

COST BENEFIT ANALYSIS

Project: Diversion of 0.966 Ha. of forest land for installation of HDPE pipe line over a length of 4.748 K.M. for drawal of water from river Mahanadi to Boudh Distillery.

Table B- Estimation of cost of forest diversion (as per MoEF&CC Guideline dated 1st Aug 2017 related to cost benefit analysis)

| SN | Parameters | Remarks (For Transmission Line) |
|--|---|---|
| 1 | Ecosystem Services losses due to proposed forest diversion. NPV of the forest land being diverted i.e Revenue Forest 0.966 ha x Rs.6.26 lac= Rs. 6.047 lac | Rs. 6.047 lac |
| 2 | Loss of animal husbandry productivity including loss of fodder. | 10% of NPV Applicable i.e. Rs.0.605 lac |
| 3 | Cost of human resettlement. | No R & R is involved . |
| 4 | Loss of public facilities & administration infrastructure(roads,building, school, dispensary, electric lines, railways etc.) on forest land . | Not applicable, Since these facilities are not available inside the forest area for proposed diversion. |
| 5 | Possession value of forest land diverted. | 30% of Environmental Costs (NPV) i.e Rs.1.814 lac |
| 6 | Cost of suffering of oustees | Not applicable since there will be no displacement of peoples. |
| 7 | Habitat Fragmentation Cost | 50% of NPV Applicable as thumb rule i.e Rs. 3.024 lac |
| 8 | Compensatory Afforestation and Soil & Moisture Conservation Cost | Not applicable as diversion of forest land is less than 1.0 ha. |
| Total Loss (Against the proposed forest land diversion) | | Rs.11.49 lac |

**Divisional Forest Officer
Boudh Division**

Table C- Estimation of Benefit of Forest Diversion in Cost Benefit Analysis (as per MoEF&CC Guideline dated 1st Aug 2017 related to cost benefit analysis)

| SN | Parameters | Remarks (For Transmission Line) |
|--------------|---|--|
| 1 | Increase in Productivity attribute to the specific project | Rs.292.00 lac per annum |
| 2 | Benefit to economy due to the specific project | Rs.292.00 lac |
| 3 | No of population benefited due to specific project | 500 |
| 4. | Economic benefit due to direct and indirect employment due to the project | Socio economic condition of the persons to be employed will be increased. |
| 5. | Economic benefits due to Compensatory Afforestation | Rs.6.26 lac x 0.966 ha (as per Guideline issued by F & E Dept. vide letter No.21637 Dt.22.12.2009) = Rs.6.047 lac |
| Total | | Rs.298.047 lac |

Boudh Distillery Pvt. Ltd.

Chief Operating Officer

Divisional Forest Officer Boudh Division

COST BENEFIT RATIO OF THE PROJECT:

Benefit Rs.298.047 lac

Loss Rs. 11.490 lac

Ratio 1 : 26

Divisional Forest Officer Boudh Division