

November 24, 2025

## Muthoot M. George Institute of Technology: Rating reaffirmed

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund-based/Overdraft	3.00	3.00	[ICRA]BBB- (Stable); Reaffirmed
<b>Total</b>	<b>3.00</b>	<b>3.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

The rating reaffirmation for Muthoot M. George Institute of Technology (MITS) factors in the healthy financial risk profile with strong operating margins and negligible external debt levels resulting in comfortable debt protection metrics in FY2026. The Trust's revenues are estimated to rise by 6-8% in FY2026 (PY: Rs. 48.9 crore), supported by an increase in enrolments by 5-6% students in academic year (AY) 2026 with healthy operating margins in the range of 40-42% in FY2026. The rating notes the strengths derived by MITS for being a part of the Muthoot Group, which has diversified presence in sectors such as financial services, hospitality, healthcare, education, etc. MITS has been receiving regular funds in the form of unsecured loans and corporate social responsibility (CSR) contributions from promoter entities. Thus, the entire term loan was repaid in FY2023. As of March 2025, there is no external debt outstanding for the Trust. Moreover, the unsecured loans from the promoters are fully repaid as of October 2025 majorly through infusions in the form of grants by promoter group. ICRA expects promoters and promoter group to provide timely need-based funding support in the form of unsecured loans, grants or corporate social responsibility (CSR) contributions.

The rating, however, remains constrained by the limited track record for the institute. The net worth of the institute is modest at Rs. 5.6 crore (PY: Rs. (8.4) crore). The Trust is exposed to execution risk as it is planning to set up a new college building for Master of Business Administration (MBA) course, which is currently at building plan approval stage with the total expected capex outlay of Rs. 39-41 crore, which is to be funded by internal accruals and infusion by promoters, if required. MITS faces intense competition from other reputed public and private institutions in India. Moreover, the higher education sector in India is highly regulated by numerous bodies like the University Grants Commission, All India Council of Technical Education, among others, which have stringent compliance requirements. This exposes the college to significant regulatory risks associated with unanticipated changes in regulations, which might have an adverse impact on its operating and/or the financial profile.

The Stable outlook on the [ICRA]BBB- rating reflects ICRA's expectations that the operational performance is likely to improve on account of steady rise in student strength, while maintaining healthy operating profitability and minimal external debt.

### Key rating drivers and their description

#### Credit strengths

**Healthy financial risk profile, characterised by comfortable leverage and coverage indicators** – MITS has a healthy financial risk profile with strong operating margins and negligible external debt levels resulting in comfortable debt protection metrics in FY2026. The company's total debt levels stood at Rs. 7.4 crore as of March 2025 (PY: Rs. 44.9 crore). The debt protection metrics as measured by Total debt/OPBITDA, interest coverage and DSCR is expected to remain comfortable in FY2026 and FY2027. The Trust's revenues are estimated to increase by 6-8% in FY2026 (PY: Rs. 48.9 crore), supported by rise in enrolments by 5-6% students in AY2026 with healthy operating margins in the range of 40-42% in FY2026.

**Demonstrated track record of promoters; part of the established Muthoot Group** – MITS is a non-profit organisation run by the Muthoot Group, which has diversified presence in sectors such as financial services, hospitality, healthcare, education, etc. MITS has been receiving regular funds in the form of unsecured loans and CSR contributions from the promoter entities. Hence, the entire term loan in FY2023 was repaid and as of March 2025, there is no external debt outstanding for the Trust. Moreover, during the year, the unsecured loans from the promoters are fully repaid as of October 2025 through infusions in form of grants by the promoter group.

### Credit challenges

**Limited track record of operations** – The entity established the engineering college in 2013 with the first batch graduating in 2017. It is still in the nascent stage, with gradual addition being made to the course portfolio and seat capacity. The Trust is exposed to execution risk as it is planning to set up a new college building for MBA course, which is currently at building plan approval stage with a total expected capex outlay of Rs. 39-41 crore, which is to be funded by internal accruals and infusion by promoters, if required.

**Exposed to intense competition and regulatory risks** – MITS faces intense competition from other reputed public and private institutions in India. Moreover, the higher education sector in India is highly regulated by numerous bodies like the University Grants Commission and All India Council of Technical Education, among others, which have stringent compliance requirements. This exposes the college to significant regulatory risks associated with unanticipated changes in regulations, which might have an adverse impact on its operating and/or financial profile.

### Liquidity position: Adequate

The liquidity position is adequate with sufficient cushion available in its working capital limits. Moreover, the Trust has expected debt repayments of Rs. 0.72-0.75 crore in FY2026, which is likely to be comfortably met through its internal accruals. Further, the Trust has capex of Rs. 39-41 crore to be incurred within next 2-3 years starting FY2026, which will be serviced through internal accruals and infusion by promoters, if required in the medium term.

