

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.

Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.



SMERA RATINGS LIMITED

Wanderland Real Estate Private Limited (WREPL)

*Rating
Rationale*

Contact List:

Media/Business Development	Analytical Contact	Rating Desk
Mr. Suman M Vice President – Business Development, Corporate Ratings Tel: +91-22-6714 1151 Cell: +91-9892306888 Email: suman.m@smera.in	Mr. Mohit Jain Vice President – Rating Operations Tel: +91-22-6714 1105 Email: mohit.jain@smera.in	Tel: +91-22-6714 1184 Email: ratingdesk@smera.in

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