

**COST BENEFIT ANALYSIS DUE TO FOREST DIVERSION (125.355 Ha.) OF,
IRCON INTERNATIONAL LIMITED ANGUL**

AS PER MoEF &CC GUIDLINE NO 7-69/2011-FC (Pt). Date-01.08.2017

TABLE - B

ESTIMATION OF COST OF FOREST DIVERSION

Sl. No	PARAMETERS	Amount in Lakhs
1	Ecosystem services losses due to proposed forest diversion (NPV) @ Rs. 7.3 Lakhs per Ha considering the density of forest 0.4 and class of forest Eco- Value class.I	915.09
2	Loss of Animal husbandry productivity, including loss of fodder (10% of NPV)	91.50
3	Cost of human resettlement	Nil
4	Loss of public facilities and administrative infrastructure (Roads, building, schools, dispensaries, electric lines, railway, etc.) on forest land, which would require forest land if these facilities were diverted due to the project.	Nil
5	Possession value of Forest land Diverted (30% of environmental cost (NPV) due to loss of forest or circle rate of adjoining area in the district should be added as a cost component as possession value of forest land whichever is maximum).	274.52
6	Cost of suffering to oustees	Nil
7	Habitat Fragmentation Cost (While the relationship between fragmentation and forest goods and services is complex, for the sake of simplicity the cost due to fragmentation has been pegged at 50% of NPV applicable as a thumb rule)	457.54
8	Compensatory Afforestation and soil & moisture conservation cost	179.70
	Total Loss (1-8)	1918.35


उप-मुख्य अधिकारी (निर्माण) II
पुर्वतट रेलवे, अनुगुल
Dy. Chief Engineer (Con.) II
E.Co. Rly, Angul

TABLE - C

ESTIMATE BENEFITS OF FOREST DIVERSION IN CBA

Sl. No.	PARAMETERS	Compliance in lakhs
1	Increase in productivity as-attribute to the specific project	Nil
2	Benefit to Economy due to the specific project	Nil
3	No. of population benefited from the specific project	Nil
4	Economic benefits due to of direct and indirect Employment due to the project	2580.00
5	Economic benefits due to Compensatory Afforestation. (The benefit from such Compensatory Afforestation accruing over next 50 years manetized and discounted to the present value should be included as benefit by Compensatory Afforestation). For next 50 years the estimated cost of NPV for present value is taken as benefit by Compensatory Afforestation i.e. Present value $X (1+i)^N = 179.70X(1+0.04)^{50}$ (i=interest, N=Time)	1277.07
	Grand Total (SL.No 1 to 5)	3857.07

Cost Benefit Ratio: - 1:50

82
उप-मुख्य अभियंता (निर्माण) II
पुर्वतट रेलवे, अनुगुल
Dy. Chief Engineer (Con.) II
E.Co. Rly, Angul


Divisional Forest Officer
Angul, Division