### Rating sensitivities

**Positive factors** – ICRA could upgrade the rating, if the entity demonstrates a healthy growth in its scale of operations and net worth, on a sustained basis while maintaining its profitability.

**Negative factors** – ICRA could downgrade the rating, if there is a decline in the entity’s revenues and profits, or if there is significant debt-funded capex resulting in deterioration of debt protection metrics 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

Established in 2013, MITS runs Muthoot Institute of Science and Technology, an engineering college situated in the industrial suburb of Kochi, Kerala, 15 km from the main city. The engineering college is affiliated to Dr. A. P. J. Abdul Kalam Technological

University (KTU). Mr. George Alexander Muthoot is the Managing Director of Muthoot M. George Institute of Technology. The other directors of the company are Mr. George Jacob Muthoot and Mr. George Thomas Muthoot from the Muthoot family.

### Key financial indicators (audited)

Consolidated	FY2024	FY2025*
Operating income	50.5	48.9
PAT	20.7	14.0
OPBDIT/OI	53.9%	41.8%
PAT/OI	40.9%	28.6%
Total outside liabilities/Tangible net worth (times)	-14.5	21.4
Total debt/OPBDIT (times)	1.6	0.4
Interest coverage (times)	254.9	141.7

Source: Company, ICRA Research; \*Provisional numbers; 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)	Date & rating in FY2026	Date & rating in FY2025		Date & rating in FY2024		Date & rating in FY2023	
				Nov 24, 2025			Date	Rating	Date	Rating
1	Overdraft	Long-term	3.00	[ICRA]BBB-(Stable)	Dec 23, 2024	[ICRA]BBB-(Stable)	Nov 30, 2023	[ICRA]BBB-(Stable)	Sep 29, 2022	[ICRA]BBB-(Stable)
2	Fund-based – Term loans	Long-term	-	-	-	-	-	-	Sep 29, 2022	[ICRA]BBB-(Stable)

### Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term - Fund-based/Overdraft	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	Overdraft	NA	NA	NA	3.00	[ICRA]BBB- (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: Not applicable**

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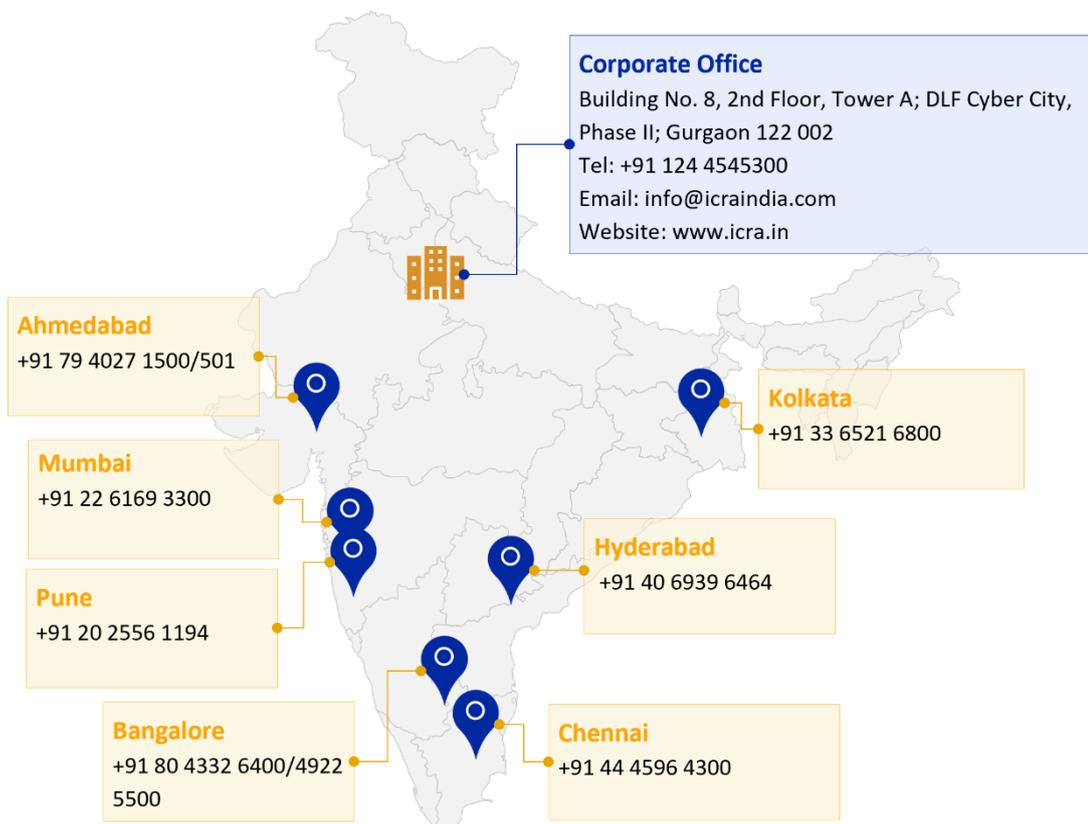
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