structure was considering ongoing debt-funded capex and increase in working capital borrowings. The total debt of the trust to the tune of ₹120.09 crore as on March 31, 2025 comprised term loans and working capital borrowings. The debt coverage indicators also remained comfortable as marked by total debt to gross cash accruals (GCA) and interest coverage stood at 2.06x and 3.00x, respectively, in FY25 (PY: 1.68x and 4.84x, respectively, in FY24). Moderation in the same was considering increase in the debt level and reduction in the profitability during the year. Going forward, the capital structure is expected to remain moderated due to increase in the term loans availed in FY26. However, the capital structure and debt coverage metrics are expected to remain comfortable in the near-to-medium term.

### **Key weaknesses**

#### **Moderate scale of operations**

The trust's overall scale of operations remained moderate and fluctuating as marked by TOI stood in the range of ₹108 crore to ₹138 crore in FY21 to FY25. The trust reported y-o-y growth of 14.18% in the TOI and it stood at ₹138.09 crore in FY25 against ₹120.94 crore in FY24. The same was considering increase in the number of seats across engineering collage and schools with stable enrolment ratio reported in FY25 over FY24. TOI stood at ₹127 crore in 9MFY26 with slight moderation in enrolment during the period. The scale of operations expected to increase in the near term with increase in the number of seats in FY26.

#### **Limited geographical reach**

NYSSA operates six educational institutions comprising four schools and two colleges. All educational institutes are in Navi Mumbai and Thane in Maharashtra. The risk is mitigated to some extent by the wide range of courses offered, which leads to diversification in revenue to an extent. Hence, the trust's ability to maintain its enrolment and register sustained increase in the overall operations remains key credit monitorable.

### Intense competition from established and upcoming educational institutes

NYSSA faces intense competition from other established and upcoming educational institutes in Navi Mumbai and Thane. The education industry is highly competitive and depends on the quality of faculty, infrastructure, and course curriculum. With an increasing number of upcoming schools, universities and colleges in Mumbai, the competition is expected to intensify further.

### Project risk

The trust has undertaken capex of ₹67.50 crore to be funded through term loan from HDFC Bank of ₹45.00 crore and rest through internal accruals. The capex pertains to construction of 4th to 8th Floors of existing school building at New Horizon Scholars School Vasant Lawns, Panchpakhadi, Thane (₹32.50 crore) and construction of 'A' Building (Block A) on Plot no. 98, Sector 3, Airoli in Datta Meghe College of Engineering (₹35.00 crore). However, considering majority of the cost being already incurred till date, the completion risk mitigated to a great extent. The subsequent stabilisation remains key credit monitorable.

### Heavy capital advances given for purchase of land property

The trust has given heavy capital advances to the tune of ₹174.25 crore in FY25. The same were given for purchase of land property plot at Hiranandani Estate, Thane. Funding for the same has been arranged internally through liquidation of investments and internal accruals. The trust has long-term plan to utilise this land for the construction of additional school / collage. No additional investment to be made in the near future against the same.

### Regulated nature of the education sector in India

Despite the increasing trend of privatisation of the education sector in India, the sector continues to operate under stringent regulatory control, requiring statutory approvals with specific operational and infrastructure norms from controlling entities such as the All India Council for Technical Education (AICTE) and the University Grants Commission (UGC). Thus, the trust needs to regularly invest in its workforce and infrastructure per the norms issued by these bodies. Due to its affiliation to universities, the revenue realisation also depends on the schedules prepared and changed by the university. Tuition fee fixation for both government and management quota is also regulated by these universities, giving limited flexibility to the educational institutions. These factors have a significant bearing on the revenues and surplus levels of the institutions and, resultantly, on the financial risk profile of the trust. Apart from AICTE, the educational institutions are regulated by respective State Governments with reference to matters such as determining the number of management quota seats and the amount of tuition fee charged for government and management quota, giving limited flexibility to the institutions.

