

F. No. 5-3/2007-FC
Government of India
Ministry of Environment and Forests
(FC Division)

Paryavaran Bhawan,
CGO Complex, Lodhi Road,
New Delhi - 110 510.
Dated : 05.02.2009.

To
The Principal Secretary / Secretary (Forests),
All State / UT Governments.

Sub: **Guidelines for diversion of forest land for non-forestry purposes under Forest (Conservation) Act, 1980 - Guidelines for collection of Net Present Value (NPV).**

Sir,

The Ministry of Environment and Forests, Government of India has been receiving representations from different States seeking detailed clarification and guidelines on the above mentioned subject in the light of the Supreme Court Judgment dated 28.03.2008 revising the general rates of NPV and various other orders defining differential rates for various categories of projects.

After careful examination of the issue, I am directed to inform that the Hon'ble Supreme Court of India vide its judgement dated 28.03.2008, has re-fixed the rates of Net Present Value (NPV) on the basis of scientific data taking in view the ecological role and value of the forests. The 16 major forest types have been re-grouped into 6 ecological classes depending upon their ecological functions.

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|---------------|---|
| Eco-Class I | Consisting of Tropical Wet Evergreen Forests, Tropical Semi Evergreen Forests and Tropical Moist Deciduous Forests |
| Eco- Class II | Consisting of Littoral and Swamp Forests |
| Eco-Class III | Consisting of Tropical Dry Deciduous Forests |
| Eco-Class IV | Consisting of Tropical Thorn Forests and Tropical Dry Evergreen Forests |
| Eco-Class V | Consisting of Sub-tropical Broad Leaved Hill Forests, Sub-Tropical Pine Forests and Sub Tropical Dry Evergreen Forests |
| Eco-Class VI | Consisting of Montane Wet Temperate Forests, Himalayan Moist Temperate Forests, Himalayan Dry Temperate Forests, Sub Alpine Forest, Moist Alpine Scrub and Dry Alpine Scrub |

Based on the ecological importance of forest falling in different eco-value and canopy density classes, relative weight age factors have also been taken into consideration. By using these relative weight age factors, the equalized forest area in eco-value Class-I and very dense forest corresponding to forest falling in different eco-value and density classes have been compiled. The net present value per hectare of forest has been fixed based on this data. For calculating the average net present value per hectare of forest in India, the following monetary value of goods and services provided by the forest have been considered:-

50	<p>(v) Over-head tanks</p> <p>(vi) Village tanks</p> <p>(vii) Laying of underground drinking water pipeline up to 4" diameter and</p> <p>(viii) Electricity distribution line upto 22 KV in rural areas.</p>	<p>nature and is part of the Plan/Non-Plan Scheme of Government; and</p> <p>(d) the area is outside National Park/Sanctuary.</p>	
2.	Relocation of Villages from the National Parks / Sanctuaries to alternate forest land	Full exemption	-do-
3.	Collection of boulders / silts from the river belts in the forest area	<p>Full exemption provided: -</p> <p>(a) area is outside National Park/Sanctuary;</p> <p>(b) no mining lease is approved/signed in respect of this area;</p> <p>(c) the works including the sale of boulders/silt are carried out departmentally or through Government undertaking or through the Economic Development Committee or Joint Forest Management Committee;</p> <p>(d) the activity is necessary for conservation and protection of forests; and</p> <p>(e) the sale proceeds are used for protection/ conservation of forests</p>	-do-
4.	Laying of underground optical fibre cable	<p>Full exemption provided:</p> <p>(a) no felling of trees is involved; and</p> <p>(b) areas falls outside National Park/Sanctuary</p>	-do-
5.	Pre-1980 regularisation of encroachments and conversion of forest villages into revenue villages	Full Exemption provided these are strictly in accordance with MOEF's Guidelines dated 18.09.1990.	-do-

6.	Underground mining	50% of the NPV of the entire area.	-do-
7.	Field Firing Range	Full Exemption provided. (a) no felling of trees are involved; and (b) no likelihood of destruction of forest is involved.	As per Hon'ble Supreme Court Order dated 24.04.2008
8.	Wind Energy Projects	50% of the minimum rate of the NPV irrespective of the eco-class in which the project lies provided minimum tree felling is involved.	-do- and CEC clarification dated 22.12.2008

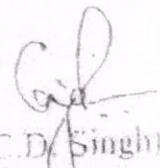
In case of any other category seeking exemption from payment of NPV, the State Government / User Agency may approach Hon'ble Supreme Court of India as per its order dated 24.04.2008 & 09.05.2008.

This issues with the approval of competent authority


(C.D. Singh)
Sr. Assistant Inspector General of Forests

Copy to:-

1. The Principal Chief Conservator of Forests, All States / UTs.
2. The Nodal Officer (ECA), O/o the PCCEs, All States / UTs.
3. All Regional Offices of MoEF located at Bhopal, Shillong, Bangalore, Bhubaneswar, Lucknow and Chandigarh.
4. The KO (HQ), MoEF, New Delhi.
5. Monitoring Cell, FC Division, MoEF, New Delhi.
6. Guard File.


(C.D. Singh)
Sr. Assistant Inspector General of Forests