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Date: 07 August 2015 12:13
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Subject: answers to the queries raised by Senere Farms customer

A3:

Agriculture /plantation activity is not commercially viable, especially on a small scale. It may cost about Rs. 1 lakh to develop a ½ acre plantation, that too with economies of scale. For example a good consultant costs about Rs. 25,000/- per month. Without such a consultant most trees/plants will wither away or not give a proper yield. Similarly, the cost of providing a borewell, sump, pumps, electric connection, etc., would cost about Rs. 2.50 to Rs. 3 lakhs per farm. However, on a larger scale this cost would reduce to about Rs. 1 lakh per farm.

Estimated cost of maintaining a ½ acre plantation is about Rs. 10,000/- per month. Buyer will incur a cost of about Rs. 10 to Rs. 15 lakhs over a period of 12 years for development and maintenance of farm after deducting value of produce.

It is estimated that the builder will incur a huge loss in maintenance of the plantation for the first 6 years. Therefore, the produce from the plantation including fruits and trees will be kept with the builder for a period of about 12 years ending on 31.03.2027, so that the builder can recoup the losses over the next 6 years. About 25% of the trees will be felled each year (from 3rd or 4th year) to ensure that the farm is green at all times

The builder is developing and maintaining the plantation for a uniform look and feel through out the project.

A5:

It is not viable for the builder to maintain a clubhouse only for 50 members. Modi Properties intends to make several phases of farmhouses in the vicinity of Serene Farms and buyers in other phases will be given an opportunity to become members of Serene Club. It is very likely that additional clubs will be made in the other phases and members in one club will be able to utilize facilities in other affiliated clubs developed by Modi Properties. Modi Properties intends to develop atleast 100 acres in that area to spread the cost of administration over several projects.

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