### Liquidity: Adequate

Liquidity position of NYSSA is adequate marked by consistent cash accruals and considerable cash/bank balance. In the medium period, the trust is projected to report annual cash accruals in the range of ₹29-40 crore p.a. against debt repayments of ₹22.66 crore in FY26 and ₹27.92 crore in FY27. As on March 31, 2025, the free cash/bank balance was ₹19 crore and fixed deposits balance was ₹29 crore. The average utilisation of the fund-based working capital limits stood at ~25% in the last 12 months ended February 2026. Cash flow from operating activities stood negative of ₹120.76 crore in FY25 (PY: positive of ₹51.33 crore). The Trust has fixed deposits (FDs) to the tune of ₹64.37 crore as on March 27, 2026, out of which free FDs stood at ₹60.90 crore.

### Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Education](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

### About the company and industry

#### Industry classification

| Macroeconomic indicator | Sector            | Industry                | Basic industry |
|-------------------------|-------------------|-------------------------|----------------|
| Consumer discretionary  | Consumer services | Other consumer services | Education      |

NYSSA is a trust established in 1994. It is registered with the Registrar of Societies on January 20, 1994 vide registration number MAHA/54-94/Thane and with the office of Charity Commissioner on April 16, 1994 vide registration number F-3745/Thane. The trust has six educational institutions (4 schools, one engineering college, and one commerce college). The educational institutes are located in and around Thane and Navi Mumbai (Maharashtra). Two more institutions have been added under the umbrella of NYSSA Trust, which have been received as a gift, Suman Ramesh Tulsiani Technical Campus – Faculty of Engineering and Suman Ramesh Tulsiani International School. The same has been received from Suman Ramesh Tulsiani Charitable Trust.

| Brief Financials (₹ crore) | March 31, 2024 (A) | March 31, 2025 (A) | 9MFY26 (UA) |
|----------------------------|--------------------|--------------------|-------------|
| Total operating income     | 120.94             | 138.09             | 126.79      |
| SBILDT*                    | 41.78              | 26.84              | NA          |
| Surplus After Tax (SAT)    | 41.33              | 49.29              | NA          |
| Overall gearing (x)        | 0.41               | 0.46               | NA          |
| Interest coverage (x)      | 4.84               | 3.00               | NA          |

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

\*SBILDT: Surplus before interest, lease rentals, depreciation, and tax

**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 instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

#### Annexure-1: Details of instruments/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-Bank Overdraft | -    | -                             | -               | -                          | 13.00                       | CARE BBB+; Stable                  |
| Fund-based - LT-Term Loan      | -    | -                             | -               | March 2034                 | 142.74                      | CARE BBB+; Stable                  |

**Annexure-2: Rating history for last three years**

| Sr. No. | Name of the Instrument/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       | Fund-based - LT-Term Loan              | LT              | 142.74                       | CARE BBB+; Stable | 1)CARE BBB+; Stable (03-Apr-25)             | 1)CARE BBB+; Stable (02-Jul-24)<br>2)CARE BBB+; Stable (04-Apr-24) | 1)CARE BBB+; Stable (07-Apr-23)             | 1)CARE BBB+; Stable (26-May-22)             |
| 2       | Fund-based - LT-Term Loan              | LT              | -                            | -                 | 1)Withdrawn (03-Apr-25)                     | 1)CARE BBB+; Stable (02-Jul-24)<br>2)CARE BBB+; Stable (04-Apr-24) | 1)CARE BBB+; Stable (07-Apr-23)             | 1)CARE BBB+; Stable (26-May-22)             |
| 3       | Fund-based - LT-Bank Overdraft         | LT              | 13.00                        | CARE BBB+; Stable | 1)CARE BBB+; Stable (03-Apr-25)             | 1)CARE BBB+; Stable (02-Jul-24)<br>2)CARE BBB+; Stable (04-Apr-24) | 1)CARE BBB+; Stable (07-Apr-23)             | 1)CARE BBB+; Stable (26-May-22)             |

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

**Annexure-4: Complexity level of instruments rated**

| Sr. No. | Name of the Instrument         | Complexity Level |
|---------|--------------------------------|------------------|
| 1       | Fund-based - LT-Bank Overdraft | Simple           |
| 2       | Fund-based - LT-Term Loan      | 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](mailto:care@careedge.in) for clarifications.

## Contact us

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