



Oil and Natural Gas Corporation Limited,  
Eastern Offshore Asset,  
2<sup>nd</sup> Floor, Subhdra Arcade, Bhanugudi Junction,  
Kakinada- 533 003, East Godavari District

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### Parameters of evaluation of Cost – Benefit Analysis of Forests

Application for diversion of approximately 2.67 Ha Forest Land towards requirement for laying of 20" underground gas export pipeline for transportation of gas from Offshore platform to Mallavaram Onshore Terminal

<u>Sl No.</u>	<u>Parameters</u>	<u>Evaluation of Loss/Benefits</u>
1.	Loss of value of timber, fuel wood, and minor forest produce on the annual basis, including loss of man hours per annum of people who derived livelihood and wages from the harvest of these communities.	Nil (As the forest area falls in river)
2	Loss of animal husbandry productivity including loss of fodder	Nil
3	Cost of human resettlement	Nil
4	Loss of public facilities and administrative infrastructure (Roads, buildings, schools, dispensaries, electric lines, railways etc.) on forest land, or which would require forest land if these facilities were diverted due to the project.	Nil
5	Environmental Losses ( Soil erosion effect on hydrological cycle, wild life habitat, micro climate upsetting of ecological balance)	Nil
6	Suffering to ousters	Nil
7	Increase in production attributable to the specific project	There will be an increase in Production of max 15.57 Million Standard Cubic Meters of Natural Gas (Free Gas + Associated Gas) per day.

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<u>Sl No.</u>	<u>Parameters</u>	<u>Evaluation of Loss/Benefits</u>
8	Benefits to the Economy	The Produced Hydrocarbons will contribute to the energy basket of the country and reduce reliance on imports. The increase in revenue is estimated to be to the tune of Rs.5900 Crores per Year (on an average for total 16 years)
9	No. of population benefitted	At this point of time it is difficult to estimate, but from experience it is seen that ONGC Projects bring about overall development of the community around it.

**Total Benefits:**

1. The revenue from sale of produced Natural Gas and Condensate will be to the tune of ₹ 5900 Crores per year.
2. Increase in Production of Oil and Natural Gas

**Cost Benefit Ratio: To be estimated, however would be upwards of 18.9 %**

Place: Kakinada  
Date: 28<sup>th</sup> October 2019

  
(Ravi Kumar Chacham)  
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KG-DWN-98/2