

Cost- Benefit Analysis in respect of proposal over 1.81 ha for Mining and allied activities in forest land pertaining to "Patabeda Iron ore Mines" in Koirah Tahasil under the jurisdiction of Bonai Forest Division of Sundargarh District, Odisha

Table- B: Estimation of cost of forest diversion

SI No.	Parameters	Remarks
1	Eco-system service losses due to proposed forest diversion.	
2	Loss of animal husbandry productivity, including loss of fodder.	
3	Cost of human re-settlement.	
4	Loss of public facilities and administrative infrastructure (road, building, schools, dispensaries, electrical lines, railways, etc.) on forest land, which would require forest land if these facilities were diverted due to the project.	
5	Possession value of forest land diverted	
6	Cost of suffering to oustees	
7	Habitat fragmentation cost.	
8	Compensatory afforestation and soil & moisture conservation cost.	
	Total estimation of cost of forest diversion	

Table- C: Existing guidelines for estimating benefits of forest diversion in CAB.

SI No.	Parameters	Remarks
1	Increase in productivity attribute to the specific project.	Rs.500 Lakh per Annum
2	Benefits to economy due to the specific project.	1) Royalty - 15% of Sale value 2) DMF - 30% of Royalty 3) NMET - 2% of Royalty
3	No. of population benefited due to the specific project.	About 277 no of persons with different skill sets are likely to be employed in this mine. In addition there will be large number of local people, who will get indirect employment in ancillary services including transportation of product.
4	Economic benefits due to direct and indirect employment due to the project.	Rs.500 Lakh per Annum
5	Economic benefits due to Compensatory afforestation.	32 Lakh
	Total Financial Benefit of the instant Project	Rs. 500 Lakh per Annum

CB ratio (Calculation is based on available information against the Parameters) =



Mines Manager
Patabeda Iron Mines
(28.397 Hects)
of M G M Minerals Ltd