

May 20, 2016

Facility	Amount (Rs. Crore)	Rating
Term Loan	55.00	SMERA BB/Stable (Assigned)

SMERA has assigned rating of '**SMERA BB**' (read as **SMERA double B**) to the above mentioned bank facility of Wanderland Real Estate Private Limited (WREPL). The outlook is '**Stable**'. The rating derives comfort from the extensive experience of the promoter, long track record of operations and strong project execution capabilities shown in the past. The rating is further supported by final stage of completion of the real estate project 'Treasure Fantasy'. However, the rating is constrained by the intense competition in the real estate sector, geographic concentration risk and unsold inventory.

Rating Sensitivity Factors

- Receipt of customer advances
- Realising funds from unsold inventory

Outlook: Stable

SMERA believes that the outlook of WREPL would remain stable in the medium term on account of its experienced management. The outlook may be revised to 'Positive' if the company receives higher than expected customer advances. Conversely, the outlook may be revised to 'Negative' in case of inordinate project delays or lower than expected customer advances.

About the Company

WREPL, promoted by the Kalani Group of Indore, is in the process of developing Phase I of Treasure Fantasy - an integrated township in Indore spread over 155.50 acres.

The company reported profit after tax (PAT) of Rs.0.48 crore on operating income of Rs.21.68 crore for FY2014-15, as compared with PAT of Rs. (0.65) crore on operating income of Rs.42.85 crore in FY2013-14.

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