

Advanced College of Engineering and Management Private Limited: Ratings withdrawn

October 03, 2023

Summary of rating action:

Instrument (NPR million)	Last Rated Amount	Rating Action
Long-term loan limits	599.5	Ratings withdrawn
Short-term loan limits	50.0	
Total	649.5	

Rating action

ICRA Nepal has withdrawn the long-term rating of [ICRANP] LD 'Issuer Not Cooperating' (pronounced ICRA NP L D, Issuer Not Cooperating) and the short-term rating of [ICRANP] D 'Issuer Not Cooperating' (pronounced ICRA NP D, Issuer Not Cooperating) assigned to Advanced College of Engineering and Management Private Limited (ACEM). The rating action has been taken in accordance with the Credit Rating Regulations 2011 following the non-cooperation from ACEM for rating information despite multiple follow-ups. The ratings were kept on notice for withdrawal for a period of six months, during which also there was no cooperation from the company for rating surveillance. ICRA Nepal does not have any information to suggest that the credit risk has changed since the time the rating was last reviewed.

Rationale

ICRA Nepal is withdrawing the ratings as it does not have sufficient and relevant information to suggest that the credit risk has changed since the time the rating was last reviewed. The key rating drivers, rating sensitivities, key financial indicators have not been captured as the ratings are being withdrawn.

ICRA Nepal assesses whether the information available about the entity is commensurate with its rating and reviews the same as per Credit Rating Regulations 2011 as well as ICRA Nepal's 'Withdrawal/Suspension Policy' available at www.icranepal.com. As part of its process and in accordance with its rating agreement with ACEM, ICRA Nepal has been trying to seek comprehensive information from the entity to monitor its performance, but despite repeated requests by ICRA Nepal, the entity's management has remained largely non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA Nepal, the rating has been withdrawn.

Link to previous rating rationales

[Advanced College of Engineering and Management Private Limited Fresh BLR September 2021](#)

[Rationale –Advanced College of Engineering and Management Private Limited Issuer not cooperating March 2023](#)

Analytical approach: For arriving at the ratings, ICRA Nepal has applied its rating methodology as indicated below.

Links to applicable criteria

[Corporate Credit Rating Methodology](#)

[ICRA Nepal's policy on withdrawal of credit rating](#)

About the company

Established in 2000, Advanced College of Engineering and Management (ACEM) is affiliated to Tribhuvan University. ACEM has been offering BE level academic program on Civil and Computer courses since 2000, Electronics and Communication

since 2001, Electrical since 2008 and BCA since 2020. Currently, ACEM is located at Kupandole, Lalitpur in rented premises, which is to be shifted to a newly owned premise at Balkhu, Kathmandu.

The board of directors of the college is chaired by Mr. Ramesh Kumar Silwal. The major shareholders of ACEM include Goldengate Education Network Private Ltd., holding a ~36% stake. The other key shareholders include Mr. Laxman Pokharel (9%) and the Environment and Resources Management Consultant (8%).

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About ICRA Nepal Limited:

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Our parent company, ICRA Limited, was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment information and credit rating agency. Today, ICRA and its subsidiaries together form the ICRA Group of Companies.

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