

SHAHPURKANDI DAM PROJECT**COST BENEFIT ANALYSIS****Table B: Estimation of Cost of forest diversion**

Sr. No.	Parameters	Remarks
1	Ecosystem services losses due to proposed forest diversion.	(a) NPV of 51.08 Ha which include 13.24 ha of forest land submitted for diversion INR 3,35,59,560/- (Three Crore Thirty-Five Lakh Fifty-Nine Thousand Five Hundred Sixty rupees only) (b) Extraction Charges INR 40,27,963/- (Forty Lakh Twenty-Seven Thousand Nine Hundred Sixty three rupees only)
2	Compensatory Afforestation	INR 23,20,000/- (Twenty Three Lakh twenty Thousand rupees only)
	Total (1+2)	Rs. 3.98 Cr.

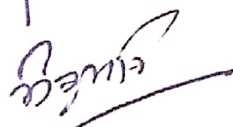
Table C: Existing guideline for estimating benefits of forest- diversion in CBA

Sr. No.	Parameters	Remarks
1	Increase in productivity attribute to the specific project.	Three Revenue villages would gain better accessibility. Total population of around 2,000 will be benefitted in terms of socio-economic development of the area.
2	Benefits to economy due to specific project	<p>Benefits to the State Economy in terms of Irrigation benefits: 32173 ha. Area of J&K State = 38.60 crore</p> <p>Benefits to the Local Economy</p> <p>7,20,000 Man days (1,000 Man power for 24 months) @ Rs400/day would be generated due to the direct employment of labors including locals in the construction of the project. $720000 \times 400 = \text{Rs } 28.8 \text{ Crores}$</p> <p>Local contractors will be engaged for suitable jobs and 5% of the Construction cost will be carried out by them. Assuming 15% as their profit margin for the contract works, $\text{Rs } 30 \times 5\% \times 15\% = \text{Rs } 0.225 \text{ Crores}$</p> <p>Local Transport vehicles will be utilized during construction period, assuming 1% as the total value and 15% as the profit margin, the total benefits would be = 0.045 Crores</p>

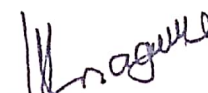
		Indirect Employment Indirect Employment to locals in terms of the Support business to satisfy the needs of manpower deployed in the project during Pre-Construction, Construction and Operation and Maintenance periods: Construction: Rs 5000/- per month from 250 labours for 24 months Rs 3.00 Crores.
3	No. of population benefitted due to specific project	2,000 considering direct and indirect benefits.
4	Economic benefits due to direct and indirect employment due to the project	Construction stage (250 Man Power for 24 months) Indirect Employment Indirect employment to locals in terms of the support businesses to satisfy the needs of manpower deployed in the project during Construction and Operation and Maintenance (O&M) period.
5	Economic benefits due to compensatory afforestation	INR 23,20,000/- (Twenty Three Lakh twenty Thousand rupees only)
	Total	Rs. 70.90Cr.

Cost Benefit Ratio = 3.99 Cr:70.90 Cr . =1:17.76

c/s.



Chief Engineer/SPK Dam,
Water Resources Deptt., Punjab
Shahpurkandi, Township


(Vijay Nagri)
Executive Engineer
SPK Dam Division No.2,
Shahpurkandi Township